



House of Representatives

General Assembly

File No. 321

February Session, 2024

Substitute House Bill No. 5004

House of Representatives, April 8, 2024

The Committee on Environment reported through REP. GRESKO of the 121st Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE IMPLEMENTATION OF CERTAIN CLIMATE CHANGE MEASURES.

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

1 Section 1. (NEW) (*Effective from passage*) The state hereby declares a
2 climate crisis to demonstrate the urgency for enacting meaningful
3 climate legislation and to support increased efforts to secure federal
4 funds to respond to such crisis. Such crisis threatens the resilience of
5 communities in the state, regardless of zip code, multiple aspects of the
6 state's natural resources and infrastructure assets, the state's economy
7 and the quality of life for younger generations of state residents.
8 Accordingly, the state recognizes the urgency to significantly and
9 rapidly decrease greenhouse gas emissions and increase community
10 coping capacities to handle the impacts of climate change. The state
11 recognizes the need and urgency to mitigate climate impacts and
12 prepare for and manage disaster risk from climate change. Such
13 declaration shall not authorize the Governor to utilize the provisions of
14 this section to operate the government of the state through executive

15 order.

16 Sec. 2. (NEW) (*Effective from passage*) (a) Each state agency shall have
17 the following greenhouse gas emissions reduction goals: (1) A forty-five
18 per cent reduction from 2001 levels by 2030; (2) a seventy per cent
19 reduction from 2016 levels by 2040; and (3) achieving a level determined
20 to be net-zero by 2050. For purposes of this subsection, "net-zero" has
21 the same meaning as provided in section 22a-200 of the general statutes,
22 as amended by this act.

23 (b) Each state agency shall have the goal of only utilizing zero-carbon
24 generating electricity by 2030.

25 Sec. 3. Section 22a-200 of the general statutes is repealed and the
26 following is substituted in lieu thereof (*Effective from passage*):

27 As used in sections 22a-200 to 22a-200b, inclusive, as amended by this
28 act, 22a-200d and 4a-67h:

29 (1) "Direct emissions" means emissions from sources that are owned
30 or operated, in whole or in part, by an entity or facility, including, but
31 not limited to, emissions from factory stacks, manufacturing processes
32 and vents, and company owned or leased motor vehicles;

33 (2) "Entity" means a person, as defined in section 22a-2, that owns or
34 operates, in whole or in part, a source of greenhouse gas emissions from
35 a generator of electricity or a commercial or industrial site, which source
36 may include, but not be limited to, a transportation fleet;

37 (3) "Facility" means a building, structure or installation located on any
38 one or more contiguous or adjacent properties of an entity;

39 (4) "Greenhouse gas" means any chemical or physical substance that
40 is emitted into the air and that the Commissioner of Energy and
41 Environmental Protection may reasonably anticipate will cause or
42 contribute to climate change, including, but not limited to, carbon
43 dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons
44 and sulfur hexafluoride;

45 (5) "Indirect emissions" means emissions associated with the
46 consumption of purchased electricity, steam and heating or cooling by
47 an entity or facility;

48 (6) "Carbon sequestration" means the removal of greenhouse gases
49 from the atmosphere through nature-based solutions such as soils,
50 forests, wetlands or working or natural lands and through technological
51 solutions that have the primary purpose of removing greenhouse gases
52 from the atmosphere;

53 (7) "Net-zero" means a level of greenhouse gas reduction marked by
54 the complete offset of any greenhouse gases emitted by any greenhouse
55 gas emission reduction and carbon sequestration.

56 Sec. 4. Section 22a-200a of the general statutes is repealed and the
57 following is substituted in lieu thereof (*Effective from passage*):

58 (a) The state shall reduce the level of emissions of greenhouse gas:

59 (1) Not later than January 1, 2020, to a level at least ten per cent below
60 the level emitted in 1990;

61 (2) Not later than January 1, 2030, to a level at least forty-five per cent
62 below the level emitted in 2001;

63 (3) Not later than January 1, 2040, to a level at least sixty-five per cent
64 below the level emitted in 2001, including to a level of zero per cent from
65 electricity supplied to electric customers in the state;

66 (4) Not later than January 1, 2050, to [a] an economy-wide net-zero
67 level, taking into account carbon sequestration, provided direct and
68 indirect emissions of greenhouse gases are at least eighty per cent below
69 the level emitted in 2001; and

70 (5) All of the levels referenced in this subsection shall be determined
71 by the Commissioner of Energy and Environmental Protection.

72 (b) On or before January 1, 2010, and biannually thereafter, the state
73 agencies that are members of the Governor's Steering Committee on

74 Climate Change shall submit a report to the Secretary of the Office of
75 Policy and Management and the Commissioner of Energy and
76 Environmental Protection. The report shall identify existing and
77 proposed activities and improvements to the facilities of such agencies
78 that are designed to meet state agency energy savings goals established
79 by the Governor. The report shall also identify policies and regulations
80 that could be adopted in the near future by such agencies to reduce
81 greenhouse gas emissions in accordance with subsection (a) of this
82 section.

83 (c) (1) Not later than January 1, 2012, and every three years thereafter,
84 the Commissioner of Energy and Environmental Protection shall, in
85 consultation with the Secretary of the Office of Policy and Management
86 and the Governor's Steering Committee on Climate Change, report, in
87 accordance with the provisions of section 11-4a, to the joint standing
88 committees of the General Assembly having cognizance of matters
89 relating to the environment, energy and transportation on the
90 quantifiable emissions reductions achieved pursuant to subsection (a)
91 of this section. The report shall include a schedule of proposed
92 regulations, policies and strategies, including, but not limited to, carbon
93 sequestration, designed to achieve the limits of greenhouse gas
94 emissions imposed by said subsection, an assessment of the latest
95 scientific information and relevant data regarding global climate change
96 and the status of greenhouse gas emission reduction efforts in other
97 states and countries.

98 (2) The Commissioner of Energy and Environmental Protection shall
99 enter into an agreement with a consultant for the preparation of a report
100 to be submitted not later than January 1, 2026, to the joint standing
101 committees of the General Assembly having cognizance of matters
102 relating to the environment and energy. Such report shall: (A) Contain
103 strategies for achieving the greenhouse gas emissions reductions
104 required in subsection (a) of this section, (B) indicate whether a strategy
105 to achieve such limits should include sector specific emission reduction
106 targets and, if so, in what manner and order of priority such sector
107 specific targets should be implemented, and (C) evaluate the adequacy

108 of the standards contained in section 16-245a. No recommendation
109 contained in such report shall be implemented without the approval of
110 each chamber of the General Assembly.

