



General Assembly

January Session, 2021

**Governor's Bill No. 884**

LCO No. 3209



Referred to Committee on ENVIRONMENT

Introduced by:

Request of the Governor Pursuant  
to Joint Rule 9

***AN ACT REDUCING TRANSPORTATION-RELATED CARBON EMISSIONS.***

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

1 Section 1. (NEW) (*Effective from passage*) (a) The Commissioner of  
2 Energy and Environmental Protection shall adopt regulations, in  
3 accordance with the provisions of chapter 54 of the general statutes, to  
4 implement the program to cap and reduce greenhouse gas emissions  
5 from transportation known as the Transportation and Climate Initiative  
6 Program.

7 (b) The regulations adopted under this section shall include  
8 provisions authorizing the Department of Energy and Environmental  
9 Protection to: (1) Establish a declining cap on greenhouse gas emissions  
10 from transportation and auction, reserve or set-aside emissions  
11 allowances; (2) require the submission of information as necessary to  
12 implement such program; (3) monitor and require verification of  
13 compliance with such program; (4) enforce the requirements of such

14 program; and (5) carry out the functions and further the purposes of  
15 such program. The Department of Energy and Environmental  
16 Protection may use an agent or contractor to perform administrative  
17 functions of such program.

18 (c) The regulations adopted under this section may include  
19 provisions to cover the reasonable administrative costs associated with  
20 the implementation of such program in this state, including, but not  
21 limited to, engagement with communities that are overburdened by air  
22 pollution and underserved by the transportation system, as determined  
23 by the Commissioner of Energy and Environmental Protection and the  
24 Commissioner of Transportation, and to fund assessment and planning  
25 of measures to reduce emissions and mitigate the impacts of climate  
26 change and to cover the reasonable administrative costs of state agencies  
27 associated with the adoption of regulations, plans and policies in  
28 accordance with section 22a-200a of the general statutes. Such costs shall  
29 not exceed five per cent of the total annual projected allowance value.

30 (d) The proceeds of emissions allowance auctions conducted  
31 pursuant to this section shall be deposited into a Transportation and  
32 Climate account established by the Comptroller as a separate,  
33 nonlapsing account within the Transportation Grants and Restricted  
34 Accounts Fund. Such proceeds shall not be considered pledged revenue  
35 of said fund under section 13b-61 of the general statutes, as amended by  
36 this act.

37 (e) For the fiscal year ending June 30, 2022, and each fiscal year  
38 thereafter, the Department of Transportation and the Department of  
39 Energy and Environmental Protection, with the approval of the  
40 Secretary of the Office of Policy and Management, shall invest the  
41 proceeds of emissions allowance auctions conducted pursuant to this  
42 section in strategies designed to reduce greenhouse gas emissions and  
43 air pollution from the transportation sector, provided not less than  
44 thirty-five per cent of such auction proceeds shall be invested in a  
45 manner designed to ensure communities that are overburdened by air  
46 pollution or underserved by the transportation system, as determined

47 by the Commissioner of Energy and Environmental Protection and the  
48 Commissioner of Transportation, benefit from transportation projects  
49 and policies that reduce emissions from transportation sources.

50 (f) There shall be an Equity Advisory Board which shall advise the  
51 Commissioner of Energy and Environmental Protection and the  
52 Commissioner of Transportation on decision making and equitable  
53 outcomes for the program and facilitate input from communities that  
54 are overburdened by air pollution and underserved by the  
55 transportation system, as determined by said commissioners, with  
56 respect to reducing air pollution and improving the transportation  
57 system. Said commissioners shall jointly (1) determine the total number  
58 of members on the Equity Advisory Board, and (2) select the members  
59 to serve on the Equity Advisory Board. Such members shall consist of  
60 stakeholders selected jointly by said commissioners, with a majority of  
61 members being residents of communities that are overburdened by air  
62 pollution and underserved by the transportation system, as determined  
63 by said commissioners. Said commissioners may establish rules,  
64 procedures and guidelines for the operation of the Equity Advisory  
65 Board.

66 (g) On or before October 1, 2024, and annually thereafter, the  
67 Department of Energy and Environmental Protection and the  
68 Department of Transportation shall publish, on each such department's  
69 Internet web site, a report of the proceeds and investments of the  
70 Transportation and Climate Initiative Program, including the equitable  
71 investment of the proceeds. The Department of Energy and  
72 Environmental Protection and the Department of Transportation shall  
73 provide an annual opportunity for the public to review and comment  
74 on such program.

75 Sec. 2. Subsection (a) of section 13b-61 of the general statutes is  
76 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
77 *2021*):

78 (a) On and after July 1, 1975, there shall be paid promptly to the

79 Treasurer and thereupon, unless required to be otherwise applied by the  
 80 terms of any lien, pledge or obligation created by or pursuant to the 1954  
 81 declaration or part III (C) of chapter 240, credited to the General Fund:

82 (1) All moneys received or collected by the state or any officer thereof  
 83 on account of, or derived from, motor fuel taxes; provided on and after  
 84 July 1, 1983, one cent of the amount imposed per gallon before July 1,  
 85 1984, and received or collected from any rate of such tax on motor fuels  
 86 shall be credited by the Treasurer to the Special Transportation Fund;

87 (2) All moneys received or collected by the state or any officer thereof  
 88 on account of, or derived from, motor vehicle taxes;

89 (3) All moneys received or collected by the state or any officer thereof  
 90 on account of, or derived from, expressway revenues;

91 (4) All moneys becoming payable, under the terms of the 1954  
 92 declaration and part III (C) of chapter 240, into the Highway or  
 93 Additional Expressway Construction Funds mentioned in said  
 94 declaration;

95 (5) All moneys received or collected by the state or any officer thereof  
 96 on account of, or derived from, highway tolls;

97 (6) All other moneys received or collected by the Commissioner or  
 98 Department of Transportation; and

99 (7) Any other receipts of the state required by law to be paid into the  
 100 state Highway Fund or the Transportation Fund other than proceeds of  
 101 bonds or other securities of the state or of federal grants under the  
 102 provisions of federal law or the proceeds of emissions-allowance  
 103 auctions conducted under section 1 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2021</i>	13b-61(a)

**Statement of Purpose:**

To implement the Governor's budget recommendations.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*