



General Assembly

February Session, 2004

Bill No. 32

LCO No. 419

00419_____

Referred to Committee on Finance, Revenue and Bonding

Introduced by:

SEN. DELUCA, 32nd Dist.

REP. WARD, 86th 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2 statutes are repealed and the following is substituted in lieu thereof
3 (*Effective July 1, 2004*):

4 (a) For the purposes of subsection (b) of this section, the State Bond
5 Commission shall have power, from time to time to authorize the
6 issuance of bonds of the state in one or more series and in principal
7 amounts not exceeding in the aggregate [nine hundred six million nine
8 hundred eighty-seven thousand five hundred forty-four] nine hundred
9 forty-nine million nine hundred eighty-seven thousand five hundred
10 forty-four dollars, provided [one hundred seven] fifty million dollars
11 of said authorization shall be effective July 1, [2003] 2004. All
12 provisions of section 3-20, as amended, or the exercise of any right or
13 power granted thereby, which are not inconsistent with the provisions
14 of this section, are hereby adopted and shall apply to all bonds

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

35 (b) The proceeds of the sale of said bonds, to the extent hereinafter
36 stated, shall be used, subject to the provisions of subsections (c) and (d)
37 of this section, for the purpose of redirecting, improving and
38 expanding state activities which promote community conservation and
39 development and improve the quality of life for urban residents of the
40 state as hereinafter stated: (1) For the Department of Economic and
41 Community Development: Economic and community development
42 projects, including administrative costs incurred by the Department of
43 Economic and Community Development, not exceeding [seventy-four
44 million five hundred ninety-one thousand six hundred forty-two]
45 sixty-seven million five hundred ninety-one thousand six hundred
46 forty-two dollars, one million dollars of which shall be used for a grant
47 to the development center program and the nonprofit business
48 consortium deployment center approved pursuant to section 32-411;

49 [and provided seven million dollars of said authorization shall be
50 effective July 1, 2003;] (2) for the Department of Transportation: Urban
51 mass transit, not exceeding two million dollars; (3) for the Department
52 of Environmental Protection: Recreation development and solid waste
53 disposal projects, not exceeding one million nine hundred ninety-five
54 thousand nine hundred two dollars; (4) for the Department of Social
55 Services: Child day care projects, elderly centers, shelter facilities for
56 victims of domestic violence, emergency shelters and related facilities
57 for the homeless, multipurpose human resource centers and food
58 distribution facilities, not exceeding thirty-nine million one hundred
59 thousand dollars, provided four million dollars of said authorization
60 shall be effective July 1, 1994; (5) for the Department of Economic and
61 Community Development: Housing projects, not exceeding three
62 million dollars; (6) for the Office of Policy and Management: (A)
63 Grants-in-aid to municipalities for a pilot demonstration program to
64 leverage private contributions for redevelopment of designated
65 historic preservation areas, not exceeding one million dollars; (B)
66 grants-in-aid for urban development projects including economic and
67 community development, transportation, environmental protection,
68 public safety, children and families and social services projects and
69 programs, including, in the case of economic and community
70 development projects administered on behalf of the Office of Policy
71 and Management by the Department of Economic and Community
72 Development, administrative costs incurred by the Department of
73 Economic and Community Development, not exceeding [seven
74 hundred eighty-five million three hundred thousand] eight hundred
75 thirty-five million three hundred thousand dollars, provided [one
76 hundred] fifty million dollars of said authorization shall be effective
77 July 1, [2003] 2004. Five million dollars of the grants-in-aid authorized
78 in subparagraph (B) of subdivision (6) of this subsection may be made
79 available to private nonprofit organizations for the purposes described
80 in said subparagraph (B). Five million dollars of the grants-in-aid
81 authorized in subparagraph (B) of subdivision (6) of this subsection
82 may be made available for necessary renovations and improvements of

83 libraries. Five million dollars of the grants-in-aid authorized in
84 subparagraph (B) of subdivision (6) of this subsection [shall] may be
85 made available for small business gap financing. Ten million dollars of
86 the grants-in-aid authorized in subparagraph (B) of subdivision (6) of
87 this subsection may be made available for regional economic
88 development revolving loan funds.

