



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

February 7, 2013

The Honorable Mary Jane Wallner, Chairman
House Finance Committee
Legislative Office Building, Room 210-211
Concord, NH 03301

RE: HB 623-FN-A – An act appropriating funds to the department of environmental services for the purpose of funding eligible and completed drinking water, wastewater, and landfill closure projects under the state aid grant program

Dear Chairman Wallner:

Thank you for the opportunity to comment on HB 623-FN-A, an act appropriating funds to the Department of Environmental Services for the purpose of funding eligible and completed drinking water, wastewater, and landfill closure projects under the state aid grant program. The Department of Environmental Services (DES) supports the goal of HB 623 of providing additional funds for this vital program.

The state aid grant programs for water pollution control, drinking water and landfill closure authorized under the relevant sections of RSA 486, 486-A and 149-M, respectively, have been among the most important and successful environmental programs in New Hampshire's history. Figure 1 presents state aid grant program appropriations from Fiscal Years 1980 through 2013. For many years, these programs have contributed to significant environmental progress and helped make environmental infrastructure investment more affordable for New Hampshire's communities. Since the inception of the wastewater state aid grant program in 1959, more than \$400 million in aid has been provided to eligible New Hampshire communities to provide state support, typically through grants of 20% to 30% of annual loan costs.

Due to state revenue shortfalls during the recession, state appropriations for new state aid grants ended in November, 2008. Since then, funds have continued to be appropriated to make annual payments for state aid grants previously approved by Governor and Executive Council. However, due to the lack of funds, new requests have been placed on what is known as the "delayed and deferred list" (D&D list), since these projects are still eligible for funding under existing statutory criteria. Attachment A to this letter provides the complete D&D list as of today. This list contains queues of projects listed by date of application for each state aid grant type. The list continues to gradually expand with time as new projects eligible under existing criteria are completed and applications are submitted to DES. A summary of the D&D list is provided in Attachment B. There are currently a total of 127 projects from 64 municipalities or other entities on the D&D lists with total eligible state aid grant project costs of \$52.6 million. Initial annual state aid grant payments for all of the D&D projects would total \$4,944,141 in the first year and \$4,522,251 in the second year of repayment, respectively FY 2014 and FY 2015, as proposed in

DES Web site: www.des.nh.gov

P.O. Box 95, 29 Hazen Drive, Concord, New Hampshire 03302-0095

Telephone: (603) 271-3503 • Fax: (603) 271-2867 • TDD Access: Relay NH 1-800-735-2964

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HB 623. Please note that these total costs are slightly different than those contained in HB 623 due to additions to the Wastewater and Landfill Closure lists since Representative Bucu first requested this information from DES as the bill was being drafted.

Please feel free to call Harry Stewart, Water Division Director, at 271-0677, or me at 271-2958, if you have any questions or need additional information.

Very truly yours,



Thomas S. Burack
Commissioner

Attachments

cc: Representatives Bucu, Umberger, Leishman, Hubbard, Ames, Ahlgren, Schmidt,
Pantelakos, Gottling and Danielson
Senators Bradley, Lasky and Fuller Clark