



# Senate

General Assembly

**File No. 16**

February Session, 2004

Senate Bill No. 34

*Senate, February 26, 2004*

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT AUTHORIZING BONDS OF THE STATE FOR CAPITAL RESURFACING AND RELATED RECONSTRUCTION PROJECTS.***

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

1 Section 1. (*Effective May 1, 2004*) The State Bond Commission shall  
2 have power, in accordance with the provisions of sections 1 to 5,  
3 inclusive, of this act, from time to time to authorize the issuance of  
4 special tax obligation bonds of the state in one or more series and in  
5 principal amounts in the aggregate, not exceeding \$49,000,000 for  
6 capital resurfacing and related reconstruction projects.

7 Sec. 2. (*Effective May 1, 2004*) The proceeds of the sale of said bonds  
8 to the extent hereinafter stated, shall be used for the purpose of  
9 payment of the transportation costs, as defined in subdivision (6) of  
10 section 13b-75 of the general statutes, with respect to the projects and  
11 uses hereinafter described, which projects and uses are hereby found  
12 and determined to be in furtherance of one or more of the authorized  
13 purposes for the issuance of special tax obligation bonds set forth in

14 section 13b-74 of the general statutes, as amended. Any proceeds from  
15 the sale of said bonds shall be used by the Department of  
16 Transportation for the Bureau of Engineering and Highway  
17 Operations for capital resurfacing and related reconstruction projects.

18       Sec. 3. (*Effective May 1, 2004*) None of said bonds shall be authorized  
19 except upon a finding by the State Bond Commission that there has  
20 been filed with it (1) a request for such authorization, which is signed  
21 by the Secretary of the Office of Policy and Management or by or on  
22 behalf of such state officer, department or agency and stating such  
23 terms and conditions as said commission, in its discretion, may  
24 require, and (2) any capital development impact statement and any  
25 human services facility collocation statement required to be filed with  
26 the Secretary of the Office of Policy and Management pursuant to  
27 section 4-26b of the general statutes, any advisory report regarding the  
28 state conservation and development policies plan required pursuant to  
29 section 16a-31 of the general statutes, and any statement regarding  
30 farmland required pursuant to subsection (g) of section 3-20 of the  
31 general statutes, as amended, and section 22-6 of the general statutes,  
32 as amended, provided the State Bond Commission may authorize said  
33 bonds without a finding that the reports and statements required by  
34 subdivision (2) of this section have been filed with it if said  
35 commission authorizes the secretary of said commission to accept such  
36 reports and statements on its behalf. No funds derived from the sale of  
37 bonds authorized by said commission without a finding that the  
38 reports and statements required by subdivision (2) of this section have  
39 been filed with it shall be allotted by the Governor for any project until  
40 the reports and statements required by subdivision (2) of this section  
41 with respect to such project have been filed with the secretary of said  
42 commission.

43       Sec. 4. (*Effective May 1, 2004*) For the purposes of sections 1 to 5,  
44 inclusive, of this act, each request filed as provided in section 3 of this  
45 act, for an authorization of bonds shall identify the project for which  
46 the proceeds of the sale of such bonds are to be used and expended  
47 and, in addition to any terms and conditions required pursuant to said

48 section 3, include the recommendation of the person signing such  
 49 request as to the extent to which federal, private or other moneys then  
 50 available for costs in connection with any such project should be  
 51 added to the state moneys available or becoming available from the  
 52 proceeds of bonds and temporary notes issued in anticipation of the  
 53 receipt of the proceeds of bonds. If the request includes a  
 54 recommendation that some amount of such federal, private or other  
 55 moneys should be added to such state moneys, then, if and to the  
 56 extent directed by the State Bond Commission at the time of  
 57 authorization of such bonds, said amount of such federal, private or  
 58 other moneys then available or thereafter to be made available, for  
 59 costs in connection with such project shall be added to such state  
 60 moneys.

61 Sec. 5. (*Effective May 1, 2004*) Said bonds issued pursuant to sections  
 62 1 to 5, inclusive, of this act, shall be special obligations of the state and  
 63 shall not be payable from nor charged upon any funds other than  
 64 revenues of the state pledged therefor in subsection (b) of section 13b-  
 65 61 of the general statutes, as amended, and section 13b-69 of the  
 66 general statutes, or such other receipts, funds or moneys as may be  
 67 pledged therefor. Said bonds shall not be payable from nor charged  
 68 upon any funds other than such pledged revenues or such other  
 69 receipts, funds or moneys as may be pledged therefor, nor shall the  
 70 state or any political subdivision thereof be subject to any liability  
 71 thereon, except to the extent of such pledged revenues or such other  
 72 receipts, funds or moneys as may be pledged therefor. Said bonds shall  
 73 be issued under and in accordance with the provisions of sections 13b-  
 74 74 to 13b-77, inclusive, of the general statutes, as amended.

This act shall take effect as follows:	
Section 1	<i>May 1, 2004</i>
Sec. 2	<i>May 1, 2004</i>
Sec. 3	<i>May 1, 2004</i>
Sec. 4	<i>May 1, 2004</i>
Sec. 5	<i>May 1, 2004</i>

**FIN**      *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	Future Fiscal Years
Treasurer, Debt Serv.	TF - Cost	See Below

Note: TF=Transportation Fund

**Municipal Impact:** None

**Explanation**

The interest cost to issue \$49 million in Special Tax Obligation (STO) bonds for twenty years at 6.0% is \$36.4 million.

The \$49 million in STO bonds will be used to leverage \$36 million in federal highway funding.

**OFA Bill Analysis**

SB 34

**AN ACT AUTHORIZING BONDS OF THE STATE FOR CAPITAL RESURFACING AND RELATED RECONSTRUCTION PROJECTS.****SUMMARY:**

The bill authorizes \$49 million in Special Tax Obligation (STO) bonds for capital resurfacing and related reconstruction projects.

EFFECTIVE DATE: May 1, 2004

**BACKGROUND**

This bill is being considered separately from the main transportation bond bill, SB 31 (“AA Authorizing Special Tax Obligation Bonds of the State for Certain Transportation Purposes”) because it is anticipated that SB 31 will not be voted on until later in the session. The funds in SB 34 are needed in May so that the highway resurfacing program can begin on schedule.

**COMMITTEE ACTION**

Finance Revenue and Bonding Committee

Joint Favorable Report

Yea 39 Nay 0