89 Sec. 2. Subsection (a) of section 4-66g of the general statutes is
90 repealed and the following is substituted in lieu thereof (*Effective July*
91 *1, 2004*):

92 (a) For the purposes described in subsection (b) of this section, the
93 State Bond Commission shall have the power, from time to time, to
94 authorize the issuance of bonds of the state in one or more series and
95 in principal amounts not exceeding in the aggregate [~~forty~~] fifty
96 million dollars, provided [~~twenty~~] ten million dollars of said
97 authorization shall be effective July 1, [~~2001~~] 2004. [, and twenty
98 million dollars of said authorization shall be effective July 1, 2002.]

99 Sec. 3. (NEW) (*Effective July 1, 2004*) Notwithstanding the provisions
100 of section 4-66g of the general statutes, as amended by this act, the
101 Office of Policy and Management may provide a grant-in-aid of one
102 million dollars to the Litchfield Hills Council of Governments under
103 the Small Town Economic Assistance Program. Such grant shall be
104 used for purposes for which funds would be available under section 4-
105 66c of the general statutes, as amended by this act.

106 Sec. 4. Subsection (a) of section 4a-10 of the general statutes is
107 repealed and the following is substituted in lieu thereof (*Effective July*
108 *1, 2004*):

109 (a) For the purposes described in subsection (b) of this section, the
110 State Bond Commission shall have the power, from time to time to
111 authorize the issuance of bonds of the state in one or more series and
112 in principal amounts not exceeding in the aggregate two hundred
113 [~~thirty~~] forty-eight million dollars, provided [~~nineteen~~] eighteen

114 million [five hundred thousand] dollars of said authorization shall be
115 effective July 1, [2002] 2004.

116 Sec. 5. Subsection (a) of section 7-538 of the general statutes is
117 repealed and the following is substituted in lieu thereof (*Effective July*
118 *1, 2004*):

119 (a) For the purposes described in subsection (b) of this section, the
120 State Bond Commission shall have the power, from time to time, to
121 authorize the issuance of bonds of the state in one or more series and
122 in principal amounts not exceeding in the aggregate [four hundred
123 seventy million] four hundred sixty-five million dollars. [, provided
124 sixty-five million dollars of said authorization shall be effective July 1,
125 2003.]

126 Sec. 6. (*Effective from passage*) Notwithstanding any reduction in
127 funds available under sections 7-535 to 7-538, inclusive, of the general
128 statutes, as amended by this act, for the fiscal years ending June 30,
129 2004, and June 30, 2005, each municipality shall be entitled to the full
130 amount of the credit to which it would have been entitled if thirty
131 million dollars had been made available under said sections 7-535 to 7-
132 538, inclusive, for each such year.

133 Sec. 7. Section 10-287d of the general statutes, as amended by
134 section 20 of public act 03-2 of the September 8 special session, is
135 repealed and the following is substituted in lieu thereof (*Effective July*
136 *1, 2004*):

137 For the purposes of funding (1) grants to projects that have received
138 approval of the State Board of Education pursuant to sections 10-287,
139 as amended, and 10-287a, subsection (a) of section 10-65 and section
140 10-76e, (2) grants to assist school building projects to remedy safety
141 and health violations and damage from fire and catastrophe, and (3)
142 regional vocational-technical school projects pursuant to section 10-
143 283b, the State Treasurer is authorized and directed, subject to and in
144 accordance with the provisions of section 3-20, as amended, to issue

