



# House of Representatives

General Assembly

**File No. 409**

*January Session, 2001*

Substitute House Bill No. 6686

*House of Representatives, April 23, 2001*

The Committee on Environment reported through REP. STRATTON of the 17th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING THE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT FUND.**

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

1 Section 1. Section 22a-165a of the general statutes is repealed and  
2 the following is substituted in lieu thereof:

3 (a) There is established a fund to be known as the "Low-Level  
4 Radioactive Waste Management Fund". The fund may contain any  
5 moneys required by law to be deposited in the fund and shall be held  
6 by the Treasurer separate and apart from all other moneys, funds and  
7 accounts. All moneys within the fund shall be invested by the State  
8 Treasurer in accordance with established investment practices and all  
9 interest earned by such investments shall be returned to the fund. Any  
10 balance remaining in said fund at the end of any fiscal year shall be  
11 carried forward in said fund for the fiscal year succeeding.

12 (b) Moneys in the fund shall be expended by the Commissioner of

13 Environmental Protection, with the approval of the secretary, only to  
14 pay the state's expenses, costs of acquiring an option to purchase land  
15 for a low-level radioactive waste management site and grants to  
16 municipalities pursuant to subsection (b) of section 22a-163d.

17 (c) If the Northeast Interstate Low-Level Radioactive Waste  
18 Commission rescinds the state's host state designation, the secretary  
19 shall, at the next reporting date pursuant to subsection (b) of section  
20 22a-165c, as amended by this act, immediately following such  
21 rescission, recommend a plan to the General Assembly for the  
22 disposition of moneys remaining in said fund and the disposition of  
23 any balances owed to said fund.

24 Sec. 2. Subsection (b) of section 22a-165c of the general statutes is  
25 repealed and the following is substituted in lieu thereof:

26 (b) The secretary shall, on or before February 1, 1990, and annually  
27 thereafter, provided an assessment is deemed necessary pursuant to  
28 subsection (a) of this section, submit a report with [his] a  
29 recommended assessment to the General Assembly. Within thirty days  
30 of receipt of the recommended assessment, the General Assembly shall  
31 approve, reject or modify the assessment as a whole by a majority vote  
32 of those present and voting on the matter. If the General Assembly  
33 does not act within thirty days, the recommended assessment shall be  
34 deemed approved.

35 Sec. 3. (NEW) Notwithstanding the provisions of section 22a-165a of  
36 the general statutes, the total amount of funds in the Low-Level  
37 Radioactive Waste Management Fund shall be transferred to  
38 nonlapsing accounts within the Office of Policy and Management that  
39 shall be available for expenditure by the Office of Policy and  
40 Management as follows: (A) Two million dollars for low-level  
41 radioactive waste management activities and related contingencies; (B)  
42 three million dollars to support scholarship programs, academic  
43 initiatives and workforce development activities that foster

44 advancements in the areas of energy efficiency and conservation,  
45 information technology, bio-sciences and technology-based learning;  
46 (C) a grant-in-aid of fifty thousand dollars to the towns of Haddam  
47 and East Haddam for legal fees and costs related to the siting and  
48 storage of high-level radioactive waste at the Connecticut Yankee  
49 nuclear power plant; and (D) the remainder of such funds for the  
50 implementation of energy conservation projects developed by the  
51 Department of Public Works for state buildings.

52       Sec. 4. This act shall take effect July 1, 2001.

**ENV**       *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** Funds Transfer Between State Agencies, Potential Significant Savings

**Affected Agencies:** Office of Policy and Management, Department of Environmental Protection, Attorney General, Department of Public Works

**Municipal Impact:** Revenue Gain (Haddam, East Haddam)

**Explanation**

**State and Municipal Impact:**

The bill transfers the FY 01 year-ending balance of the Low-Level Radioactive Waste (LLRW) Management Fund to non-lapsing accounts within the Office of Policy and Management (OPM) because the fund is no longer needed. The estimated balance would be \$8.5 million and would be allocated as follows:

<b>Amount</b>	<b>Use</b>
LLRW management activities and related contingencies	\$2,000,000
academic and workforce development initiatives	\$3,000,000
grants-in-aid to Haddam and East Haddam	\$100,000
energy conservation projects in state buildings	(appx.) \$3,400,000
<b>Total</b>	<b>\$8,500,000</b>

***LLRW Management Activities and Related Contingencies - \$2 million***

In the past, the fund provided revenue to OPM, the Attorney General (AG), and the Department of Environmental Protection (DEP), which was used to partially fund two (2) positions with OPM, fully fund four (4) positions with DEP and one (1) position with the AG to manage the siting and monitor the storage of low-level radioactive waste, and provide legal counsel to the LLRW Program. The LLRW Program is being terminated since it is no longer needed (see Background). However, OPM recommends that funding be provided over the 2002-03 Biennium to: (a) monitor and manage the disposal process and the status of the agreement with South Carolina<sup>1</sup>; and (b) meet any operational and legal contingencies related to low-level radioactive waste disposal.

