



General Assembly

Amendment

January Session, 2019

LCO No. 9120



Offered by:
SEN. NEEDLEMAN, 33rd Dist.

To: Subst. Senate Bill No. 960

File No. 374

Cal. No. 188

"AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY AUTHORITY'S REVIEW OF CLAIMS ARISING FROM CONTRACTS PREVIOUSLY APPROVED BY THE AUTHORITY, PERSONS INVOLVED IN THE TRANSPORTATION OF NATURAL GAS AND REQUIREMENTS FOR OPERATOR QUALIFICATION OF INDIVIDUALS PERFORMING COVERED TASKS ON A PIPELINE FACILITY, CALL BEFORE YOU DIG PROGRAM VIOLATIONS AND FINES AND THE PUBLIC UTILITIES REGULATORY POLICIES ACT."

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

3 "Sec. 501. Subsection (d) of section 16-245n of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective from*
5 *passage*):

6 (d) (1) (A) The Connecticut Green Bank is hereby established and
7 created as a body politic and corporate, constituting a public
8 instrumentality and political subdivision of the state of Connecticut
9 established and created for the performance of an essential public and

10 governmental function. The Connecticut Green Bank shall not be
11 construed to be a department, institution or agency of the state.

12 (B) The Connecticut Green Bank shall (i) develop separate programs
13 to finance and otherwise support clean energy investment in
14 residential, municipal, small business and larger commercial projects
15 and such others as the Connecticut Green Bank may determine; (ii)
16 support financing or other expenditures that promote investment in
17 clean energy sources in accordance with a comprehensive plan
18 developed by it to foster the growth, development and
19 commercialization of clean energy sources and related enterprises; and
20 (iii) stimulate demand for clean energy and the deployment of clean
21 energy sources within the state that serve end use customers in the
22 state.

23 (C) The Clean Energy Finance and Investment Authority shall
24 constitute a successor agency to Connecticut Innovations,
25 Incorporated, for the purposes of administering the Clean Energy
26 Fund in accordance with section 4-38d. The Connecticut Green Bank
27 shall constitute a successor agency to the Clean Energy Finance and
28 Investment Authority for purposes of administering the Clean Energy
29 Fund in accordance with section 4-38d. The Connecticut Green Bank
30 shall have all the privileges, immunities, tax exemptions and other
31 exemptions of Connecticut Innovations, Incorporated, with respect to
32 said fund. The Connecticut Green Bank shall be subject to suit and
33 liability solely from the assets, revenues and resources of said bank
34 and without recourse to the general funds, revenues, resources or
35 other assets of Connecticut Innovations, Incorporated. The Connecticut
36 Green Bank may provide financial assistance in the form of grants,
37 loans, loan guarantees or debt and equity investments, as approved in
38 accordance with written procedures adopted pursuant to section 1-121.
39 The Connecticut Green Bank may assume or take title to any real
40 property, convey or dispose of its assets and pledge its revenues to
41 secure any borrowing, convey or dispose of its assets and pledge its
42 revenues to secure any borrowing, for the purpose of developing,
43 acquiring, constructing, refinancing, rehabilitating or improving its

44 assets or supporting its programs, provided each such borrowing or
45 mortgage, unless otherwise provided by the board or said bank, shall
46 be a special obligation of said bank, which obligation may be in the
47 form of bonds, bond anticipation notes or other obligations which
48 evidence an indebtedness to the extent permitted under this chapter to
49 fund, refinance and refund the same and provide for the rights of
50 holders thereof, and to secure the same by pledge of revenues, notes
51 and mortgages of others, and which shall be payable solely from the
52 assets, revenues and other resources of said bank and such bonds may
53 be secured by a special capital reserve fund contributed to by the state.
54 The Connecticut Green Bank shall have the purposes as provided by
55 resolution of said bank's board of directors, which purposes shall be
56 consistent with this section. No further action is required for the
57 establishment of the Connecticut Green Bank, except the adoption of a
58 resolution for said bank.