145 bonds of the state from time to time in one or more series in an
146 aggregate amount not exceeding [three billion five hundred forty-six
147 million three hundred sixty thousand] four billion one hundred thirty-
148 six million three hundred sixty thousand dollars, provided [four
149 hundred fifty-eight] five hundred ninety million dollars of said
150 authorization shall be effective July 1, [2003] 2004. Bonds of each series
151 shall bear such date or dates and mature at such time or times not
152 exceeding thirty years from their respective dates and be subject to
153 such redemption privileges, with or without premium, as may be fixed
154 by the State Bond Commission. They shall be sold at not less than par
155 and accrued interest and the full faith and credit of the state is pledged
156 for the payment of the interest thereon and the principal thereof as the
157 same shall become due, and accordingly and as part of the contract of
158 the state with the holders of said bonds, appropriation of all amounts
159 necessary for punctual payment of such principal and interest is
160 hereby made, and the State Treasurer shall pay such principal and
161 interest as the same become due. The State Treasurer is authorized to
162 invest temporarily in direct obligations of the United States, United
163 States agency obligations, certificates of deposit, commercial paper or
164 bank acceptances such portion of the proceeds of such bonds or of any
165 notes issued in anticipation thereof as may be deemed available for
166 such purpose.

167 Sec. 8. Section 10-292k of the general statutes, as amended by section
168 21 of public act 03-2 of the September 8 special session, is repealed and
169 the following is substituted in lieu thereof (*Effective July 1, 2004*):

170 For purposes of funding interest subsidy grants, except for interest
171 subsidy grants made pursuant to subsection (b) of section 10-292m, the
172 State Treasurer is authorized and directed, subject to and in
173 accordance with the provisions of section 3-20, as amended, to issue
174 bonds of the state from time to time in one or more series in an
175 aggregate amount not exceeding [one hundred ninety-eight million
176 one hundred thousand] two hundred thirty-one million one hundred
177 thousand dollars, provided [twenty-seven] thirty-three million dollars

178 of said authorization shall be effective July 1, [2003] 2004. Bonds of
179 each series shall bear such date or dates and mature at such time or
180 times not exceeding thirty years from their respective dates and be
181 subject to such redemption privileges, with or without premium, as
182 may be fixed by the State Bond Commission. They shall be sold at not
183 less than par and accrued interest and the full faith and credit of the
184 state is pledged for the payment of the interest thereon and the
185 principal thereof as the same shall become due, and accordingly and as
186 part of the contract of the state with the holders of said bonds,
187 appropriation of all amounts necessary for punctual payment of such
188 principal and interest is hereby made, and the State Treasurer shall pay
189 such principal and interest as the same become due. The State
190 Treasurer is authorized to invest temporarily in direct obligations of
191 the United States, United States agency obligations, certificates of
192 deposit, commercial paper or bank acceptances, such portion of the
193 proceeds of such bonds or of any notes issued in anticipation thereof as
194 may be deemed available for such purpose.

195 Sec. 9. Subsection (a) of section 22a-483 of the general statutes is
196 repealed and the following is substituted in lieu thereof (*Effective July*
197 *1, 2004*):

198 (a) For the purposes of sections 22a-475 to 22a-483, inclusive, the
199 State Bond Commission shall have the power, from time to time to
200 authorize the issuance of bonds of the state in one or more series and
201 in principal amounts, not exceeding in the aggregate [eight hundred
202 one] seven hundred forty-one million thirty thousand dollars. [,
203 provided sixty million dollars of said authorization shall be effective
204 July 1, 2003.]

205 Sec. 10. Section 32-607 of the general statutes is amended by adding
206 subsection (q) as follows (*Effective July 1, 2004*):

207 (NEW) (q) In connection with the issuance of bonds to finance the
208 convention center project or to refund bonds previously issued by the
209 authority to finance the convention center project, the authority may

