



General Assembly

Bill No. 701

May 9 Special Session,
2002

LCO No. 5869

Referred to Committee on No Committee

Introduced by:

SEN. SULLIVAN, 5th Dist.

REP. LYONS, 146th Dist.

**AN ACT INCREASING CERTAIN BOND AUTHORIZATIONS FOR
CAPITAL IMPROVEMENTS.**

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

1 Section 1. Subsections (a) and (b) of section 4-66c of the general
2 statutes, as amended by section 1 of public act 01-7 of the June special
3 session, are repealed and the following is substituted in lieu thereof
4 (*Effective July 1, 2002*):

5 (a) For the purposes of subsection (b) of this section, the State Bond
6 Commission shall have power, from time to time [] to authorize the
7 issuance of bonds of the state in one or more series and in principal
8 amounts not exceeding in the aggregate [nine hundred fifty-three
9 million six hundred ninety-five thousand nine hundred two] nine
10 hundred six million nine hundred eighty-seven thousand five hundred
11 forty-four dollars, provided [one hundred forty-two million] one
12 hundred seven million dollars of said authorization shall be effective
13 July 1, [2002] 2003. All provisions of section 3-20, or the exercise of any
14 right or power granted thereby, which are not inconsistent with the

15 provisions of this section, are hereby adopted and shall apply to all
16 bonds authorized by the State Bond Commission pursuant to this
17 section, and temporary notes in anticipation of the money to be
18 derived from the sale of any such bonds so authorized may be issued
19 in accordance with said section 3-20 and from time to time renewed.
20 Such bonds shall mature at such time or times not exceeding twenty
21 years from their respective dates as may be provided in or pursuant to
22 the resolution or resolutions of the State Bond Commission authorizing
23 such bonds. None of said bonds shall be authorized except upon a
24 finding by the State Bond Commission that there has been filed with it
25 a request for such authorization, which is signed by or on behalf of the
26 Secretary of the Office of Policy and Management and states such
27 terms and conditions as said commission in its discretion may require.
28 Said bonds issued pursuant to this section shall be general obligations
29 of the state and the full faith and credit of the state of Connecticut are
30 pledged for the payment of the principal of and interest on said bonds
31 as the same become due, and accordingly as part of the contract of the
32 state with the holders of said bonds, appropriation of all amounts
33 necessary for punctual payment of such principal and interest is
34 hereby made, and the Treasurer shall pay such principal and interest
35 as the same become due.

36 (b) The proceeds of the sale of said bonds, to the extent hereinafter
37 stated, shall be used, subject to the provisions of subsections (c) and (d)
38 of this section, for the purpose of redirecting, improving and
39 expanding state activities which promote community conservation and
40 development and improve the quality of life for urban residents of the
41 state as hereinafter stated: (1) For the Department of Economic and
42 Community Development: Economic and community development
43 projects, including administrative costs incurred by the Department of
44 Economic and Community Development, not exceeding [eighty-one
45 million three hundred thousand] seventy-four million five hundred
46 ninety-one thousand six hundred forty-two dollars, one million dollars
47 of which shall be used for a grant to the development center program
48 and the nonprofit business consortium deployment center approved

49 pursuant to section 32-411 and provided [two] seven million dollars of
50 said authorization shall be effective July 1, [2002] 2003; (2) for the
51 Department of Transportation: Urban mass transit, not exceeding two
52 million dollars; (3) for the Department of Environmental Protection:
53 Recreation development and solid waste disposal projects, not
54 exceeding one million nine hundred ninety-five thousand nine
55 hundred two dollars; (4) for the Department of Social Services: Child
56 day care projects, elderly centers, shelter facilities for victims of
57 domestic violence, emergency shelters and related facilities for the
58 homeless, multipurpose human resource centers and food distribution
59 facilities, not exceeding thirty-nine million one hundred thousand
60 dollars, provided four million dollars of said authorization shall be
61 effective July 1, 1994; (5) for the Department of Economic and
62 Community Development: Housing projects, not exceeding three
63 million dollars; (6) for the Office of Policy and Management: (A)
64 Grants-in-aid to municipalities for a pilot demonstration program to
65 leverage private contributions for redevelopment of designated
66 historic preservation areas, not exceeding one million dollars; (B)
67 grants-in-aid for urban development projects including economic and
68 community development, transportation, environmental protection,
69 public safety, children and families and social services projects and
70 programs, including, in the case of economic and community
71 development projects administered on behalf of the Office of Policy
72 and Management by the Department of Economic and Community
73 Development, administrative costs incurred by the Department of
74 Economic and Community Development, not exceeding [eight
75 hundred twenty-five million three hundred thousand] seven hundred
76 eighty-five million three hundred thousand dollars, provided [one
77 hundred forty] one hundred million dollars of said authorization shall
78 be effective July 1, [2002] 2003. Five million dollars of the grants-in-aid
79 authorized in subparagraph (B) of subdivision (6) of this subsection
80 may be made available to private nonprofit organizations for the
81 purposes described in said subparagraph (B). Five million dollars of
82 the grants-in-aid authorized in subparagraph (B) of subdivision (6) of

83 this subsection may be made available for necessary renovations and
84 improvements of libraries. Five million dollars of the grants-in-aid
85 authorized in subparagraph (B) of subdivision (6) of this subsection
86 shall be made available for small business gap financing.

