

General Assembly

Substitute Bill No. 5004

February Session, 2024



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.

Sec. 2. (NEW) (*Effective from passage*) (a) Each state agency shall have the following greenhouse gas emissions reduction goals: (1) A forty-five per cent reduction from 2001 levels by 2030; (2) a seventy per cent reduction from 2016 levels by 2040; and (3) achieving a level determined

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- 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,
- as amended by this act.
- 23 (b) Each state agency shall have the goal of only utilizing zero-carbon generating electricity by 2030.
- Sec. 3. Section 22a-200 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- As used in sections 22a-200 to 22a-200b, inclusive, as amended by this 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;
- (5) "Indirect emissions" means emissions associated with the consumption of purchased electricity, steam and heating or cooling by an entity or facility;
- 48 (6) "Carbon sequestration" means the removal of greenhouse gases

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- 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 <u>from the atmosphere;</u>
- 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.
- 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
- 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 <u>indirect emissions of greenhouse gases are</u> 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
- 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

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that are designed to meet state agency energy savings goals established by the Governor. The report shall also identify policies and regulations that could be adopted in the near future by such agencies to reduce greenhouse gas emissions in accordance with subsection (a) of this section.

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

(2) The Commissioner of Energy and Environmental Protection shall enter into an agreement with a consultant for the preparation of a report to be submitted not later than January 1, 2026, to the joint standing committees of the General Assembly having cognizance of matters relating to the environment and energy. Such report shall: (A) Contain strategies for achieving the greenhouse gas emissions reductions required in subsection (a) of this section, (B) indicate whether a strategy to achieve such limits should include sector specific emission reduction targets and, if so, in what manner and order of priority such sector specific targets should be implemented, and (C) evaluate the adequacy of the standards contained in section 16-245a. No recommendation contained in such report shall be implemented without the approval of each chamber of the General Assembly.

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

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- Sec. 5. Subsection (a) of section 22a-200b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (a) The Commissioner of Energy and Environmental Protection shall, with the advice and assistance of a nonprofit association organized to provide scientific, technical, analytical and policy support to the air quality and climate programs of northeastern states: (1) Not later than December 1, 2009, publish an inventory of greenhouse gas emissions to establish a baseline for such emissions for the state and publish a summary of greenhouse gas emission reduction strategies on the Department of Energy and Environmental Protection's Internet web site, (2) not later than July 1, 2010, publish results of various modeling scenarios concerning greenhouse gas emissions, including, but not limited to, an evaluation of the potential economic and environmental benefits and opportunities for economic growth based on such scenarios, (3) not later than July 1, 2011, analyze greenhouse gas emission reduction strategies and, after an opportunity for public comment, make recommendations on which such strategies will achieve the greenhouse gas emission levels specified in section 22a-200a, as amended by this act, and (4) not later than July 1, 2012, and every three years thereafter, develop, with an opportunity for public comment, a schedule of recommended regulatory actions by relevant agencies,

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policies and other actions necessary to [show] <u>make</u> reasonable further progress towards achieving the greenhouse gas emission levels specified in section 22a-200a, as amended by this act, to attain the levels specified in said section by the relevant date provided. Such regulatory actions may include carbon sequestration.

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

Sec. 7. (NEW) (Effective from passage) Notwithstanding any provision of title 22a of the general statutes, whenever the Commissioner of Energy and Environmental Protection considers an application to grant or modify a permit for fossil-fueled electricity-generating units, the commissioner shall require an evaluation of the replacement of some or all of the fossil-fueled electricity-generating capacity with energy or energy storage that does not have emissions associated with it. Such evaluation shall be prepared by an independent contractor at such applicant's expense and shall include: (1) The technical feasibility of replacing or supplementing some or all of the fossil-fueled electricitygenerating capacity with renewable energy or energy storage of a type that is in commercial use; and (2) the total project cost of replacing or supplementing some or all of the fossil-fueled electricity-generating capacity with renewable energy and energy storage that is technically feasible. Whenever the commissioner determines that replacement of some or all of such fossil-fueled generators is technically and economically feasible, the commissioner may require the applicant to include such energy or energy storage that does not have emissions associated with it, as a condition of granting or modifying any permit

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pursuant to section 22a-174 or 22a-183 of the general statutes.