111 (d) At least one year prior to the effective date of any federally
112 mandated greenhouse cap and trade program including greenhouse gas
113 emissions subject to any state cap and trade requirements adopted
114 pursuant to this section, the Commissioner of Energy and
115 Environmental Protection and the Secretary of the Office of Policy and
116 Management shall report, in accordance with the provisions of section
117 11-4a, to the joint standing committees of the General Assembly having
118 cognizance of matters relating to the environment, energy and
119 technology and transportation. Such report shall explain the differences
120 between such federal and state requirements and shall identify any
121 further regulatory or legislative actions needed to achieve consistency
122 with such federal program.

123 Sec. 5. Subsection (a) of section 22a-200b of the general statutes is
124 repealed and the following is substituted in lieu thereof (*Effective from*
125 *passage*):

126 (a) The Commissioner of Energy and Environmental Protection shall,
127 with the advice and assistance of a nonprofit association organized to
128 provide scientific, technical, analytical and policy support to the air
129 quality and climate programs of northeastern states: (1) Not later than
130 December 1, 2009, publish an inventory of greenhouse gas emissions to
131 establish a baseline for such emissions for the state and publish a
132 summary of greenhouse gas emission reduction strategies on the
133 Department of Energy and Environmental Protection's Internet web
134 site, (2) not later than July 1, 2010, publish results of various modeling
135 scenarios concerning greenhouse gas emissions, including, but not
136 limited to, an evaluation of the potential economic and environmental
137 benefits and opportunities for economic growth based on such
138 scenarios, (3) not later than July 1, 2011, analyze greenhouse gas
139 emission reduction strategies and, after an opportunity for public
140 comment, make recommendations on which such strategies will achieve

141 the greenhouse gas emission levels specified in section 22a-200a, as
142 amended by this act, and (4) not later than July 1, 2012, and every three
143 years thereafter, develop, with an opportunity for public comment, a
144 schedule of recommended regulatory actions by relevant agencies,
145 policies and other actions necessary to [show] make reasonable further
146 progress towards achieving the greenhouse gas emission levels
147 specified in section 22a-200a, as amended by this act, to attain the levels
148 specified in said section by the relevant date provided. Such regulatory
149 actions may include carbon sequestration.

150 Sec. 6. (NEW) (*Effective from passage*) Not later than January 1, 2025,
151 the Public Utilities Regulatory Authority shall initiate a docket
152 regarding the future of natural gas use in the state in relation to the
153 provisions of section 22a-200a of the general statutes, as amended by
154 this act. Upon completion of such docket, said authority shall submit a
155 report, in accordance with the provisions of section 11-4a of the general
156 statutes, to the joint standing committees of the General Assembly
157 having cognizance of matters relating to the environment and energy on
158 any recommendations for legislative changes necessary to implement
159 the findings of such docket.

160 Sec. 7. (NEW) (*Effective from passage*) Notwithstanding any provision
161 of title 22a of the general statutes, whenever the Commissioner of
162 Energy and Environmental Protection considers an application to grant
163 or modify a permit for fossil-fueled electricity-generating units, the
164 commissioner shall require an evaluation of the replacement of some or
165 all of the fossil-fueled electricity-generating capacity with energy or
166 energy storage that does not have emissions associated with it. Such
167 evaluation shall be prepared by an independent contractor at such
168 applicant's expense and shall include: (1) The technical feasibility of
169 replacing or supplementing some or all of the fossil-fueled electricity-
170 generating capacity with renewable energy or energy storage of a type
171 that is in commercial use; and (2) the total project cost of replacing or
172 supplementing some or all of the fossil-fueled electricity-generating
173 capacity with renewable energy and energy storage that is technically
174 feasible. Whenever the commissioner determines that replacement of

175 some or all of such fossil-fueled generators is technically and
176 economically feasible, the commissioner may require the applicant to
177 include such energy or energy storage that does not have emissions
178 associated with it, as a condition of granting or modifying any permit
179 pursuant to section 22a-174 or 22a-183 of the general statutes.

180 Sec. 8. (NEW) (*Effective from passage*) Not later than October 1, 2025,
181 the Department of Energy and Environmental Protection shall publish
182 on its Internet web site consolidated information on the cost and sources
183 of electricity in the state and electric vehicle power source, service and
184 supply equipment information. Such consolidated information shall
185 additionally include, but not be limited to, information concerning Class
186 I renewable energy deployments in the state, other distributed energy
187 resources in the state, energy storage deployment in the state, the state's
188 electricity and natural gas consumption, heating fuel consumption for
189 the state by type of fuel, information on energy efficiency program
190 participation, federal weatherization program participation information
191 and information on efficiency barrier remediation program
192 participation.

193 Sec. 9. Subdivision (3) of subsection (c) of section 32-7t of the 2024
194 supplement to the general statutes is repealed and the following is
195 substituted in lieu thereof (*Effective July 1, 2024*):

196 (3) The commissioner, upon consideration of an application and any
197 additional information, may approve an application in whole or in part
198 or may approve an application with amendments, provided the
199 commissioner shall give preference to applications that: (A) Make
200 significant investments in environmentally sustainable practices,
201 including, but not limited to, zero-carbon energy and energy efficiency,
202 (B) are in sectors of the economy such as renewable energy, energy
203 efficiency and zero-emission vehicles, or (C) are for farming operations
204 that are sustainable from a climate perspective. If the commissioner
205 disapproves an application, the commissioner shall identify the defects
206 in such application and explain the specific reasons for the disapproval.
207 The commissioner shall render a decision on an application not later

208 than ninety days after the date of its receipt by the commissioner.

209 Sec. 10. (NEW) (*Effective from passage*) The Commissioner of Revenue
210 Services, in collaboration with the Commissioner of Economic and
211 Community Development, shall identify business fees that are
212 appropriate for waiver for certified B corporations and farms that are
213 environmentally sustainable. Not later than January 1, 2025, the
214 Commissioner of Revenue Services shall submit a list of such fees to the
215 joint standing committee of the General Assembly having cognizance of
216 matters relating to the environment.

217 Sec. 11. (NEW) (*Effective from passage*) (a) There is established a
218 Connecticut Clean Economy Council that shall advise on strategies and
219 policies to strengthen the state's climate mitigation, clean energy,
220 resilience and sustainability programs for the purpose of lowering
221 emissions and advancing the state of economic and environmental
222 justice for residents of the state.

