



House of Representatives

General Assembly

File No. 379

February Session, 2026

Substitute House Bill No. 5249

House of Representatives, April 2, 2026

The Committee on Energy and Technology reported through REP. STEINBERG of the 136th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT AMENDING THE CHARTER OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY CONCERNING THE POTENTIAL ACQUISITION OF A WATER COMPANY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (6) of subsection (a) of section 16-1 of the 2026
2 supplement to the general statutes is repealed and the following is
3 substituted in lieu thereof (*Effective from passage*):

4 (6) "Water company" includes every person owning, leasing,
5 maintaining, operating, managing or controlling any pond, lake,
6 reservoir, stream, well or distributing plant or system employed for the
7 purpose of supplying water to fifty or more consumers. [A water
8 company] "Water company" does not include [homeowners,
9 condominium associations] a homeowner, any condominium
10 association providing water only to [their members,] the unit owners of
11 such association, any homeowners [associations] association providing
12 water to customers, [at least] provided not less than eighty per cent of

13 [whom are members of such associations] such customers are unit
14 owners in such association, a municipal waterworks system established
15 under chapter 102, a district, metropolitan district, municipal district or
16 special services district established under chapter 105, chapter 105a, or
17 any other provision of the general [statute] statutes or any public or
18 special act, [which] that is authorized to supply water, or any other
19 waterworks system owned, leased, maintained, operated, managed or
20 controlled by any unit of local government under any provision of the
21 general [statute] statutes or any public or special act, provided any such
22 district or waterworks system owned, leased, maintained, operated,
23 managed or controlled by a unit of local government serves fewer than
24 three hundred thousand customer accounts;

25 Sec. 2. Subsections (b) and (c) of section 5 of special act 77-98, as
26 amended by section 4 of special act 78-24, section 4 of special act 24-7
27 and section 37 of public act 24-1 of the June special session, are amended
28 to read as follows (*Effective from passage*):

29 (b) The members of the South Central Connecticut Regional Water
30 Authority board shall have the authority to act on behalf of the
31 Aquarion Water Authority, as described in section 35 of section 41 of
32 [this act] public act 24-1 of the June special session, until such time as
33 the members of the Aquarion Water Authority board [are] may be
34 appointed.

35 (c) Notwithstanding the provisions of subsection (a) of this section,
36 [upon] if the Public Utilities Regulatory [Authority's] Authority, in the
37 full exercise of the authority's powers concerning the review of a
38 proposed change in control of a water company, including, but not
39 limited to, such powers granted to the authority pursuant to sections 16-
40 47 and 16-22 of the general statutes, grants approval [of] to the South
41 Central Connecticut Regional Water Authority or the Aquarion Water
42 Authority to own and operate the Aquarion Water Company or one or
43 more of its subsidiaries, the [authority] Aquarion Water Authority
44 board, provided such approval has been granted, shall consist of eleven
45 members who shall reside in Connecticut and not be members of the

46 representative policy board, [six] five of whom shall be residents of the
47 South Central Connecticut Regional Water District appointed by the
48 representative policy board, and [five] six of whom shall be appointed
49 by the representative policy board of the Aquarion Regional Water
50 District, as described in section 35 of section 41 of [this act] public act 24-
51 1 of the June special session, in accordance with section 38 of section 41
52 of [this act] public act 24-1 of the June special session, as amended by
53 this act. The [six] five members appointed by the representative policy
54 board of the authority shall have the authority to act on behalf of the
55 Aquarion Water Authority until such time as the members of the
56 Aquarion Water Authority [are] may be appointed. All such authority
57 members shall be appointed without regard to political affiliation by a
58 majority of the total votes of those members of the representative policy
59 board present at a meeting at which at least two-thirds of the weighted
60 vote, excluding vacancies, is present, for terms of five years, not to
61 exceed four consecutive full terms, and until their successors are
62 appointed and have qualified. The sixth member first appointed shall
63 be appointed for a three-year term ending January 1, 2028, and the
64 seventh member first appointed shall be appointed for a five-year term
65 ending January 1, 2030. Any vacancy occurring on the authority shall be
66 filled in the same manner for the unexpired portion of the term. Any
67 member of the authority may be removed from office by the
68 representative policy board for cause. Members of the authority shall
69 receive such compensation to be adjusted every three years by the
70 Consumer Price Index factor, as described in section 4 of special act 77-
71 98, as amended by special act 78-24, special act 84-46, public act 02-85,
72 special act 03-11, special act 13-20, special act 24-7 and [this act] public
73 act 24-1 of the June special session, if approved by the majority of
74 weighted votes of the membership of the representative policy board,
75 excluding vacancies, and shall be reimbursed for their necessary
76 expenses incurred in performance of their duties.