210 create and establish one or more reserve funds to be known as special
211 capital reserve funds and may pay into such special capital reserve
212 funds (1) any moneys appropriated and made available by the state for
213 the purposes of such funds, (2) any proceeds of sale of notes or bonds
214 for the convention center project, to the extent provided in the
215 resolution of the authority authorizing the issuance thereof, and (3)
216 any other moneys which may be made available to the authority for
217 the purpose of such funds from any other source or sources. The
218 moneys held in or credited to any special capital reserve fund
219 established under this section, except as hereinafter provided, shall be
220 used solely for the payment of the principal of and interest on, when
221 due, whether at maturity or by mandatory sinking fund installments,
222 on bonds of the authority secured by such capital reserve fund as the
223 same become due, the purchase of such bonds of the authority, the
224 payment of any redemption premium required to be paid when such
225 bonds are redeemed prior to maturity; provided the authority shall
226 have power to provide that moneys in any such fund shall not be
227 withdrawn therefrom at any time in such amount as would reduce the
228 amount of such funds to less than the maximum amount of principal
229 and interest becoming due by reasons of maturity or a required
230 sinking fund installment in the then current or any succeeding
231 calendar year on the bonds of the authority then outstanding or the
232 maximum amount permitted to be deposited in such fund by the
233 Internal Revenue Code of 1986, or any subsequent corresponding
234 internal revenue code of the United States, as from time to time
235 amended, to permit the interest on said bonds to be excluded from
236 gross income for federal tax purposes and secured by such special
237 capital reserve fund, such amount being herein referred to as the
238 "required minimum capital reserve", except for the purpose of paying
239 such principal of, redemption premium and interest on such bonds of
240 the authority secured by such special capital reserve becoming due
241 and for the payment of which other moneys of the authority are not
242 available. The authority may provide that it shall not issue bonds
243 secured by a special capital reserve fund at any time if the required

244 minimum capital reserve on the bonds outstanding and the bonds then
245 to be issued and secured by the same special capital reserve fund at the
246 time of issuance, unless the authority, at the time of the issuance of
247 such bonds, shall deposit in such special capital reserve fund from the
248 proceeds of the bonds so to be issued, or otherwise, an amount which,
249 together with the amount then in such special capital reserve fund, will
250 be not less than the required minimum capital reserve. On or before
251 December first, annually, there is deemed to be appropriated from the
252 state General Fund such sums, if any, as shall be certified by the
253 chairman or vice-chairman of the authority to the Secretary of the
254 Office of Policy and Management and the Treasurer, as necessary to
255 restore each such special capital reserve fund to the amount equal to
256 the required minimum capital reserve of such fund, and such amounts
257 shall be allotted and paid to the authority. For the purpose of
258 evaluation of any such special capital reserve fund, obligations
259 acquired as an investment for any such fund shall be valued at market.
260 Nothing contained in this section shall preclude the authority from
261 establishing and creating other debt service reserve funds in
262 connection with the issuance of bonds or notes of the authority which
263 are not special capital reserve funds. Subject to any agreement or
264 agreements with holders of outstanding notes and bonds of the
265 authority, any amount or amounts allotted and paid to the authority
266 pursuant to this section shall be repaid to the state from moneys of the
267 authority at such time as such moneys are not required for any other of
268 its corporate purposes and in any event shall be repaid to the state on
269 the date one year after all bonds and notes of the authority theretofore
270 issued on the date or dates such amount or amounts are allotted and
271 paid to the authority or thereafter issued, together with interest on
272 such bonds and notes, with interest on any unpaid installments of
273 interest and all costs and expenses in connection with any action or
274 proceeding by or on behalf of the holders thereof, are fully met and
275 discharged. No bonds secured by a special capital reserve fund shall be
276 issued to pay project costs unless the authority is of the opinion and
277 determines that the revenues from the project shall be sufficient to (A)

278 pay the principal of and interest on the bonds issued to finance the
279 project, (B) establish, increase and maintain any reserves deemed by
280 the authority to be advisable to secure the payment of the principal of
281 and interest on such bonds, (C) pay the cost of maintaining the project
282 in good repair and keeping it properly insured, and (D) pay such other
283 costs of the project as may be required.

284 Sec. 11. Subsection (a) of section 32-616 of the general statutes is
285 repealed and the following is substituted in lieu thereof (*Effective July*
286 *1, 2004*):

287 (a) For the purposes described in subsection (b) of this section the
288 State Bond Commission shall have power, from time to time but in no
289 case later than June 30, [2005] 2009, to authorize the issuance of bonds
290 of the state, in one or more series and in principal amounts and in the
291 aggregate not exceeding one hundred fifteen million dollars and such
292 additional amounts as may be required in connection with the costs of
293 issuance of the bonds including bond anticipation, temporary and
294 interim notes, the proceeds of which shall be used by the State
295 Treasurer to pay the costs of issuance, provided in computing the total
296 amount of bonds which may at any one time be outstanding, the
297 principal amount of any refunding bonds issued to refund bonds shall
298 be excluded.