59 (D) In addition to, and not in limitation of, any other power of the
60 Connecticut Green Bank set forth in this section or any other provision
61 of the general statutes, said bank shall have and may exercise the
62 following powers in furtherance of or in carrying out its purposes:

63 (i) To have perpetual succession as a body corporate and to adopt
64 bylaws, policies and procedures for the regulation of its affairs and the
65 conduct of its business;

66 (ii) To make and enter into all contracts and agreements that are
67 necessary or incidental to the conduct of its business;

68 (iii) To invest in, acquire, lease, purchase, own, manage, hold, sell
69 and dispose of real or personal property or any interest therein;

70 (iv) To borrow money or guarantee a return to investors or lenders;

71 (v) To hold patents, copyrights, trademarks, marketing rights,
72 licenses or other rights in intellectual property;

73 (vi) To employ such assistants, agents and employees as may be

74 necessary or desirable, who shall be exempt from the classified service
75 and shall not be employees, as defined in subsection (b) of section 5-
76 270; establish all necessary or appropriate personnel practices and
77 policies, including those relating to hiring, promotion, compensation
78 and retirement, and said bank shall not be an employer, as defined in
79 subsection (a) of section 5-270; and engage consultants, attorneys,
80 financial advisers, appraisers and other professional advisers as may
81 be necessary or desirable;

82 (vii) To invest any funds not needed for immediate use or
83 disbursement pursuant to investment policies adopted by said bank's
84 board of directors;

85 (viii) To procure insurance against any loss or liability with respect
86 to its property or business of such types, in such amounts and from
87 such insurers as it deems desirable;

88 (ix) To enter into joint ventures and invest in, and participate with
89 any person, including, without limitation, government entities and
90 private corporations, in the formation, ownership, management and
91 operation of business entities, including stock and nonstock
92 corporations, limited liability companies and general or limited
93 partnerships, formed to advance the purposes of said bank, provided
94 members of the board of directors or officers or employees of said
95 bank may serve as directors, members or officers of any such business
96 entity, and such service shall be deemed to be in the discharge of the
97 duties or within the scope of the employment of any such director,
98 officer or employee, as the case may be, so long as such director, officer
99 or employee does not receive any compensation or financial benefit as
100 a result of serving in such role;

101 (x) To enter into a memorandum of understanding or other
102 arrangements with Connecticut Innovations, Incorporated, with
103 respect to the provision or sharing of space, office systems or staff
104 administrative support, on such terms as may be agreed to between
105 said bank and Connecticut Innovations, Incorporated; and

106 (xi) To do all other acts and things necessary or convenient to carry
107 out the purposes of said bank.

108 (E) (i) The Connecticut Green Bank may form one or more
109 subsidiaries to carry out the purposes of said bank, as described in
110 subparagraph (B) of subdivision (1) of this subsection and
111 subparagraph (A)(ii) of subdivision (2) of this subsection, and may
112 transfer to any such subsidiary any moneys and real or personal
113 property of any kind or nature. Any subsidiary may be organized as a
114 stock or nonstock corporation or a limited liability company. Each such
115 subsidiary shall have and may exercise such powers of said bank, as
116 set forth in the resolution of the board of directors of said bank
117 prescribing the purposes for which such subsidiary is formed, and
118 such other powers provided to it by law.

119 (ii) No such subsidiary of said bank shall be deemed a quasi-public
120 agency for purposes of chapter 12 and no such subsidiary shall have all
121 the privileges, immunities, tax exemptions and other exemptions of
122 said bank. In no event shall any such subsidiary have the power to hire
123 or otherwise retain employees. The governing documents of any such
124 subsidiary shall provide for the dissolution of such subsidiary upon
125 the completion of the purpose for which such subsidiary was formed.
126 Each such subsidiary may sue and shall be subject to suit, provided its
127 liability shall be limited solely to the assets, revenues and resources of
128 the subsidiary and without recourse to the general funds, revenues,
129 resources or any other assets of said bank. Each such subsidiary is
130 authorized to assume or take title to property subject to any existing
131 lien, encumbrance or mortgage and to mortgage, convey or dispose of
132 its assets and pledge its revenues to secure any borrowing, provided
133 each such borrowing or mortgage shall be a special obligation of the
134 subsidiary, which obligation may be in the form of bonds, bond
135 anticipation notes and other obligations, to fund and refund the same
136 and provide for the rights of the holders thereof, and to secure the
137 same by a pledge of revenues, notes and other assets and which shall
138 be payable solely from the revenues, assets and other resources of the
139 subsidiary. The Connecticut Green Bank may assign to a subsidiary