223 (b) Such council shall meet not less than quarterly, at dates, times and
224 locations to be established by the cochairpersons of such council. The
225 council shall: (1) Identify opportunities to leverage state and federal
226 funding to scale economic opportunities associated with clean energy,
227 climate and sustainability investments and maximize local economic
228 development benefits from investments needed to meet the climate and
229 sustainability goals of the state, (2) ensure the state's workforce is
230 trained to deliver climate and sustainability solutions and support
231 equitable and diverse participation in climate and sustainability
232 economic development opportunities from both diverse employers and
233 diverse job seekers, (3) work with the Office of Workforce Strategy to
234 increase workforce training in the clean energy sector with a goal of
235 creating opportunities for populations that are underrepresented in the
236 workforce such as residents of environmental justice communities, as
237 defined in section 22a-20a of the general statutes, women, minorities
238 and formerly incarcerated persons, (4) develop a plan for transitioning
239 workers from fossil-fuel-based employment to clean economy jobs.
240 Such plan shall be submitted, not later than February 1, 2026, to the joint

241 standing committees of the General Assembly having cognizance of
242 matters relating to the environment, energy and commerce, in
243 accordance with the provisions of section 11-4a of the general statutes,
244 and (5) be consulted by the Governor and the Commissioner of
245 Economic and Community Development on any state-wide economic
246 action plan. The council may form working groups to address workforce
247 development in specific sectors within the fields of clean energy and
248 sustainability.

249 (c) Such council shall be composed of the following members: (1) The
250 Commissioner of Economic and Community Development, or the
251 commissioner's designee, who shall also serve as cochairperson of the
252 council, (2) the Commissioner of Energy and Environmental Protection,
253 or the commissioner's designee, who shall also serve as cochairperson
254 of the council, (3) the Secretary of the Office of Policy and Management,
255 or the secretary's designee, (4) the Commissioner of Transportation, or
256 the commissioner's designee, (5) the Commissioner of the Office of
257 Workforce Strategy, or the commissioner's designee, (6) a representative
258 from the office of the Governor, (7) the chief executive officer of the
259 Connecticut Green Bank, or the chief executive officer's designee, (8) the
260 chief executive officer of Connecticut Innovations, Incorporated, or the
261 chief executive officer's designee, and (9) any other member so
262 designated by the cochairpersons. Any member appointed pursuant to
263 subdivision (9) of this subsection shall serve at the pleasure of the
264 cochairpersons of the council.

265 (d) A majority of the members of the council shall constitute a
266 quorum.

267 (e) Not later than February 1, 2025, and annually thereafter, the
268 council shall report on its work, findings and recommendations to the
269 Governor, the Office of Policy and Management and the joint standing
270 committees of the General Assembly having cognizance of matters
271 relating to the environment, energy and commerce, in accordance with
272 the provisions of section 11-4a of the general statutes.

273 Sec. 12. (NEW) (*Effective from passage*) Not later than January 1, 2025,

274 and annually thereafter, Connecticut Innovations, Incorporated shall
275 submit a report, in accordance with the provisions of section 11-4a of the
276 general statutes, to the joint standing committees of the General
277 Assembly having cognizance of matters relating to the environment and
278 energy on investments and assistance provided to companies engaged
279 in matters related to the mitigation of climate change.

280 Sec. 13. (*Effective July 1, 2024*) The Public Utilities Regulatory
281 Authority shall expand the energy storage program established by the
282 authority in Docket No. 17-12-03RE03. The authority shall: (1) Increase
283 the cumulative storage deployment target for such program to one
284 thousand megawatts; and (2) increase the size of incentives under the
285 program if it concludes that such increase is reasonable, prudent and
286 provides value to ratepayers.

287 Sec. 14. Section 10-285a of the 2024 supplement to the general statutes
288 is amended by adding subsection (l) as follows (*Effective July 1, 2024*):

289 (NEW) (l) The percentage determined pursuant to this section for a
290 school building project grant, including, but not limited to, any
291 renovation, for the installation of a renewable energy or energy
292 efficiency project, shall be increased by ten percentage points.

293 Sec. 15. (NEW) (*Effective October 1, 2024*) Not later than January 1,
294 2025, the Commissioner of Energy and Environmental Protection, in
295 accordance with the provisions of section 11-4a of the general statutes,
296 shall submit a report to the joint standing committee of the General
297 Assembly having cognizance of matters relating to the environment on
298 recommendations for amendments to section 16a-48 of the general
299 statutes to provide for the sale and installation in the state of heating,
300 ventilation and air conditioning systems, hot water heating systems and
301 geothermal systems that do not emit greenhouse gases. Such
302 recommendations shall include, but not be limited to, suggested
303 implementation dates for any such requirement and proposed
304 consumer education efforts to inform the public about such systems.

305 Sec. 16. (NEW) (*Effective October 1, 2024*) The Commissioner of Energy

306 and Environmental Protection, in conjunction with the Connecticut
307 Green Bank, shall develop a plan for the installation, within available
308 resources, of not less than three hundred ten thousand heat pumps for
309 residential heating systems in the state, including, but not limited to,
310 through any program established pursuant to section 8-240a, 16a-40b,
311 16a-40l or 16a-46m of the general statutes. Not later than January 1, 2026,
312 the commissioner shall submit a report, in accordance with the
313 provisions of section 11-4a of the general statutes, to the joint standing
314 committees of the General Assembly having cognizance of matters
315 relating to the environment and energy on the status of such plan in
316 reaching such goal and any attendant recommendations for expanding
317 or revising such plan.

318 Sec. 17. Subsection (g) of section 8-23 of the general statutes is
319 repealed and the following is substituted in lieu thereof (*Effective from*
320 *passage*):

321 (g) (1) Any municipal plan of conservation and development
322 scheduled for adoption on or after July 1, 2015, shall identify the general
323 location and extent of any [(1)] (A) areas served by existing sewerage
324 systems, [(2)] (B) areas where sewerage systems are planned, and [(3)]
325 (C) areas where sewers are to be avoided. In identifying such areas, the
326 commission shall consider the provisions of this section and the priority
327 funding area provisions of chapter 297a.

328 (2) Any municipal plan of conservation and development scheduled
329 for adoption on or after January 1, 2025, shall evaluate environmental
330 sustainability and climate resiliency for such municipality.

331 Sec. 18. (NEW) (*Effective from passage*) Not later than October 1, 2024,
332 the Secretary of the Office of Policy and Management, in consultation
333 with the Department of Administrative Services, shall develop a model
334 policy for environmentally sustainable purchasing that municipalities
335 may voluntarily utilize and implement.

336 Sec. 19. Subsection (e) of section 7-536 of the 2024 supplement to the
337 general statutes is repealed and the following is substituted in lieu

338 thereof (*Effective July 1, 2024*):

339 (e) (1) Each municipality may apply to the secretary for project
340 authorization and expense reimbursement of local capital improvement
341 projects.