77 Sec. 3. Subsection (b) of section 37 of section 41 of public act 24-1 of
78 the June special session is amended to read as follows (*Effective from*
79 *passage*):

80 (b) Notwithstanding the provisions of subsection (a) of this section,
81 no members shall be appointed to the board of the authority or the
82 Aquarion representative policy board unless and until the date [of] that
83 the Public Utilities Regulatory [Authority's] Authority, in the full
84 exercise of the authority's powers concerning the review of a proposed
85 change in control of a water company, including, but not limited to, such
86 powers granted to the authority pursuant to sections 16-47 and 16-22 of
87 the general statutes, may grant approval [of] to the South Central
88 Connecticut Regional Water Authority or the Aquarion Water
89 Authority to own and operate the Aquarion Water Company or one or
90 more of its subsidiaries. The South Central Connecticut Regional Water
91 Authority shall send written notice to each entity with appointment
92 authority pursuant to subsection (a) of this section upon such approval.

93 Sec. 4. Section 38 of section 41 of public act 24-1 of the June special
94 session, is amended to read as follows (*Effective from passage*):

95 (a) A public corporation, to be known as the "Aquarion Water
96 Authority", constituting a public instrumentality and political
97 subdivision, is created for the purposes, charged with the duties and
98 granted the powers provided in [section] sections 34 to 65, inclusive, of
99 [this act] section 41 of public act 24-1 of the June special session. On and
100 after December 31, 2025, if the Public Utilities Regulatory Authority
101 grants approval to the South Central Connecticut Regional Water
102 Authority or the Aquarion Water Authority to own and operate the
103 Aquarion Water Company or one or more of its subsidiaries, the
104 authority shall consist of eleven members. [Five] If so approved, six of
105 the members shall be residents of the Aquarion Regional Water District
106 who are appointed by the Aquarion representative policy board and
107 shall not be members of the Aquarion representative policy board, and
108 [six] five of the members shall be members of the South Central
109 Connecticut Regional Water Authority who are appointed by the South
110 Central Connecticut Regional Water Authority representative policy
111 board. The eleven members of the board for the Aquarion Water
112 Authority shall be and remain the same eleven members of the board of
113 the South Central Connecticut Water Authority. All authority board

114 members shall be appointed without regard to political affiliation by a
115 majority of the total votes of those members of the Aquarion
116 representative policy board present at a meeting at which at least two-
117 thirds of the weighted vote, excluding vacancies, is present, for terms of
118 five years, not to exceed four consecutive full terms, and until their
119 successors are appointed and have qualified, except that of the members
120 first appointed, two shall be appointed for a term ending January 1,
121 2026, two for a term ending January 1, 2027, two for a term ending
122 January 1, 2028, two for a term ending January 1, 2029, and three for a
123 term ending January 1, 2030. Any vacancy occurring on the authority
124 shall be filled in the same manner for the unexpired portion of the term.
125 Any member of the authority may be removed from office by the
126 Aquarion representative policy board for cause. Members of the
127 authority shall receive such compensation, to be adjusted every three
128 years by the Consumer Price Index factor, as described in section [37] 5
129 of [this act] special act 77-98, as amended by special act 78-24, special act
130 84-46, special act 99-12, special act 02-85, special act 03-11, special act 13-
131 20, special act 17-5, special act 18-04, special act 24-7 and public act 24-1
132 of the June special session, if approved by the majority of weighted votes
133 of the membership of the Aquarion representative policy board,
134 excluding vacancies, and shall be reimbursed for their necessary
135 expenses incurred in performance of their duties.