140 any rights, moneys or other assets it has under any governmental
141 program. No subsidiary of said bank shall borrow without the
142 approval of the board of directors of said bank.

143 (iii) Each such subsidiary shall act through its board of directors or
144 managing members, at least one-half of which shall be members of the
145 board of directors of said bank or their designees or officers or
146 employees of said bank.

147 (iv) The provisions of section 1-125 and this subsection shall apply
148 to any officer, director, designee or employee appointed as a member,
149 director or officer of any such subsidiary. Any such person so
150 appointed shall not be personally liable for the debts, obligations or
151 liabilities of any such subsidiary as provided in section 1-125. The
152 subsidiary shall, and said bank may, save harmless and indemnify
153 such officer, director, designee or employee as provided by section 1-
154 125.

155 (v) The Connecticut Green Bank, or such subsidiary, may take such
156 actions as are necessary to comply with the provisions of the Internal
157 Revenue Code of 1986, or any subsequent corresponding internal
158 revenue code of the United States, as amended from time to time, to
159 qualify and maintain any such subsidiary as a corporation exempt
160 from taxation under said code.

161 (vi) The Connecticut Green Bank may make loans to each such
162 subsidiary from its assets and the proceeds of its bonds, notes and
163 other obligations, provided the source and security for the repayment
164 of such loans is derived from the assets, revenues and resources of the
165 subsidiary.

166 (2) (A) (i) The Connecticut Green Bank may seek to qualify as a
167 Community Development Financial Institution under Section 4702 of
168 the United States Code. If approved as a Community Development
169 Financial Institution, said bank would be treated as a qualified
170 community development entity for purposes of Section 45D and
171 Section 1400N(m) of the Internal Revenue Code.

172 (ii) The Connecticut Green Bank through one or more of its
173 subsidiaries may seek to qualify as an eligible borrower of federal
174 funding or a recipient of benefits under federal programs, including,
175 but not limited to, funding or credit enhancement benefits from the
176 United States Department of Agriculture pursuant to the Rural
177 Electrification Act of 1936 and subsequent amendments.

178 (B) Before making any loan, loan guarantee, or such other form of
179 financing support or risk management for a clean energy project, the
180 Connecticut Green Bank shall develop standards to govern the
181 administration of said bank through rules, policies and procedures that
182 specify borrower eligibility, terms and conditions of support, and other
183 relevant criteria, standards or procedures.

184 (C) Funding sources specifically authorized include, but are not
185 limited to:

186 (i) Funds repurposed from existing programs providing financing
187 support for clean energy projects, provided any transfer of funds from
188 such existing programs shall be subject to approval by the General
189 Assembly and shall be used for expenses of financing, grants and
190 loans;

191 (ii) Any federal funds that can be used for the purposes specified in
192 subsection (c) of this section;

193 (iii) Charitable gifts, grants, contributions as well as loans from
194 individuals, corporations, university endowments and philanthropic
195 foundations;

196 (iv) Earnings and interest derived from financing support activities
197 for clean energy projects backed by the Connecticut Green Bank;

198 (v) If and to the extent that the Connecticut Green Bank qualifies as
199 a Community Development Financial Institution under Section 4702 of
200 the United States Code, funding from the Community Development
201 Financial Institution Fund administered by the United States

202 Department of Treasury, as well as loans from and investments by
203 depository institutions seeking to comply with their obligations under
204 the United States Community Reinvestment Act of 1977; and

205 (vi) The Connecticut Green Bank may enter into contracts with
206 private sources to raise capital. The average rate of return on such debt
207 or equity shall be set by the board of directors of said bank.