87 Sec. 2. Subsection (a) of section 4a-10 of the general statutes, as
88 amended by section 2 of public act 01-7 of the June special session, is
89 repealed and the following is substituted in lieu thereof (*Effective July*
90 *1, 2002*):

91 (a) For the purposes described in subsection (b) of this section, the
92 State Bond Commission shall have the power, from time to time [,] to
93 authorize the issuance of bonds of the state in one or more series and
94 in principal amounts not exceeding in the aggregate two hundred
95 [twenty-seven million five hundred thousand] thirty million dollars,
96 provided [seventeen million] nineteen million five hundred thousand
97 dollars of said authorization shall be effective July 1, 2002.

98 Sec. 3. Subdivision (4) of subsection (a) of section 7-536 of the
99 general statutes, as amended by section 2 of public act 01-197, is
100 repealed and the following is substituted in lieu thereof (*Effective July*
101 *1, 2002*):

102 (4) "Local capital improvement project" means a municipal capital
103 expenditure project for any of the following purposes: (A) Road
104 construction, renovation, repair or resurfacing, (B) sidewalk and
105 pavement improvements, (C) construction, renovation, enlargement or
106 repair of sewage treatment plants and sanitary or storm, water or
107 sewer lines, including separation of lines, (D) public building
108 construction other than schools, including renovation, repair, code
109 compliance, energy conservation and fire safety projects, (E)
110 construction, renovation, enlargement or repair of dams, bridges and
111 flood control projects, (F) construction, renovation, enlargement or
112 repair of water treatment or filtration plants and water mains, (G)
113 construction, renovation or enlargement of solid waste facilities, (H)
114 improvements to public parks, (I) the preparation and revision of local

115 capital improvement plans projected for a period of not less than five
116 years and so prepared as to show the general description, need and
117 estimated cost of each individual capital improvement, (J)
118 improvements to emergency communications systems, (K) public
119 housing projects, including renovations and improvements and energy
120 conservation and the development of additional housing, (L)
121 renovations to or construction of veterans' memorial monuments, (M)
122 improvements to information technology systems to manage the
123 century date change effect, as defined in section 4d-16, (N) thermal
124 imaging systems, (O) bulky waste and landfill projects, [and] (P) the
125 preparation and revision of municipal plans of conservation and
126 development adopted pursuant to section 8-23, provided such plans
127 are endorsed by the legislative body of the municipality not more than
128 one hundred eighty days after adoption by the commission, and (Q)
129 acquisition of automatic external defibrillators. "Local capital
130 improvement project" means only capital expenditures and includes
131 repairs incident to reconstruction and renovation but does not include
132 ordinary repairs and maintenance of an ongoing nature.

133 Sec. 4. Subsection (a) of section 7-538 of the general statutes, as
134 amended by section 3 of public act 01-7 of the June special session, is
135 repealed and the following is substituted in lieu thereof (*Effective July*
136 *1, 2002*):

137 (a) For the purposes described in subsection (b) of this section, the
138 State Bond Commission shall have the power, from time to time, to
139 authorize the issuance of bonds of the state in one or more series and
140 in principal amounts not exceeding in the aggregate four hundred
141 seventy million dollars, provided [thirty] sixty-five million dollars of
142 said authorization shall be effective July 1, [2002] 2003.

143 Sec. 5. Subsection (a) of section 10-65 of the general statutes is
144 repealed and the following is substituted in lieu thereof (*Effective July*
145 *1, 2002*):

146 (a) Each local or regional school district operating a vocational

147 agriculture center approved by the State Board of Education for
148 program, educational need, location and area to be served shall be
149 eligible for the following grants: (1) In accordance with the provisions
150 of chapter 173, through progress payments in accordance with the
151 provisions of section 10-287i, ninety-five per cent of the net eligible
152 costs [in a lump sum,] of constructing, acquiring, renovating and
153 equipping approved facilities to be used for such vocational
154 agriculture center, for the expansion or improvement of existing
155 facilities or for the replacement or improvement of equipment therein,
156 and (2) subject to the provisions of section 10-65b, in an amount equal
157 to seven hundred dollars per student for every secondary school
158 student who was enrolled in such center on October first of the
159 previous year.

160 Sec. 6. Section 10-76e of the general statutes is repealed and the
161 following is substituted in lieu thereof (*Effective July 1, 2002*):

162 Any school district which agrees to provide special education, as
163 part of a long-term regional plan approved by the State Board of
164 Education, for children requiring special education who reside in other
165 school districts or a private academy, as defined in section 10-289d,
166 which agrees to provide special education, as part of a long-term
167 regional plan approved by the State Board of Education, for children
168 requiring special education shall be eligible to receive a grant, [in a
169 lump sum,] through progress payments in accordance with the
170 provisions of section 10-287i, in accordance with the provisions of
171 chapter 173, [in] which payments shall total an amount equal to
172 ninety-five per cent of the net eligible cost to such district or to such
173 academy of purchasing, constructing or reconstructing appropriate
174 facilities to be used primarily for children requiring special education
175 and equipping and furnishing of any such purchase, construction or
176 reconstruction, provided such facilities shall be approved by the State
177 Board of Education and shall be an adjunct to or connected with
178 facilities for children in the regular school program, except when the
179 State Board of Education determines that separate facilities would be

180 of greater benefit to the children participating in the long-term special
181 education program.