299 Sec. 12. Subsection (a) of section 32-235 of the general statutes is
300 repealed and the following is substituted in lieu thereof (*Effective July*
301 *1, 2004*):

302 (a) For the purposes described in subsection (b) of this section, the
303 State Bond Commission shall have the power, from time to time to
304 authorize the issuance of bonds of the state in one or more series and
305 in principal amounts not exceeding in the aggregate [five hundred five
306 million three hundred thousand] four hundred ninety-five million
307 three hundred thousand dollars. [, provided ten million dollars of said
308 authorization shall be effective on July 1, 2003.]

309 Sec. 13. Subsection (b) of section 32-235 of the general statutes is
310 repealed and the following is substituted in lieu thereof (*Effective July*
311 *1, 2004*):

312 (b) The proceeds of the sale of said bonds, to the extent of the
313 amount stated in subsection (a) of this section, shall be used by the
314 Department of Economic and Community Development for the
315 purposes of sections 32-220 to 32-234, inclusive, including economic
316 cluster-related programs and activities, and for the Connecticut job
317 training finance demonstration program pursuant to sections 32-23uu
318 and 32-23vv provided, (1) three million dollars shall be used by said
319 department solely for the purposes of section 32-23uu and not more
320 than five million two hundred fifty thousand dollars of the amount
321 stated in said subsection (a) may be used by said department for the
322 purposes of section 31-3u, (2) not less than one million dollars shall be
323 used for an educational technology grant to the deployment center
324 program and the nonprofit business consortium deployment center
325 approved pursuant to section 32-41l, [and] (3) not less than two million
326 dollars shall be used by said department for the establishment of a
327 pilot program to make grants to businesses in designated areas of the
328 state for construction, renovation or improvement of small
329 manufacturing facilities provided such grants are matched by the
330 business, a municipality or another financing entity. The commissioner
331 shall designate areas of the state where manufacturing is a substantial
332 part of the local economy and shall make grants under such pilot
333 program which are likely to produce a significant economic
334 development benefit for the designated area, and (4) five million
335 dollars may be used by said department for the manufacturing
336 competitiveness grants program.

337 Sec. 14. (NEW) (*Effective July 1, 2004*) In accordance with the
338 provisions of section 32-462 of the general statutes, during the period
339 commencing July 1, 2001, and ending June 30, 2007, the Department of
340 Economic and Community Development may provide financial
341 assistance from existing programs to Downtown Torrington

342 Redevelopment LLC for the purposes of restoration and improvements
343 to property in the city of Torrington, in said time period, in an
344 aggregate amount not to exceed thirty million dollars.

345 Sec. 15. Subsection (a) of section 32-262 of the general statutes is
346 repealed and the following is substituted in lieu thereof (*Effective July*
347 *1, 2004*):

348 (a) For the purposes described in subsection (b) of this section, the
349 State Bond Commission shall have the power, from time to time, to
350 authorize the issuance of bonds of the state in one or more series and
351 in principal amounts not exceeding in the aggregate [~~thirty-nine~~] thirty
352 million dollars.

353 Sec. 16. Subsection (a) of section 3 of public act 96-250 is amended to
354 read as follows (*Effective July 1, 2004*):

355 (a) For the purposes described in subsection (b) of this section, the
356 State Bond Commission shall have the power, from time to time to
357 authorize the issuance of bonds of the state in one or more series and in
358 principal amounts not exceeding in the aggregate [~~five~~] three million
359 dollars.

360 Sec. 17. Subsection (a) of section 17a-225 of the general statutes is
361 repealed and the following is substituted in lieu thereof (*Effective July*
362 *1, 2004*):

363 (a) The State Bond Commission shall have the power, from time to
364 time to authorize the issuance of bonds of the state in one or more
365 series and in principal amounts not exceeding in the aggregate [~~four~~]
366 six million dollars.