342 (2) Notwithstanding the deadlines imposed by this section, each
343 municipality that has expended funds in the fiscal year ending June 30,
344 2013, on projects listed in subparagraphs (T) to (X), inclusive, of
345 subdivision (4) of subsection (a) of this section may apply to the
346 secretary for reimbursement of such expenses.

347 (3) (A) Notwithstanding the provisions of subdivision (2) of
348 subsection (f) of this section, the secretary, at the secretary's discretion,
349 may authorize expense reimbursement for a project listed in
350 subparagraphs (T) to (Y), inclusive, of subdivision (4) of subsection (a)
351 of this section prior to such project's inclusion on the local capital
352 improvement plan adopted by a municipality. The secretary may
353 require certification from the municipality that such municipality is
354 taking steps to amend its local capital improvement plan to include such
355 project.

356 (B) (i) Notwithstanding the provisions of subsection (c) of this section,
357 for the period commencing July 1, 2023, and ending June 30, 2025, the
358 secretary shall additionally authorize expense reimbursement for any
359 project listed in subparagraph (Y) of subdivision (4) of subsection (a) of
360 this section from funds appropriated to the Office of Policy and
361 Management for such projects.

362 (ii) Notwithstanding the provisions of subsection (c) of this section,
363 for the period commencing July 1, 2024, and ending June 30, 2025, the
364 secretary shall additionally authorize expense reimbursement for any
365 municipality that implements the Office of Policy and Management's
366 model policy for environmentally sustainable purchasing from funds
367 appropriated to the Office of Policy and Management for such purpose.

368 Sec. 20. (NEW) (*Effective from passage*) Notwithstanding any provision

369 of title 4b of the general statutes, any new or existing state building shall
370 either be constructed utilizing electrical systems that are not reliant
371 upon fossil fuels or greenhouse gas emissions for operation or, upon
372 major renovation, retrofitted to utilize such electrical systems provided
373 funding is available for such purpose.

374 Sec. 21. (NEW) (*Effective from passage*) (a) The Commissioner of
375 Energy and Environmental Protection shall prepare a report that
376 outlines a proposed plan and program for advancing nature-based
377 solutions in the state that support climate mitigation and adaptation.
378 Such report shall include, but not be limited to, an analysis of the
379 associated funding needs for such plan, an identification of potential
380 federal, state, or other funding sources and a proposed timeline for
381 implementation of such plan, provided such plan shall be implemented
382 not later than July 1, 2026. Not later than December 31, 2025, the
383 commissioner, in accordance with the provisions of section 11-4a of the
384 general statutes, shall submit such report to the joint standing
385 committee of the General Assembly having cognizance of matters
386 relating to the environment.

387 (b) The nature-based solutions program described in subsection (a)
388 of this section shall include, but not be limited to, the following: (1)
389 Increasing carbon sequestration through increased forest extent,
390 including reforestation, (2) controlling invasive species, (3) growing
391 forests to greater maturity, (4) protecting carbon stocks through the
392 avoided conversion of forests and wetlands to other purposes, (5)
393 restoring coastal habitats, and (6) increasing climate-smart agriculture
394 and soil conservation to reduce greenhouse gas emissions while
395 improving habitat and protecting biodiversity.

396 (c) The nature-based solutions program described in subsection (a) of
397 this section may include, but shall not be limited to, the following: (1)
398 Acquisition of land and conservation easements to provide upslope
399 advancement zones adjacent to tidal marshes, (2) a comprehensive
400 modeling assessment of the extent of inland migration of tidal marshes
401 needed to inform adaptation decisions, (3) the acquisition of land and

402 conservation easements in riparian areas adjacent to cold water streams,
 403 (4) the adoption or amendment of regulations, in accordance with
 404 chapter 54 of the general statutes, that provide stream flow levels
 405 necessary to ensure the resilience and ecological integrity of cold water
 406 streams, (5) increasing active management of upland forests to improve
 407 regeneration, diversity and resilience, (6) collaborating with other
 408 northeast states and federal agencies to develop a coordinated regional
 409 adaptation approach for the conservation of habitats and species at risk,
 410 and (7) advancing connectivity among habitats.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	22a-200
Sec. 4	<i>from passage</i>	22a-200a
Sec. 5	<i>from passage</i>	22a-200b(a)
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	July 1, 2024	32-7t(c)(3)
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section
Sec. 13	July 1, 2024	New section
Sec. 14	July 1, 2024	10-285a(l)
Sec. 15	October 1, 2024	New section
Sec. 16	October 1, 2024	New section
Sec. 17	<i>from passage</i>	8-23(g)
Sec. 18	<i>from passage</i>	New section
Sec. 19	July 1, 2024	7-536(e)
Sec. 20	<i>from passage</i>	New section
Sec. 21	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In Section 6, ", as amended by this act" was added after "section 22a-200a of the general statutes" for consistency with standard drafting conventions; in Section 8, the first sentence was rewritten for clarity; in Section 11(e), Section 15 and Section 21(a), "the provisions of" was added

before "section 11-4a" for consistency with standard drafting conventions; and in Section 20, "any provision of" was added before "title 4b" for consistency with standard drafting conventions.

ENV *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Public Utilities Regulatory Authority (PURA)	CC&PUCF - Potential Cost	Potential Significant	Potential Significant
Office of Workforce Strategy	GF - Cost	Up to 200,000	None
Treasurer, Debt Serv.	GF - Potential Cost	See Below	See Below
Department of Energy and Environmental Protection	GF - Cost	800,000	None

Note: CC&PUCF=Consumer Counsel and Public Utility Control Fund; GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Various Municipalities	Potential Revenue Gain	See Below	See Below
All Municipalities	Potential Cost	See Below	See Below
All Municipalities	Potential Revenue Loss	See Below	See Below

Explanation

This bill establishes various requirements related to its climate crisis declaration, and results in the costs to the state as described below

Section 2 establishes broad state agency targets for reducing emissions affiliated with state agencies. This results in a cost to state agencies that will be further covered in the ratepayer impact statement below.

Section 4 establishes broad state targets for reducing emissions resulting in a substantial cost. Connecticut as of 2021 had over 41 million metric tons c02 (MMTC02e) equivalent in 2021¹. The goal for 2030 would require the state to reach an emissions goal of 26.7 MMTc02e. The cost to achieve the goal will be substantial but it is unclear what that cost will be year-to-year or where that cost will be borne. This section also requires DEEP to hire a consultant to submit a report on Greenhouse Gas emissions (GHG), this is expected to cost \$600,000.

Section 6 requires the Public Utility Regulatory Authority (PURA) to conduct a docket to determine how the state can address future natural gas usage in relation to the state's target emission levels. This is expected to be completed within existing resources.

