

Finance, Revenue, and Bonding Committee General Obligation Bonding Subcommittee Meeting – April 1, 2025

Testimony Submitted by Commissioner Katie S. Dykes

Good morning, Senator Miller, Representative Napoli, Senator Hwang, Representative Piscopo, and members of the General Obligation Bonding Subcommittee, thank you for the opportunity to present testimony for the Governor's proposed capital budget for the Department of Energy and Environmental Protection (DEEP) for Fiscal Years 2026 and 2027.

DEEP fully endorses the Governor's proposed capital budget, which provides funding for DEEP's capital programs including the Clean Water Fund; infrastructure improvements in State Parks; maintenance and repair of state-owned dams; flood and erosion control; improvements to incinerators and landfills; preservation of open space; hazardous waste cleanup and site remediation; energy efficiency upgrades for private homes, including multifamily dwellings, and for state-owned buildings; and investments in resilience measures to protect CT's residents from the worst impacts of climate change.

We appreciate the Committee's continued support for these critical programs. Among them, Connecticut's Clean Water Fund remains a national model. Governor Lamont's budget recommends a total of \$308 million in general obligation bonding over the biennium, making it the single largest DEEP capital program. This investment helps municipalities upgrade aging wastewater infrastructure, public health, and improve water quality throughout the state, including in Long Island Sound.

To highlight a few key priorities in the Governor's capital budget:

- State Parks and Infrastructure: The Governor recommends \$70 million over the biennium for alterations, renovations, and new construction at state parks and recreation facilities. This funding is essential to meet continued sustained high demand for outdoor recreation and is part of a larger, multiyear initiative, Restore Connecticut's State Parks, to revitalize Connecticut's outdoor recreation venues. More information on this effort, including specific project updates, can be found here: <u>Restore CT State Parks</u>
- **Pollution Cleanup**: Governor Lamont proposes \$24.6 million to address hazardous waste disposal sites and \$24 million for industrial site remediation in urban areas. These authorizations will help meet DEEP's ongoing obligations at sites such as the Durham Meadows Superfund site and accelerate cleanup at locations like Raymark in Stratford. Additionally, funding continues for PFAS contamination response through the Potable Water grant program (\$10 million), protecting private wells from harmful pollutants.
- **Microgrids and Resilience**: With climate change increasing the frequency and severity of extreme weather events one only needs to think about the devastating impacts caused

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by the intense flooding event in the Naugatuck Valley last summer – DEEP is expanding its efforts to support community resilience. The Governor proposes \$30 million for the Microgrid and Resilience Grant and Loan Program, helping municipalities build resilient infrastructure and compete for federal funds, while also supporting non-federal match requirements.

• Energy Efficiency in State Buildings: To reduce emissions, improve efficiency, lower costs, and meet the state's climate goals, the Governor recommends \$10 million over the biennium to support energy upgrades in state facilities.

More detailed information about each of DEEP's capital programs can be found in the attached supplemental document.

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