

The State of New Hampshire  
**Department of Environmental Service**

**Thomas S. Burack, Commissioner**

*Celebrating 25 Years of Protecting  
New Hampshire's Environment*



January 12, 2012

The Honorable Andrew Renzullo, Chairman  
Resources, Recreation and Development Committee  
Legislative Office Building, Room 305  
Concord, New Hampshire 03301

**Re: HB 1501-FN, relative to establishing a fund to upgrade wastewater treatment plants**

Dear Chairman Renzullo:

Thank you for the opportunity to comment on HB 1501-FN, relative to establishing a fund to upgrade wastewater treatment plants. HB 1501 specifically proposes to establish a state fund, the Wastewater Treatment and Septic System Fund, which would be supported by voluntary contributions by property taxpayers of \$25 per-toilet that would be collected by municipalities. These funds would be transferred to the state and deposited into a dedicated fund for the purpose of upgrading wastewater treatment plants, replacing failing septic systems and reducing nitrogen discharge. DES would be required to adopt rules that establish qualifications (i.e., criteria) for distribution of the collected funds to municipalities and citizens for eligible projects and to distribute the funds through grants based on a competitive process established in these rules. The actual annual revenues that would be raised are unknown because the statewide voluntary contributions are unpredictable. Therefore, the funding that would be available to DES for distribution to communities and individual citizens is unknown.

The underlying concern that this bill hopes to address is very real. There is a need to reduce nitrogen discharges to the environment from both municipal wastewater treatment systems and septic systems while keeping costs reasonably affordable for New Hampshire citizens. Substantial investment is necessary in this area to ensure the long term vitality of New Hampshire's environment and economy. DES estimates that the needs for wastewater facility upgrades and non-point source (i.e., stormwater) reductions are in the order of \$1.4 to \$1.5 billion across the state over the next 10 years. This investment will be necessary to address aging infrastructure, capacity attainment and more stringent federal water pollution discharge permits, such as nitrogen removal requirements for communities that discharge to the Great Bay Estuary and its tributaries. The costs for these investments will put a strain on many municipal utility budgets and, hence, on the sewer users as rates increase. HB 1501, if enacted, could provide funding to address some of these expected costs.

In 2009, the Legislature, by enactment of SB 60, formed a Commission to Study Water Infrastructure Sustainability Funding, which was then extended in 2011 by enactment of SB 47. This commission has a final report and recommendations due by June 7, 2012. We hope that this Commission's final recommendations will provide a framework for New Hampshire to develop a

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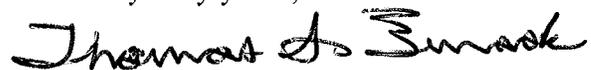
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better long-term strategy with well-defined funding mechanisms to help support future environmental infrastructure investments.

In conclusion, DES supports the goals of HB 1501 of providing communities and citizens with assistance that will make the costs more affordable to upgrade New Hampshire's environmental infrastructure to improve our environment and ensure a strong economy.

Thank you for the opportunity to comment on this bill. If you have any questions, please call DES Water Division Director Harry Stewart, at 271-3308 or me at 271-2958 .

Very truly yours,



Thomas S. Burack  
Commissioner

cc: Representative Adam Schrodter