182 Sec. 7. Subsection (a) of section 10-264h of the general statutes is
183 repealed and the following is substituted in lieu thereof (*Effective July*
184 *1, 2002*):

185 (a) For the fiscal year ending June 30, 1996, [and each fiscal year
186 thereafter] until the fiscal year ending June 30, 2002, a local or regional
187 board of education, regional educational service center or a
188 cooperative arrangement pursuant to section 10-158a for purposes of
189 an interdistrict magnet school may be eligible for reimbursement up to
190 the full reasonable cost of any capital expenditure for the purchase,
191 construction, extension, replacement, leasing or major alteration of
192 interdistrict magnet school facilities, including any expenditure for the
193 purchase of equipment, in accordance with this section. For the fiscal
194 year ending June 30, 2003, and each fiscal year thereafter, such entities
195 may be eligible for reimbursement up to ninety-five per cent of such
196 cost. To be eligible for reimbursement under this section a magnet
197 school construction project shall meet the requirements for a school
198 building project established in chapter 173, except that the
199 Commissioner of Education may waive any requirement in such
200 chapter for good cause. On and after July 1, 1997, the commissioner
201 shall approve only applications for reimbursement under this section
202 that he finds will reduce racial, ethnic and economic isolation.

203 Sec. 8. Section 10-283 of the general statutes, as amended by sections
204 26 and 63 of public act 01-173, is amended by adding subsections (d)
205 and (e) as follows (*Effective July 1, 2002*):

206 (NEW) (d) No application for a school building project shall be
207 accepted by the commissioner on or after July 1, 2002, unless the
208 applicant has secured funding authorization for the local share of the
209 project costs prior to application. For applications filed before July 1,
210 2002, for inclusion on the listing of projects to be submitted to the
211 Governor and General Assembly in December, 2002, pursuant to this

212 section, no project shall be included on such listing unless the
213 applicant has secured local funding authorization prior to December 1,
214 2002. The reimbursement percentage for a project covered by this
215 subsection shall reflect the rates in effect during the fiscal year in
216 which such local funding authorization is secured.

217 (NEW) (e) For each such list submitted in December, 2003, and
218 December, 2004, the total amount requested by the commissioner for
219 grant commitments shall not exceed one billion dollars. In each such
220 list, the commissioner shall list the categories described in subdivision
221 (2) of subsection (a) of this section in order of priority and shall list the
222 projects within each category in order of priority. The commissioner
223 shall comply with the limitation on grant commitments provided for
224 under this subsection according to such priorities. Eligible projects that
225 cannot be included on the list shall be included first on the list
226 submitted the next following year.

227 Sec. 9. Section 10-287d of the general statutes, as amended by
228 section 4 of public act 01-7 of the June special session, is repealed and
229 the following is substituted in lieu thereof (*Effective July 1, 2002*):

230 For the purposes of funding (1) grants to projects that have received
231 approval of the State Board of Education pursuant to sections 10-287
232 and 10-287a, subsection (a) of section 10-65 and section 10-76e, (2)
233 grants to assist school building projects to remedy safety and health
234 violations and damage from fire and catastrophe, and (3) regional
235 vocational-technical school projects pursuant to section 10-283b, the
236 State Treasurer is authorized and directed, subject to and in
237 accordance with the provisions of section 3-20, to issue bonds of the
238 state from time to time in one or more series in an aggregate amount
239 not exceeding three billion one hundred [fifty-eight] eight million three
240 hundred sixty thousand dollars, provided [four hundred fifty] twenty
241 million dollars of said authorization shall be effective July 1, [2002]
242 2003. Bonds of each series shall bear such date or dates and mature at
243 such time or times not exceeding thirty years from their respective

244 dates and be subject to such redemption privileges, with or without
245 premium, as may be fixed by the State Bond Commission. They shall
246 be sold at not less than par and accrued interest and the full faith and
247 credit of the state is pledged for the payment of the interest thereon
248 and the principal thereof as the same shall become due, and
249 accordingly and as part of the contract of the state with the holders of
250 said bonds, appropriation of all amounts necessary for punctual
251 payment of such principal and interest is hereby made, and the State
252 Treasurer shall pay such principal and interest as the same become
253 due. The State Treasurer is authorized to invest temporarily in direct
254 obligations of the United States, United State agency obligations,
255 certificates of deposit, commercial paper or bank acceptances such
256 portion of the proceeds of such bonds or of any notes issued in
257 anticipation thereof as may be deemed available for such purpose.

258 Sec. 10. Section 10-292k of the general statutes, as amended by
259 section 17 of public act 01-7 of the June special session, is repealed and
260 the following is substituted in lieu thereof (*Effective July 1, 2002*):

261 For purposes of funding interest subsidy grants, except for interest
262 subsidy grants made pursuant to subsection (b) of section 10-292m, the
263 State Treasurer is authorized and directed, subject to and in
264 accordance with the provisions of section 3-20, to issue bonds of the
265 state from time to time in one or more series in an aggregate amount
266 not exceeding one hundred [twenty-one] seventy-one million one
267 hundred thousand dollars, provided [seventeen] fifty million dollars of
268 said authorization shall be effective July 1, [2000] 2002. Bonds of each
269 series shall bear such date or dates and mature at such time or times
270 not exceeding thirty years from their respective dates and be subject to
271 such redemption privileges, with or without premium, as may be fixed
272 by the State Bond Commission. They shall be sold at not less than par
273 and accrued interest and the full faith and credit of the state is pledged
274 for the payment of the interest thereon and the principal thereof as the
275 same shall become due, and accordingly and as part of the contract of
276 the state with the holders of said bonds, appropriation of all amounts

277 necessary for punctual payment of such principal and interest is
278 hereby made, and the State Treasurer shall pay such principal and
279 interest as the same become due. The State Treasurer is authorized to
280 invest temporarily in direct obligations of the United States, United
281 States agency obligations, certificates of deposit, commercial paper or
282 bank acceptances, such portion of the proceeds of such bonds or of any
283 notes issued in anticipation thereof as may be deemed available for
284 such purpose.

