



# House of Representatives

## File No. 821

General Assembly

January Session, 2025

(Reprint of File No. 449)

Substitute House Bill No. 5004  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
May 5, 2025

**AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT  
AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND  
ASSOCIATED JOB SECTORS.**

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

- 1       Section 1. (NEW) (*Effective from passage*) (a) In the aggregate, state  
2 agencies shall have the following greenhouse gas emissions reduction  
3 goals: (1) A forty-five per cent reduction from 2001 levels by 2030; (2) a  
4 seventy per cent reduction from 2016 levels by 2040; and (3) achieving a  
5 level determined to be net-zero by 2050.
- 6       (b) Such state agencies shall have the goal of only utilizing zero-  
7 carbon generating electricity by 2030.
- 8       (c) Such state agencies may use the social cost of greenhouse gas  
9 emissions when evaluating the costs and benefits of activities and  
10 improvements to the facilities of such agencies to meet the goals in this  
11 section. For purposes of this section, "social cost" includes, but is not

12 limited to, net agricultural productivity, harms to human health,  
13 property damage and the value of ecosystem services.

14 (d) Not later than January 1, 2026, the Commissioner of Energy and  
15 Environmental Protection shall publish guidelines for such state  
16 agencies on the social cost of greenhouse gas emissions on the  
17 department's Internet web site.

18 Sec. 2. Section 22a-200a of the general statutes is repealed and the  
19 following is substituted in lieu thereof (*Effective from passage*):

20 (a) The state shall reduce the level of emissions of greenhouse gas:

21 (1) Not later than January 1, 2020, to a level at least ten per cent below  
22 the level emitted in 1990;

23 (2) Not later than January 1, 2030, to a level at least forty-five per cent  
24 below the level emitted in 2001;

25 (3) Not later than January 1, 2040, to a level at least sixty-five per cent  
26 below the level emitted in 2001, including to a level of zero per cent from  
27 electricity supplied to electric customers in the state;

28 (4) Not later than January 1, 2050, to [a level] an economy-wide net-  
29 zero level, provided direct and indirect emissions of greenhouse gases  
30 are at least eighty per cent below the level emitted in 2001; and

31 (5) All of the levels referenced in this subsection shall be determined  
32 by the Commissioner of Energy and Environmental Protection.

33 (b) On or before January 1, 2010, and biannually thereafter, the state  
34 agencies that are members of the Governor's Steering Committee on  
35 Climate Change shall submit a report to the Secretary of the Office of  
36 Policy and Management and the Commissioner of Energy and  
37 Environmental Protection. The report shall identify existing and  
38 proposed activities and improvements to the facilities of such agencies  
39 that are designed to meet state agency energy savings goals established  
40 by the Governor. The report shall also identify policies and regulations

41 that could be adopted in the near future by such agencies to reduce  
42 greenhouse gas emissions in accordance with subsection (a) of this  
43 section.

44 (c) [Not later than January 1, 2012, and every three years thereafter,  
45 the Commissioner of Energy and Environmental Protection shall, in  
46 consultation with the Secretary of the Office of Policy and Management  
47 and the Governor's Steering Committee on Climate Change, report, in  
48 accordance with the provisions of section 11-4a, to the joint standing  
49 committees of the General Assembly having cognizance of matters  
50 relating to the environment, energy and transportation on the  
51 quantifiable emissions reductions achieved pursuant to subsection (a)  
52 of this section. The report shall include a schedule of proposed  
53 regulations, policies and strategies designed to achieve the limits of  
54 greenhouse gas emissions imposed by said subsection, an assessment of  
55 the latest scientific information and relevant data regarding global  
56 climate change and the status of greenhouse gas emission reduction  
57 efforts in other states and countries.] The Commissioner of Energy and  
58 Environmental Protection shall, not later than January 1, 2026, and  
59 annually thereafter, publish an inventory of greenhouse gas emissions  
60 sources and carbon sequestered to (1) establish a baseline for such  
61 emissions for the state, and (2) report on the quantifiable emissions  
62 reductions and carbon sequestration achieved in pursuit of the  
63 greenhouse gas emissions levels specified in this section.

64 (d) The Commissioner of Energy and Environmental Protection shall,  
65 not later than January 1, 2026, and not more than every three years  
66 thereafter, in consultation with the Secretary of the Office of Policy and  
67 Management and the Governor's Council on Climate Change, produce  
68 a report, with an opportunity for public comment, on the quantifiable  
69 emissions reductions and carbon sequestration achieved in pursuit of  
70 the greenhouse gas emissions levels specified in this section. The report  
71 shall include (1) a schedule of proposed regulations, policies and  
72 strategies designed to achieve the limits of greenhouse gas emissions  
73 specified in this section, by the relevant date provided, (2) an assessment  
74 of the latest scientific information and relevant data regarding global

75 climate change, and (3) the status of greenhouse gas emission reduction  
76 efforts in other states and countries. Such proposed regulations, policies  
77 and strategies may include carbon sequestration. The commissioner  
78 may engage a consultant to assist in preparing such report or portions  
79 of such report. The commissioner shall submit such report, in  
80 accordance with the provisions of section 11-4a, to the joint standing  
81 committees of the General Assembly having cognizance of matters  
82 relating to the environment, energy and technology and transportation.

83     [(d)] (e) At least one year prior to the effective date of any federally  
84 mandated greenhouse cap and trade program including greenhouse gas  
85 emissions subject to any state cap and trade requirements adopted  
86 pursuant to this section, the Commissioner of Energy and  
87 Environmental Protection and the Secretary of the Office of Policy and  
88 Management shall report, in accordance with the provisions of section  
89 11-4a, to the joint standing committees of the General Assembly having  
90 cognizance of matters relating to the environment, energy and  
91 technology and transportation. Such report shall explain the differences  
92 between such federal and state requirements and shall identify any  
93 further regulatory or legislative actions needed to achieve consistency  
94 with such federal program.

95     Sec. 3. Section 22a-200b of the general statutes is repealed and the  
96 following is substituted in lieu thereof (*Effective from passage*):

97     [(a)] (a) The Commissioner of Energy and Environmental Protection  
98 shall, with the advice and assistance of a nonprofit association  
99 organized to provide scientific, technical, analytical and policy support  
100 to the air quality and climate programs of northeastern states: (1) Not  
101 later than December 1, 2009, publish an inventory of greenhouse gas  
102 emissions to establish a baseline for such emissions for the state and  
103 publish a summary of greenhouse gas emission reduction strategies on  
104 the Department of Energy and Environmental Protection's Internet web  
105 site, (2) not later than July 1, 2010, publish results of various modeling  
106 scenarios concerning greenhouse gas emissions, including, but not  
107 limited to, an evaluation of the potential economic and environmental

108 benefits and opportunities for economic growth based on such  
109 scenarios, (3) not later than July 1, 2011, analyze greenhouse gas  
110 emission reduction strategies and, after an opportunity for public  
111 comment, make recommendations on which such strategies will achieve  
112 the greenhouse gas emission levels specified in section 22a-200a, and (4)  
113 not later than July 1, 2012, and every three years thereafter, develop,  
114 with an opportunity for public comment, a schedule of recommended  
115 regulatory actions by relevant agencies, policies and other actions  
116 necessary to show reasonable further progress towards achieving the  
117 greenhouse gas emission levels specified in section 22a-200a.]

118 [(b)] The commissioner may adopt regulations, in accordance with  
119 the provisions of chapter 54, to implement the provisions of [this  
120 section] subsection (d) of section 22a-200a, as amended by this act.  
121 Nothing in section 4a-67h, 22a-200 or 22a-200a, as amended by this act,  
122 or this section shall limit a state agency from adopting any regulation  
123 within its authority in accordance with the provisions of chapter 54.

124 Sec. 4. Subdivision (3) of subsection (c) of section 32-7t of the general  
125 statutes is repealed and the following is substituted in lieu thereof  
126 (*Effective July 1, 2025*):

127 (3) The commissioner, upon consideration of an application and any  
128 additional information, may approve an application in whole or in part  
129 or may approve an application with amendments, provided the  
130 commissioner may give preference to applications that: (A) Make  
131 significant investments in environmentally sustainable practices,  
132 including, but not limited to, zero-carbon energy and energy efficiency,  
133 (B) are in sectors of the economy such as renewable energy, energy  
134 efficiency and zero-emission vehicles, or (C) are for farming operations  
135 that are sustainable from a climate perspective. If the commissioner  
136 disapproves an application, the commissioner shall identify the defects  
137 in such application and explain the specific reasons for the disapproval.  
138 The commissioner shall render a decision on an application not later  
139 than ninety days after the date of its receipt by the commissioner.