Section 8 is expected to result in a cost of \$100,000 in FY 25 to the Department of Energy and Environmental Protection (DEEP), which will use a consultant to meet the requirement that DEEP's website contain a variety of energy-related information in one place. DEEP requires a consultant to develop the necessary components the department does not currently report, and to create the webpage(s).

Section 9, which establishes a preference for certain "green" jobs under the JobsCT tax rebate program, does not result in any fiscal impact as it does not alter the aggregate annual \$40 million cap on the program.

Section 10 requires the Department of Revenue Services commissioner, in collaboration with the Department of Economic and Community Development commissioner, to identify business fees that are appropriate for waiver for environmentally sustainable certified B corporations and farms. This does not result in any fiscal impact as the agencies have the expertise to accomplish this requirement within existing resources.

This bill establishes various requirements related to its climate crisis

¹ [DEEP GHG Inventory 2021](#)

declaration, and results in the costs to the state as described below

Section 11 results in a one-time cost of up to \$200,000 to the Office of Workforce Strategy (OWS) by requiring the Connecticut Clean Energy Council, on which OWS is a participating member, to develop a plan to transition workers from fossil-fuel-based jobs to clean energy jobs.

While OWS does have expertise on workforce development strategies, it is anticipated that the agency will need to hire a consultant to (1) assist in researching the costs of training for both new workers and upskilling existing workers to meet industry demands and standards and (2) complete the report by February 1, 2026.

Section 12 has no fiscal impact by requiring Connecticut Innovations (CI) to submit a report on investments and assistance provided to companies engaged in matters related to the mitigation of climate change. CI has the expertise to accommodate this report within existing resources.

Section 13 requires PURA to expand its statewide energy storage program by increasing cumulative storage deployment targets and the size of the incentives if PURA decides to do so resulting in a potentially significant cost to the state. to reach the goals of the bill with existing storage capacity. The bill establishes a goal of 1,000 MW and seeks to establish a capacity of 580 MW by 2030.

Section 14 increases the reimbursement rate for school construction projects that are "for the installation of a renewable energy or energy efficiency project." To the extent projects are found to be eligible for the reimbursement increase and relevant projects are submitted, there would be increased costs to the state (paid by General Obligation bonds, which leads to an increase in General Fund debt service) and increased revenue to involved municipalities beginning as early as FY 25. The impact of future projects on the school construction priority list will be reflected when such projects are considered by the legislature in the future.

Section 14 is unclear as to which school construction projects would be eligible for the increase, which has a major effect on the magnitude of the fiscal impact.

If all school construction projects are deemed to be eligible energy efficiency projects, there would be a 10 percent increase in state spending and revenues to municipalities with relevant projects going forward.² Nearly all projects on the school construction priority list since 2020 have included energy efficiency as part of the project's stated purpose.

If limited to just the portion of a school construction project that directly involves energy efficiency upgrades, only that portion of project expenses would result in an increased cost to the state and increased revenue to municipalities. Given the complex nature of school construction projects, and how interwoven different aspects of a project may be, it is typically difficult to differentiate which parts of a project are attributable to energy efficiency and which would be excluded from the rate increase.

If limited to just standalone energy efficiency projects, limited fiscal impact is anticipated. Since 2020, no projects on the school priority list have been designated as solely or primarily "energy conversation" projects. However, it is possible the increased reimbursement rate would motivate municipalities to pursue eligible projects with such a designation in the future.

Section 16 requires DEEP in conjunction with the Connecticut Green Bank to develop a plan to install 310,000 heat pumps for residential heating systems resulting in no fiscal impact.

Section 17 may result in a potential cost to municipalities as it requires evaluations of environmental sustainability and climate resiliency to be included in municipalities' Plans of Conservation and Development (POCDs). This requirement applies to any POCDs

² For context, the priority list under consideration for the 2024 session, within HB 5347, authorizes more than \$500 million of state obligations for school construction projects.

adopted after January 1, 2025. Any costs will be dependent on what is needed to meet this requirement.³

This section may also result in a potential revenue loss to municipalities to the extent they are unable to adopt the POCDs with the new requirements. Failure to do so, consistent with current law, results in a municipality becoming ineligible for discretionary state funding.⁴

Section 18, which requires the Office of Policy and Management (OPM) to develop a model policy for environmentally sustainable purchasing that municipalities may voluntarily utilize and implement, does not result in a fiscal impact as OPM has the resources necessary to develop the model policy.

Section 19 is not anticipated to result in a fiscal impact, as it requires the Office of Policy and Management to authorize additional reimbursement of eligible expenses under the Local Capital Improvement Program (LoCIP) for FY 25 using any resources appropriated for said purpose. Administration of LoCIP was changed from a reimbursement program to a prospective grant beginning in FY 24 (PA 23-124).

Additionally, the LoCIP program is bond funded. The bill makes no additional resources available for the program, either through the authorization of bond funds or appropriations. The fiscal impact of any legislation appropriating funds for an expanded purpose would be noted in the fiscal note relevant to the other legislation.

Section 21, which requires DEEP to produce a report and plan for implementing nature-based ways to support climate mitigation and adaptation, results in a one-time cost of \$200,000 in FY 25. The

³ Under current law, municipalities are required to update their plan of conservation and development at least once every ten years.

⁴ Discretionary state funding includes, but it not limited to, any source of funding that a state agency administers through a competitive process. This may include: the Urban Action Program and Small Town Economic Assistance Program.

department will use a consultant to complete the report as it lacks sufficient resources to meet the reporting and planning requirements.

Ratepayer Impact Statement⁵

This bill results in a significant increase in cost to ratepayers. The costs associated with sections 2 and 4 come from the climate targets and the costs of reaching them. Achieving the GHG targets described would require a significant investment into the electrical grid, and electrical generation. The changing of sources may increase costs to electric distribution companies, in the form of capital costs and potentially higher energy costs in the short term.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the terms of any bonds issued.