285 Sec. 11. Subsection (c) of section 22a-478 of the general statutes is
286 repealed and the following is substituted in lieu thereof (*Effective July*
287 *1, 2002*):

288 (c) The funding of an eligible water quality project shall be pursuant
289 to a project funding agreement between the state, acting by and
290 through the commissioner, and the municipality undertaking such
291 project and shall be evidenced by a project fund obligation or grant
292 account loan obligation, or both, or an interim funding obligation of
293 such municipality issued in accordance with section 22a-479. A project
294 funding agreement shall be in a form prescribed by the commissioner.
295 A nonpoint source pollution abatement project shall receive a project
296 grant of seventy-five per cent of the cost of the project determined to
297 be eligible by the commissioner. A combined sewer project shall
298 receive (1) a project grant of fifty per cent of the cost of the project,
299 which cost shall be the cost the federal Environmental Protection
300 Agency uses in making grants pursuant to Part 35 of the federal
301 Construction Grant Regulations and Titles II and VI of the federal
302 Water Pollution Control Act, as amended; and (2) a loan for the
303 remainder of the costs of the project, not exceeding one hundred per
304 cent of the eligible water quality project costs. A construction contract
305 eligible for financing awarded by a municipality on or after July 1,
306 1999, as a project undertaken for nitrogen removal shall receive a
307 project grant of thirty per cent of the cost of the project associated with
308 nitrogen removal and a loan for the remainder of the costs of the
309 project, not exceeding one hundred per cent of the eligible water

310 quality project costs. Nitrogen removal projects under design or
311 construction on July 1, 1999, and projects that have been constructed
312 but have not received permanent, clean water fund financing, on July
313 1, 1999, shall be eligible to receive a thirty per cent grant. Any other
314 eligible water quality project shall receive (A) a project grant of twenty
315 per cent of the cost, which cost shall be the cost the federal
316 Environmental Protection Agency uses for grants pursuant to said Part
317 35 and said Titles II and VI, and (B) a loan for the remainder of the
318 costs of the project, not exceeding one hundred per cent of the eligible
319 project cost. On or after [fiscal year 2007] July 1, 2006, all eligible water
320 quality projects eligible for funding shall receive a loan of one hundred
321 per cent of the eligible costs and shall not receive a project grant. On or
322 after July 1, 2002, eligible water quality projects that exclusively
323 address sewer collection and conveyance system improvements may
324 receive a loan for one hundred per cent of the eligible costs and shall
325 not receive a project grant. Any such sewer collection and conveyance
326 system improvement project shall be rated, ranked, and funded
327 separately from other water pollution control projects and shall be
328 considered only if it is highly consistent with the state's conservation
329 and development plan, or is primarily needed as the most cost
330 effective solution to an existing area-wide pollution problem and
331 incorporates minimal capacity for growth. All loans made in
332 accordance with the provisions of this section for an eligible water
333 quality project shall bear an interest rate of two per cent per annum.
334 The commissioner may allow any project fund obligation, grant
335 account loan obligation or interim funding obligation for an eligible
336 water quality project to be repaid by a borrowing municipality prior to
337 maturity without penalty.

338 Sec. 12. Subsection (a) of section 22a-483 of the general statutes, as
339 amended by section 6 of public act 01-7 of the June special session, is
340 repealed and the following is substituted in lieu thereof (*Effective July*
341 *1, 2002*):

342 (a) For the purposes of sections 22a-475 to 22a-483, inclusive, as

343 amended by this act, the State Bond Commission shall have the power,
344 from time to time [,] to authorize the issuance of bonds of the state in
345 one or more series and in principal amounts, not exceeding in the
346 aggregate [seven hundred ninety-seven] eight hundred one million
347 [eight hundred] thirty thousand dollars, provided [forty] sixty million
348 dollars of said authorization shall be effective July 1, [2002] 2003.

349 Sec. 13. Subsection (a) of section 32-231l of the general statutes is
350 repealed and the following is substituted in lieu thereof (*Effective July*
351 *1, 2002*):

352 (a) For the purposes described herein the State Bond Commission
353 shall have the power, from time to time [,] to authorize the issuance of
354 bonds of the state in one or more series and in principal amounts not
355 exceeding in the aggregate [one hundred twenty-eight] ninety-five
356 million dollars, provided twenty-one million nine hundred thousand
357 dollars of said authorization shall be effective on June 21, 1994.

358 Sec. 14. Subsection (a) of section 32-235 of the general statutes, as
359 amended by section 10 of public act 01-7 of the June special session, is
360 repealed and the following is substituted in lieu thereof (*Effective July*
361 *1, 2002*):

362 (a) For the purposes described in subsection (b) of this section, the
363 State Bond Commission shall have the power, from time to time [,] to
364 authorize the issuance of bonds of the state in one or more series and
365 in principal amounts not exceeding in the aggregate [five hundred
366 twenty-five million three hundred thousand] five hundred five million
367 three hundred thousand dollars, provided [thirty] ten million dollars
368 of said authorization shall be effective on July 1, [2002] 2003.