140       Sec. 5. (NEW) (*Effective from passage*) The Secretary of the State shall  
141       provide a voucher for the amount of any registration or renewal fee for  
142       a (1) benefit corporation, as defined in section 33-1351 of the general  
143       statutes, provided such corporation submits proof to the Secretary that  
144       the corporation meets the parameters of a benefit corporation, as  
145       defined in section 33-1351 of the general statutes, or (2) a benefit  
146       corporation, as defined in section 33-1351 of the general statutes, that is  
147       certified by an entity recognized by the Secretary for such certification  
148       purpose.

149       Sec. 6. (NEW) (*Effective from passage*) (a) There is established a  
150       Connecticut Clean Economy Council that shall advise on economic  
151       development strategies and policies that strengthen the state's climate  
152       mitigation, clean energy, resilience and sustainability programs, in  
153       particular for vulnerable communities, as defined in section 16-243y of  
154       the general statutes.

155       (b) Such council shall meet not less than quarterly, at dates, times and  
156       locations to be established by the cochairpersons of such council. The  
157       council shall: (1) Identify opportunities to leverage state and federal  
158       funding to scale economic development and workforce opportunities  
159       associated with climate mitigation, clean energy, resilience and  
160       sustainability investments, (2) serve as a central coordinating body for  
161       climate mitigation, clean energy, resilience and sustainability workforce  
162       efforts and opportunities state wide for a technically advanced,  
163       enduring labor force, (3) develop economic development and workforce  
164       strategies that support investment and growth of climate mitigation,  
165       clean energy, resilience and sustainability job growth, and (4) advise the  
166       Governor on any state-wide economic or workforce action plan in clean  
167       energy, climate and sustainability.

168       (c) Such council shall develop a plan to facilitate the transition of  
169       workers from fossil-fuel-based employment to clean economy jobs  
170       consistent with the provisions of subsection (b) of this section. Such plan  
171       shall be submitted not later than July 1, 2026, to the joint standing  
172       committees of the General Assembly having cognizance of matters

173 relating to the environment, energy and technology and commerce, in  
174 accordance with the provisions of section 11-4a of the general statutes.

175 (d) Such council shall be composed of the following members: (1) The  
176 Commissioner of Economic and Community Development, or the  
177 commissioner's designee, who shall also serve as a cochairperson of the  
178 council, (2) the Chief Workforce Officer, or said officer's designee, who  
179 shall also serve as a cochairperson of the council, (3) the Commissioner  
180 of Energy and Environmental Protection, or the commissioner's  
181 designee, who shall also serve as cochairperson of the council, (4) the  
182 Commissioner of Transportation, or the commissioner's designee, (5)  
183 the Secretary of the Office of Policy and Management, or the secretary's  
184 designee, (6) a representative from the office of the Governor, (7) the  
185 chief executive officer of the Connecticut Green Bank, or the chief  
186 executive officer's designee, (8) the chief executive officer of Connecticut  
187 Innovations, Incorporated, or the chief executive officer's designee, (9)  
188 the Labor Commissioner, or the commissioner's designee, (10) the  
189 Commissioner of Consumer Protection, or the commissioner's designee,  
190 (11) one member appointed by the Chief Workforce Officer who shall  
191 be a representative of a regional workforce development board, (12) one  
192 member appointed by the speaker of the House of Representatives, (13)  
193 one member appointed by the president pro tempore of the Senate, (14)  
194 one member appointed by the majority leader of the Senate, (15) one  
195 member appointed by the majority leader of the House of  
196 Representatives, (16) one member appointed by the minority leader of  
197 the Senate, (17) one member appointed by the minority leader of the  
198 House of Representatives, and (18) any other member so designated by  
199 the cochairpersons. Members appointed pursuant to subdivisions (12)  
200 to (17), inclusive, of this subsection shall have one or more of the  
201 following backgrounds or qualifications: (A) Be a member of the  
202 Connecticut Technical Education Career System, (B) be a representative  
203 of a nonprofit organization that focuses on helping people overcome  
204 barriers to workforce participation, (C) have expertise in hiring and  
205 training employees in the trades related to green technologies, (D) be a  
206 representative of a higher education institution and have expertise in

207 technical education, or (E) be a member of the Connecticut State  
208 Building Trades Council. Any member appointed pursuant to  
209 subdivision (18) of this subsection shall serve at the pleasure of the  
210 cochairpersons of the council.

211 (e) A majority of the members of the council shall constitute a  
212 quorum.

213 (f) The cochairpersons shall, in addition to their general duties, have  
214 the following specific responsibilities: The cochairperson from the  
215 Department of Economic and Community Development shall lead the  
216 activities specified in subdivision (1) of subsection (b) of this section and  
217 the cochairperson from the Office of Workforce Strategy shall lead the  
218 activities specified in subdivision (2) of subsection (b) of this section.

219 (g) Not later than February 15, 2026, and biannually thereafter, the  
220 council shall report on its work, findings and recommendations to the  
221 Governor, the Office of Policy and Management, and the joint standing  
222 committees of the General Assembly having cognizance of matters  
223 relating to the environment, energy and technology, higher education  
224 and commerce, in accordance with the provisions of section 11-4a of the  
225 general statutes.

226 Sec. 7. Section 31-3rr of the general statutes is repealed and the  
227 following is substituted in lieu thereof (*Effective from passage*):

228 (a) As used in this section and section 10a-55g:

229 (1) "Green jobs" has the same meaning as provided in section 10a-55d;

230 (2) "Green technology" has the same meaning as provided in section  
231 10a-55d; and

232 (3) "Career ladder" means a description of the progression from an  
233 entry level position to higher levels of pay, skill, responsibility or  
234 authority.

235 (b) Not later than January 1, 2020, the Connecticut Clean Economy



236 Council, in consultation with the Office of Higher Education,  
237 Department of Education, Labor Department, Department of Energy  
238 and Environmental Protection, regional workforce development boards  
239 and employers, shall, within available appropriations, identify a career  
240 ladder for jobs in the green technology industry, including, but not  
241 limited to, a listing of (1) careers at each level of the green technology  
242 industry and the requisite level of education and the salary offered for  
243 such career, (2) all course, certificate and degree programs in green jobs  
244 offered by technical education and career schools within the Technical  
245 Education and Career System and institutions of higher education in the  
246 state, and (3) jobs available in the green technology industry in the state.  
247 The Connecticut Clean Economy Council shall update the green jobs  
248 career ladder established pursuant to this section on an as needed basis.

249 [(c) Not later than January 1, 2024, the Connecticut Clean Economy  
250 Council shall develop a plan for green jobs workforce training to  
251 accomplish the greenhouse gas emissions goals set forth in subsection  
252 (a) of section 22a-200a. Such plan shall include, but need not be limited  
253 to, (1) development of work-based learning programs for green jobs  
254 with workforce shortages; (2) development of certificate and degree  
255 programs related to the green technology industry at technical  
256 education and career schools and institutions of higher education in the  
257 state; (3) identification of available funding, whether from a public or  
258 private source, to fund the development of such work-based learning  
259 and certificate and degree programs and provide grants to apprentices  
260 and students; and (4) a strategy to market and recruit individuals,  
261 especially from underrepresented populations, to existing and newly  
262 developed green jobs work-based learning programs and certificate and  
263 degree programs related to the green technology industry at job centers,  
264 technical education and career schools and institutions of higher  
265 education. Not later than January 1, 2025, and annually thereafter, said  
266 council shall update such plan as necessary.

267 (d) Not later than February 1, 2024, and annually thereafter, the  
268 Connecticut Clean Economy Council shall submit, in accordance with  
269 the provisions of section 11-4a, to the joint standing committee of the

270 General Assembly having cognizance of matters relating to higher  
271 education and employment advancement the plan developed or  
272 updated pursuant to subsection (c) of this section.]

273 Sec. 8. Subsection (b) of section 10-283 of the general statutes is  
274 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
275 *2025*):

276 (b) Notwithstanding the application date requirements of this  
277 section, at any time within the limit of available grant authorization and  
278 within the limit of appropriated funds, the Commissioner of  
279 Administrative Services, in consultation with the Commissioner of  
280 Education, may approve applications for grants and make payments for  
281 such grants, for any of the following reasons: [(A)] (1) To assist school  
282 building projects to remedy damage from fire and catastrophe, [(B)] (2)  
283 to correct safety, health and other code violations, [(C)] (3) to replace  
284 roofs, including the replacement or installation of skylights as part of  
285 the roof replacement project, [(D)] (4) to remedy a certified school  
286 indoor air quality emergency, [(E)] (5) to install insulation for exterior  
287 walls and attics, or [(F)] (6) to purchase and install a limited use and  
288 limited access elevator, windows, photovoltaic panels, air source or  
289 ground source heat pumps, wind generation systems, building  
290 management systems or portable classroom buildings, provided  
291 portable classroom building projects shall not create a new facility or  
292 cause an existing facility to be modified so that the portable buildings  
293 comprise a substantial percentage of the total facility area, as  
294 determined by the commissioner.

