



General Assembly

February Session, 2004

Raised Bill No. 594

LCO No. 2235

02235_____FIN

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING THE STATE BOND COMMISSION.

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

1 Section 1. Subsection (c) of section 3-20 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (c) There is established the State Bond Commission, which shall
5 consist of the Governor, the Treasurer, the Comptroller, the Attorney
6 General, and the Secretary of the Office of Policy and Management,
7 [and the Commissioner of Public Works,] each of whom may designate
8 a deputy to represent him or her as a member at meetings of the State
9 Bond Commission with full powers to act and vote [in] on his or her
10 behalf, and the cochairpersons and the ranking minority members of
11 the joint standing committee of the General Assembly having
12 cognizance of matters relating to state finance, revenue and bonding,
13 each of whom may designate another member of said joint standing
14 committee, who is not a member of the State Bond Commission, to
15 represent him or her as a member at meetings of the State Bond
16 Commission with full powers to act and vote [in] on his or her behalf.
17 The members of said commission shall serve without compensation.

18 Sec. 2. Subsection (g) of section 3-20 of the general statutes is
19 repealed and the following is substituted in lieu thereof (*Effective from*
20 *passage*):

21 (g) (1) With the exception of refunding bonds, whenever a bond act
22 empowers the State Bond Commission to authorize bonds for any
23 project or purpose or projects or purposes, and whenever the State
24 Bond Commission finds that the authorization of such bonds will be in
25 the best interests of the state, it shall authorize such bonds by
26 resolution adopted by the approving vote of at least a majority of said
27 commission. No such resolution shall be so adopted by the State Bond
28 Commission unless it finds that there has been filed with it [(1)] (A)
29 any human services facility colocation statement to be filed with the
30 Secretary of the Office of Policy and Management, if so requested by
31 the secretary, pursuant to section 4b-23; [(2)] (B) a statement from the
32 Commissioner of Agriculture, pursuant to section 22-6, as amended,
33 for projects which would convert twenty-five or more acres of prime
34 farmland to a nonagricultural use; [(3)] (C) prior to the meeting at
35 which such resolution is to be considered, any capital development
36 impact statement required to be filed with the Secretary of the Office of
37 Policy and Management; (D) a statement as to the full cost of the
38 project or purpose when completed and the estimated operating cost
39 for any structure, equipment or facility to be constructed or acquired,
40 and [(4)] (E) such requests and such other documents as it or said bond
41 act require, provided no resolution with respect to any school building
42 project financed pursuant to section 10-287d, as amended, or any
43 interest subsidy financed pursuant to section 10-292k, as amended,
44 shall require the filing of any statements pursuant to [subdivision (1),
45 (2) or (3)] subparagraph (A), (B) or (C) of this [subsection] subdivision
46 and provided further any resolution requiring a capital impact
47 statement shall be deemed not properly before the State Bond
48 Commission until such capital development impact statement is filed.
49 Any such resolution so adopted by the State Bond Commission shall
50 recite the bond act under which said commission is empowered to
51 authorize such bonds and the filing of all requests and other

52 documents, if any, required by it or such bond act, and shall state the
53 principal amount of the bonds authorized and a description of the
54 purpose or project for which such bonds are authorized. Such
55 description shall be sufficient if made merely by reference to a
56 numbered subsection, subdivision or other applicable section of such
57 bond act.

58 (2) The agenda of each meeting shall be made available to the
59 members of the commission not later than one week prior to the
60 meeting at which such agenda is to be considered. Any two members
61 of the commission may place an item on the agenda for consideration
62 by giving notice of such item to the Secretary of the Office of Policy
63 and Management not later than two weeks prior to the meeting at
64 which such item is to be considered. The agenda of each meeting, or
65 any supporting documents included with such agenda, shall include a
66 reference to the statute or public or special act which is the source of
67 any funds to be used for any project on such agenda, including any
68 contingency funds and any reuse or reallocation of funds previously
69 approved for any other use or project, and a notation of the outside
70 source from which any funds for any such project were received, if
71 any.

