



Substitute House Bill No. 6479

Public Act No. 23-140

AN ACT CONCERNING CLIMATE RESILIENCY FUNDS AND PROJECTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (c) of section 7-159d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) (1) The budget-making authority of such municipality may, from time to time, direct the treasurer to invest a portion of such Climate Change and Coastal Resiliency Reserve Fund as in the opinion of such authority is advisable, including in any trust fund administered, held or invested by the State Treasurer pursuant to chapter 32 and for which the State Treasurer may adopt regulations, in accordance with chapter 54, to allow for the investment of moneys held in any such reserve fund, provided: ~~[(1)]~~ (A) Not more than forty per cent, or with respect to such a reserve fund for which the budget-making authority has adopted an asset allocation and investment policy, fifty per cent, of the total amount of such reserve fund shall be invested in equity securities, and ~~[(2)]~~ (B) any portion of such reserve fund not invested pursuant to subparagraph (A) of this subdivision [(1) of this subsection] may be invested in: ~~[(A)]~~ (i) Bonds or obligations of, or guaranteed by, the state or the United States, or agencies or instrumentalities of the United States, ~~[(B)]~~ (ii)

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certificates of deposit, commercial paper, savings accounts and bank acceptances, [(C)] (iii) the obligations of any state of the United States or any political subdivision thereof or the obligations of any instrumentality, authority or agency of any state or political subdivision thereof, if, at the time of investment, such obligations are rated in the top rating categories of any nationally recognized rating service or of any rating service recognized by the Banking Commissioner, and applicable to such obligations, [(D)] (iv) the obligations of any regional school district in this state, of any municipality in this state or any metropolitan district in this state, if, at the time of investment, such obligations of such government entity are rated in one of the top two rating categories of any nationally recognized rating service or of any rating service recognized by the Banking Commissioner, and applicable to such obligations, [(E)] (v) in any fund in which a trustee may invest pursuant to section 36a-353, [(F)] (vi) investment agreements with financial institutions whose long-term obligations are rated in the top two rating categories of any nationally recognized rating service or of any rating service recognized by the Banking Commissioner or whose short-term obligations are rated in the top rating category of any nationally recognized rating service or of any rating service recognized by the Banking Commissioner, or [(G)] (vii) investment agreements fully secured by obligations of, or guaranteed by, the United States or agencies or instrumentalities of the United States.

(2) Notwithstanding the provisions of subdivision (1) of this subsection, if such reserve fund is invested in any trust fund administered, held or invested by the State Treasurer pursuant to chapter 32, the asset allocation of such reserve fund shall be determined in accordance with the provisions of section 3-13d.

Sec. 2. Section 3-13c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Trust funds as used in sections 3-13 to 3-13e, inclusive, and 3-31b shall

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be construed to include Connecticut Municipal Employees' Retirement Fund A, Connecticut Municipal Employees' Retirement Fund B, Soldiers, Sailors and Marines Fund, Family and Medical Leave Insurance Trust Fund, State's Attorneys' Retirement Fund, Teachers' Annuity Fund, Teachers' Pension Fund, Teachers' Survivorship and Dependency Fund, School Fund, State Employees Retirement Fund, the Hospital Insurance Fund, Policemen and Firemen Survivor's Benefit Fund, any trust fund described in subdivision (1) of subsection (b) of section 7-450 that is administered, held or invested by the State Treasurer, any Climate Change and Coastal Resiliency Reserve Fund created pursuant to section 7-159d, as amended by this act, that is administered, held or invested by the State Treasurer and all other trust funds administered, held or invested by the State Treasurer.

Sec. 3. (NEW) (*Effective from passage*) The Commissioner of Energy and Environmental Protection shall maximize the state's receipt of any federal funds designated for state projects intended to increase resiliency to the effects of climate change, including, but not limited to, coastal resiliency projects. Such maximization shall include, but not be limited to, the identification of any such federal funds. Not later than January 1, 2024, and biennially thereafter, the commissioner shall submit a report, in accordance with section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to the environment that details the commissioner's efforts undertaken pursuant to this section, including any federal funds identified, any application or request for such funds that the commissioner submitted, any such funds received by the state and any resiliency project funded, in whole or in part, by such federal funds. Such report shall include any recommendations for the state to be able to maximize receipt of any such federal funds.

Approved June 27, 2023