



General Assembly

Substitute Bill No. 6479

January Session, 2023



AN ACT CONCERNING CLIMATE RESILIENCY FUNDS AND PROJECTS.

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

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2 repealed and the following is substituted in lieu thereof (*Effective from*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

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

20 commercial paper, savings accounts and bank acceptances, [(C)] (iii)
21 the obligations of any state of the United States or any political
22 subdivision thereof or the obligations of any instrumentality, authority
23 or agency of any state or political subdivision thereof, if, at the time of
24 investment, such obligations are rated in the top rating categories of
25 any nationally recognized rating service or of any rating service
26 recognized by the Banking Commissioner, and applicable to such
27 obligations, [(D)] (iv) the obligations of any regional school district in
28 this state, of any municipality in this state or any metropolitan district
29 in this state, if, at the time of investment, such obligations of such
30 government entity are rated in one of the top two rating categories of
31 any nationally recognized rating service or of any rating service
32 recognized by the Banking Commissioner, and applicable to such
33 obligations, [(E)] (v) in any fund in which a trustee may invest
34 pursuant to section 36a-353, [(F)] (vi) investment agreements with
35 financial institutions whose long-term obligations are rated in the top
36 two rating categories of any nationally recognized rating service or of
37 any rating service recognized by the Banking Commissioner or whose
38 short-term obligations are rated in the top rating category of any
39 nationally recognized rating service or of any rating service recognized
40 by the Banking Commissioner, or [(G)] (vii) investment agreements
41 fully secured by obligations of, or guaranteed by, the United States or
42 agencies or instrumentalities of the United States.

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

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

50 Trust funds as used in sections 3-13 to 3-13e, inclusive, and 3-31b
51 shall be construed to include Connecticut Municipal Employees'
52 Retirement Fund A, Connecticut Municipal Employees' Retirement

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

64 Sec. 3. (NEW) (*Effective from passage*) The Commissioner of Energy
65 and Environmental Protection shall maximize the state's receipt of any
66 federal funds designated for state and municipal projects intended to
67 increase resiliency to the effects of climate change, including, but not
68 limited to, coastal resiliency projects. Such maximization shall include,
69 but not be limited to, the identification of any such federal funds and
70 the provision of assistance to any municipality in the application
71 process for such federal funds, including, but not limited to,
72 notification to any municipality eligible for any such funds identified
73 pursuant to this section. Not later than January 1, 2024, and biennially
74 thereafter, the commissioner shall submit a report, in accordance with
75 section 11-4a of the general statutes, to the joint standing committee of
76 the General Assembly having cognizance of matters relating to the
77 environment that details the commissioner's efforts undertaken
78 pursuant to this section, including any federal funds identified, any
79 application or request for such funds that the commissioner submitted,
80 any such funds received by the state or any municipality and any
81 resiliency project funded, in whole or in part, by such federal funds.
82 Such report shall include any recommendations for the state and
83 municipalities to be able to maximize receipt of any such federal funds.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	7-159d(c)
Sec. 2	<i>from passage</i>	3-13c
Sec. 3	<i>from passage</i>	New section

ENV *Joint Favorable Subst.*