367 Sec. 18. Subsection (a) of section 10a-186a of the general statutes is
368 repealed and the following is substituted in lieu thereof (*Effective July*
369 *1, 2004*):

370 (a) In connection with the issuance of bonds to finance a project at a

371 participating nursing home or to refund bonds previously issued by
372 the authority to finance a project at a participating nursing home, [or]
373 to finance dormitories, residential facilities, student centers, food
374 service facilities and other auxiliary service facilities and related
375 buildings and improvements at a public institution of higher
376 education, or to finance up to one hundred million dollars, in the
377 aggregate, for equipment for participating health care institutions at
378 the discretion of the Secretary of the Office of Policy and Management
379 and the Treasurer, the authority may create and establish one or more
380 reserve funds to be known as special capital reserve funds and may
381 pay into such special capital reserve funds (1) any moneys
382 appropriated and made available by the state for the purposes of such
383 funds, (2) any proceeds of sale of notes or bonds for a project, to the
384 extent provided in the resolution of the authority authorizing the
385 issuance thereof, and (3) any other moneys which may be made
386 available to the authority for the purpose of such funds from any other
387 source or sources. The moneys held in or credited to any special capital
388 reserve fund established under this section, except as hereinafter
389 provided, shall be used solely for the payment of the principal of and
390 interest, when due, whether at maturity or by mandatory sinking fund
391 installments, on bonds of the authority secured by such capital reserve
392 fund as the same become due, the purchase of such bonds of the
393 authority, the payment of any redemption premium required to be
394 paid when such bonds are redeemed prior to maturity; provided the
395 authority shall have power to provide that moneys in any such fund
396 shall not be withdrawn therefrom at any time in such amount as
397 would reduce the amount of such funds to less than the maximum
398 amount of principal and interest becoming due by reasons of maturity
399 or a required sinking fund installment in the then current or any
400 succeeding calendar year on the bonds of the authority then
401 outstanding or the maximum amount permitted to be deposited in
402 such fund by the Internal Revenue Code of 1986, or any subsequent
403 corresponding internal revenue code of the United States, as from time
404 to time amended, to permit the interest on said bonds to be excluded

405 from gross income for federal tax purposes and secured by such
406 special capital reserve fund, such amount being herein referred to as
407 the "required minimum capital reserve", except for the purpose of
408 paying such principal of, redemption premium and interest on such
409 bonds of the authority secured by such special capital reserve
410 becoming due and for the payment of which other moneys of the
411 authority are not available. The authority may provide that it shall not
412 issue bonds secured by a special capital reserve fund at any time if the
413 required minimum capital reserve on the bonds outstanding and the
414 bonds then to be issued and secured by the same special capital
415 reserve fund at the time of issuance, unless the authority, at the time of
416 the issuance of such bonds, shall deposit in such special capital reserve
417 fund from the proceeds of the bonds so to be issued, or otherwise, an
418 amount which, together with the amount then in such special capital
419 reserve fund, will be not less than the required minimum capital
420 reserve. On or before December first, annually, there is deemed to be
421 appropriated from the state General Fund such sums, if any, as shall be
422 certified by the chairman or vice-chairman of the authority to the
423 Secretary of the Office of Policy and Management and the Treasurer of
424 the state, as necessary to restore each such special capital reserve fund
425 to the amount equal to the required minimum capital reserve of such
426 fund, and such amounts shall be allotted and paid to the authority. For
427 the purpose of evaluation of any such special capital reserve fund,
428 obligations acquired as an investment for any such fund shall be
429 valued at market. Nothing contained in this section shall preclude the
430 authority from establishing and creating other debt service reserve
431 funds in connection with the issuance of bonds or notes of the
432 authority which are not special capital reserve funds. Subject to any
433 agreement or agreements with holders of outstanding notes and bonds
434 of the authority, any amount or amounts allotted and paid to the
435 authority pursuant to this section shall be repaid to the state from
436 moneys of the authority at such time as such moneys are not required
437 for any other of its corporate purposes and in any event shall be repaid
438 to the state on the date one year after all bonds and notes of the