72 (3) Upon adoption of a resolution, the principal amount of the
73 bonds authorized therein for such purpose or project shall be deemed
74 to be an appropriation and allocation of such amount for such purpose
75 or project, respectively, and subject to approval by the Governor of
76 allotment thereof and to any authorization for such project or purpose
77 that may otherwise be required, contracts may be awarded and
78 obligations incurred with respect to any such project or purpose in
79 amounts not in the aggregate exceeding such authorized principal
80 amount, notwithstanding that such contracts and obligations may at a
81 particular time exceed the amount of the proceeds from the sale of
82 such bonds theretofore received by the state. In any such resolution so
83 adopted, the State Bond Commission may include provision for the
84 date or dates of such bonds, the maturity of such bonds and,

85 notwithstanding the provisions of any bond act taking effect prior to
86 July 1, 1973, provision for either serial or term, sinking fund or other
87 reserve fund requirements, if any, due dates of the interest thereon, the
88 form of such bonds, the denominations and designation of such bonds,
89 registration, conversion and transfer privileges and the terms of
90 redemption with or without premium and the date and manner of sale
91 of such bonds, provisions for the consolidation of such bonds with
92 other bonds including refunding bonds for the purpose of sale as
93 provided in subsection (h) [hereof] of this section, limitations with
94 respect to the interest rate or rates on such bonds, provisions for
95 receipt and deposit or investment of the good faith deposit pending
96 delivery of such bonds and such other terms and conditions of such
97 bonds and of the issuance and sale thereof as the State Bond
98 Commission may determine to be in the best interest of the state,
99 provided the State Bond Commission may delegate to the Treasurer all
100 or any part of the foregoing powers in which event the Treasurer shall
101 exercise such powers until the State Bond Commission, by adoption of
102 a resolution prior to exercise of such powers by the Treasurer shall
103 elect to reassume the same. Such powers shall be exercised from time
104 to time in such manner as the Treasurer shall determine to be in the
105 best interests of the state and the Treasurer shall file a certificate of
106 determination setting forth the details thereof with the secretary of the
107 State Bond Commission on or before the date of delivery of such
108 bonds, the details of which were determined by the Treasurer in
109 accordance with such delegation.

110 (4) On or before January 1, 2005, and annually thereafter, the
111 Secretary of the Office of Policy and Management shall submit a report
112 to the joint standing committee of the General Assembly having
113 cognizance of matters relating to finance, revenue and bonding which
114 report shall update, for all outstanding bond allocations, the statement
115 required under subparagraph (D) of subdivision (1) of this subsection.

116 (5) The State Bond Commission may authorize the Commissioner of
117 Economic and Community Development to defer payments of interest

118 or principal, or a portion thereof, in the case of a troubled loan, as
119 defined in subdivision (1) of subsection (e) of section 8-37x, as
120 amended, made by the commissioner under any provision of the
121 general statutes.

122 Sec. 3. Subsection (a) of section 32-383 of the general statutes is
123 repealed and the following is substituted in lieu thereof (*Effective from*
124 *passage*):

125 (a) All provisions of section 3-20, as amended by this act, or the
126 exercise of any right or power granted thereby which are not
127 inconsistent with the provisions of sections 32-382 to 32-385, inclusive,
128 are hereby adopted and shall apply to all bonds authorized by the
129 State Bond Commission pursuant to said sections, and temporary or
130 interim notes in anticipation of the money to be derived from the sale
131 of any such bonds so authorized may be issued in accordance with
132 said section 3-20 and from time to time renewed provided no filings
133 required by [subdivisions (1) and (2)] subparagraphs (A) and (B) of
134 subdivision (1) of subsection (g) of section 3-20 shall be required. Such
135 bonds shall mature at such time or times not exceeding thirty years
136 from either their respective dates or the estimated completion date of
137 the stadium facility as referred to in subdivision (5) of section 32-397,
138 as may be provided in or pursuant to the resolution or resolutions of
139 the State Bond Commission authorizing such bonds. None of said
140 bonds shall be authorized except upon a finding by the State Bond
141 Commission that there has been filed with it a request for such
142 authorization, which is signed by the secretary stating such terms and
143 conditions as said commission, in its discretion, may require. Such
144 bonds issued pursuant to section 32-382 shall be general obligations of
145 the state and the full faith and credit of the state of Connecticut are
146 pledged for the payment of the principal of and interest on such bonds,
147 including temporary or interim notes, as the same become due, and
148 accordingly and as part of the contract of the state with the holders of
149 such bonds, appropriation of all amounts necessary for punctual
150 payment of such principal and interest is hereby made including with

151 respect to interest on temporary or interim notes and principal thereof
152 to the extent not funded with renewals thereof or bonds, and the
153 Treasurer shall pay such principal and interest as the same become
154 due.