369 Sec. 15. Section 32-666a of the general statutes is repealed and the
370 following is substituted in lieu thereof (*Effective from passage*):

371 The city of Hartford, upon approval of its legislative body, may
372 negotiate and fix assessments on improvements for retail, commercial

373 and housing purposes during the period of construction of such
374 improvements and for additional periods of up to fifteen years from
375 the completion of such improvements, which improvements either (1)
376 constitute a capital city project, as defined in [subsection] subdivision
377 (2) of section 32-600, receiving five million dollars or more in financial
378 assistance from the authority, [or] (2) are within the Adriaen's Landing
379 site, including the on-site related private development, or (3) constitute
380 a capital city project, as defined in subdivision (2) of section 32-600,
381 receiving three million dollars or more in financial assistance from the
382 authority for purposes of creating downtown housing units with
383 ancillary commercial or parking facilities for which project the
384 authority makes a financial commitment in the year ending June 30,
385 2003.

386 Sec. 16. (NEW) (*Effective July 1, 2002*) Notwithstanding any
387 provision of the general statutes, the Department of Economic and
388 Community Development, in consultation with the Connecticut
389 Housing Finance Authority, the Office of Policy and Management and
390 the State Treasurer, shall arrange for the transfer of the housing loan
391 portfolio of said department or any portion thereof, to said authority.

392 Sec. 17. (NEW) (*Effective July 1, 2002*) (a) As used in this section, (1)
393 "eligible building" means a structure located in a distressed
394 municipality, as defined in section 32-9p of the general statutes, as
395 amended, that contains not more than twenty residential units, and
396 may contain an owner-occupied unit, and (2) "eligible costs" means
397 costs incurred to make renovations and repairs to bring an eligible
398 building into compliance with the State Building Code or state or
399 municipal health or safety codes, or otherwise to make an eligible
400 building suitable for rental to tenants.

401 (b) There is established a revolving loan fund to be known as the
402 "Rental Housing Revolving Loan Fund". The fund may be funded from
403 moneys allocated to the program established by section 21 of public act
404 01-7 of the June special session or from any moneys available to the

405 Commissioner of Economic and Community Development or the fund
406 from other sources. Investment earnings credited to the fund shall
407 become part of the assets of the fund. Any balance remaining in the
408 fund at the end of any fiscal year shall be carried forward in the fund
409 for the next fiscal year. Payments of principal or interest on a low
410 interest loan made pursuant to this section shall be paid to the State
411 Treasurer for deposit in the Rental Housing Revolving Loan Fund. The
412 fund shall be used to make low interest loans pursuant to subsection
413 (c) of this section and to pay reasonable and necessary expenses
414 incurred in administering loans under this section. The Commissioner
415 of Economic and Community Development may enter into contracts
416 with nonprofit corporations to provide for the administration of the
417 Rental Housing Revolving Loan Fund by such nonprofit corporations,
418 provided no low interest loan shall be made from the fund without the
419 authorization of the commissioner as provided in subsection (c) of this
420 section.

421 (c) The state, acting by and in the discretion of the Commissioner of
422 Economic and Community Development, may enter into contracts to
423 provide financial assistance in the form of low interest loans to owners
424 of eligible buildings for eligible costs. The commissioner may require
425 owners of eligible buildings who apply for a low interest loan
426 pursuant to this section to submit a copy of the report filed by the
427 building inspector listing code violations, and an estimate of the cost of
428 repairs to correct such violations. The commissioner may establish
429 priorities for the low cost loans provided pursuant to this program,
430 including, but not limited to, types of repairs financed, the location of
431 the eligible building, ability of owners to repay such loans, and the
432 extent to which any repairs will extend the useful life of the eligible
433 building.

434 (d) The commissioner may adopt regulations, in accordance with
435 the provisions of chapter 54 of the general statutes, to specify
436 application procedures and priorities for providing low cost loans
437 pursuant to this section.

438 Sec. 18. (NEW) (*Effective July 1, 2002*) (a) As used in this section,
439 "eligible building" means a two to six-family building that was built
440 prior to 1950 and has wooden windows, and "commissioner" means
441 the Commissioner of Economic and Community Development.

442 (b) The commissioner may establish a demonstration program in
443 one or more municipalities to promote energy efficiency and
444 environmentally safe housing by providing matching grants to owners
445 of eligible buildings to repair or replace wooden windows in such
446 buildings. Such demonstration program may be funded from moneys
447 allocated to the program established by section 21 of public act 01-7 of
448 the June special session or from any moneys available to the
449 Commissioner of Economic and Community Development from other
450 sources. Of the first three municipalities in which such demonstration
451 program is established, at least two shall have a population of one
452 hundred thousand or more and at least one shall have a population of
453 less than one hundred thousand. No such grant shall exceed one
454 hundred dollars for each window to be repaired or replaced. The
455 commissioner may contract with one or more entities to operate the
456 program.

457 (c) The demonstration program shall end on June 30, 2005. On or
458 before February 1, 2005, the commissioner shall report to the select
459 committee of the General Assembly having cognizance of matters
460 relating to housing as to the number of eligible buildings for which
461 assistance was provided, the costs involved, the effectiveness of the
462 demonstration program and the commissioner's recommendation as to
463 whether the demonstration program should be expanded and made
464 permanent.

465 (d) The commissioner shall adopt regulations, in accordance with
466 the provisions of chapter 54 of the general statutes, to implement the
467 provisions of this section.

468 Sec. 19. (NEW) (*Effective July 1, 2002*) (a) On or before February 1,
469 2003, and annually thereafter, the Secretary of the Office of Policy and

470 Management shall prepare a report regarding the status of the
471 Adriaen's Landing project and The University of Connecticut football
472 stadium project. Such report shall be made, in accordance with the
473 provisions of section 11-4a of the general statutes, to the president pro
474 tempore of the Senate, the speaker of the House of Representatives, the
475 majority leader of the Senate, the majority leader of the House of
476 Representatives, the minority leader of the Senate and the minority
477 leader of the House of Representatives and to the joint standing
478 committee of the General Assembly having cognizance of matters
479 relating to finance, revenue and bonding. The report to said committee
480 shall be presented at a meeting of said committee held during the
481 regular session of the calendar year in which such report is due.

