



General Assembly

**Substitute Bill No. 594**

February Session, 2004

\* SB00594FIN 032604 \*

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2 repealed and the following is substituted in lieu thereof (*Effective from*  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

4 (g) (1) With the exception of refunding bonds, whenever a bond act  
5 empowers the State Bond Commission to authorize bonds for any  
6 project or purpose or projects or purposes, and whenever the State  
7 Bond Commission finds that the authorization of such bonds will be in  
8 the best interests of the state, it shall authorize such bonds by  
9 resolution adopted by the approving vote of at least a majority of said  
10 commission. No such resolution shall be so adopted by the State Bond  
11 Commission unless it finds that there has been filed with it ~~[(1)]~~ (A)  
12 any human services facility colocation statement to be filed with the  
13 Secretary of the Office of Policy and Management, if so requested by  
14 the secretary, pursuant to section 4b-23; ~~[(2)]~~ (B) a statement from the  
15 Commissioner of Agriculture, pursuant to section 22-6, as amended,  
16 for projects which would convert twenty-five or more acres of prime  
17 farmland to a nonagricultural use; ~~[(3)]~~ (C) prior to the meeting at  
18 which such resolution is to be considered, any capital development  
19 impact statement required to be filed with the Secretary of the Office of  
20 Policy and Management; (D) a statement as to the full cost of the

21 project or purpose when completed and the estimated operating cost  
22 for any structure, equipment or facility to be constructed or acquired,  
23 and [(4)] (E) such requests and such other documents as it or said bond  
24 act require, provided no resolution with respect to any school building  
25 project financed pursuant to section 10-287d, as amended, or any  
26 interest subsidy financed pursuant to section 10-292k, as amended,  
27 shall require the filing of any statements pursuant to [subdivision (1),  
28 (2) or (3)] subparagraph (A), (B) or (C) of this [subsection] subdivision  
29 and provided further any resolution requiring a capital impact  
30 statement shall be deemed not properly before the State Bond  
31 Commission until such capital development impact statement is filed.  
32 Any such resolution so adopted by the State Bond Commission shall  
33 recite the bond act under which said commission is empowered to  
34 authorize such bonds and the filing of all requests and other  
35 documents, if any, required by it or such bond act, and shall state the  
36 principal amount of the bonds authorized and a description of the  
37 purpose or project for which such bonds are authorized. Such  
38 description shall be sufficient if made merely by reference to a  
39 numbered subsection, subdivision or other applicable section of such  
40 bond act.

41 (2) The agenda of each meeting shall be made available to the  
42 members of the commission not later than five business days prior to  
43 the meeting at which such agenda is to be considered and the day of  
44 the meeting shall count as one of the business days. Any two members  
45 of the commission may place an item on the agenda for consideration  
46 by giving notice of such item to the Secretary of the Office of Policy  
47 and Management not later than two weeks prior to the meeting at  
48 which such item is to be considered. The agenda of each meeting, or  
49 any supporting documents included with such agenda, shall include a  
50 reference to the statute or public or special act which is the source of  
51 any funds to be used for any project on such agenda, including any  
52 contingency funds and any reuse or reallocation of funds previously  
53 approved for any other use or project, and a notation of the outside  
54 source from which any funds for any such project were received, if

55 any. The secretary of the commission shall provide the members with  
56 copies of any agreement entered into by the state with any private  
57 entity receiving bond funds in connection with any item on the  
58 agenda.

