

JOINT COMMITTEE ON TELECOMMUNICATIONS, UTILITIES, AND ENERGY

BILL SUMMARY

BILL NO. H.3574

TITLE: An Act to reimburse cities and towns affected by the decommissioning of power plants

SPONSOR: Representative Justin Thurber

COMMITTEE: Telecommunications, Utilities, and Energy

HEARING DATE: June 12, 2025

PRIOR HISTORY: *New bill*

CURRENT LAW:

Subsection (c) of Section 22 of Chapter 21A pertains to carbon dioxide cap and trade programs, including the Regional Greenhouse Gas Initiative, a cooperative, market-based effort among the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont to cap and reduce CO₂ emissions from the power sector. It represents the first cap-and-invest regional initiative implemented in the United States.

Proceeds from auction allowances are held in the RGGI Auction Trust Fund established in section 35II of chapter 10 and shall be used by the Department of Environmental Protection (DEP) for the following purposes exclusively:

- (ii) to fund the green communities program established in section 10 of chapter 25A;
- (iii) to provide zero interest loans to municipalities, which are not green communities under section 10 of chapter 25A for energy efficiency projects;
- (iv) to promote energy efficiency, conservation and demand response; and
- (v) to reimburse the commonwealth for costs associated with the administration of the cap and trade program.

SUMMARY:

This bill adds new clause (vi) to Subsection (c) of Section 22 to require DEP to also spend RGGI proceeds to reimburse cities and towns for loss of tax revenue associated with the decommissioning of power plants within the municipality.