439 authority theretofore issued on the date or dates such amount or
440 amounts are allotted and paid to the authority or thereafter issued,
441 together with interest on such bonds and notes, with interest on any
442 unpaid installments of interest and all costs and expenses in
443 connection with any action or proceeding by or on behalf of the
444 holders thereof, are fully met and discharged. No bonds secured by a
445 special capital reserve fund shall be issued to pay project costs unless
446 the authority is of the opinion and determines that the revenues from
447 the project shall be sufficient (A) to pay the principal of and interest on
448 the bonds issued to finance the project, (B) to establish, increase and
449 maintain any reserves deemed by the authority to be advisable to
450 secure the payment of the principal of and interest on such bonds, (C)
451 to pay the cost of maintaining the project in good repair and keeping it
452 properly insured, and (D) to pay such other costs of the project as may
453 be required.

454 Sec. 19. Section 10-283 of the general statutes, as amended by section
455 27 of public act 03-76 and section 4 of public act 03-220, is amended by
456 adding subsection (f) as follows (*Effective from passage*):

457 (NEW) (f) (1) Notwithstanding any provision of this section, the
458 total cost of the list of projects submitted to the Governor and the
459 General Assembly on or before the fifteenth day of December, 2004,
460 and December, 2005, shall not exceed five hundred million dollars, the
461 total cost of the list of projects submitted on or before the fifteenth day
462 of December, 2006, and thereafter, shall not exceed seven hundred fifty
463 million dollars. The commissioner shall prioritize all projects removed
464 from this list pursuant to this subdivision based on a district's
465 enrollment needs for such school building project, the education
466 priorities of the state relative to reducing racial and economic isolation,
467 the aggregate amount of grants approved for school building
468 construction projects previously approved for each district within the
469 past three years and other factors deemed appropriate by the
470 commissioner.

471 (2) Any projects removed from such listing pursuant to subdivision
472 (1) of this subsection shall be placed on the listing to be submitted to
473 the Governor and the General Assembly on or before the fifteenth day
474 of December in the year following removal unless such project is
475 withdrawn by the district prior to the compilation of such listing.

476 Sec. 20. Section 10-285a of the general statutes, as amended by
477 section 49 of public act 03-76, is amended by adding subsection (e) as
478 follows (*Effective from passage*):

479 (NEW) (e) Notwithstanding any provision of this section, for school
480 building projects for which application is made on or after July 1, 2004,
481 and which are authorized by the General Assembly in 2005 and 2006,
482 and for any projects authorized by the Commissioner of Education
483 pursuant to subsection (b) of section 10-283, as amended by this act,
484 after June 30, 2004, and prior to July 1, 2006, the reimbursement rate
485 determined pursuant to this section shall be reduced by ten percentage
486 points. Projects for which application was made prior to July 1, 2005,
487 but for which legislative authorization is delayed shall be assigned the
488 percentage they would have received had they been authorized in the
489 initial year.

490 Sec. 21. (NEW) (*Effective from passage*) Notwithstanding the
491 provisions of section 4a-9 of the general statutes, the Department of
492 Social Services may provide up to five hundred thousand dollars of the
493 funds authorized under section 4a-10 of the general statutes to the
494 United Way of Connecticut for the purchase of capital equipment for
495 the 2-1-1 Infoline program.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>
Sec. 2	<i>July 1, 2004</i>
Sec. 3	<i>July 1, 2004</i>
Sec. 4	<i>July 1, 2004</i>
Sec. 5	<i>July 1, 2004</i>
Sec. 6	<i>from passage</i>

Sec. 7	<i>July 1, 2004</i>
Sec. 8	<i>July 1, 2004</i>
Sec. 9	<i>July 1, 2004</i>
Sec. 10	<i>July 1, 2004</i>
Sec. 11	<i>July 1, 2004</i>
Sec. 12	<i>July 1, 2004</i>
Sec. 13	<i>July 1, 2004</i>
Sec. 14	<i>July 1, 2004</i>
Sec. 15	<i>July 1, 2004</i>
Sec. 16	<i>July 1, 2004</i>
Sec. 17	<i>July 1, 2004</i>
Sec. 18	<i>July 1, 2004</i>
Sec. 19	<i>from passage</i>
Sec. 20	<i>from passage</i>
Sec. 21	<i>from passage</i>

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]