482 (b) Such report shall be separated into a section on the Adriaen's
483 Landing project and a section on The University of Connecticut
484 football stadium project and shall contain the following information:
485 (1) A detailed estimated budget for the overall project; (2) the current
486 timeline for the entire project, with significant milestone events, from
487 inception to projected completion date; (3) for each project component,
488 (A) a description of the component, (B) its current budget in detail,
489 comparing it to the budget presented to the General Assembly prior to
490 the effective date of public act 00-140, (C) projected completion date,
491 (D) any change made in the course of planning and execution over the
492 prior calendar year and reasons for such change, and (E) status at the
493 end of such calendar year; (4) problems encountered in the prior
494 calendar year and potential problems in the future; (5) status of the
495 project's compliance with the provisions of section 32-605 of the
496 general statutes, including, but not limited to, (A) a description of each
497 contract entered into during the prior calendar year, (B) whether any
498 contractor is a woman-owned business enterprise, a minority business
499 enterprise or a small business enterprise, as those terms are defined in
500 section 4a-60g of the general statutes, (C) the value of such contract,
501 (D) any subcontractors under such contract, the value of the
502 subcontract and whether any subcontractor is a woman-owned
503 business enterprise, a minority business enterprise or a small business

504 enterprise, as those terms are defined in section 4a-60g of the general
505 statutes, (E) the number of jobs associated with such contract,
506 including the number of jobs held by residents of Hartford and East
507 Hartford and the number of jobs held by women and minorities, and
508 (F) any steps being taken for affirmative action and corrective
509 measures for any deficiencies; (6) a detailed projected annual operating
510 budget for each facility, including information regarding how much
511 funding the state will be required to provide and how much the
512 municipality will be required to provide; and (7) a timeline showing
513 when operating expenses may be incurred prior to the project's
514 completion, including how much of such expenses will be provided by
515 the state in each year and how much will be provided by the host
516 municipality.

517 Sec. 20. Subsection (a) of section 45 of public act 98-249 is repealed
518 and the following is substituted in lieu thereof (*Effective July 1, 2002*):

519 (a) For the purposes described in subsection (b) of this section, the
520 State Bond Commission shall have the power, from time to time [] to
521 authorize the issuance of bonds of the state in one or more series and
522 in principal amounts not exceeding in the aggregate [one million eight]
523 five hundred thousand dollars.

524 Sec. 21. Section 19 of public act 01-7 of the June special session is
525 amended by adding subsection (d) as follows (*Effective from passage*):

526 (NEW) (d) Any grant-in-aid allowed under the Small Town
527 Economic Assistance Program under this section may be administered
528 on behalf of the Office of Policy and Management by another state
529 agency as determined by the Secretary of the Office of Policy and
530 Management.

531 Sec. 22. Section 7-370b of the general statutes, as amended by section
532 1 of public act 02-108, is repealed and the following is substituted in
533 lieu thereof (*Effective from passage*):

534 In connection with or incidental to the carrying or selling and
535 issuance of bonds or notes, any municipality, as defined in section 7-
536 369, may obtain from [a] any commercial bank, insurance company,
537 [or] subsidiary of such bank or insurance company or qualified public
538 depository, as defined in section 36a-330, authorized to do business
539 within or without this state a letter of credit, line of credit or other
540 credit facility upon such terms and conditions as shall be approved by
541 the municipality, for the purpose of providing funds for the payment
542 of such bonds redeemed, repurchased or defeased prior to maturity or
543 for providing additional security for such bonds, notes or other
544 obligations. In connection therewith, such municipality may authorize
545 the execution of reimbursement agreements, remarketing agreements,
546 standby bond purchase agreements, interest rate swap agreements and
547 any other necessary or appropriate agreements. If such municipality is
548 required to draw upon any credit facility to redeem bonds prior to
549 maturity, such municipality shall repay the amount of each loan made
550 pursuant to such credit facility within one year from the date it is
551 incurred from the proceeds of refunding bonds, notes or other
552 obligations or from any other available funds. Interest rate swap
553 agreements may include such contracts as the municipality may
554 determine to be necessary or appropriate to place the obligation of the
555 municipality, as represented by the bonds or notes, in whole or in part,
556 on such interest rate or cash flow basis as the municipality may
557 determine, including without limitation, insurance agreements,
558 forward payment conversion agreements, futures contracts, contracts
559 providing for payments based on levels of, or changes in, interest rates
560 or market indices, contracts to manage interest rates risk, including
561 without limitation, interest rate floors or caps, options, puts, calls and
562 similar arrangements. Agreements entered into by any municipality
563 under this section shall contain such payment, security, default,
564 remedy and other terms and conditions as the municipality may deem
565 appropriate and shall be entered into with such party or parties as the
566 municipality may select on the basis of negotiation or competitive bid,
567 after giving due consideration, where applicable, to the

568 creditworthiness of the counter party or counter parties, including any
569 rating by a nationally recognized rating agency, the impact on any
570 rating on outstanding bonds or notes and any other criteria as the
571 municipality may deem appropriate, provided (1) the unsecured long-
572 term obligations of the counter party shall be rated in a category no
573 lower than AA by at least one nationally recognized rating agency, or
574 (2) (A) the unsecured long-term obligations of the counter party shall
575 be rated in a category no lower than A by at least one nationally
576 recognized rating agency, (B) the counter party shall provide credit
577 enhancement through collateral, and (C) the counter party shall be a
578 qualified public depository, as defined in section 36a-330. Such
579 municipality may pledge its full faith and credit to its payment
580 obligations, including netting payments, under any agreement entered
581 into pursuant to this section to the extent the full faith and credit of the
582 municipality is pledged to secure the applicable bonds or notes, or to
583 pledge all or any part of the collateral that secures the applicable bonds
584 or notes to the extent permissible under its contracts with bondholders.

