



General Assembly

**Amendment**

February Session, 2002

LCO No. 4506

\*SB0042304506SR0\*

Offered by:

SEN. DELUCA, 32<sup>nd</sup> Dist.  
SEN. ANISKOVICH, 12<sup>th</sup> Dist.  
SEN. GENUARIO, 25<sup>th</sup> Dist.  
SEN. HERLIHY, 8<sup>th</sup> Dist.

To: Subst. Senate Bill No. 423

File No. 520

Cal. No. 334

**"AN ACT CONCERNING THE O'NEILL CENTER AND THE  
CONNECTICUT STATE UNIVERSITY'S BIDDING PROCESS."**

1 After the last section, insert the following:

2 "Sec. 3. Subsection (a) of section 4-30a of the general statutes is  
3 repealed and the following is substituted in lieu thereof (*Effective July*  
4 *1, 2002*):

5 (a) After the accounts for the General Fund have been closed for  
6 each fiscal year and the Comptroller has determined the amount of  
7 unappropriated surplus in said fund, after any amounts required by  
8 provision of law to be transferred for other purposes have been  
9 deducted, the amount of such surplus shall be transferred by the State  
10 Treasurer to a special fund to be known as the Budget Reserve Fund.  
11 When the amount in said fund equals five per cent of the net General  
12 Fund appropriations for the fiscal year in progress, no further transfers

13 shall be made by the Treasurer to said fund. [and the] The amount of  
14 such surplus in excess of that transferred to said fund shall be deemed  
15 to be appropriated as follows: First to the state higher education  
16 matching grant programs established pursuant to sections 10a-77a, as  
17 amended, 10a-99a, as amended, 10a-109i, as amended, and 10a-143a, as  
18 amended, for the purpose of the endowment fund state matching grant  
19 commitments as certified by the chairperson of the Board of Trustees  
20 of Higher Education on February 15, 2002, not to exceed ten million six  
21 hundred fifty thousand dollars and then to the State Employees  
22 Retirement Fund, in addition to the contributions required pursuant to  
23 section 5-156a, but not exceeding five per cent of the unfunded past  
24 service liability of the system as set forth in the most recent actuarial  
25 valuation certified by the Retirement Commission. Such surplus in  
26 excess of the amounts transferred to the Budget Reserve Fund and [the  
27 state employees retirement system] as otherwise provided in this  
28 subsection shall be deemed to be appropriated for: (1) Redeeming  
29 prior to maturity any outstanding indebtedness of the state selected by  
30 the Treasurer in the best interests of the state; (2) purchasing  
31 outstanding indebtedness of the state in the open market at such prices  
32 and on such terms and conditions as the Treasurer shall determine to  
33 be in the best interests of the state for the purpose of extinguishing or  
34 defeasing such debt; (3) providing for the defeasance of any  
35 outstanding indebtedness of the state selected by the Treasurer in the  
36 best interests of the state by irrevocably placing with an escrow agent  
37 in trust an amount to be used solely for, and sufficient to satisfy,  
38 scheduled payments of both interest and principal on such  
39 indebtedness; or (4) any combination of these methods. Pending the  
40 use or application of such amount for the payment of interest and  
41 principal, such amount may be invested in (A) direct obligations of the  
42 United States government, including state and local government  
43 treasury securities that the United States Treasury issues specifically to  
44 provide state and local governments with required cash flows at yields  
45 that do not exceed Internal Revenue Service arbitrage limits, (B)  
46 obligations guaranteed by the United States government, and (C)  
47 securities backed by United States government obligations as collateral

48 and for which interest and principal payments on the collateral  
49 generally flow immediately through to the security holder."