

Finance, Revenue, and Bonding Committee
General Bonding Subcommittee
March 31, 2021

Sen. Moore, Rep. Borer, Sen. Martin, Rep. Piscopo, and Members of the Subcommittee:

Thank you for this opportunity to discuss the Department of Energy and Environmental Protection Fiscal Year 2022-2023 Capital Budget. I am Katie Dykes, the Commissioner for the Department. I am joined by our Chief Fiscal Officer, Dennis Thibodeau, as well as the Deputy Commissioners and management staff from some of our key program areas.

The governor proposes generous General Obligation contributions of \$127.55M in FY 2022 and \$132.55M in FY 2023. In addition, the governor recommends \$281M in Revenue Bond Authorizations in FY 2023 to support our Clean and Drinking Water Fund Programs.

I would like to thank this Committee for its continued support of DEEP's capital programs. The Department has had tremendous success in all areas of responsibilities including environmental quality, environmental conservation, and energy programs. Our diverse portfolio of programs includes one of the State's largest capital investment, the Connecticut's Clean Water Fund, which is a national model program leveraging nearly \$600M of federal grants to over \$5B in state investments in wastewater infrastructure throughout the State. Through the committee's continued support, our investment in improvements to water and wastewater infrastructure, aids our municipalities, especially our more urban communities burdened with outdated and outmoded infrastructure. The investment has made great improvements to water quality, which protect public health, the environment, and our recreational resources and one of the State's most cherished assets – the Long Island Sound.

Overall, the Department has 15 capital programs that support a variety of responsibilities including the Clean Water Fund Program, DEEP Infrastructure and State Park Improvements Program, State-owned Dam Repair Program, Flood and Erosion Control Program, Potable Water, Incinerators and Landfills, Open Space, Recreation and Natural Heritage Program, Hazardous Waste/State Superfund Program, Energy Efficiency Programs and Microgrids and Resilience Grant and Loan Program.

For the convenience of the committee, we have attached a table to summarize the Department's current unallocated balances and governor's proposed recommendations (see Attachment I).

We recognize and welcome the opportunity to discuss current balances and the Governor's recommended authorizations for the Fiscal Years 2022 and 2023. We hope to answer all your questions here today and would be happy to follow up on items that may need more review with program staff.