295 Sec. 9. (NEW) (*Effective October 1, 2025*) (a) The Commissioner of  
296 Energy and Environmental Protection shall develop a plan for the  
297 installation of efficient heat pumps for affordable heating and cooling  
298 systems in the state.

299 (b) Such plan shall provide for the availability of affordable heat  
300 pump options, with a focus on heat pump applications that have the  
301 greatest potential benefits, including, but not limited to, lowering

302 consumers' energy costs, reducing impacts to the electric grid, and  
303 improving building resilience, including, but not limited to: (1)  
304 Residences in environmental justice communities, as defined in section  
305 22a-20a of the general statutes, and long-term care facilities where not  
306 less than eighty per cent of such residents are Medicaid recipients in  
307 good financial standing with the state, (2) access to energy efficient,  
308 affordable air conditioning for residents experiencing high energy bills  
309 and health risks during heat waves, (3) increased resilience during  
310 extreme heat events for homes and businesses, (4) improved flood  
311 resilience for homes and businesses by enabling home heating systems  
312 to be located above ground, (5) low or no interest loans to replace  
313 heating, ventilation and air conditioning equipment to residences  
314 impacted by extreme weather events, (6) cost savings and potential  
315 benefits for transitioning from electric resistance heating, (7) analysis of  
316 accelerating the adoption of heat pump water heaters, including public  
317 education and the possible need for contractor incentives, and (8)  
318 potential for a demand response program. Such plan shall describe how  
319 the state could best utilize any available or future grant or loan funding.  
320 Not later than January 1, 2027, the commissioner shall submit a report,  
321 in accordance with the provisions of section 11-4a of the general statutes,  
322 to the joint standing committees of the General Assembly having  
323 cognizance of matters relating to the environment and energy and  
324 technology on the status of such plan and any recommendations for  
325 expanding or revising such plan.

326 Sec. 10. (NEW) (*Effective from passage*) The Commissioner of  
327 Administrative Services, in consultation with the Secretary of the Office  
328 of Policy and Management, shall develop a model policy or guidelines  
329 for environmentally sustainable purchasing that municipalities may  
330 voluntarily utilize and implement. Such policy or guidelines shall  
331 include, but need not be limited to, a list of any state contracts for  
332 sustainable purchasing that allow for municipal participation. The  
333 Commissioner of Administrative Services shall post such policy or  
334 guidelines on the Internet web site of the Department of Administrative  
335 Services not later than January 1, 2026.

336 Sec. 11. (NEW) (*Effective from passage*) (a) Not later than January 1,  
337 2026, the Department of Administrative Services, in consultation with  
338 the Office of Policy and Management, the Departments of Energy and  
339 Environmental Protection and Transportation, and any other state  
340 agency deemed necessary by the Commissioner of Administrative  
341 Services, shall establish a process for said commissioner to consider  
342 when making any decision to remodel, alter, repair, construct or enlarge  
343 any state real asset, pursuant to section 4b-51 of the general statutes, the  
344 capability of such state real asset to: (1) Increase energy efficiency, (2)  
345 utilize zero-carbon heating and cooling and water heating alternatives,  
346 (3) utilize Class I renewable energy, as defined in section 16-1 of the  
347 general statutes, (4) facilitate electric vehicle charging, (5) reduce energy  
348 use, and (6) serve as a resilience hub.

349 (b) Not later than July 1, 2027, the Department of Administrative  
350 Services, in consultation with the Office of Policy and Management and  
351 the Department of Energy and Environmental Protection, shall develop  
352 a plan and a budget to retrofit existing fossil fuel-based heating and  
353 cooling systems at state buildings to systems capable of being operated  
354 without carbon-emitting fuels. Such plan and budget shall be submitted,  
355 in accordance with the provisions of section 11-4a of the general statutes,  
356 to the joint standing committees of the General Assembly having  
357 cognizance of matters relating to the environment and energy and  
358 technology.

359 Sec. 12. (NEW) (*Effective from passage*) (a) The Commissioner of  
360 Energy and Environmental Protection shall evaluate how to integrate  
361 and advance nature-based solutions in the state that support climate  
362 change mitigation, climate change adaptation, ecosystem resilience and  
363 biodiversity through (1) the microgrid and resilience grant and loan  
364 pilot program authorized pursuant to section 16-243y of the general  
365 statutes, (2) the open space and watershed land acquisition program  
366 authorized pursuant to sections 7-131d to 7-131k, inclusive, of the  
367 general statutes, as amended by this act, and (3) other applicable state  
368 and federal programs administered by the Department of Energy and  
369 Environmental Protection that advance nature-based solutions,

370 including, but not limited to, (A) federal Clean Water Act programs, (B)  
371 the Long Island Sound Study program, and (C) the Urban Forestry  
372 program. The department's efforts to advance such nature-based  
373 solutions shall be known as the nature-based solutions initiative.

374 (b) The commissioner shall, as part of such evaluation, consider best  
375 practices that encourage the use of the state's ecosystems to naturally  
376 sequester and store carbon, reduce greenhouse gas emissions, increase  
377 biodiversity and protect against climate change impacts including: (1)  
378 Increasing carbon sequestration through increased forest acreage,  
379 including reforestation, (2) controlling invasive species, (3) encouraging  
380 soil health across all landscapes, (4) protecting carbon stocks through  
381 avoiding the conversion of forests and wetlands to other purposes, (5)  
382 restoring habitats to improve biodiversity, (6) increasing climate-smart  
383 agriculture and soil conservation to reduce greenhouse gas emissions  
384 while improving habitat and protecting biodiversity, (7) increasing  
385 community resilience by improving water quality and addressing  
386 flooding and drought through nature-based stormwater management  
387 and shoreline protection that uses nature-based approaches such as  
388 living shorelines, (8) improving air quality and reducing urban heat  
389 island effects through urban forestry and increasing green spaces, and  
390 (9) increase access to open space for public health benefits.

391 (c) Not later than July 1, 2026, the commissioner shall post such  
392 nature-based solutions initiative program evaluation on the  
393 department's Internet web site for review and written comment. As part  
394 of that evaluation, the commissioner shall seek review and input from  
395 the Departments of Agriculture, Public Health, Housing,  
396 Transportation, the Insurance Department, the Connecticut Green Bank  
397 and the Office of Policy and Management. In addition, the  
398 commissioner shall host one listening session before such nature-based  
399 solutions initiative is so posted in order to seek public comment.

400 Sec. 13. (*Effective from passage*) Not later than January 15, 2027, the  
401 chairperson of the Public Utilities Regulatory Authority shall submit, in  
402 accordance with the provisions of section 11-4a of the general statutes,

403 the results of a study to develop a solar canopy strategic plan and  
404 program design to the joint standing committee of the General  
405 Assembly having cognizance of matters relating to energy and  
406 technology. The plan shall identify opportunities for solar canopies in  
407 the state and shall prioritize the development of solar canopies in  
408 environmental justice communities, as defined in section 22a-20a of the  
409 general statutes. The plan shall include an examination of different ways  
410 to promote solar canopies and shall include recommendations for  
411 policies, programs or regulations to promote the construction of solar  
412 canopies in the state, consistent with the greenhouse gas reduction goals  
413 established in section 22a-200a of the general statutes, as amended by  
414 this act.

415 Sec. 14. (*Effective from passage*) The Commissioner of Energy and  
416 Environmental Protection, in consultation with the Office of Consumer  
417 Counsel, or such office's designee, shall, in accordance with the  
418 provisions of section 11-4a of the general statutes, not later than  
419 February 1, 2026, submit to the joint standing committees of the General  
420 Assembly having cognizance of matters relating to the environment and  
421 energy and technology, a report with recommended regulations,  
422 policies and strategies that can significantly lower energy costs for  
423 families and businesses, increase community resilience to extreme  
424 weather events, including, but not limited to, flooding and extreme heat  
425 and contribute to the greenhouse gas emissions reductions required in  
426 section 22a-200a of the general statutes, as amended by this act. Such  
427 report may utilize modeling scenarios concerning greenhouse gas  
428 emissions. The commissioner may engage a consultant to assist in  
429 preparing the report or portions thereof.