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

- Sec. 9. Subdivision (3) of subsection (c) of section 32-7t of the 2024 supplement to the general statutes is repealed and the following is 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 or may approve an application with amendments, provided the 198 199 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.
- Sec. 10. (NEW) (*Effective from passage*) The Commissioner of Revenue Services, in collaboration with the Commissioner of Economic and

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Community Development, shall identify business fees that are appropriate for waiver for certified B corporations and farms that are environmentally sustainable. Not later than January 1, 2025, the Commissioner of Revenue Services shall submit a list of such fees to the joint standing committee of the General Assembly having cognizance of matters relating to the environment.

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

(b) Such council shall meet not less than quarterly, at dates, times and locations to be established by the cochairpersons of such council. The council shall: (1) Identify opportunities to leverage state and federal funding to scale economic opportunities associated with clean energy, climate and sustainability investments and maximize local economic development benefits from investments needed to meet the climate and sustainability goals of the state, (2) ensure the state's workforce is trained to deliver climate and sustainability solutions and support equitable and diverse participation in climate and sustainability economic development opportunities from both diverse employers and diverse job seekers, (3) work with the Office of Workforce Strategy to increase workforce training in the clean energy sector with a goal of creating opportunities for populations that are underrepresented in the workforce such as residents of environmental justice communities, as defined in section 22a-20a of the general statutes, women, minorities and formerly incarcerated persons, (4) develop a plan for transitioning workers from fossil-fuel-based employment to clean economy jobs. Such plan shall be submitted, not later than February 1, 2026, to the joint standing committees of the General Assembly having cognizance of matters relating to the environment, energy and commerce, in accordance with the provisions of section 11-4a of the general statutes, and (5) be consulted by the Governor and the Commissioner of

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- Economic and Community Development on any state-wide economic action plan. The council may form working groups to address workforce development in specific sectors within the fields of clean energy and 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.
 - (d) A majority of the members of the council shall constitute a quorum.

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- (e) Not later than February 1, 2025, and annually thereafter, the council shall report on its work, findings and recommendations to the Governor, the Office of Policy and Management and the joint standing committees of the General Assembly having cognizance of matters relating to the environment, energy and commerce, in accordance with the provisions of section 11-4a of the general statutes.
 - Sec. 12. (NEW) (*Effective from passage*) Not later than January 1, 2025, and annually thereafter, Connecticut Innovations, Incorporated shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General

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- Assembly having cognizance of matters relating to the environment and energy on investments and assistance provided to companies engaged in matters related to the mitigation of climate change.
- Sec. 13. (*Effective July 1, 2024*) The Public Utilities Regulatory Authority shall expand the energy storage program established by the authority in Docket No. 17-12-03RE03. The authority shall: (1) Increase the cumulative storage deployment target for such program to one thousand megawatts; and (2) increase the size of incentives under the program if it concludes that such increase is reasonable, prudent and provides value to ratepayers.
- Sec. 14. Section 10-285a of the 2024 supplement to the general statutes is amended by adding subsection (l) as follows (*Effective July 1, 2024*):

- (NEW) (l) The percentage determined pursuant to this section for a school building project grant, including, but not limited to, any renovation, for the installation of a renewable energy or energy efficiency project, shall be increased by ten percentage points.
 - Sec. 15. (NEW) (Effective October 1, 2024) Not later than January 1, 2025, the Commissioner of Energy and Environmental Protection, in accordance with the provisions of section 11-4a of the general statutes, shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to the environment on recommendations for amendments to section 16a-48 of the general statutes to provide for the sale and installation in the state of heating, ventilation and air conditioning systems, hot water heating systems and geothermal systems that do not emit greenhouse gases. Such recommendations shall include, but not be limited to, suggested implementation dates for any such requirement and proposed consumer education efforts to inform the public about such systems.
 - Sec. 16. (NEW) (*Effective October 1, 2024*) The Commissioner of Energy and Environmental Protection, in conjunction with the Connecticut Green Bank, shall develop a plan for the installation, within available resources, of not less than three hundred ten thousand heat pumps for

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- 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-40*l* 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.
- 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
- 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 <u>for adoption on or after January 1, 2025, shall evaluate environmental</u>
- 330 sustainability and climate resiliency for such municipality.
- 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
- may voluntarily utilize and implement.
- 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*):
- (e) (1) Each municipality may apply to the secretary for project

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authorization and expense reimbursement of local capital improvement projects.