585 Sec. 23. Subdivision (4) of section 32-600 of the general statutes is
586 repealed and the following is substituted in lieu thereof (*Effective from*
587 *passage*):

588 (4) "Convention center facilities" means the convention center and
589 the related parking facilities, as defined in section 32-651, to the extent
590 such related parking facilities are developed, owned or operated by the
591 authority, and may include a central heating and cooling plant serving
592 the convention center, the related parking facilities, the related private
593 development and, to the extent of any surplus capacity, other users.
594 "Convention center facilities" does not include the convention center
595 hotel.

596 Sec. 24. Subsection (c) of section 13a-73 of the general statutes, as
597 amended by section 3 of public act 01-105, is repealed and the
598 following is substituted in lieu thereof (*Effective from passage*):

599 (c) The commissioner may purchase any land and take a deed

600 thereof in the name of the state when such land is needed in
601 connection with the layout, construction, repair, reconstruction or
602 maintenance of any state highway or bridge, and any land or buildings
603 or both, necessary, in the commissioner's opinion, for the efficient
604 accomplishment of the foregoing purpose, and may further, when the
605 commissioner determines that it is in the best interests of the state,
606 purchase, lease or otherwise arrange for the acquisition or exchange of
607 land or buildings or both for use as a highway maintenance storage
608 area or garage, provided any purchase of such land or land and
609 buildings in an amount in excess of the sum of one hundred thousand
610 dollars shall be approved by a state referee. The commissioner, with
611 the advice and consent of the Attorney General, may settle and
612 compromise any claim by any person, firm or corporation claiming to
613 be aggrieved by such layout, construction, reconstruction, repair or
614 maintenance by the payment of money, the transfer of other land
615 acquired for or in connection with highway purposes, or otherwise.

616 Sec. 25. Subsection (a) of section 3-21 of the general statutes is
617 repealed and the following is substituted in lieu thereof (*Effective from*
618 *passage*):

619 (a) No bonds, notes or other evidences of indebtedness for
620 borrowed money payable from General Fund tax receipts of the state
621 shall be authorized by the General Assembly or issued except such as
622 shall not cause the aggregate amount of [(1)] the total amount of
623 bonds, notes or other evidences of indebtedness payable from General
624 Fund tax receipts authorized by the General Assembly but which have
625 not been issued and [(2)] the total amount of such indebtedness which
626 has been issued and remains outstanding to exceed one and six-tenths
627 times the total General Fund tax receipts of the state for the fiscal year
628 in which any such authorization will become effective or in which such
629 indebtedness is issued, as estimated for such fiscal year by the joint
630 standing committee of the General Assembly having cognizance of
631 finance, revenue and bonding in accordance with section 2-35, as
632 amended. In computing such aggregate amount of indebtedness at any

633 time, there shall be excluded or deducted, as the case may be, (1) the
634 principal amount of all such obligations as may be certified by the
635 Treasurer (A) as issued in anticipation of revenues to be received by
636 the state during the period of twelve calendar months next following
637 their issuance and to be paid by application of such revenue, or (B) as
638 having been refunded or replaced by other indebtedness the proceeds
639 and projected earnings on which or other funds are held in escrow to
640 pay and are sufficient to pay the principal, interest and any
641 redemption premium until maturity or earlier planned redemption of
642 such indebtedness, or (C) as issued and outstanding in anticipation of
643 particular bonds then unissued but fully authorized to be issued in the
644 manner provided by law for such authorization, provided, so long as
645 any of said obligations are outstanding, the entire principal amount of
646 such particular bonds thus authorized shall be deemed to be
647 outstanding and be included in such aggregate amount of
648 indebtedness, or (D) as payable solely from revenues of particular
649 public improvements, (2) the amount which may be certified by the
650 Treasurer as the aggregate value of cash and securities in debt
651 retirement funds of the state to be used to meet principal of
652 outstanding obligations included in such aggregate amount of
653 indebtedness, (3) every such amount as may be certified by the
654 Secretary of the Office of Policy and Management as the estimated
655 payments on account of the costs of any public work or improvement
656 thereafter to be received by the state from the United States or agencies
657 thereof and to be used, in conformity with applicable federal law, to
658 meet principal of obligations included in such aggregate amount of
659 indebtedness, (4) all authorized and issued indebtedness to fund any
660 budget deficits of the state for any fiscal year ending on or before June
661 30, 1991, (5) all authorized indebtedness to fund the program created
662 pursuant to section 32-285, as amended, (6) all authorized and issued
663 indebtedness to fund any budget deficits of the state for any fiscal year
664 ending on or before June 30, 2002, and [(6)] (7) any indebtedness
665 represented by any agreement entered into pursuant to subsection (b)
666 or (c) of section 3-20a as certified by the Treasurer, provided the

667 indebtedness in connection with which such agreements were entered
668 into shall be included in such aggregate amount of indebtedness. In
669 computing the amount of outstanding indebtedness, only the accreted
670 value of any capital appreciation obligation or any zero coupon
671 obligation which has accreted and been added to the stated initial
672 value of such obligation as of the date of any computation shall be
673 included.