430 Sec. 15. Subsections (a) to (e), inclusive, of section 8-240a of the  
431 general statutes are repealed and the following is substituted in lieu  
432 thereof (*Effective from passage*):

433 (a) As used in this section, [:

434 (1) "Alliance district" has the same meaning as provided in section 10-

435 262u;

436 (2) "Environmental justice community" has the same meaning as  
437 provided in section 22a-20a; and

438 (3) "Low-income resident"] "low-income resident" means, after  
439 adjustments for family size, individuals or families whose income is not  
440 greater than [(A)] (1) sixty per cent of the state median income, [(B)] (2)  
441 eighty per cent of the area median income for the area in which the  
442 resident resides, as determined by the United States Department of  
443 Housing and Urban Development, or [(C)] (3) any other definition of  
444 "low-income resident" included in any program in the state that utilizes  
445 federal funding, as determined by the Commissioner of Energy and  
446 Environmental Protection.

447 (b) There is established a revolving loan and grant fund to be known  
448 as the "Housing Environmental Improvement Revolving Loan and  
449 Grant Fund". The fund may be funded from the proceeds of bonds  
450 issued pursuant to section 8-240b or from any moneys available to the  
451 Commissioner of Energy and Environmental Protection or from other  
452 sources. Investment earnings credited to the fund shall become part of  
453 the assets of the fund. Any balance remaining in the fund at the end of  
454 any fiscal year shall be carried forward in the fund for the next fiscal  
455 year. Payments of principal or interest on a low interest loan made  
456 pursuant to this section shall be paid to the State Treasurer for deposit  
457 in the Housing Environmental Improvement Revolving Loan and Grant  
458 Fund. The fund shall be used to make grants or low interest loans  
459 pursuant to this section to pay reasonable and necessary fees incurred  
460 in administering loans under this section. The Commissioner of Energy  
461 and Environmental Protection may enter into contracts with quasi-  
462 public agencies, [or] nonprofit corporations, or electric distribution or  
463 gas companies, as such terms are defined in section 16-1, to provide for  
464 the administration of the Housing Environmental Improvement  
465 Revolving Loan and Grant Fund by such entity or entities, provided no  
466 grant or low interest loan shall be made from the fund without the  
467 authorization of the commissioner as provided in this section.

468 (c) The Commissioner of Energy and Environmental Protection, in  
469 collaboration with the Commissioner of Housing, shall establish a pilot  
470 program or programs to provide financing or grants from the fund  
471 established in subsection (b) of this section for retrofitting projects for  
472 single and multifamily residences [located in environmental justice  
473 communities or alliance districts] that (1) improve the energy efficiency  
474 of such residences, which may include, but need not be limited to, the  
475 installation of heat pumps, solar power generating systems, improved  
476 roofing, exterior doors and windows, improved insulation, air sealing,  
477 improved ventilation, appliance upgrades and any electric system or  
478 wiring upgrades necessary for such retrofit, (2) remediate health and  
479 safety concerns that are barriers to any such retrofit, including, but not  
480 limited to, mold, vermiculite, asbestos, lead and radon, [or] (3) add  
481 resilience measures to such residences, which may include, but need not  
482 be limited to, flood mitigation, (4) provide services to assist residents  
483 and building owners to access and implement the programs established  
484 pursuant to this section or other available state or federal programs that  
485 enable the implementation of energy efficiency retrofitting, or (5)  
486 replace heating, ventilation and air conditioning equipment to  
487 residences impacted by extreme weather events.

488 (d) On and after July 1, 2025, the Commissioner of Energy and  
489 Environmental Protection, or any program administrator the  
490 commissioner may designate, shall accept applications, in a form  
491 specified by the commissioner, from any owner of a residential dwelling  
492 unit for financing or a grant under the program or programs. Any such  
493 financing or grant may be awarded to an owner of a residential dwelling  
494 unit, as defined in section 47a-1.

495 (e) The Commissioner of Energy and Environmental Protection shall  
496 [prioritize] limit the awarding of financing or grants [for] to projects that  
497 benefit any resident or prospective resident who is a low-income  
498 resident.

499 Sec. 16. Section 7-131d of the general statutes is repealed and the  
500 following is substituted in lieu thereof (*Effective from passage*):



501 (a) There is established the protected open space and watershed land  
502 acquisition grant program. The program shall provide grants to  
503 municipalities and nonprofit land conservation organizations to acquire  
504 land or permanent interests in land for open space and watershed  
505 protection and to water companies, as defined in section 25-32a, to  
506 acquire and protect land which is eligible to be classified as class I or  
507 class II land, as defined in section 25-37c, after acquisition. All lands or  
508 interests in land acquired under this program shall be preserved in  
509 perpetuity predominantly in their natural scenic and open condition for  
510 the protection of natural resources while allowing for recreation  
511 consistent with such protection and, for lands acquired by water  
512 companies, allowing for the improvements necessary for the protection  
513 or provision of potable water.

514 (b) Grants may be made under the protected open space and  
515 watershed land acquisition grant program established under subsection  
516 (a) of this section or under the Charter Oak open space grant program  
517 established under section 7-131t to match funds for the purchase of land  
518 or permanent interests in land which purchase meets one of the  
519 following criteria: (1) Protects land identified as being especially  
520 valuable for recreation, forestry, fishing, conservation of wildlife or  
521 natural resources; (2) protects land which includes or contributes to a  
522 prime natural feature of the state's landscape, including, but not limited  
523 to, a shoreline, a river, its tributaries and watershed, an aquifer,  
524 mountainous territory, ridgelines, an inland or coastal wetland, a  
525 significant littoral or estuarine or aquatic site or other important  
526 geological feature; (3) protects habitat for native plant or animal species  
527 listed as threatened or endangered or of special concern, as defined in  
528 section 26-304; (4) protects a relatively undisturbed outstanding  
529 example of a native ecological community which is now uncommon; (5)  
530 enhances and conserves water quality of the state's lakes, rivers and  
531 coastal water; (6) preserves local agricultural heritage; or (7) in the case  
532 of grants to water companies, protects land which is eligible to be  
533 classified as class I land or class II land after acquisition.

534 (c) Grants may be made under the protected open space and

535 watershed land acquisition grant program established under subsection  
536 (a) of this section for restoration or protection of natural features or  
537 habitats of, or for repurposing for urban agricultural use on, open space  
538 already owned by a (1) distressed municipality, as defined in section 32-  
539 9p, (2) targeted investment community, as defined in section 32-222, (3)  
540 municipality, provided such open space is located in an environmental  
541 justice community, as defined in section 22a-20a, or (4) nonprofit land  
542 conservation organization, provided such open space is located in a  
543 distressed municipality, targeted investment community or  
544 environmental justice community. Such restoration or protection may  
545 include, but need not be limited to, (A) wetland, wildlife or plant habitat  
546 restoration or restoration of other sites to a more natural condition, (B)  
547 urban agricultural use, or (C) replacement of vegetation. The total  
548 amount of grants made pursuant to this subsection shall not exceed  
549 twenty per cent of the total amount of grants made pursuant to the open  
550 space and watershed land acquisition grant program in any fiscal year.

551 (d) (1) Except as provided in subdivision (2) of this subsection, no  
552 grant may be made under the protected open space and watershed land  
553 acquisition grant program established under subsection (a) of this  
554 section or under the Charter Oak open space grant program established  
555 under section 7-131t for: (A) Land to be used for commercial purposes  
556 or for recreational purposes requiring intensive development,  
557 including, but not limited to, golf courses, driving ranges, tennis courts,  
558 ballfields, swimming pools and uses by motorized vehicles other than  
559 vehicles needed by water companies to carry out their purposes,  
560 provided trails or pathways for pedestrians, motorized wheelchairs or  
561 nonmotorized vehicles shall not be considered intensive development;  
562 (B) land with environmental contamination over a significant portion of  
563 the property provided grants for land requiring remediation of  
564 environmental contamination may be made if remediation will be  
565 completed before acquisition of the land or any interest in the land and  
566 an environmental assessment approved by the Commissioner of Energy  
567 and Environmental Protection has been completed and no  
568 environmental use restriction applies to the land; (C) land which has

569 already been committed for public use, except as provided in subsection  
570 (c) of section 7-131g; (D) development costs, including, but not limited  
571 to, construction of ballfields, tennis courts, parking lots or roadways; (E)  
572 land to be acquired by eminent domain; or (F) reimbursement of in-kind  
573 services or incidental expenses associated with the acquisition of land.  
574 This subsection shall not prohibit the continuation of agricultural  
575 activity, the activities of a water company for public water supply  
576 purposes or the selling of timber incidental to management of the land  
577 which management is in accordance with approved forest management  
578 practices provided any proceeds of such timber sales shall be used for  
579 management of the land. In the case of land acquired under this section  
580 which is designated as a state park, any fees charged by the state for use  
581 of such land shall be used by the state in accordance with the provisions  
582 of title 23.