155 Sec. 4. Subsection (c) of section 32-614 of the general statutes is
156 repealed and the following is substituted in lieu thereof (*Effective from*
157 *passage*):

158 (c) All provisions of section 3-20, as amended by this act, or the
159 exercise of any right or power granted thereby which are not
160 inconsistent with the provisions of this section are hereby adopted and
161 shall apply to all bonds authorized by the State Bond Commission
162 pursuant to said section 3-20, and temporary or interim notes in
163 anticipation of the money to be derived from the sale of any such
164 bonds so authorized may be issued in accordance with said section 3-
165 20 and from time to time renewed provided no filings required by
166 [subdivisions (1) and (2)] subparagraphs (A) and (B) of subdivision (1)
167 of subsection (g) of said section 3-20 shall be required. Such bonds
168 shall mature at such time or times not exceeding twenty years from
169 either their respective dates. None of said bonds shall be authorized
170 except upon a finding by the State Bond Commission that there has
171 been filed with it a request for such authorization, which is signed by
172 the Secretary of the Office of Policy and Management stating such
173 terms and conditions as said commission, in its discretion, may
174 require. Such bonds issued pursuant to this section shall be general
175 obligations of the state and the full faith and credit of the state of
176 Connecticut are pledged for the payment of the principal of and
177 interest on such bonds, including temporary or interim notes, as the
178 same become due, and accordingly and as part of the contract of the
179 state with the holders of such bonds, appropriation of all amounts
180 necessary for punctual payment of such principal and interest is
181 hereby made including with respect to interest on temporary or
182 interim notes and principal thereof to the extent not funded with
183 renewals thereof or bonds, and the State Treasurer shall pay such

184 principal and interest as the same become due.

185 Sec. 5. Subsection (c) of section 32-616 of the general statutes is
186 repealed and the following is substituted in lieu thereof (*Effective from*
187 *passage*):

188 (c) All provisions of section 3-20, as amended by this act, or the
189 exercise of any right or power granted thereby which are not
190 inconsistent with the provisions of this section are hereby adopted and
191 shall apply to all bonds authorized by the State Bond Commission
192 pursuant to said section 3-20, and temporary or interim notes in
193 anticipation of the money to be derived from the sale of any such
194 bonds so authorized may be issued in accordance with said section 3-
195 20, as amended, and from time to time renewed provided no filings
196 required by [subdivisions (1) and (2)] subparagraphs (A) and (B) of
197 subdivision (1) of subsection (g) of said section 3-20 shall be required.
198 Such bonds shall mature at such time or times not exceeding twenty
199 years from either their respective dates. None of said bonds shall be
200 authorized except upon a finding by the State Bond Commission that
201 there has been filed with it a request for such authorization, which is
202 signed by the Secretary of the Office of Policy and Management stating
203 such terms and conditions as said commission, in its discretion, may
204 require. Such bonds issued pursuant to section 32-614 shall be general
205 obligations of the state and the full faith and credit of the state of
206 Connecticut are pledged for the payment of the principal of and
207 interest on such bonds, including temporary or interim notes, as the
208 same become due, and accordingly and as part of the contract of the
209 state with the holders of such bonds, appropriation of all amounts
210 necessary for punctual payment of such principal and interest is
211 hereby made including with respect to interest on temporary or
212 interim notes and principal thereof to the extent not funded with
213 renewals thereof or bonds, and the State Treasurer shall pay such
214 principal and interest as the same become due.

215 Sec. 6. Subsection (d) of section 32-652 of the general statutes is

216 repealed and the following is substituted in lieu thereof (*Effective from*
217 *passage*):

218 (d) All provisions of section 3-20, as amended by this act, and the
219 exercise of any right or power granted thereby which is not
220 inconsistent with the provisions of this section, are hereby adopted
221 and shall apply to all bonds authorized pursuant to this section, and
222 temporary or interim notes in anticipation of the money to be derived
223 from the sale of any such bonds so authorized may be issued in
224 accordance with said section 3-20 and from time to time renewed
225 provided no filings required by [subdivisions (1) and (2)]
226 subparagraphs (A) and (B) of subdivision (1) of subsection (g) of said
227 section 3-20 shall be required.

228 Sec. 7. Subsection (e) of section 32-653 of the general statutes is
229 repealed and the following is substituted in lieu thereof (*Effective from*
230 *passage*):

231 (e) All provisions of section 3-20, as amended by this act, and the
232 exercise of any right or power granted thereby which is not
233 inconsistent with the provisions of this section are hereby adopted and
234 shall apply to all bonds authorized pursuant to this section and
235 temporary or interim notes in anticipation of the money to be derived
236 from the sale of any such bonds so authorized may be issued in
237 accordance with said section 3-20 and from time to time renewed
238 provided no filings required by [subdivisions (1) and (2)]
239 subparagraphs (A) and (B) of subdivision (1) of subsection (g) of
240 section 3-20 shall be required.

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

Sec. 7	from passage
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Statement of Purpose:

To increase accountability for projects using state bond proceeds.

[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.]