



General Assembly

**Substitute Bill No. 204**

February Session, 2004

\* SB00204CE\_FIN031104 \*

**AN ACT CONCERNING THE SMALL TOWN ECONOMIC ASSISTANCE PROGRAM.**

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

1 Section 1. Section 4-66g of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2004*):

3 (a) For the purposes described in subsection (b) of this section, the  
4 State Bond Commission shall have the power, from time to time, to  
5 authorize the issuance of bonds of the state in one or more series and  
6 in principal amounts not exceeding in the aggregate [forty] fifty  
7 million dollars, provided twenty million dollars of said authorization  
8 shall be effective July 1, 2001, [and] twenty million dollars of said  
9 authorization shall be effective July 1, 2002, and ten million dollars of  
10 said authorization shall be effective July 1, 2005.

11 (b) The proceeds of the sale of said bonds, to the extent of the  
12 amount stated in subsection (a) of this section, shall be used by the  
13 Office of Policy and Management for a Small Town Economic  
14 Assistance Program the purpose of which shall be to provide grants-  
15 in-aid to any municipality which (1) is not economically distressed  
16 within the meaning of subsection (b) of section 32-9p, does not have an  
17 urban center in any plan adopted by the General Assembly pursuant  
18 to section 16a-30 and is not a public investment community within the  
19 meaning of subdivision (9) of subsection (a) of section 7-545, and (2)

20 has a population, as defined in subdivision (27) of section 10-262f, as  
21 amended, under thirty thousand. Such grants shall be used for  
22 purposes for which funds would be available under section 4-66c. Any  
23 municipality that seeks a grant-in-aid pursuant to this section shall  
24 first demonstrate to the satisfaction of the Secretary of the Office of  
25 Policy and Management that the purpose for which such grant shall be  
26 used is consistent with the municipality's economic development plan.  
27 In the event that a municipality does not have an economic  
28 development plan as of July 1, 2004, such municipality may seek a  
29 grant-in-aid, pursuant to this section, in an amount not to exceed fifty  
30 thousand dollars for the purpose of developing such economic  
31 development plan. No municipality may receive more than five  
32 hundred thousand dollars in any one fiscal year under said program.

33 (c) All provisions of section 3-20, as amended, or the exercise of any  
34 right or power granted thereby, which are not inconsistent with the  
35 provisions of this section are hereby adopted and shall apply to all  
36 bonds authorized by the State Bond Commission pursuant to this  
37 section, and temporary notes in anticipation of the money to be  
38 derived from the sale of any such bonds so authorized may be issued  
39 in accordance with said section 3-20, as amended, and from time to  
40 time renewed. Such bonds shall mature at such time or times not  
41 exceeding twenty years from their respective dates as may be provided  
42 in or pursuant to the resolution or resolutions of the State Bond  
43 Commission authorizing such bonds. None of said bonds shall be  
44 authorized except upon a finding by the State Bond Commission that  
45 there has been filed with it a request for such authorization which is  
46 signed by or on behalf of the Secretary of the Office of Policy and  
47 Management and states such terms and conditions as said commission,  
48 in its discretion, may require. Said bonds issued pursuant to this  
49 section shall be general obligations of the state and the full faith and  
50 credit of the state of Connecticut are pledged for the payment of the  
51 principal of and interest on said bonds as the same become due, and  
52 accordingly and as part of the contract of the state with the holders of  
53 said bonds, appropriation of all amounts necessary for punctual

54 payment of such principal and interest is hereby made, and the State  
55 Treasurer shall pay such principal and interest as the same become  
56 due.

57 (d) Any grant-in-aid allowed under the Small Town Economic  
58 Assistance Program under this section may be administered on behalf  
59 of the Office of Policy and Management by another state agency as  
60 determined by the Secretary of the Office of Policy and Management.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>

**CE**

*Joint Favorable Subst. C/R*

**FIN**