583 (2) Grants in a total amount not exceeding five per cent of the total  
584 amount of grants made pursuant to the open space and watershed land  
585 acquisition grant program in any fiscal year may be made to distressed  
586 municipalities, as defined in section 32-9p, targeted investment  
587 communities, as defined in section 32-222, nonprofit land conservation  
588 organizations and municipalities, for the purpose of reimbursement for  
589 in-kind services or incidental expenses associated with the acquisition  
590 of land, including, but not limited to, survey fees, appraisal costs and  
591 legal fees, provided such land is located in a distressed municipality,  
592 targeted investment community or environmental justice community,  
593 as defined in section 22a-20a.

594 (e) Any municipality or group of contiguous municipalities may  
595 apply to the Commissioner of Energy and Environmental Protection for  
596 a grant-in-aid of a program established to preserve or restrict to  
597 conservation or recreation purposes the use of open space land. Such  
598 grant shall be used for the acquisition of land, or easements, interests or  
599 rights therein, or for the development of such land, or easements,  
600 interests or rights therein, for purposes set forth in this section, or both,  
601 in accordance with a plan of development adopted by the municipal  
602 planning commission of the municipality within which the land is

603 located. Any application for a grant-in-aid relating to land located  
604 beyond the territorial limits of the applying municipality shall be subject  
605 to approval of the legislative body of the municipality within whose  
606 territorial limits the land is located. A municipality applying for aid  
607 under this section, may designate its conservation commission as its  
608 agent to make such application.

609 (f) At closing, a permanent conservation easement, as defined in  
610 section 47-42, shall be executed for any property purchased with grant  
611 funds, which conservation easement shall provide that the property  
612 shall remain forever predominantly in its natural and open condition  
613 for the specific conservation, open space or water supply purposes for  
614 which it was acquired provided any improvements or changes to the  
615 property shall be supportive of such condition or purposes. The  
616 permanent conservation easement shall be in favor of the state acting  
617 through the Commissioner of Energy and Environmental Protection, or  
618 his designee, which may be a municipality or a land conservation  
619 organization. In the case of land acquired for water supply protection, a  
620 water company may hold an easement in conjunction with the state or  
621 a nonprofit entity to protect the water supply. Such permanent  
622 conservation easement shall also include a requirement that the  
623 property be made available to the general public for appropriate  
624 recreational purposes, the maintenance of which recreational access  
625 shall be the responsibility of the grantee provided such access shall not  
626 be required for land which will be classified as class I or class II land by  
627 a water company if such access is inconsistent with the provision of pure  
628 drinking water to the public. An exception to the provision of public  
629 recreational access may be made at the discretion of the Commissioner  
630 of Energy and Environmental Protection when provision for public  
631 access would be unreasonably detrimental to the wildlife or plant  
632 habitat or other natural features of the property or, for land where  
633 development rights have been purchased, would be disruptive of  
634 agricultural activity occurring on the land. Any instrument conveying  
635 an interest in land less than fee which interest is purchased under this  
636 section shall provide for the permanent preservation of the land and

637 public access consistent with the land's use or protection and with any  
 638 restrictions prescribed by the Department of Public Health in order to  
 639 protect a public drinking water source.

640 Sec. 17. (*Effective from passage*) The Department of Energy and  
 641 Environmental Protection shall conduct a study on renter utilization of  
 642 state energy efficiency and clean energy programs for which such  
 643 department can obtain data, including, but not limited to, any barriers  
 644 for renters to access such programs and any attendant  
 645 recommendations for addressing any such barriers. Not later than July  
 646 1, 2026, the department shall submit a report to the joint standing  
 647 committees of the General Assembly having cognizance of matters  
 648 relating to the environment and energy and technology, in accordance  
 649 with section 11-4a of the general statutes, that contains any such  
 650 recommendations.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	22a-200a
Sec. 3	<i>from passage</i>	22a-200b
Sec. 4	<i>July 1, 2025</i>	32-7t(c)(3)
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	31-3rr
Sec. 8	<i>July 1, 2025</i>	10-283(b)
Sec. 9	<i>October 1, 2025</i>	New section
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section
Sec. 13	<i>from passage</i>	New section
Sec. 14	<i>from passage</i>	New section
Sec. 15	<i>from passage</i>	8-240a(a) to (e)
Sec. 16	<i>from passage</i>	7-131d
Sec. 17	<i>from passage</i>	New section

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

## **OFA Fiscal Note**

### **State Impact:**

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Secretary of the State	GF - Revenue Loss	Minimal	Minimal
Treasurer, Debt Serv.	GF - Cost	See Below	See Below

Note: GF=General Fund

### **Municipal Impact:**

Municipalities	Effect	FY 26 \$	FY 27 \$
Local and Regional School Districts; All Municipalities	Potential Revenue Gain/ Potential Cost	See Below	See Below

## **Explanation**

**Sections 1 - 3** set new state targets for greenhouse gas (GHG) emissions to reach an economy-wide net zero GHG emission reduction level by January 1, 2050. The requirements contained in these sections do not result in a cost to the state, as they either codify existing practice or are non-binding planning GHG targets with proposals for regulations, policies, and strategies to achieve various targets.

The additional requirements included in **Sections 1 - 3** that specifically target the Department of Energy and Environmental Protection (DEEP) do not result in an additional cost, as DEEP has the staff and expertise necessary to complete them.

**Section 4** allows the Department of Economic and Community Development to give a preference to certain applications under the

JobsCT tax rebate program. This does not result in any fiscal impact as it does not change the existing aggregate credit cap of \$40 million annually.

**Section 5** requires the Secretary of the State to waive any registration or renewal fees for any benefit corporation in the state resulting in a minimal revenue loss to the Secretary of the State. As of March 21, 2025, there are approximately 70 certified benefit corporations operating in Connecticut.

**Sections 6 and 7** have no fiscal impact by establishing the Connecticut Clean Economy Council with the Commissioner of Economic and Community Development and the Chief Workforce Officer as co-chairpersons of the Council. The Department of Economic and Community Development and the Office of Workforce Strategy have the expertise necessary to fulfill the Council's duties as required by the bill.

**Section 8** expands the list of allowable non-priority list projects to include certain school air quality projects and is anticipated to increase long-term state spending under the school construction program. The state's share of costs for the school construction program is funded using General Obligation (GO) bonds, which are in turn repaid through General Fund debt service payments. The bill does not change bond authorization levels for the program. The increased GO bond spending will finance revenue gains to municipalities and school districts for those projects that would not have otherwise been funded as part of larger school construction projects.

**Section 9** requires DEEP to develop a plan and report on various issues related to heat pumps. This is not anticipated to result in a fiscal impact as DEEP has the staff and expertise necessary to complete both the plan and report.

**Section 10** requires the Department of Administrative Services (DAS) to develop policy guidelines for environmentally sustainable purchasing for municipalities, which results in no fiscal impact to the

state.

**Section 11** requires DAS to develop a plan to consider energy efficient options when repairing or building real assets and retrofitting existing fossil fuel based heating and cooling systems, which codifies current practice and does not result in any fiscal impact.

**Section 12** requires DEEP to evaluate various nature-based solutions and to consider best practices when identifying the best solutions. This is not anticipated to result in a cost to DEEP as they have the staff and expertise necessary to complete the nature-based solution requirements.

**Section 13** requires the Public Utilities Regulatory Authority (PURA) to submit a report on a solar canopy strategy and is not anticipated to result in a fiscal impact as PURA has the staff and expertise necessary to do so.

**Section 14** requires DEEP to submit a report on various issues related to energy and is not anticipated to result in a fiscal impact as DEEP has the staff and expertise necessary to do so.

**Section 15** alters eligible uses of funding under the Housing Environmental Improvement Revolving Loan and Grant program, which is funded through General Obligation (GO) bond funds. Future General Fund debt service costs may be incurred or incurred sooner due to the program's changes to the degree that it causes authorized GO bond funds to be expended or to be expended more quickly than they otherwise would have been.

As of March 1, 2025, there is an unallocated bond balance of \$125 million for the program. The bill does not change GO bond authorizations.