136 (b) Notwithstanding the provisions of subsection (a) of this section,
137 no members shall be appointed to the board of the authority or the
138 Aquarion representative policy board unless and until the date [of] that
139 the Public Utilities Regulatory [Authority's] Authority may grant
140 approval [of] to the South Central Connecticut Regional Water
141 Authority or the Aquarion Water Authority to own and operate the
142 Aquarion Water Company or one or more of its subsidiaries.

143 Sec. 5. Section 42 of public act 24-1 of the June special session is
144 amended to read as follows (*Effective from passage*):

145 Sections 34 to 41, inclusive, of [this act] public act 24-1 of the June
146 special session shall not be effective on and after December 31, 2027,

147 unless the Public Utilities Regulatory Authority approves the South
148 Central Connecticut Regional Water Authority or the Aquarion Water
149 Authority to own and operate the Aquarion Water Company, or one or
150 more of its subsidiaries, by said date. No provision of sections 34 to 41,
151 inclusive, of public act 24-1 of the June special session shall be construed
152 to limit the scope of the authority's review in any proceeding brought or
153 pending on or after October 1, 2024, concerning the proposed change of
154 control of a water company pursuant to sections 16-47 and 16-22 of the
155 general statutes, which review shall include, but need not be limited to,
156 review of (1) the Aquarion representative policy board membership
157 structure set forth in subsection (a) of section 37 of section 41 of public
158 act 24-1 of the June special session, (2) the Aquarion representative
159 policy board weighted voting structure set forth in subsection (c) of
160 section 37 of section 41 of public act 24-1 of the June special session, (3)
161 the Aquarion Water Authority membership structure set forth in section
162 38 of section 41 of public act 24-1 of the June special session, as amended
163 by this act, and (4) the functions of the office of consumer affairs as set
164 forth in section 48 of section 41 of public act 24-1 of the June special
165 session.

166 Sec. 6. Section 44 of section 41 of public act 24-1 of the June special
167 session is amended to read as follows (*Effective from passage*):

168 Subject to the provisions of sections 34 to 65, inclusive, of [this act]
169 section 41 of public act 24-1 of the June special session, and contingent
170 upon the Public Utilities Regulatory Authority granting approval to the
171 South Central Connecticut Regional Water Authority or the Aquarion
172 Water Authority to own and operate the Aquarion Water Company or
173 one or more of its subsidiaries, the authority shall have the power: (a)
174 To sue and be sued; (b) to have a seal and alter the same at its pleasure;
175 (c) to acquire in the name of the authority by purchase, lease or
176 otherwise and to hold and dispose of personal property or any interest
177 therein, including shares of stock of a subsidiary corporation; (d) to
178 acquire in the name of the authority by purchase, lease or otherwise and
179 to hold and dispose of any real property or interest therein, including
180 water rights and rights of way and water discharge rights, which the

181 authority determines to be necessary or convenient, and to acquire any
182 existing wastewater system or water supply system or parts thereof
183 which are wholly or partially within the district as described under
184 section 36 of [this act] section 41 of public act 24-1 of the June special
185 session. As a means of so acquiring, the authority or a subsidiary
186 corporation may purchase all of the stock or all of any part of the assets
187 and franchises of any existing privately owned water or wastewater
188 company, whereupon the authority or such subsidiary corporation shall
189 succeed to all rights, powers and franchises thereof. Sections 16-43, 16-
190 50c and 16-50d of the general statutes shall not apply to any action by
191 the authority or a subsidiary corporation or any action by any privately
192 owned water company or sewage company, as defined in section 16-1
193 of the general statutes, as amended by this act, taken to effectuate the
194 acquisition of the stock or all or any part of the assets and franchises of
195 such water company or sewage company by the authority.
196 Notwithstanding any provision of section 25-32 of the general statutes,
197 land may be transferred to the authority or a subsidiary corporation of
198 the authority as part of such an acquisition; (e) to construct and develop
199 any water supply system or any wastewater system; (f) to own, operate,
200 maintain, repair, improve, construct, reconstruct, replace, enlarge and
201 extend any of its properties; (g) notwithstanding any provision of the
202 general statutes, special acts or this charter, but subject to the provisions
203 of section 45 of [this act] section 41 of public act 24-1 of the June special
204 session and this act, to sell water, however acquired, to customers
205 within the district or to any municipality or water company; (h)
206 notwithstanding any provision of the general statutes, special acts or
207 this charter, to purchase water approved by the Commissioner of Public
208 Health from any person, private corporation or municipality when
209 necessary or convenient for the operation of any water supply system
210 operated by the authority; (i) to adopt and amend bylaws, rules and
211 regulations for the management and regulation of its affairs and for the
212 use and protection of the water and properties of the authority or a
213 subsidiary corporation and, subject to the provisions of any resolution
214 authorizing the issuance of bonds, rules for the sale of water, the
215 collection and processing of wastewater and the collection of rents and