208 (D) The Connecticut Green Bank may provide financing support
209 under this subsection if said bank determines that the amount to be
210 financed by said bank and other nonequity financing sources do not
211 exceed eighty per cent of the cost to develop and deploy a clean energy
212 project or up to one hundred per cent of the cost of financing an energy
213 efficiency project.

214 (E) The Connecticut Green Bank may assess reasonable fees on its
215 financing activities to cover its reasonable costs and expenses, as
216 determined by the board.

217 (F) The Connecticut Green Bank shall make information regarding
218 the rates, terms and conditions for all of its financing support
219 transactions available to the public for inspection, including formal
220 annual reviews by both a private auditor conducted pursuant to
221 subdivision (2) of subsection (f) of this section and the Comptroller,
222 and providing details to the public on the Internet, provided public
223 disclosure shall be restricted for patentable ideas, trade secrets,
224 proprietary or confidential commercial or financial information,
225 disclosure of which may cause commercial harm to a
226 nongovernmental recipient of such financing support and for other
227 information exempt from public records disclosure pursuant to section
228 1-210.

229 (3) No director, officer, employee or agent of the Connecticut Green
230 Bank, while acting within the scope of his or her authority, shall be
231 subject to any personal liability resulting from exercising or carrying
232 out any of the Connecticut Green Bank's purposes or powers.

233 Sec. 502. Subdivision (1) of subsection (e) of section 16-245n of the
234 general statutes is repealed and the following is substituted in lieu
235 thereof (*Effective October 1, 2019*):

236 (e) (1) The powers of the Connecticut Green Bank shall be vested in
237 and exercised by a board of directors, which shall consist of eleven
238 voting members and [two] one nonvoting [members] member each
239 with knowledge and expertise in matters related to the purpose and
240 activities of said bank appointed as follows: The Treasurer or the
241 Treasurer's designee, the Commissioner of Energy and Environmental
242 Protection or the commissioner's designee and the Commissioner of
243 Economic and Community Development or the commissioner's
244 designee, each serving ex officio, one member who shall represent a
245 residential or low-income group appointed by the speaker of the
246 House of Representatives for a term of four years, one member who
247 shall have experience in investment fund management appointed by
248 the minority leader of the House of Representatives for a term of three
249 years, one member who shall represent an environmental organization
250 appointed by the president pro tempore of the Senate for a term of four
251 years, and one member who shall have experience in the finance or
252 deployment of renewable energy appointed by the minority leader of
253 the Senate for a term of four years. Thereafter, such members of the
254 General Assembly shall appoint members of the board to succeed such
255 appointees whose terms expire and each member so appointed shall
256 hold office for a period of four years from the first day of July in the
257 year of his or her appointment. The Governor shall appoint four
258 members to the board as follows: Two for two years who shall have
259 experience in the finance of renewable energy; one for four years who
260 shall be a representative of a labor organization; and one for four years
261 who shall have experience in research and development or
262 manufacturing of clean energy. Thereafter, the Governor shall appoint
263 members of the board to succeed such appointees whose terms expire
264 and each member so appointed shall hold office for a period of four
265 years from the first day of July in the year of his or her appointment.
266 The president of the Connecticut Green Bank shall be elected by the

267 members of the board. The president of the Connecticut Green Bank
268 shall serve on the board in an ex-officio, nonvoting capacity. The
269 Governor shall appoint the chairperson of the board. The board shall
270 elect from its members a vice chairperson and such other officers as it
271 deems necessary and shall adopt such bylaws and procedures it deems
272 necessary to carry out its functions. The board may establish
273 committees and subcommittees as necessary to conduct its business."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>from passage</i>	16-245n(d)
Sec. 502	<i>October 1, 2019</i>	16-245n(e)(1)