59 (3) Upon adoption of a resolution, the principal amount of the  
60 bonds authorized therein for such purpose or project shall be deemed  
61 to be an appropriation and allocation of such amount for such purpose  
62 or project, respectively, and subject to approval by the Governor of  
63 allotment thereof and to any authorization for such project or purpose  
64 that may otherwise be required, contracts may be awarded and  
65 obligations incurred with respect to any such project or purpose in  
66 amounts not in the aggregate exceeding such authorized principal  
67 amount, notwithstanding that such contracts and obligations may at a  
68 particular time exceed the amount of the proceeds from the sale of  
69 such bonds theretofore received by the state. In any such resolution so  
70 adopted, the State Bond Commission may include provision for the  
71 date or dates of such bonds, the maturity of such bonds and,  
72 notwithstanding the provisions of any bond act taking effect prior to  
73 July 1, 1973, provision for either serial or term, sinking fund or other  
74 reserve fund requirements, if any, due dates of the interest thereon, the  
75 form of such bonds, the denominations and designation of such bonds,  
76 registration, conversion and transfer privileges and the terms of  
77 redemption with or without premium and the date and manner of sale  
78 of such bonds, provisions for the consolidation of such bonds with  
79 other bonds including refunding bonds for the purpose of sale as  
80 provided in subsection (h) [hereof] of this section, limitations with  
81 respect to the interest rate or rates on such bonds, provisions for  
82 receipt and deposit or investment of the good faith deposit pending  
83 delivery of such bonds and such other terms and conditions of such  
84 bonds and of the issuance and sale thereof as the State Bond  
85 Commission may determine to be in the best interest of the state,  
86 provided the State Bond Commission may delegate to the Treasurer all  
87 or any part of the foregoing powers in which event the Treasurer shall  
88 exercise such powers until the State Bond Commission, by adoption of

89 a resolution prior to exercise of such powers by the Treasurer shall  
90 elect to reassume the same. Such powers shall be exercised from time  
91 to time in such manner as the Treasurer shall determine to be in the  
92 best interests of the state and the Treasurer shall file a certificate of  
93 determination setting forth the details thereof with the secretary of the  
94 State Bond Commission on or before the date of delivery of such  
95 bonds, the details of which were determined by the Treasurer in  
96 accordance with such delegation.

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

103 (5) The State Bond Commission may authorize the Commissioner of  
104 Economic and Community Development to defer payments of interest  
105 or principal, or a portion thereof, in the case of a troubled loan, as  
106 defined in subdivision (1) of subsection (e) of section 8-37x, as  
107 amended, made by the commissioner under any provision of the  
108 general statutes.

109 Sec. 2. Subsection (a) of section 32-383 of the general statutes is  
110 repealed and the following is substituted in lieu thereof (*Effective from*  
111 *passage*):

112 (a) All provisions of section 3-20, as amended by this act, or the  
113 exercise of any right or power granted thereby which are not  
114 inconsistent with the provisions of sections 32-382 to 32-385, inclusive,  
115 are hereby adopted and shall apply to all bonds authorized by the  
116 State Bond Commission pursuant to said sections, and temporary or  
117 interim notes in anticipation of the money to be derived from the sale  
118 of any such bonds so authorized may be issued in accordance with  
119 said section 3-20 and from time to time renewed provided no filings  
120 required by [subdivisions (1) and (2)] subparagraphs (A) and (B) of

121 subdivision (1) of subsection (g) of section 3-20 shall be required. Such  
122 bonds shall mature at such time or times not exceeding thirty years  
123 from either their respective dates or the estimated completion date of  
124 the stadium facility as referred to in subdivision (5) of section 32-397,  
125 as may be provided in or pursuant to the resolution or resolutions of  
126 the State Bond Commission authorizing such bonds. None of said  
127 bonds shall be authorized except upon a finding by the State Bond  
128 Commission that there has been filed with it a request for such  
129 authorization, which is signed by the secretary stating such terms and  
130 conditions as said commission, in its discretion, may require. Such  
131 bonds issued pursuant to section 32-382 shall be general obligations of  
132 the state and the full faith and credit of the state of Connecticut are  
133 pledged for the payment of the principal of and interest on such bonds,  
134 including temporary or interim notes, as the same become due, and  
135 accordingly and as part of the contract of the state with the holders of  
136 such bonds, appropriation of all amounts necessary for punctual  
137 payment of such principal and interest is hereby made including with  
138 respect to interest on temporary or interim notes and principal thereof  
139 to the extent not funded with renewals thereof or bonds, and the  
140 Treasurer shall pay such principal and interest as the same become  
141 due.