**Section 16** expands eligible projects under the protected open space and watershed land acquisition grant program. These changes are not anticipated to result in additional costs to the state, as no new funding is designated for the program. However, these changes could result in a



redistribution of funds, which could impact grant recipients.

**Section 17** requires DEEP to study renters' use of the state energy efficiency and clean energy programs, which is not anticipated to result in a fiscal impact as DEEP has the staff and expertise necessary to complete the study.

House "A" strikes the underlying bill and its associated fiscal impact and replaces it with the fiscal impact described above.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the terms of any bonds issued and future grant awards.

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**OLR Bill Analysis****sHB 5004 (as amended by House "A")\******AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT  
AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES  
AND ASSOCIATED JOB SECTORS.***

## TABLE OF CONTENTS:

[SUMMARY](#)[§§ 1-3 — GREENHOUSE GAS EMISSIONS REDUCTION AND ZERO-CARBON GOALS](#)

Establishes new state GHG emissions reduction levels; for state agencies, sets new GHG emissions reduction goals and a goal to use only zero-carbon generating electricity; modifies DEEP reporting requirements on GHG emissions and reduction progress reports

[§ 4 — JOBSCT TAX REBATE PROGRAM](#)

Allows the DECD commissioner to give a preference to applications under the JobsCT tax rebate program that (1) make significant investments in environmentally sustainable practices; (2) are in economic sectors like renewable energy, energy efficiency, and zero-emission vehicles; or (3) are for sustainable farming

[§ 5 — BENEFIT CORPORATION REGISTRATION AND RENEWAL VOUCHERS](#)

Provides vouchers for qualifying benefit corporations for registration and renewal fees

[§§ 6 & 7 — CONNECTICUT CLEAN ECONOMY COUNCIL](#)

Establishes a Connecticut Clean Economy Council to advise on strategies and policies to further climate mitigation, clean energy, resilience, and sustainability efforts; requires the council to (1) develop a plan to transition workers away from fossil-fuel-based jobs to those in clean energy and (2) submit an annual report of its work to the governor, OPM, and four legislative committees

#### § 8 — SCHOOL BUILDING CONSTRUCTION GRANTS

Adds air source and ground source heat pump projects to the list of school construction project grant applications that the DAS commissioner can approve at any time

#### § 9 — RESIDENTIAL HEAT PUMP SYSTEMS PLAN & REBATE PROGRAM

Requires the DEEP commissioner to (1) develop a plan for installing affordable heat pumps and (2) report on the plan to the Environment and Energy and Technology committees by January 1, 2027

#### § 10 — ENVIRONMENTALLY SUSTAINABLE PURCHASING BY MUNICIPALITIES

Requires DAS to (1) create a model policy or guidelines for environmentally sustainable purchasing that municipalities can use and (2) post it on the agency's website by January 1, 2026

#### § 11 — STATE BUILDING ENERGY EFFICIENCY AND HEATING AND COOLING SYSTEMS

Requires DAS to develop a (1) process for considering certain energy-related aspects when deciding to repair or build state real assets under its authority and (2) plan and budget to retrofit existing fossil fuel-based heating and cooling systems to those that operate without carbon-emitting fuels

#### § 12 — NATURE-BASED SOLUTIONS INITIATIVE

Requires DEEP to (1) evaluate how to integrate and advance nature-based solutions in specified programs to support climate change mitigation and adaptation, ecosystem resilience, and biodiversity; (2) consider specified best practices as part of this evaluation; and (3) post the evaluation on its website, hold a listening session for public comment, and give it to specified state agencies for their review and input

#### § 13 — SOLAR CANOPY STRATEGIC PLAN

Requires PURA to report to the Energy and Technology Committee on a solar canopy strategy and program design

#### § 14 — ENERGY COSTS REPORT

Requires DEEP, in consultation with the Office of Consumer Counsel, to report to the Environment and Energy and Technology committees on lowering energy costs, increasing community extreme weather resilience, and contributing to GHG emission reductions

§ 15 — HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND REVISIONS

Makes various changes to the existing Housing Environmental Improvement Revolving Loan and Grant Fund and related program to, among other things, allow (1) the program to finance qualifying projects located anywhere, rather than just in targeted areas, and (2) DEEP to enter into contracts with electrical distribution and gas companies to administer the fund

§ 16 — OPEN SPACE AND WATERSHED LAND ACQUISITION GRANT PROGRAM GRANTS FOR URBAN AGRICULTURE USE

Broadens the purposes for which certain OSWA grants may be used to include repurposing open space land for urban agricultural use

§ 17 — RENTER UTILIZATION STUDY

Requires DEEP to study renters' use of certain state energy efficiency and clean energy programs and report its findings and recommendations to the Environment and Energy and Technology committees by July 1, 2026

**SUMMARY**

This bill establishes various requirements relating broadly to energy efficiency and greenhouse gas emissions reduction goals, as described in the section-by-section analysis below.

\*House Amendment "A" eliminates provisions in the underlying bill:

1. requiring the Public Utilities Regulatory Authority (PURA) to open an uncontested proceeding on the future of the natural gas distribution system in the state in relation to the state's emission reduction levels;
2. requiring PURA to establish a utility-scale renewable thermal energy network program, including a pilot component, working group, and study;
3. requiring gas companies to develop incentive programs for connecting customers to municipally owned renewable thermal energy networks;

4. expanding an existing Department of Energy and Environmental Protection (DEEP) procurement authorization to include active demand response projects and gas demand response projects; and
5. authorizing DEEP to allot up to 10% of Open Space and Watershed Land Acquisition Program (OSWA) funding for mitigating wildfire risks on certain properties and relatedly requiring DEEP to develop criteria and guidelines for these funds.

The amendment also:

1. expands the benefit corporations that may receive vouchers under the bill to include certain certified corporations (§ 5),
2. specifies that DEEP must consult with the Office of Consumer Counsel in preparing an energy costs report to the legislature (§ 14),
3. eliminates the requirement that qualifying projects be located in targeted areas to qualify under DEEP's retrofitting project funding pilot program (§ 15), and
4. changes the types of urban agricultural projects that qualify for OSWA grants (§ 16).

EFFECTIVE DATE: Upon passage, except as noted below.

### **§§ 1-3 — GREENHOUSE GAS EMISSIONS REDUCTION AND ZERO-CARBON GOALS**

*Establishes new state GHG emissions reduction levels; for state agencies, sets new GHG emissions reduction goals and a goal to use only zero-carbon generating electricity; modifies DEEP reporting requirements on GHG emissions and reduction progress reports*

#### **Connecticut Goals (§ 2)**

The bill generally requires the state to reach an economy-wide net zero greenhouse gas (GHG) emission level by January 1, 2050. It establishes this requirement as part of the state's Global Warming

Solutions Act (GWSA).

Under current law, the GWSA requires the state to reduce GHG emissions from all sources to a level at least:

1. 10% below the 1990 emission level by 2020,
2. 45% below the 2001 emission level by 2030, and
3. 80% below the 2001 emission level by 2050.

It also requires the state to reduce GHG emissions from electricity supplied to electric customers in the state to zero by 2040.

The bill sets a new GHG reduction level requirement of 65% below the 2001 emission level by 2040. It also requires that, by 2050, the state be at an economy-wide net-zero level, if direct and indirect GHG emissions are at least 80% below the 2001 level. (Direct emissions include those from manufacturing processes and factory stacks. Indirect emissions include those from electricity consumed by commercial and industrial businesses.)

By law, the DEEP commissioner determines emission levels. GHG includes any chemical or physical substance emitted into the air that the DEEP commissioner reasonably anticipates will cause or contribute to climate change (e.g., carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride).

### **State Agency Goals (§ 1)**

The bill establishes the following GHG emission reduction goals for all state agencies, as a whole:

1. 45% from 2001 levels by 2030,
2. 70% from 2016 levels by 2040, and
3. a level determined to be net-zero by 2050.

It sets a separate goal for the agencies to use only zero-carbon

generating electricity by 2030.

The bill allows agencies to consider the social costs of GHG emissions (e.g., net agricultural productivity, harms to human health, property damage, and the value of ecosystem services) when evaluating the costs and benefits of their activities and facility improvements to meet these GHG reduction goals. By January 1, 2026, the DEEP commissioner must publish guidelines for state agencies on the social cost of GHG emissions on the department's website.

***Periodic Reporting (§§ 2 & 3)***

***GHG Emissions Inventory.*** The bill requires the DEEP commissioner to annually publish, beginning January 1, 2026, an inventory on GHG emission sources and carbon sequestered to (1) set an emissions baseline, and (2) report on the quantifiable GHG emission reductions and carbon sequestration achieved.