The four existing DEP employees who have responsibilities related to low-level radioactive waste will continue to be funded through the \$2 million transferred to OPM. This expenditure is anticipated to be \$638,000 over the 2002-03 Biennium. OPM expects to expend less than \$40,000 each year to partially fund its two positions during the 2002-03 Biennium. It is uncertain if the one position with the AG will continue to be funded directly by the LLRW Fund. The remaining balance of the \$2 million allocation will be used to meet the cost of legal and operational contingencies related to storage and transport of the low-level radioactive waste.

***Other Purposes - \$6.5 million***

The bill allocates \$3 million to OPM to provide financial assistance to advance energy efficiency, information technology, bio-sciences and technology-based learning. The bill provides the towns of Haddam and East Haddam each with a grant-in-aid of \$50,000. The remaining moneys, approximately \$3.4 million, will be used for energy

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<sup>1</sup> On July 1, 2000, the State of South Carolina agreed to host low-level radioactive waste generated in Connecticut.

conservation projects in state buildings that are developed by the Department of Public Works (DPW). This could result in significant savings to the state through reduced energy usage in future years (in excess of \$100,000). CGS Section 16a-38i makes both DPW and OPM responsible for the reduction of energy use in state buildings. The department already has a listing of energy conservation projects that could be implemented in state buildings. The amount of savings depends on the amount of money available for these projects and the specific projects that are selected.

***Background***

The purpose of the LLRW Program (established in 1988) was to select a site in Connecticut for the disposal of low-level radioactive waste. On July 1, 2000, the State of South Carolina agreed to serve as the host for low-level radioactive waste generated in Connecticut - thus negating the need for the LLRW Program.

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**OLR BILL ANALYSIS**

sHB 6686

***AN ACT CONCERNING THE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT FUND.***

**SUMMARY:**

This bill transfers all of the money in the Low-Level Radioactive Waste (LLRW) Management Fund to the Office of Policy and Management (OPM) for four purposes. The fund is derived from assessments on nuclear power plants and other LLRW generators and is used to site and develop an LLRW disposal facility. Connecticut and New Jersey formed a compact under federal law, under which each state agreed to site an LLRW facility in its borders. Subsequently, South Carolina joined the compact and has agreed to dispose of the LLRW generated in all three states.

The bill requires the OPM secretary to recommend a plan to the legislature for disposing of the money in the fund and any balances owed the fund after the Northeast Interstate LLRW Commission (the entity that administers the bi-state compact) rescinds Connecticut's designation as a host state for an LLRW facility. It appears that this provision is moot in light of the fact the bill specifies how the fund money is to be used and these specific provisions take precedence under the bill.

Under current law, the secretary must report his recommended assessment on generators to the legislature by February 1 annually. The bill waives this requirement when he determines that no assessment is needed. In recent years, the secretary has recommended that there be no assessment because the accumulated funds were more than sufficient to pay the state's costs.

EFFECTIVE DATE: July 1, 2001

**TRANSFERRED FUNDS**

Under the bill, all of the money in the LLRW Fund must be transferred to OPM in nonlapsing accounts to spend as follows:

1. \$2 million for LLRW management activities and related contingencies;
2. \$3 million to support scholarship programs, academic initiatives, and workforce development initiatives to advance energy efficiency, information technology, bio-sciences, and technology-based learning;
3. \$50,000 to the towns of Haddam and East Haddam to offset their legal fees and costs associated with the siting and storage of high level radioactive waste from the Connecticut Yankee nuclear plant; and
4. the remainder to implement energy conservation projects in state buildings developed by the Department of Public Works.

**BACKGROUND**

***Low Level Radioactive Waste***

Low-level radioactive waste includes such things as contaminated clothing and certain materials from decommissioned nuclear power plants. It does not include spent fuel or other high-level radioactive waste. Under federal law, states can form compacts to dispose of LLRW generated within their borders and can exclude waste from outside of the compact states from their LLRW facilities.

**COMMITTEE ACTION**

Environment Committee

Joint Favorable Substitute  
Yea 28    Nay 0