142 Sec. 3. Subsection (c) of section 32-614 of the general statutes is  
143 repealed and the following is substituted in lieu thereof (*Effective from*  
144 *passage*):

145 (c) All provisions of section 3-20, as amended by this act, or the  
146 exercise of any right or power granted thereby which are not  
147 inconsistent with the provisions of this section are hereby adopted and  
148 shall apply to all bonds authorized by the State Bond Commission  
149 pursuant to said section 3-20, and temporary or interim notes in  
150 anticipation of the money to be derived from the sale of any such  
151 bonds so authorized may be issued in accordance with said section 3-  
152 20 and from time to time renewed provided no filings required by  
153 [subdivisions (1) and (2)] subparagraphs (A) and (B) of subdivision (1)  
154 of subsection (g) of said section 3-20 shall be required. Such bonds

155 shall mature at such time or times not exceeding twenty years from  
156 either their respective dates. None of said bonds shall be authorized  
157 except upon a finding by the State Bond Commission that there has  
158 been filed with it a request for such authorization, which is signed by  
159 the Secretary of the Office of Policy and Management stating such  
160 terms and conditions as said commission, in its discretion, may  
161 require. Such bonds issued pursuant to this section shall be general  
162 obligations of the state and the full faith and credit of the state of  
163 Connecticut are pledged for the payment of the principal of and  
164 interest on such bonds, including temporary or interim notes, as the  
165 same become due, and accordingly and as part of the contract of the  
166 state with the holders of such bonds, appropriation of all amounts  
167 necessary for punctual payment of such principal and interest is  
168 hereby made including with respect to interest on temporary or  
169 interim notes and principal thereof to the extent not funded with  
170 renewals thereof or bonds, and the State Treasurer shall pay such  
171 principal and interest as the same become due.

172 Sec. 4. Subsection (c) of section 32-616 of the general statutes is  
173 repealed and the following is substituted in lieu thereof (*Effective from*  
174 *passage*):

175 (c) All provisions of section 3-20, as amended by this act, or the  
176 exercise of any right or power granted thereby which are not  
177 inconsistent with the provisions of this section are hereby adopted and  
178 shall apply to all bonds authorized by the State Bond Commission  
179 pursuant to said section 3-20, and temporary or interim notes in  
180 anticipation of the money to be derived from the sale of any such  
181 bonds so authorized may be issued in accordance with said section 3-  
182 20, as amended, and from time to time renewed provided no filings  
183 required by [subdivisions (1) and (2)] subparagraphs (A) and (B) of  
184 subdivision (1) of subsection (g) of said section 3-20 shall be required.  
185 Such bonds shall mature at such time or times not exceeding twenty  
186 years from either their respective dates. None of said bonds shall be  
187 authorized except upon a finding by the State Bond Commission that  
188 there has been filed with it a request for such authorization, which is

189 signed by the Secretary of the Office of Policy and Management stating  
190 such terms and conditions as said commission, in its discretion, may  
191 require. Such bonds issued pursuant to section 32-614 shall be general  
192 obligations of the state and the full faith and credit of the state of  
193 Connecticut are pledged for the payment of the principal of and  
194 interest on such bonds, including temporary or interim notes, as the  
195 same become due, and accordingly and as part of the contract of the  
196 state with the holders of such bonds, appropriation of all amounts  
197 necessary for punctual payment of such principal and interest is  
198 hereby made including with respect to interest on temporary or  
199 interim notes and principal thereof to the extent not funded with  
200 renewals thereof or bonds, and the State Treasurer shall pay such  
201 principal and interest as the same become due.

202 Sec. 5. Subsection (d) of section 32-652 of the general statutes is  
203 repealed and the following is substituted in lieu thereof (*Effective from*  
204 *passage*):

205 (d) All provisions of section 3-20, as amended by this act, and the  
206 exercise of any right or power granted thereby which is not  
207 inconsistent with the provisions of this section, are hereby adopted  
208 and shall apply to all bonds authorized pursuant to this section, and  
209 temporary or interim notes in anticipation of the money to be derived  
210 from the sale of any such bonds so authorized may be issued in  
211 accordance with said section 3-20 and from time to time renewed  
212 provided no filings required by [subdivisions (1) and (2)]  
213 subparagraphs (A) and (B) of subdivision (1) of subsection (g) of said  
214 section 3-20 shall be required.

215 Sec. 6. Subsection (e) of section 32-653 of the general statutes is  
216 repealed and the following is substituted in lieu thereof (*Effective from*  
217 *passage*):

218 (e) 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 and

221 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  
227 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>

**FIN**      *Joint Favorable Subst.*