674 Sec. 26. (*Effective July 1, 2002*) Notwithstanding any reduction in
675 funds available under sections 7-535 to 7-538, inclusive, of the general
676 statutes, as amended by this act, for the fiscal year ending June 30,
677 2003, each municipality shall be entitled to the full amount of the credit
678 to which it would have been entitled if thirty million dollars had been
679 made available under said sections for such year.

680 Sec. 27. Subsection (a) of section 32-607 of the general statutes is
681 repealed and the following is substituted in lieu thereof (*Effective from*
682 *passage*):

683 (a) The board of directors of the Capital City Economic
684 Development Authority is authorized from time to time to issue its
685 bonds, notes and other obligations in such principal amounts as in the
686 opinion of the board shall be necessary to provide sufficient funds for
687 carrying out the purposes set forth in section 32-602 with respect to the
688 convention center project as defined in subdivision (3) of section 32-
689 600, including the payment, funding or refunding of the principal of,
690 or interest or redemption premiums on, any bonds, notes and other
691 obligations issued by it whether the bonds, notes or other obligations
692 or interest to be funded or refunded have or have not become due, the
693 establishment of reserves to secure such bonds, notes and other
694 obligations, loans made by the authority and all other expenditures of
695 the authority incident to and necessary or convenient to carry out the
696 purposes set forth in section 32-602.

697 Sec. 28. Subsection (b) of section 32-616 of the general statutes is
698 repealed and the following is substituted in lieu thereof (*Effective July*

699 1, 2002):

700 (b) The proceeds of the sale of said bonds, to the extent of the
701 amount stated in subsection (a) of this section, shall be used by the
702 Department of Economic and Community Development for grants-in-
703 aid for capital city projects as follows:

704 (1) For the Civic Center and coliseum complex renovation and
705 rejuvenation project, not exceeding fifteen million dollars;

706 (2) For the riverfront infrastructure development and improvement
707 project, not exceeding twenty-five million dollars provided no amount
708 shall be issued under this subdivision until the Commissioner of
709 Economic and Community Development certifies to the State Bond
710 Commission that it has received a commitment by agreement, contract
711 or other legally enforceable instrument with private investors or
712 developers for a minimum private investment equal to the amount of
713 bonds at the time such bonds are issued pursuant to this subdivision
714 taken together with any previous commitments; and provided further,
715 twelve million dollars of said authorization shall be effective July 1,
716 1999, [and] seven million dollars of said authorization shall be effective
717 July 1, 2001, and three million dollars of said authorization shall be
718 effective July 1, 2003;

719 (3) For housing rehabilitation and new construction projects, as
720 defined in subparagraph (E) (i) of subdivision (2) of section 32-600, not
721 exceeding thirty-five million dollars, provided seven million dollars of
722 said authorization shall be effective July 1, 1999, fourteen million
723 dollars of said authorization shall be effective July 1, 2000, [and]
724 fourteen million dollars of said authorization shall be effective July 1,
725 2001, and four million dollars of said authorization shall be effective
726 July 1, 2003;

727 (4) For demolition or redevelopment projects, as defined in
728 subparagraph (E) (ii) of subdivision (2) of section 32-600, not exceeding
729 twenty-five million dollars, provided seven million dollars of said

730 authorization shall be effective July 1, 1999, eight million dollars of
 731 said authorization shall be effective July 1, 2000, [and] five million
 732 dollars of said authorization shall be effective July 1, 2001, and three
 733 million dollars of said authorization shall be effective July 1, 2003;

734 (5) For parking projects, as defined in subparagraph (F) of
 735 subdivision (2) of section 32-600, not exceeding fifteen million dollars
 736 provided five million dollars of said authorization shall be effective
 737 July 1, 1999, and five million dollars of said authorization shall be
 738 effective July 1, 2000.

739 Sec. 29. (*Effective from passage*) Section 3 of public act 94-3 of the
 740 November special session and sections 23 and 24 of public act 98-179
 741 are repealed.

This act shall take effect as follows:	
Section 1	<i>July 1, 2002</i>
Sec. 2	<i>July 1, 2002</i>
Sec. 3	<i>July 1, 2002</i>
Sec. 4	<i>July 1, 2002</i>
Sec. 5	<i>July 1, 2002</i>
Sec. 6	<i>July 1, 2002</i>
Sec. 7	<i>July 1, 2002</i>
Sec. 8	<i>July 1, 2002</i>
Sec. 9	<i>July 1, 2002</i>
Sec. 10	<i>July 1, 2002</i>
Sec. 11	<i>July 1, 2002</i>
Sec. 12	<i>July 1, 2002</i>
Sec. 13	<i>July 1, 2002</i>
Sec. 14	<i>July 1, 2002</i>
Sec. 15	<i>from passage</i>
Sec. 16	<i>July 1, 2002</i>
Sec. 17	<i>July 1, 2002</i>
Sec. 18	<i>July 1, 2002</i>
Sec. 19	<i>July 1, 2002</i>
Sec. 20	<i>July 1, 2002</i>
Sec. 21	<i>from passage</i>

Sec. 22	<i>from passage</i>
Sec. 23	<i>from passage</i>
Sec. 24	<i>from passage</i>
Sec. 25	<i>from passage</i>
Sec. 26	<i>July 1, 2002</i>
Sec. 27	<i>from passage</i>
Sec. 28	<i>July 1, 2002</i>
Sec. 29	<i>from passage</i>