



General Assembly

February Session, 2010

Amendment

LCO No. 5523

SB0005905523HDO

Offered by:
REP. NARDELLO, 89th Dist.

To: Subst. Senate Bill No. 59

File No. 188

Cal. No. 456

"AN ACT CONCERNING BANKS AND CREDIT UNIONS."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective July 1, 2010*) (a) As used in this section:

4 (1) "Energy improvements" means any renovation or retrofitting of
5 qualifying real property to reduce energy consumption or installation
6 of a renewable energy system to service qualifying real property,
7 provided such renovation, retrofit or installation is permanently fixed
8 to such qualifying real property;

9 (2) "Qualifying real property" means a single-family or multifamily
10 residential dwelling or a nonresidential commercial or industrial
11 building, regardless of ownership, that a municipality has determined
12 can benefit from energy improvements;

13 (3) "Property owner" means an owner of qualifying real property
14 who desires to install energy improvements and provides free and

15 willing consent to the contractual assessment; and

16 (4) "Sustainable energy program" means a municipal program that
17 authorizes a municipality to enter into contractual assessments on
18 qualifying real property with property owners to finance the purchase
19 and installation of energy improvements to qualifying real property
20 within its municipal boundaries.

21 (b) Any municipality, that determines it is in the public interest,
22 may establish a sustainable energy program to facilitate the increase of
23 energy efficiency and renewable energy. A municipality shall make
24 such a determination after issuing public notice and providing an
25 opportunity for public comment regarding the establishment of a
26 sustainable energy program.

27 (c) Notwithstanding the provisions of section 7-374 of the general
28 statutes or any other public or special act that limits or imposes
29 conditions on municipal bond issues, any municipality that establishes
30 a sustainable energy program under this section may issue bonds, as
31 necessary, for the purpose of (1) financing energy improvements; (2)
32 related energy audits; and (3) renewable energy system feasibility
33 studies and the verification of the installation of such improvements.
34 Such financing shall be secured by special contractual assessments on
35 the qualifying real property.

36 (d) (1) Any municipality that establishes a sustainable energy
37 program pursuant to this section may partner with another
38 municipality, state agency or bank to (A) maximize the opportunities
39 for accessing public funds and private capital markets for long-term
40 sustainable financing, and (B) secure state or federal funds available
41 for this purpose.

42 (2) Any municipality that establishes a sustainable energy program
43 and issues bonds pursuant to this section may supplement the security
44 of such bonds with any other legally available funds solely at the
45 municipality's discretion.

46 (3) Any municipality that establishes a sustainable energy program
47 pursuant to this section may use the services of one or more private,
48 public or quasi-public third-party administrators to provide support
49 for the program.

50 (e) Before establishing a program under this section, the
51 municipality shall provide notice to the electric distribution company,
52 as defined in section 16-1 of the general statutes, as amended by this
53 act, that services the municipality.

54 (f) If the owner of record of qualifying real property requests
55 financing for energy improvements under this section, the
56 municipality implementing the sustainable energy program shall:

57 (1) Require performance of an energy audit or renewable energy
58 system feasibility analysis on the qualifying real property before
59 approving such financing;

60 (2) Enter into a contractual assessment on the qualifying real
61 property with the property owner in a principal amount sufficient to
62 pay the costs of energy improvements and any associated costs the
63 municipality determines will benefit the qualifying real property and
64 may cover any associated costs;

65 (3) Impose requirements and criteria to ensure that the proposed
66 energy improvements are consistent with the purpose of the program;
67 and

68 (4) Impose requirements and conditions on the financing to ensure
69 timely repayment.

70 (g) Any assessment levied pursuant to this section shall have a term
71 not to exceed the calculated payback period for the installed energy
72 improvements, as determined by the municipality, and shall have no
73 prepayment penalty. The municipality shall set a fixed rate of interest
74 for the repayment of the principal assessed amount at the time the
75 assessment is made. Such interest rate, as may be supplemented with

76 state or federal funding as may become available, shall be sufficient to
77 pay the financing costs of the program, including delinquencies.

78 (h) Assessments levied pursuant to this section and the interest and
79 any penalties thereon shall constitute a lien against the qualifying real
80 property on which they are made until they are paid. Such lien shall be
81 levied and collected in the same manner as the general taxes of the
82 municipality on real property, including, in the event of default or
83 delinquency, with respect to any penalties and remedies and lien
84 priorities.

85 (i) The area encompassing the sustainable energy program in a
86 municipality may be the entire municipal jurisdiction of the
87 municipality or a subset of such."