216 charges for both water supply and wastewater functions. A copy of such
217 bylaws, rules and regulations and all amendments thereto, certified by
218 the secretary of the authority, shall be filed in the office of the Secretary
219 of the State and with the clerk of each town and city within the district.
220 Any superior court located within the district shall have jurisdiction
221 over any violation of such bylaws, rules or regulations and the authority
222 may prosecute actions before the superior court to enforce such bylaws,
223 rules and regulations; (j) to make contracts and to execute all necessary
224 or convenient instruments, including evidences of indebtedness,
225 negotiable or non-negotiable; (k) to borrow money, to issue negotiable
226 bonds or notes, to fund and refund the same and to provide for the
227 rights of the holders of the authority's obligations; (l) to open the
228 grounds in any public street or way or public grounds for the purpose
229 of laying, installing, maintaining or replacing pipes and conduits,
230 provided upon the completion of such work the grounds shall be
231 restored to the condition they were in previously; (m) to enter into
232 cooperative agreements with other water authorities, municipalities,
233 water districts, water companies or water pollution control authorities
234 within or without the district for interconnection of facilities, for
235 exchange or interchange of services and commodities or for any other
236 lawful purpose necessary or desirable to effect the purposes of sections
237 34 to 65, inclusive, of [this act] section 41 of public act 24-1 of the June
238 special session, such agreements to be binding for a period specified
239 therein; (n) to acquire, hold, develop and maintain land and other real
240 estate and waters for conservation and for compatible active and passive
241 recreational purposes and to levy charges for such uses, provided the
242 state department of health finds that such uses will not harm the quality
243 of water provided by the authority; (o) to apply for and accept grants,
244 loans or contributions from the United States, the state of Connecticut
245 or any agency, instrumentality or subdivision of either of them or from
246 any person, and to expend the proceeds for any of its purposes; (p) to
247 create programs and policies for the purpose of conserving water; (q) to
248 do any and all things necessary or convenient to carry out the powers
249 expressly given in sections 34 to 36, inclusive, [of this act] and sections
250 38 to 40, inclusive, of [this act] section 41 of public act 24-1 of the June

251 special session, including the powers granted by the general statutes to
 252 stock corporations, except the power to issue stock, and the powers
 253 granted by the general statutes to water pollution control authorities;
 254 and (r) to borrow money, to issue negotiable bonds or notes, to fund and
 255 refund the same and to provide for the rights of the holders of the
 256 authority's obligations for the specific purpose of acquiring the
 257 Aquarion Water Company or one or more of its subsidiaries.

258 Sec. 7. Section 62 of section 41 of public act 24-1 of the June special
 259 session is amended to read as follows (*Effective from passage*):

260 [Insofar as] If the Public Utilities Regulatory Authority grants
 261 approval to the South Central Connecticut Regional Water Authority or
 262 the Aquarion Water Authority to own and operate the Aquarion Water
 263 Company or one or more of its subsidiaries, and if the provisions of
 264 sections 34 to 65, inclusive, of [this act] section 41 of public act 24-1 of
 265 the June special session are inconsistent with the provisions of any other
 266 general statute, special act or any municipal ordinance, the provisions
 267 of sections 34 to 65, inclusive, of [this act] section 41 of public act 24-1 of
 268 the June special session shall be controlling; provided nothing contained
 269 in sections 34 to 65, inclusive, of [this act] section 41 of public act 24-1 of
 270 the June special session shall exempt the authority from compliance
 271 with zoning regulations lawfully established by any municipality,
 272 except that the plants, structures and other facilities of the water supply
 273 system or the wastewater system owned or operated by the authority
 274 shall be permitted uses in all zoning districts in every city, town or
 275 borough within the district; and provided further that the authority may
 276 not construct purification or filtration plants or wastewater treatment
 277 plants in any zoning district in which such use is not permitted under
 278 local zoning regulations without first obtaining approval of the
 279 proposed location of such facility from the Aquarion representative
 280 policy board following a public hearing.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-1(a)(6)

