



General Assembly

January Session, 2023

Raised Bill No. 6479

LCO No. 2949



Referred to Committee on ENVIRONMENT

Introduced by:
(ENV)

AN ACT CONCERNING CLIMATE RESILIENCY FUNDS AND PROJECTS.

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

1 Section 1. Subsection (c) of section 7-159d of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (c) The budget-making authority of such municipality may, from
5 time to time, direct the treasurer to invest a portion of such Climate
6 Change and Coastal Resiliency Reserve Fund as in the opinion of such
7 authority is advisable, including in any trust fund administered, held or
8 invested by the State Treasurer pursuant to chapter 32 and for which the
9 State Treasurer may adopt regulations, in accordance with chapter 54,
10 to allow for the investment of moneys held in any such reserve fund,
11 provided: (1) Not more than forty per cent, or with respect to such a
12 reserve fund for which the budget-making authority has adopted an
13 asset allocation and investment policy, fifty per cent, of the total amount
14 of such reserve fund shall be invested in equity securities, and (2) any
15 portion of such reserve fund not invested pursuant to subdivision (1) of

16 this subsection may be invested in: (A) Bonds or obligations of, or
17 guaranteed by, the state or the United States, or agencies or
18 instrumentalities of the United States, (B) certificates of deposit,
19 commercial paper, savings accounts and bank acceptances, (C) the
20 obligations of any state of the United States or any political subdivision
21 thereof or the obligations of any instrumentality, authority or agency of
22 any state or political subdivision thereof, if, at the time of investment,
23 such obligations are rated in the top rating categories of any nationally
24 recognized rating service or of any rating service recognized by the
25 Banking Commissioner, and applicable to such obligations, (D) the
26 obligations of any regional school district in this state, of any
27 municipality in this state or any metropolitan district in this state, if, at
28 the time of investment, such obligations of such government entity are
29 rated in one of the top two rating categories of any nationally recognized
30 rating service or of any rating service recognized by the Banking
31 Commissioner, and applicable to such obligations, (E) in any fund in
32 which a trustee may invest pursuant to section 36a-353, (F) investment
33 agreements with financial institutions whose long-term obligations are
34 rated in the top two rating categories of any nationally recognized rating
35 service or of any rating service recognized by the Banking
36 Commissioner or whose short-term obligations are rated in the top
37 rating category of any nationally recognized rating service or of any
38 rating service recognized by the Banking Commissioner, or (G)
39 investment agreements fully secured by obligations of, or guaranteed
40 by, the United States or agencies or instrumentalities of the United
41 States.

42 Sec. 2. Section 3-13c of the general statutes is repealed and the
43 following is substituted in lieu thereof (*Effective from passage*):

44 Trust funds as used in sections 3-13 to 3-13e, inclusive, and 3-31b shall
45 be construed to include Connecticut Municipal Employees' Retirement
46 Fund A, Connecticut Municipal Employees' Retirement Fund B,
47 Soldiers, Sailors and Marines Fund, Family and Medical Leave
48 Insurance Trust Fund, State's Attorneys' Retirement Fund, Teachers'
49 Annuity Fund, Teachers' Pension Fund, Teachers' Survivorship and

50 Dependency Fund, School Fund, State Employees Retirement Fund, the
 51 Hospital Insurance Fund, Policemen and Firemen Survivor's Benefit
 52 Fund, any trust fund described in subdivision (1) of subsection (b) of
 53 section 7-450 that is administered, held or invested by the State
 54 Treasurer, any Climate Change and Coastal Resiliency Reserve Fund
 55 created pursuant to section 7-159d, as amended by this act, that is
 56 administered, held or invested by the State Treasurer and all other trust
 57 funds administered, held or invested by the State Treasurer.

58 Sec. 3. (NEW) (*Effective from passage*) The Commissioner of Energy
 59 and Environmental Protection shall maximize the state's receipt of any
 60 federal funds designated for state and municipal projects intended to
 61 increase resiliency to the effects of climate change, including, but not
 62 limited to, coastal resiliency projects. Such maximization shall include,
 63 but not be limited to, the identification of any such federal funds and
 64 the provision of assistance to any municipality in the application process
 65 for such federal funds, including, but not limited to, notification to any
 66 municipality eligible for any such funds identified pursuant to this
 67 section. Not later than January 1, 2024, and biennially thereafter, the
 68 commissioner shall submit a report, in accordance with section 11-4a of
 69 the general statutes, to the joint standing committee of the General
 70 Assembly having cognizance of matters relating to the environment that
 71 details the commissioner's efforts undertaken pursuant to this section,
 72 including any federal funds identified, any application or request for
 73 such funds that the commissioner submitted, any such funds received
 74 by the state or any municipality and any resiliency project funded, in
 75 whole or in part, by such federal funds. Such report shall include any
 76 recommendations for the state and municipalities to be able to maximize
 77 receipt of any such federal funds.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	7-159d(c)
Sec. 2	<i>from passage</i>	3-13c
Sec. 3	<i>from passage</i>	New section

Statement of Purpose:

To authorize the Treasurer to invest funds on behalf of municipalities that establish Coastal Resiliency Reserve Funds and to require the Department of Energy and Environmental Protection to maximize the state's receipt of federal funds for climate resiliency projects undertaken by the state and municipalities.

[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.]