

## **HOUSE 6868**

## AN ACT ENHANCING ENVIRONMENTAL PERMITTING PREDICTABILITY

## **The Current Situation**

Governor Lamont and DEEP Commissioner Dykes have prioritized permitting speed and certainty since day one of the administration. DEEP's successful <u>20BY20 effort</u> delivered significant improvements to permitting processes, resulting in more effective environmental protection and a better climate for businesses. That effort has continued with <u>20BY26</u>, DEEP's next steps on improving the transparency, predictability and efficiency of its work.

Currently, a general permit expiration date can be extended by one year, pending its renewal to prevent disruption to the permitted activities while the Department undergoes the renewal process. Renewing a general permit can be complex, and the stakeholder engagement process can be lengthy. If a hearing is requested, that hearing – or subsequent discussions aimed at resolving issues without a hearing – can take several months. The length of the renewal process can extend beyond the current one-year extension period. If the permit lapses without renewal, permittees must shut down the permitted activity, otherwise they would risk operating without a permit.

Under the Federal Clean Water Act, the U.S. Army Corps of Engineers and the Environmental Protection Agency have a codified joint federal Mitigation Rule for impact to water resources. Connecticut however, has a separate process in place. As a result, permittees subject to State and Federal authorities often face two separate and duplicative compensation burdens. This happens frequently in public infrastructure projects.



The Connecticut Endangered Species Act protects Connecticut's plant and animal populations at risk of extinction. This statute requires environmental review of projects that the state authorizes, funds or completes. DEEP has made significant investments in technology for this work, providing a digital, automated review for approximately 45% of the relevant Natural Diversity Data Base (NDDB) requests. However, outcomes and timeframes for biologist reviews can be difficult to predict, and qualifications for consultants are unclear, causing uncertainty and unpredictability for developers as they navigate the environmental review process.

A member of the public may file a petition to initiate a hearing on most permit applications pending before DEEP. The state's Uniform Administrative Procedures Act and DEEP's Rules of Practice have lengthy requirements, and in many cases, neither the person who filed a petition for a hearing nor any other member of the public will seek formal status as an intervening party. As a result, even though the only "parties" to the hearing are the permit applicant and DEEP staff – neither of whom asked for the hearing – an evidentiary record must still be created, the parties must file briefs, and the agency must issue decisions. These steps are time-consuming and expensive for applicants and divert staff from more impactful work.

## **Governor Lamont's Solution**

Keep General Permits in place until they are renewed, rather than setting an arbitrary expiration date. This would align general permit procedures with the requirements the Department currently follows for individual permits. The changes will maintain coverage of permitted actions until a permit can be reissued, while improving the efficacy, transparency, and predictability of permitted activities by ensuring that stakeholders have sufficient time to fully vet proposed General Permits and engage with Department staff.

Provide an additional permitting option to align Connecticut's water resources mitigation program with the federal Rule. The proposal amends the Inland Wetlands and Watercourses Act, Tidal Wetlands Act, Structures, Dredging, and Fill Statutes, and the Coastal Management Act to create a program that allows for larger, more environmentally beneficial mitigation projects to be conducted by a third party instead of a smaller, less beneficial onsite mitigation project. This change will streamline and clarify the regulatory process for compensatory mitigation projects when triggered by projects on state lands for state and related entity uses.

This change would bring Connecticut in line with 30 other states, including regional partners: NY, NJ, MD, VT, NH, PA, and ME, that have codified laws and policies related to compensatory mitigation. As we have seen in other states, these policies have resulted in more environmentally beneficial mitigation projects occurring and will improve environmental outcomes associated with actions on state lands for state use.

Conduct a study to identify solutions to increase the efficiency, transparency, and predictability of the NDDB environmental review process:

- 1. Process improvements
- 2. Evaluation of processes in other states
- 3. Recommended consultant qualifications
- 4. Identification of Components of the review process
- 5. Stakeholder engagement and outcomes
- 6. Scientific and communication resources

The study will provide clear recommendations for improvements to the NDDB environmental review process that will clarify expectations for applicants and deliver more efficient outcomes, while still providing meaningful protections for rare and endangered species

Provide members of the public who petition for a hearing, but do not seek intervening party status, with a public comment hearing. A public comment hearing is often all the person desires, not the evidentiary hearing stage that currently follows. This change will conserve the Department's resources and reduce permit processing times. The evidentiary hearing process will still be available to parties who seek it through the existing process.