Sec. 2	<i>from passage</i>	SA 77-98, Sec. 5(b) and (c)
Sec. 3	<i>from passage</i>	PA 24-1 of the June Sp. Sess., Sec. 41section 37(b)
Sec. 4	<i>from passage</i>	PA 24-1 of the June Sp. Sess., , Sec. 38 Sec. 41
Sec. 5	<i>from passage</i>	PA 24-1 of the June Sp. Sess., Sec. 42
Sec. 6	<i>from passage</i>	PA 24-1 of the June Sp. Sess., , Sec. 44 Sec. 41
Sec. 7	<i>from passage</i>	PA 24-1 of the June Sp. Sess., , Sec. 62 Sec. 41

ET *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

The bill makes various clarifying and procedural changes regarding the Public Utilities Regulatory Authority's (PURA) regulatory authority and makes changes to the composition of various governing boards, which does not result in a fiscal impact.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**sHB 5249*****AN ACT AMENDING THE CHARTER OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY CONCERNING THE POTENTIAL ACQUISITION OF A WATER COMPANY.*****SUMMARY**

Under current law (PA 24-1, June Special Session, §§ 34-42), if the Public Utilities Regulatory Authority (PURA) approves the South Central Connecticut Regional Water Authority (RWA) or the Aquarion Water Authority (AWA) to own and operate the Aquarion Water Company or its subsidiaries, an 11-member governing board with members from both authorities' districts is created to run both authorities. (PURA approved the transaction on March 25, 2026.)

This bill changes the composition of the governing board, if PURA approves the transaction, to require:

1. six, rather than five, members to be residents of the Aquarion Regional Water District appointed by AWA's policy board and
2. five, rather than six, members to be members of RWA's governing board appointed by RWA's policy board.

As under existing law, the members appointed by RWA's policy board may act on AWA's behalf until the AWA members are appointed.

The bill also generally specifies that (1) nothing in the underlying law creating AWA limits the scope of PURA's review of the transaction and (2) certain provisions in the underlying law depend on PURA's approval of the transaction.

Separately, the bill also expands PURA's regulatory authority over water companies to cover companies that serve at least 300,000 customer

accounts and are (1) districts, metropolitan districts, municipal districts, or special services districts established under state statute or public or special act or (2) waterworks systems owned, leased, maintained, operated, managed, or controlled by any unit of local government under a statute or public or special act. (It does not appear that this change would apply to RWA or AWA under the bill, as the underlying laws for both generally specify that they are the controlling authority, regardless of conflicting state laws or local ordinances.)

The bill also makes various minor, technical, and conforming changes.

EFFECTIVE DATE: Upon passage

PURA REVIEW

The bill specifies that nothing in the underlying law creating AWA limits the scope of PURA's review in any proceeding brought or pending on or after October 1, 2024, about a proposed change of control of a water company under the laws on (1) PURA's review and approval of holding companies exercising control over Connecticut public utility companies, which generally requires PURA to investigate and hold a hearing on the issue (CGS § 16-47), and (2) transferring a public utility company's franchise or assets, which generally requires the company to prove that the transfer is in the public's interest (CGS § 16-22).

More specifically, the bill requires PURA to review at least the following factors, as set in the underlying law creating AWA:

1. Aquarion representative policy board membership structure;
2. Aquarion representative policy board weighted voting structure;
3. Aquarion Water Authority (the governing board) membership structure, as amended by the bill; and
4. functions of the office of consumer affairs.

The bill similarly specifies that certain provisions of the underlying

law for RWA and AWA hinge on PURA’s approval of the transaction as described above, including (1) the change in the governing board’s membership, as required by the bill; (2) appointments to the Aquarion representative policy board; (3) certain AWA powers (such as acquiring property); and (4) a provision that generally requires the underlying law to supersede any conflicting state statute, special act, or municipal ordinance.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 24 Nay 2 (03/17/2026)