- (2) Notwithstanding the deadlines imposed by this section, each municipality that has expended funds in the fiscal year ending June 30, 2013, on projects listed in subparagraphs (T) to (X), inclusive, of subdivision (4) of subsection (a) of this section may apply to the secretary for reimbursement of such expenses.
- (3) (A) Notwithstanding the provisions of subdivision (2) of subsection (f) of this section, the secretary, at the secretary's discretion, may authorize expense reimbursement for a project listed in subparagraphs (T) to (Y), inclusive, of subdivision (4) of subsection (a) of this section prior to such project's inclusion on the local capital improvement plan adopted by a municipality. The secretary may require certification from the municipality that such municipality is taking steps to amend its local capital improvement plan to include such project.
 - (B) (i) Notwithstanding the provisions of subsection (c) of this section, for the period commencing July 1, 2023, and ending June 30, 2025, the secretary shall additionally authorize expense reimbursement for any project listed in subparagraph (Y) of subdivision (4) of subsection (a) of this section from funds appropriated to the Office of Policy and Management for such projects.
 - (ii) Notwithstanding the provisions of subsection (c) of this section, for the period commencing July 1, 2024, and ending June 30, 2025, the secretary shall additionally authorize expense reimbursement for any municipality that implements the Office of Policy and Management's model policy for environmentally sustainable purchasing from funds appropriated to the Office of Policy and Management for such purpose.
 - Sec. 20. (NEW) (*Effective from passage*) Notwithstanding any provision of title 4b of the general statutes, any new or existing state building shall either be constructed utilizing electrical systems that are not reliant upon fossil fuels or greenhouse gas emissions for operation or, upon

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major renovation, retrofitted to utilize such electrical systems provided funding is available for such purpose.

- Sec. 21. (NEW) (Effective from passage) (a) The Commissioner of Energy and Environmental Protection shall prepare a report that outlines a proposed plan and program for advancing nature-based solutions in the state that support climate mitigation and adaptation. Such report shall include, but not be limited to, an analysis of the associated funding needs for such plan, an identification of potential federal, state, or other funding sources and a proposed timeline for implementation of such plan, provided such plan shall be implemented not later than July 1, 2026. Not later than December 31, 2025, the commissioner, in accordance with the provisions of section 11-4a of the general statutes, shall submit such report to the joint standing committee of the General Assembly having cognizance of matters relating to the environment.
- (b) The nature-based solutions program described in subsection (a) of this section shall include, but not be limited to, the following: (1) Increasing carbon sequestration through increased forest extent, including reforestation, (2) controlling invasive species, (3) growing forests to greater maturity, (4) protecting carbon stocks through the avoided conversion of forests and wetlands to other purposes, (5) restoring coastal habitats, and (6) increasing climate-smart agriculture and soil conservation to reduce greenhouse gas emissions while improving habitat and protecting biodiversity.
- (c) The nature-based solutions program described in subsection (a) of this section may include, but shall not be limited to, the following: (1) Acquisition of land and conservation easements to provide upslope advancement zones adjacent to tidal marshes, (2) a comprehensive modeling assessment of the extent of inland migration of tidal marshes needed to inform adaptation decisions, (3) the acquisition of land and conservation easements in riparian areas adjacent to cold water streams, (4) the adoption or amendment of regulations, in accordance with chapter 54 of the general statutes, that provide stream flow levels

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necessary to ensure the resilience and ecological integrity of cold water streams, (5) increasing active management of upland forests to improve regeneration, diversity and resilience, (6) collaborating with other northeast states and federal agencies to develop a coordinated regional adaptation approach for the conservation of habitats and species at risk, and (7) advancing connectivity among habitats.

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

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ENV Joint Favorable Subst.

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