***GHG Reduction Progress Reports.*** Under existing law, the DEEP commissioner, in consultation with the Office of Policy and Management (OPM) secretary and the Governor's Council on Climate Change, must report to the Energy and Technology, Environment, and Transportation committees every three years on quantifiable GHG reductions to achieve the emission reduction goals described above. The bill (1) moves the deadline for the next report, from January 1, 2027, to January 1, 2026; (2) requires the report to additionally include quantifiable carbon sequestration (undefined by the bill) achieved; and (3) requires DEEP to produce the report with an opportunity for public comment.

The bill allows the DEEP commissioner to contract with a consultant to help prepare the report. As under existing law, the report must include:

1. a schedule of proposed regulations, policies, and strategies (which, under the bill, may include carbon sequestration) designed to achieve the reduction levels;

2. an assessment of the latest scientific information and relevant data on global climate change; and
3. the status of other states' and countries' GHG emission reduction efforts.

The bill also eliminates a requirement under current law that DEEP, every three years and with help from a nonprofit association with northeastern state air quality and climate program expertise, develop a schedule of recommended regulatory actions by relevant agencies, policies, and other actions needed to further progress toward achieving the GHG reduction levels.

#### **§ 4 — JOBSCT TAX REBATE PROGRAM**

*Allows the DECD commissioner to give a preference to applications under the JobsCT tax rebate program that (1) make significant investments in environmentally sustainable practices; (2) are in economic sectors like renewable energy, energy efficiency, and zero-emission vehicles; or (3) are for sustainable farming*

By law, the Department of Economic and Community Development's (DECD) JobsCT tax rebate program gives companies in specified industries rebates against insurance premiums, corporation business taxes, and pass-through entity taxes for reaching certain job creation targets.

The bill allows the DECD commissioner to give a preference to applications for the program that:

1. make significant investments in environmentally sustainable practices (e.g., zero-carbon energy and energy efficiency);
2. are in economic sectors such as renewable energy, energy efficiency, and zero-emission vehicles; or
3. are for farming operations that are sustainable from a climate perspective.

EFFECTIVE DATE: July 1, 2025



## **§ 5 — BENEFIT CORPORATION REGISTRATION AND RENEWAL VOUCHERS**

*Provides vouchers for qualifying benefit corporations for registration and renewal fees*

The bill requires the secretary of the state to give benefit corporations (b-corps) vouchers for their registration and renewal fees. (It is unclear which fees qualify for a voucher.) To receive a voucher, the b-corp must (1) give the secretary evidence that it meets state law's requirements for a b-corp or (2) be certified by an entity the secretary of state recognizes for the certification process.

By law, b-corps are business corporations (1) that elect to become subject to the Connecticut Benefit Corporation Act and (2) whose status as a benefit corporation has not been terminated under the act (e.g., by amending its certificate of incorporation to delete any provision stating that the corporation is a b-corp). Among other things, b-corps must have a purpose of creating a "general public benefit," which generally means having a material positive impact on both society and the environment.

## **§§ 6 & 7 — CONNECTICUT CLEAN ECONOMY COUNCIL**

*Establishes a Connecticut Clean Economy Council to advise on strategies and policies to further climate mitigation, clean energy, resilience, and sustainability efforts; requires the council to (1) develop a plan to transition workers away from fossil-fuel-based jobs to those in clean energy and (2) submit an annual report of its work to the governor, OPM, and four legislative committees*

The bill establishes a statutory Connecticut Clean Economy Council to advise on strategies and policies to strengthen the state's climate mitigation, clean energy, resilience, and sustainability programs, particularly for vulnerable communities (i.e. populations that may be disproportionately affected by climate change). (Executive Order (EO) 21-3 created an advisory council of the same name to give input on strategies and policies to strengthen climate mitigation, clean energy, resilience, and sustainability programs.)

### ***Duties and Reporting Requirements***

Under the bill, the council has the following duties:

1. identify opportunities to leverage state and federal funding to

scale economic development and workforce opportunities associated with climate mitigation, clean energy, and resilience and sustainability investments (this must be led by the co-chairperson from DECD);

2. serve as a central coordinating body for (a) climate mitigation, (b) clean energy, (c) resilience and sustainability workforce efforts, and (d) statewide opportunities for a technically advanced, enduring labor force (this must be led by the co-chairperson from the Office of Workforce Strategy);
3. develop economic development and workforce strategies that support investment and growth of climate mitigation, clean energy, resilience, and sustainability job growth; and
4. advise the governor on any statewide economic or workforce action plan in clean energy, climate, and sustainability.

The bill requires the council to develop a plan to transition workers from fossil-fuel-based jobs to clean economy jobs, which must be submitted to the Commerce, Energy and Technology, and Environment committees by July 1, 2026. (It correspondingly eliminates similar requirements for the advisory council created under EO 21-3 to develop and annually update a plan for worker transition to clean energy jobs and annually report on it to the Higher Education and Employment Advancement Committee.)

Starting by February 15, 2026, the council must biennially submit a report to the governor, OPM, and the Commerce, Environment, Energy and Technology, and Higher Education and Employment Advancement committees on its work, findings, and recommendations.

### ***Membership and Meetings***

Under the bill, the council consists of the following members:

1. the commissioners of the departments of Economic and Community Development, Energy and Environmental

Protection, Transportation, Labor, and Consumer Protection, or their designees;

2. the Chief Workforce Officer or her designee, and one member she appoints to represent a regional workforce development board;
3. the OPM secretary or his designee;
4. the Connecticut Green Bank and Connecticut Innovations, Inc. chief executive officers, or their designees;
5. a representative of the governor's office;
6. any other members the co-chairpersons designate, who serve at the co-chairpersons' pleasure;
7. one member appointed by each of the six legislative leaders.

Members appointed by the legislative leaders must have at least one of the following qualifications or backgrounds:

1. being a Connecticut Technical Education Career System member,
2. being a representative of a nonprofit organization that focuses on helping people overcome barriers to workforce participation,
3. having expertise in hiring and training employees in green technology-related trades,
4. being a representative of a higher education institution who has expertise in technical education, or
5. being a Connecticut State Building Trades Council member.

Under the bill, the council co-chairpersons are the DECD and DEEP commissioners and the Chief Workforce Officer, or their designees. The bill requires the council to meet at least quarterly, with the co-chairpersons setting the dates, times, and locations for the meetings. A majority of the council members constitutes a quorum.

**§ 8 — SCHOOL BUILDING CONSTRUCTION GRANTS**

*Adds air source and ground source heat pump projects to the list of school construction project grant applications that the DAS commissioner can approve at any time*

The bill adds air source and ground source heat pump purchase and installation to the list of school construction project grant applications that the Department of Administrative Services (DAS) commissioner can approve at any time without putting them on an annual school construction priority list for the legislature's approval. The commissioner may already approve applications for grants to do things like remedy code violations and fire damage; replace roofs; fix a certified school indoor air quality emergency; or purchase or install solar panels, wind generation systems, and windows.

EFFECTIVE DATE: July 1, 2025

**§ 9 — RESIDENTIAL HEAT PUMP SYSTEMS PLAN & REBATE PROGRAM**

*Requires the DEEP commissioner to (1) develop a plan for installing affordable heat pumps and (2) report on the plan to the Environment and Energy and Technology committees by January 1, 2027*

The bill requires the DEEP commissioner to develop a plan for installing efficient heat pumps for affordable heating and cooling systems in the state. The plan must (1) provide for making affordable heat pump options available and (2) describe how the state could best use any available or future grant or loan funding.

The plan must focus on heat pump applications with the greatest potential benefits, including lowering consumers' energy costs, reducing electric grid impacts, and improving building resilience. At a minimum, these affordable heat pump options must include the following:

1. heat pump installations in residences in environmental justice communities and long-term care facilities where at least 80% of the residents are Medicaid recipients in good financial standing with the state;

2. access to energy efficient, affordable air conditioning for residents experiencing high energy bills and health risks during heat waves;
3. increased resilience during extreme heat events for homes and businesses;
4. improved flood resilience for homes and businesses by enabling home heating systems to be located above ground;
5. low- or no-interest loans to replace heating, ventilation, and air conditioning equipment in residences impacted by extreme weather events;
6. cost savings and potential benefits for transitioning from electric resistance heating;
7. analysis of accelerating the adoption of heat pump water heaters, including public education and the possible need for contractor incentives; and
8. potential for a demand response program.

By January 1, 2027, the DEEP commissioner must report to the Environment and Energy and Technology committees on the plan's status and any recommendations for expanding or revising the plan.

