



Public Hearing – February 27, 2023
Appropriations Committee

Testimony Submitted by Commissioner Katie S. Dykes

Governor's Recommended Budget for the 2024 – 2025 Biennium

Co-Chairs Senator Osten and Representative Walker, Senator Hartley, Representative Exum, Representative Paris, Senator Berthel, Representative Nuccio, and members of the Appropriations Committee, thank you for the opportunity to present testimony for items related to Connecticut's Department of Energy and Environmental Protection (DEEP) in Governor Lamont's proposed budget for the 2024-2025 biennium.

DEEP fully endorses the Governor's proposed budget recommendations, which aim to support the Department's core programs and provide additional funds and positions. These new resources will aid in the planning and implementation of the federal Inflation Reduction Act, which will allow Connecticut to take full advantage of the benefits offered by the programs in that legislation. The budget also includes provisions for enhancing black bear management and funding and positions to improve the visitor experience in our parks with a strong emphasis on safety, accessibility, and maintenance. Additionally, there is funding dedicated to improving equity and environmental justice initiatives, ensuring that all communities across Connecticut have access to the resources to mitigate and adapt to the worst impacts of climate change and can meaningfully participate in decisions that impact their health and environment. With these critical budget allocations, DEEP is poised to continue its important work of protecting Connecticut's environment and natural resources and ensuring access to clean, reliable, and affordable energy while also supporting the state's economic and social well-being.

DEEP is organized into three branches designed to help the agency achieve its key, interrelated priorities of protecting the environment and natural resources; providing clean, reliable, and affordable energy and utility service to the families and businesses of our state; and providing Connecticut residents with first-rate outdoor recreation opportunities and venues. In the face of emerging challenges and opportunities including climate change, PFAS contamination, a surge in outdoor recreation interest, the need to scale sustainable alternative waste disposal methods, the need for reform to regional energy markets, and the initiative to equitably expand broadband access, DEEP's diverse programs are providing critical services and support for the citizens of this state and our natural environment while prioritizing careful and efficient stewardship of its budgeted resources to meet ongoing mission and programmatic requirements.

- **2024-2025 Governor's proposed budget highlights:**
- General Fund
 - **Adjust for facility closures – \$1,400,000** – PA 22-118 (as amended by PA 22-146), the FY 23 Revised Budget, reduced the agency's operating budget by \$1.4 million across various accounts to reflect anticipated savings from the closure or repurposing of various properties and facilities. DEEP remains committed to and is lowering its building footprint across the state, creating much needed efficiencies within our infrastructure. The Governor's proposed budget restores funding and recognizes that operational efficiencies funding and these savings will be realized over time. Funding provided here

is needed to continue to support staffing and operational needs of the Agency that would be compromised if the accelerated savings were implemented.

- **Provide funding for Black Bear Response – \$74,184 and one position (Wildlife Biologist)** Connecticut's growing and increasingly habituated black bear population has led to an increasing number of human-bear interactions in recent years, including nearly 70 home entries in 2022. This position will fund a wildlife biologist with a specialization in the human dimensions of human-wildlife conflicts, particularly bear issues. This position will help DEEP craft better communication initiatives, engage more effectively with more diverse constituencies, and identify areas where the agency needs to take a different approach to wildlife and natural resource conservation.
- **Provide Funding for Additional Parks Division Employees – \$97,638 and one position (Environmental Protection Operations Supervisor)** The Connecticut state park system currently operates with two Operations Supervisors. Each oversee 11 management units, with each unit containing multiple parks; 11 direct reports; and over 30 full-time staff. This new position will allow for the creation of a third region (Central), taking over a portion of the management units and thereby providing for more efficient operations, greater supervision of staff, and better delivery of maintenance services to parks across the state.
- **Provide Funding for Environmental Justice – \$129,317 and two positions (Environmental Analysts)** - This funding will support two positions in DEEP's Office of Equity and Environmental Justice to begin coordinating with staff across DEEP's permitting programs and DEEP's Legal Office to develop rules and regulations to implement environmental justice-related permitting bills, including coordinating with other state agencies and facilitating public engagement and comments. These positions will also help review permit applicants' environmental and public health assessments.
- **Public Utility Control Fund**
 - **Provide Funding for Additional Staff in BETP – \$1,389,487 and nine positions** – These positions will support the pursuit and implementation of opportunities under the Inflation Reduction Act (IRA) and IIJA for the following: to develop hydrogen policy and support deployment of hydrogen infrastructure in Connecticut, including potential implementation of the US Department of Energy (DOE) IIJA regional Hydrogen Hub program; to pursue two IIJA DOE funding opportunities to support significant new investments in transmission to interconnect clean, reliable resources, such as Canadian hydropower and offshore wind; to implement nearly \$100M in IRA rebates for building decarbonization, energy efficiency, building energy code adoption, and seamless integration of IRA tax credits with existing Conservation and Load Management (C&LM) programs; to address growing concerns for energy security and grid reliability, including climate change and geopolitical events, that are exacerbating winter fuel security risks (natural gas and heating oil) and causing price volatility; and to successfully coordinate existing state affordable housing programs with the \$50+ million coming through the IRA to advance whole building retrofits in affordable housing/vulnerable communities.
- **American Rescue Plan Act funding**

- **Invest in Green Infrastructure for Stormwater Management – \$5,000,000** – This funding will support grants for municipalities, COGs, and other government entities to develop stormwater management plans and invest in green infrastructure.
- **Provide funding for enhanced mobility options and wheelchairs within State parks – \$500,000** – This program will allow individuals with mobility impairments greater access to State parks, allowing further connections with nature, exploration of trails, fishing, increased access to the State’s coastal resources and beaches or any number of outdoors activities. The state investment of \$500,000 will allow DEEP to initiate a pilot program to assess the viability of this important new program.
- **Invest in Climate Equity Urban Forestry – \$500,000** – Governor Lamont has set an ambitious goal of increasing forest cover in Connecticut’s urban areas by 5% by 2040. To date under the existing program, DEEP has provided \$510,000 to local community organizations for 30 projects in 24 communities to begin our work toward that goal . Continued investment in this program is critical, and these funds will allow the program to continue. These efforts will complement DEEP’s intent to pursue a five-year grant from the USDA Forest Service that could provide \$600,000 annually toward the state’s urban forest cover goals.
- **Reallocate Funding for Air Quality – reduce \$20,000** – Local partners have determined that the need for this funding and these efforts do not exist.

Thank you for the opportunity to present testimony on the proposed budget. Should you have any questions, please do not hesitate to contact Harrison Nantz at Harrison.Nantz@ct.gov.