⁵ The state and municipalities are ratepayers and therefore may be impacted by policy changes that affect electric rates

OLR Bill Analysis**sHB 5004****AN ACT CONCERNING THE IMPLEMENTATION OF CERTAIN CLIMATE CHANGE MEASURES.**

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investments in environmentally sustainable practices; (2) are in economic sectors like renewable energy, energy efficiency, and zero-emission vehicles; or (3) are for sustainable farming operations

§ 10 — DRS FEE WAIVER FOR CERTAIN BUSINESSES

Requires the DRS commissioner to (1) identify business fees that are appropriate to be waived for environmentally sustainable certified B corporations and farms and (2) submit a list of the fees to the Environment Committee by January 1, 2025

§ 11 — CONNECTICUT CLEAN ECONOMY COUNCIL

Establishes a Connecticut Clean Economy Council to advise on strategies and policies to further climate mitigation, clean energy, resilience, and sustainability efforts; requires the council to develop a plan to transition workers away from fossil-fuel-based jobs to those in clean energy; requires an annual report of its work to be submitted to the Environment, Energy and Technology, and Commerce committees

§ 12 — CI INVESTMENT REPORT

Requires CI to annually report to the Environment and Energy and Technology committees on investments and assistance for companies engaged in climate change mitigation matters

§ 13 — PURA ENERGY STORAGE PROGRAM

Requires PURA to expand its statewide energy storage program by increasing its (1) total storage deployment targets to 1,000 MW and (2) size of incentives under certain circumstances

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Gives public school building projects that include installing a renewable energy or energy efficiency project a 10-percentage point increase to the state grant reimbursement rate

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§ 16 — RESIDENTIAL HEAT PUMP SYSTEMS PLAN

Requires the DEEP commissioner, with the Green Bank, to develop a plan to install at least 310,000 residential heat pumps, and report on

the plan to the Environment and Energy and Technology committees by January 1, 2026

§ 17 — LOCAL PLANS OF CONSERVATION AND DEVELOPMENT

Requires municipal conservation and development plans scheduled for adoption beginning January 1, 2025, to evaluate environmental sustainability and climate resiliency

§§ 18 & 19 — ENVIRONMENTALLY SUSTAINABLE PURCHASING MODEL POLICY

Requires OPM to develop a model policy for environmentally sustainable purchasing that municipalities can use; for FY 25, requires the OPM secretary to authorize LoCIP funding to municipalities that implement the model policy

§ 20 — STATE BUILDING ELECTRICAL SYSTEMS

Requires state building construction, renovation, and retrofitting to use electrical systems that do not rely on fossil fuels or GHG emissions if there is available funding

§ 21 — NATURE-BASED SOLUTIONS REPORT

Requires DEEP to submit a report to the Environment Committee by December 31, 2025, that outlines a proposed plan and program to advance nature-based solutions that support climate mitigation and adaptation

BACKGROUND

SUMMARY

This bill establishes various requirements related to its climate crisis declaration (see § 1), as described in the section-by-section analysis below.

EFFECTIVE DATE: Upon passage, except as noted below.

§ 1 — CLIMATE CRISIS DECLARATION

Declares that there is a climate crisis to (1) show urgency to enact meaningful climate legislation and (2) support efforts for federal funds to respond to the crisis

The bill makes a declaration that there is a climate crisis to (1) show the urgency to enact meaningful climate legislation and (2) support increased efforts to secure federal funds to respond to the crisis. It also

states that the state recognizes the (1) urgency and need to mitigate climate impacts and prepare for and manage disaster risk from climate change and (2) urgency to decrease significantly and rapidly greenhouse gas (GHG) emissions, and increase community coping capacities to handle climate change impacts.

As part of the declaration, the bill states that the crisis threatens the following:

1. the state's communities' resilience, regardless of zip code;
2. multiple aspects of the state's natural resource and infrastructure assets; and
3. the state's economy and quality of life for younger generations of state residents.

It specifies that the declaration does not permit the governor to use its statements to operate the government by executive order.

§§ 2-6 — GREENHOUSE GAS EMISSIONS REDUCTION AND ZERO-CARBON GOALS

Establishes new state GHG emissions reduction levels under the GWSA; requires a consultant-prepared report on strategies to meet the new state reduction goals; for state agencies, sets new GHG reduction goals and a goal to use only zero-carbon generating electricity; includes carbon sequestration as a strategy for reducing emissions that may be included in certain DEEP reports on the reductions; requires PURA to initiate a related docket on the future of natural gas in the state

Connecticut Goals (§§ 3 & 4)

The bill generally requires the state to reach an economy-wide net zero GHG emission reduction level by January 1, 2050. It establishes this requirement as part of the state's Global Warming Solutions Act (GWSA).

Under current law, the GWSA requires the state to reduce GHG emissions from all sources to a level at least (1) 10% below 1990 emission levels by January 1, 2020; (2) 45% below 2001 emission levels by January 1, 2030; and (3) 80% below 2001 emission levels by January 1, 2050. There is also a requirement for the state to reduce GHG emissions from

electricity supplied to electric customers in the state to zero percent by January 1, 2040.

The bill sets a new GHG reduction level requirement of 65% of 2001 emission levels January 1, 2040. It also requires that, by January 1, 2050, the state be at an economy-wide net-zero level, considering carbon sequestration, as long as direct (e.g., factory stacks, manufacturing processes, company-owned or leased vehicles) and indirect (e.g., emissions from purchased electricity consumption, steam, or heating and cooling) GHG emissions are at least 80% below the 2001 level.

Under the bill, “net-zero” is the level of GHG reduction from a complete offset of emitted GHGs by GHG reduction and carbon sequestration. “Carbon sequestration” is the removal of GHGs from the atmosphere through (1) nature-based solutions like soils, forests, wetlands, or working or natural lands and (2) technological solutions with the primary purpose of removing GHGs from the atmosphere.

By law, the Department of Energy and Environmental Protection (DEEP) commissioner determines emission levels. GHG includes any chemical or physical substance emitted into the air that the DEEP commissioner reasonably anticipates will cause or contribute to climate change (e.g., carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride).

Consultant Report (§ 4)

The bill requires the DEEP commissioner to contract with a consultant to prepare a report that includes:

1. strategies to achieve the above GHG emissions reductions;
2. whether or not a strategy to achieve these reductions should include sector-specific emission reduction targets and, if so, the way and priority order to implement the targets; and
3. an evaluation of the adequacy of the state renewable portfolio standards, which are requirements for electricity providers to get

part of their power from renewable sources.

The consultant's report must be submitted to the Energy and Technology and Environment committees by January 1, 2026. Under the bill, the recommendations cannot be implemented unless approved by each legislative chamber.

State Agency Goals (§§ 2 & 3)

The bill establishes the following GHG emissions reduction goals for state agencies:

1. 45% from 2001 levels by 2030,
2. 70% from 2016 levels by 2040, and
3. reaching a level determined to be net-zero by 2050.

The bill sets a separate goal for state agencies to use only zero-carbon generating electricity by 2030.

Periodic Reporting (§§ 4 & 5)

Existing law requires the DEEP commissioner, every three years and with help from a nonprofit association with northeastern state air quality and climate program expertise, to develop, with opportunity for public comment, a schedule of recommended regulatory actions by relevant agencies, policies, and other actions needed to further progress towards achieving the GHG reduction levels. The bill (1) specifies that schedule must be developed so as to attain the reduction levels by the listed dates and (2) allows the regulatory actions to include carbon sequestration.