EFFECTIVE DATE: October 1, 2025

## **§ 10 — ENVIRONMENTALLY SUSTAINABLE PURCHASING BY MUNICIPALITIES**

*Requires DAS to (1) create a model policy or guidelines for environmentally sustainable purchasing that municipalities can use and (2) post it on the agency's website by January 1, 2026*

The bill requires DAS, in consultation with the OPM secretary, to develop a model policy or guidelines for environmentally sustainable purchasing that municipalities may use and implement. The policy or guidelines must include a list of any state contracts for sustainable purchasing that allow for municipal participation. The DAS

commissioner must post the policy or guidelines on the agency's website by January 1, 2026.

## **§ 11 — STATE BUILDING ENERGY EFFICIENCY AND HEATING AND COOLING SYSTEMS**

*Requires DAS to develop a (1) process for considering certain energy-related aspects when deciding to repair or build state real assets under its authority and (2) plan and budget to retrofit existing fossil fuel-based heating and cooling systems to those that operate without carbon-emitting fuels*

The bill requires DAS, by January 1, 2026, to establish a process for its commissioner to consider certain energy-related aspects when deciding to remodel, alter, repair, construct, or enlarge any state real asset under its existing property authority. Specifically, it must consider the asset's capability to increase energy efficiency, reduce energy use, use Class I renewable energy, use zero-carbon heating and cooling and water heating alternatives, support electric vehicle charging, and act as a resilience hub. DAS must do this in consultation with OPM, DEEP, the Department of Transportation, and any other state agency its commissioner deems necessary.

The bill also requires DAS, by July 1, 2027, and in consultation with OPM and DEEP, to develop a plan and budget to retrofit existing fossil fuel-based heating and cooling systems at state buildings to systems able to operate without carbon-emitting fuels. The plan and budget must be submitted to the Environment and Energy and Technology committees.

## **§ 12 — NATURE-BASED SOLUTIONS INITIATIVE**

*Requires DEEP to (1) evaluate how to integrate and advance nature-based solutions in specified programs to support climate change mitigation and adaptation, ecosystem resilience, and biodiversity; (2) consider specified best practices as part of this evaluation; and (3) post the evaluation on its website, hold a listening session for public comment, and give it to specified state agencies for their review and input*

The bill requires the DEEP commissioner to evaluate how to integrate and advance nature-based solutions in specified programs to support (1) climate change mitigation and adaptation, (2) ecosystem resilience, and (3) biodiversity. It requires that DEEP's efforts to advance nature-based solutions be known as the nature-based solutions initiative.

Under the bill, the evaluation must examine the potential for using nature-based solutions in the following programs:

1. the microgrid and resilience grant and loan pilot program;
2. the open space and watershed land acquisition program; and
3. other applicable state and federal programs administered by DEEP that advance nature-based solutions, including (a) federal Clean Water Act programs, (b) the Long Island Sound Study program, and (c) the Urban Forestry program.

### ***Evaluation Development***

The bill requires the commissioner, as part of the evaluation, to consider best practices to encourage the use of the state's ecosystems to naturally sequester and store carbon, reduce GHG emissions, increase biodiversity, and protect against climate change impacts. These best practices include the following:

1. increasing carbon sequestration through increased forest acreage (e.g., by reforestation);
2. controlling invasive species;
3. encouraging soil health across all landscapes;
4. protecting carbon stocks by avoiding conversion of forests and wetlands to other purposes;
5. restoring habitats to improve biodiversity;
6. increasing climate-smart agriculture and soil conservation to reduce GHG emissions while improving habitat and protecting biodiversity;
7. increasing community resilience by improving water quality and addressing flooding and drought through nature-based stormwater management and shoreline protection that uses

- nature-based approaches (e.g., living shorelines);
8. improving air quality and reducing urban heat island effects through urban forestry and increasing green spaces; and
  9. increasing access to open spaces for public health benefits.

Under the bill, the commissioner must (1) post the nature-based solutions initiative program evaluation on DEEP's website by July 1, 2026, for review and written comment and (2) hold a listening session after the report is posted to obtain public comment. She must also give it to the following agencies for review and input: the Agriculture, Housing, Insurance, Public Health, and Transportation departments; the Connecticut Green Bank; and OPM.

### **§ 13 — SOLAR CANOPY STRATEGIC PLAN**

*Requires PURA to report to the Energy and Technology Committee on a solar canopy strategy and program design*

The bill requires the PURA chairperson, by January 15, 2027, to submit a report to the Energy and Technology Committee on the results of a study to develop a solar canopy strategic plan and program design. The plan must:

1. identify opportunities for solar canopies in the state and examine different methods to promote them;
2. prioritize their development in environmental justice communities; and
3. recommend policies, programs, or regulations that would promote their construction according to GHG reduction goals.

### **§ 14 — ENERGY COSTS REPORT**

*Requires DEEP, in consultation with the Office of Consumer Counsel, to report to the Environment and Energy and Technology committees on lowering energy costs, increasing community extreme weather resilience, and contributing to GHG emission reductions*

The bill requires DEEP, by February 1, 2026, and in consultation with the Office of Consumer Counsel, or the office's designee, to submit a



report to the Environment and Energy and Technology committees on recommended regulations, policies, and strategies to (1) significantly lower energy costs for families and businesses, (2) increase community resilience to extreme weather events (e.g., flooding and extreme heat), and (3) contribute to GHG emission reductions.

The report may use modeling scenarios for GHG emissions, and the commissioner may engage a consultant to help prepare all or part of it.

### **§ 15 — HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND REVISIONS**

*Makes various changes to the existing Housing Environmental Improvement Revolving Loan and Grant Fund and related program to, among other things, allow (1) the program to finance qualifying projects located anywhere, rather than just in targeted areas, and (2) DEEP to enter into contracts with electrical distribution and gas companies to administer the fund*

Current law requires DEEP, in collaboration with the Department of Housing, to start one or more pilot programs that provide financing to qualifying retrofit projects in multifamily homes located in environmental justice communities or alliance districts (e.g., energy efficiency projects or projects to address health concerns). The financing is funded through the Housing Environmental Improvement Revolving Loan and Grant Fund, with \$125 million in general obligation bonds authorized to capitalize the fund.

The bill makes the following changes to the program:

1. eliminates the requirement that the retrofit projects be located in environmental justice communities or alliance districts to qualify for the financing;
2. allows the program to provide financing to single-family homes in addition to multifamily homes;
3. expands the list of qualifying retrofit projects to include (a) adding resilience measures (e.g., flood protection) and (b) replacing heating, ventilation, and air conditioning systems of homes impacted by extreme weather events;

4. allows DEEP to enter contracts with electrical distribution or gas companies, in addition to quasi-public agencies and nonprofits as existing law allows, to administer the fund; and
5. limits the projects DEEP may approve for financing under the program to those benefiting current or prospective low-income residents, rather than requiring DEEP to prioritize projects benefiting these residents.

#### **§ 16 — OPEN SPACE AND WATERSHED LAND ACQUISITION GRANT PROGRAM GRANTS FOR URBAN AGRICULTURE USE**

*Broadens the purposes for which certain OSWA grants may be used to include repurposing open space land for urban agricultural use*

The Open Space and Watershed Land Acquisition Program (OSWA), which DEEP administers, generally gives state grants to municipalities, land trusts, and water companies to buy land to be preserved as open space in perpetuity.

Existing law allows DEEP, under OSWA, to award grants to certain municipalities and land trusts to restore or protect open space land they already own. The bill additionally allows DEEP to award these grants for repurposing the open space land for urban agricultural use. It also expands the types of restoration or protection for which DEEP may award the grants to include urban agricultural use. As under existing law, restoration or protection may also include restoring wetland, wildlife, or plant habitats or replacing vegetation.

By law, unchanged by the bill, DEEP may award these grants to distressed municipalities, targeted investment communities, municipalities seeking to restore or protect open space in an environmental justice community, and land trusts seeking to restore or protect open space in these municipalities.

#### **§ 17 — RENTER UTILIZATION STUDY**

*Requires DEEP to study renters' use of certain state energy efficiency and clean energy programs and report its findings and recommendations to the Environment and Energy and Technology committees by July 1, 2026*

The bill requires DEEP to study renters' use of the state energy efficiency and clean energy programs for which it can obtain data, including any barriers renters experience accessing the programs and any recommendations for addressing them. DEEP must report on its recommendations to the Environment and Energy and Technology committees by July 1, 2026.

**COMMITTEE ACTION**

Environment Committee

Joint Favorable Substitute

Yea 23    Nay 10    (03/14/2025)