The bill similarly includes carbon sequestration as a proposed regulation, policy, and strategy option to achieve the emissions reduction limits that the DEEP commissioner may include in her triennial report on achieved emissions reductions to the Environment, Energy and Technology, and Transportation committees.

PURA Docket: Future of Natural Gas (§ 6)

The bill requires the Public Utilities Regulatory Authority (PURA) to initiate a docket, by January 1, 2025, on the future of natural gas use in the state in relation to the state's GHG emission reduction levels described above. After completing the docket, PURA must submit a report to the Environment and Energy and Technology committees on any recommendations for legislative changes needed to implement its findings.

§ 7 — PERMITS OF FOSSIL-FUELED ELECTRICITY GENERATING UNITS

Requires DEEP to require an evaluation on replacing fossil-fueled electricity-generating capacity with no-emission energy or energy storage when it considers an application for a permit or permit modification for a fossil-fueled electricity-generating unit

The bill requires the DEEP commissioner, when considering a permit application (either a new one or a modification) from a fossil-fueled electricity-generating unit, to require an evaluation of replacing some or all of the generating capacity with energy or energy storage that does not involve emissions. It does this regardless of any existing state environmental protection laws.

Under the bill, the evaluation must be prepared by an independent contractor at the permit applicant's expense. It must include the (1) technical feasibility of replacing or supplementing the fossil-fueled electricity-generating capacity with renewable energy or energy storage that is already in commercial use and (2) total project cost of doing so.

If the commissioner determines replacing at least some of the generators is technically and economically feasible, the bill allows her to require the permit applicant to include the no-emission energy or energy storage as a condition of granting or modifying an air pollution permit or air pollution exemption permit.

§ 8 — DEEP ENERGY INFORMATION WEBSITE

Requires DEEP to publish on its website certain information about (1) costs and sources of electricity and (2) EV power source information

The bill requires DEEP, by October 1, 2025, to publish on its website consolidated information on the (1) cost and sources of electricity in the state and (2) electric vehicle (EV) power source information, including

EV service and supply equipment.

The posted information must include the following:

1. Class I renewable energy (e.g., wind and solar) deployments and other distributed energy resources in the state;
2. energy storage deployment in the state;
3. electricity, natural gas, and heating fuel (by fuel type) consumption; and
4. participation information for energy efficiency, federal weatherization, and efficiency barrier remediation programs.

§ 9 — JOBSCT TAX REBATE PROGRAM

Requires the DECD commissioner to give a preference to applications under the JobsCT tax rebate program that (1) make significant investments in environmentally sustainable practices; (2) are in economic sectors like renewable energy, energy efficiency, and zero-emission vehicles; or (3) are for sustainable farming operations

By law, the Department of Economic and Community Development's (DECD) JobsCT tax rebate program gives companies in specified industries rebates against the insurance premiums, corporation business, and pass-through entity taxes for reaching certain job creation targets.

The bill requires the DECD commissioner to give a preference to applications for the program that:

1. make significant investments in environmentally sustainable practices (e.g., zero-carbon energy and energy efficiency);
2. are in sectors of the economy such as renewable energy, energy efficiency, and zero-emission vehicles; or
3. are for farming operations that are sustainable from a climate perspective.

EFFECTIVE DATE: July 1, 2024

§ 10 — DRS FEE WAIVER FOR CERTAIN BUSINESSES

Requires the DRS commissioner to (1) identify business fees that are appropriate to be waived for environmentally sustainable certified B corporations and farms and (2) submit a list of the fees to the Environment Committee by January 1, 2025

The bill requires the Department of Revenue Services (DRS) commissioner, in collaboration with the DECD commissioner, to identify business fees that are appropriate for waiver for environmentally sustainable certified B corporations and farms. The DRS commissioner must submit a list of these fees to the Environment Committee by January 1, 2025.

§ 11 — CONNECTICUT CLEAN ECONOMY COUNCIL

Establishes a Connecticut Clean Economy Council to advise on strategies and policies to further climate mitigation, clean energy, resilience, and sustainability efforts; requires the council to develop a plan to transition workers away from fossil-fuel-based jobs to those in clean energy; requires an annual report of its work to be submitted to the Environment, Energy and Technology, and Commerce committees

The bill establishes a Connecticut Clean Economy Council to advise on strategies and policies to strengthen the state's climate mitigation, clean energy, resilience, and sustainability programs to lower emissions and advance economic and environmental justice for Connecticut residents.

Duties and Reporting Requirements

Under the bill, the council has the following duties:

1. identify opportunities to (a) leverage state and federal funding to scale economic opportunities related to clean energy, climate, and sustainability investments and (b) maximize local economic benefits from investments needed to meet the state's climate and sustainability goals;
2. ensure the state's workforce is trained to deliver climate and sustainability solutions;
3. support equitable and diverse participation in climate and sustainability economic development opportunities from diverse employers and job seekers;

4. work with the Office of Workforce Strategy (OWS) to increase workforce training in the clean energy sector, with a goal to create opportunities for populations underrepresented in the workforce (e.g., environmental justice community residents, women, minorities, and formerly incarcerated people); and
5. consult with the governor and DECD commissioner on any statewide economic action plan.

The bill requires the council to develop a plan to transition workers from fossil-fuel-based jobs to clean energy jobs, which must be submitted to the Commerce, Energy and Technology, and Environment committees by February 1, 2026. It also requires, beginning by February 1, 2025, the council to submit an annual report to these same three committees, the governor, and the Office of Policy and Management (OPM), on its work, findings, and recommendations.

The bill allows the council to form working groups to address workforce development in specific sectors in the clean energy and sustainability fields.

Membership and Meetings

Under the bill, the council consists of the following members:

1. the DECD, DEEP, Department of Transportation, and OWS commissioners, or their designees;
2. the OPM secretary or his designee;
3. the Connecticut Green Bank and Connecticut Innovations, Inc. (CI) chief executive officers, or their designees;
4. a representative from the governor's office; and
5. any other members the cochairpersons designate.

The council cochairpersons are the DECD and DEEP commissioners, or their designees. A majority of the members of the council constitutes

a quorum. Additional members designated by the cochairpersons serve at their pleasure.

§ 12 — CI INVESTMENT REPORT

Requires CI to annually report to the Environment and Energy and Technology committees on investments and assistance for companies engaged in climate change mitigation matters

By January 1, 2025, the bill requires CI to begin annually reporting to the Environment and Energy and Technology committees on investments and assistance given to companies that are engaged in climate change mitigation matters. CI is a quasi-public agency that gives financing and support to businesses in the state.

§ 13 — PURA ENERGY STORAGE PROGRAM

Requires PURA to expand its statewide energy storage program by increasing its (1) total storage deployment targets to 1,000 MW and (2) size of incentives under certain circumstances

The bill requires PURA to expand its statewide energy storage program by increasing its (1) cumulative storage deployment targets to 1,000 megawatts (MW) and (2) size of incentives if PURA concludes that it is reasonable and prudent to do so and provides value to ratepayers. Currently the program is designed with an end goal of deploying 580 MW of electric storage by 2030 and provides up-front and performance-based incentives. Energy storage systems are generally technology capable of absorbing energy, storing it, and then dispatching it (CGS § 16-1(48)).

EFFECTIVE DATE: July 1, 2024

§ 14 — SCHOOL BUILDING PROJECT REIMBURSEMENT RATE

Gives public school building projects that include installing a renewable energy or energy efficiency project a 10-percentage point increase to the state grant reimbursement rate

The bill makes local or regional boards of education eligible for a 10-percentage point increase to their state grant reimbursement rate for school building projects, including renovations, that involve the installation of a renewable energy or energy efficiency project.

EFFECTIVE DATE: July 1, 2024

§ 15 — ENERGY EFFICIENCY PRODUCT STANDARDS REPORT

Requires DEEP to submit a report to the Environment Committee by January 1, 2025, on recommendations for changing the product energy efficiency standards law to provide for the sale and installation of certain heating and cooling systems that do not emit GHG

The bill requires the DEEP commissioner to submit a report to the Environment Committee by January 1, 2025, on recommendations for changing the product energy efficiency standards law to provide for the sale and installation of heating, ventilation, and air conditioning systems, hot water heating systems, and geothermal systems that do not emit GHGs. The recommendations must include suggested implementation dates and proposed consumer education efforts.

EFFECTIVE DATE: October 1, 2024

§ 16 — RESIDENTIAL HEAT PUMP SYSTEMS PLAN

Requires the DEEP commissioner, with the Green Bank, to develop a plan to install at least 310,000 residential heat pumps, and report on the plan to the Environment and Energy and Technology committees by January 1, 2026

The bill requires the DEEP commissioner, together with the Connecticut Green Bank, to develop a plan to install, within available resources, at least 310,000 heat pumps for residential heating systems through the existing multifamily retrofit pilot program for homes in environmental justice communities and low interest energy efficiency loan, residential heating equipment financing, and affordable housing energy efficiency retrofit grant programs.

Under the bill, the commissioner must submit a report to the Environment and Energy and Technology committees by January 1, 2026, on the plan's status to reach the goal and any related recommendations to expand or revise the plan.

EFFECTIVE DATE: October 1, 2024

§ 17 — LOCAL PLANS OF CONSERVATION AND DEVELOPMENT

Requires municipal conservation and development plans scheduled for adoption beginning January 1, 2025, to evaluate environmental sustainability and climate resiliency

The bill requires municipal plans of conservation and development that are scheduled for adoption beginning January 1, 2025, to evaluate

the municipality's environmental sustainability and climate resiliency.

By law, each municipality must have a plan of conservation and development. Plans of conservation and development are statements of development, resource management, and investment policies. Municipalities must update their plans at least every 10 years.

§§ 18 & 19 — ENVIRONMENTALLY SUSTAINABLE PURCHASING MODEL POLICY

Requires OPM to develop a model policy for environmentally sustainable purchasing that municipalities can use; for FY 25, requires the OPM secretary to authorize LoCIP funding to municipalities that implement the model policy

The bill requires OPM, in consultation with the Department of Administrative Services, to develop a model policy for environmentally sustainable purchasing that municipalities can use and implement if they so choose.

Additionally, by law, the Local Capital Improvement Program (LoCIP), administered by OPM, provides funding to municipalities for the cost of eligible local capital improvement projects. OPM distributes LoCIP funds to municipalities based on a statutory formula. In addition to the distribution, the bill requires OPM, for FY 25, to authorize funding for municipalities that implement the model policy from funds appropriated to OPM for this purpose.

EFFECTIVE DATE: Effective upon passage, except the LoCIP provision is effective July 1, 2024.

§ 20 — STATE BUILDING ELECTRICAL SYSTEMS

Requires state building construction, renovation, and retrofitting to use electrical systems that do not rely on fossil fuels or GHG emissions if there is available funding

The bill requires, if funding is available, new or existing state buildings to be constructed, or retrofitted during a major renovation, with electrical systems that do not rely on fossil fuels or GHG emissions to operate. It requires this regardless of the state's real property laws.

§ 21 — NATURE-BASED SOLUTIONS REPORT

Requires DEEP to submit a report to the Environment Committee by December 31, 2025, that outlines a proposed plan and program to advance nature-based solutions that support climate mitigation and adaptation

The bill requires the DEEP commissioner to prepare a report outlining a proposed plan and program to advance nature-based solutions in the state that support climate mitigation and adaptation. By December 31, 2025, the commissioner must submit the report to the Environment Committee.

Plan Contents

Under the bill, the report must (1) include an analysis of the plan's associated funding needs; (2) identify potential federal, state, and other funding sources; and (3) have a proposed timeline to implement the plan no later than July 1, 2026.

Program Provisions

Under the bill, the nature-based solutions program must include:

1. increasing carbon sequestration through increased forest extent (e.g., reforestation) and growing forests to greater maturity;
2. controlling invasive species;
3. protecting carbon stocks by avoiding conversion of forests and wetlands to other purposes;
4. restoring coastal habitats; and
5. increasing climate-smart agriculture and soil conservation to reduce GHG emissions while improving habitat and protecting biodiversity.

The bill also allows the program to include provisions on the following:

1. land and conservation easement acquisition (a) for upslope advance zones next to tidal marshes or (b) in riparian areas next to cold water streams;

2. a comprehensive modeling assessment of inland migration of tidal marshes needed to inform adaptation decisions;
3. regulation adoption or amendments that provide necessary stream flow levels to ensure resilience and ecological integrity of cold water streams;
4. increases in active upland forest management to improve regeneration, diversity, and resilience;
5. collaboration with other northeastern states and federal agencies to develop a coordinated regional adaptation approach to conserve habitats and species at risk; and
6. increases in connectivity among habitats.

BACKGROUND

Related Bills

sSB 11 (File 198), favorably reported by the Environment Committee, among other things, requires local plans of conservation and development to also include a climate change vulnerability assessment and other information related to threats and vulnerabilities from hazards, natural disasters, and climate change (§§ 11 & 12).

sHB 5356, favorably reported by the Energy and Technology Committee, among other things, requires the DEEP commissioner to study the state’s natural gas capacity, including ways to expand it, and report her findings and recommendations to the Energy and Technology Committee by January 1, 2025.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute
Yea 23 Nay 11 (03/20/2024)