



General Assembly

January Session, 2005

Bill No. 1045

LCO No. 3436

*03436 _____ *

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2 statutes are repealed and the following is substituted in lieu thereof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, 2005*):

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 eighty-two
8 million four hundred eighty-seven thousand five hundred forty-four]
9 one billion sixty-two million four hundred eighty-seven thousand five
10 hundred forty-four dollars, provided [seventy-five million five
11 hundred thousand] forty million dollars of said authorization shall be
12 effective July 1, [2004] 2006. All provisions of section 3-20, or the
13 exercise of any right or power granted thereby, which are not
14 inconsistent with the provisions of this section, are hereby adopted

15 and shall apply to all bonds authorized by the State Bond Commission
16 pursuant to this section, and temporary notes in anticipation of the
17 money to be derived from the sale of any such bonds so authorized
18 may be issued in accordance with said section 3-20 and from time to
19 time renewed. Such bonds shall mature at such time or times not
20 exceeding twenty years from their respective dates as may be provided
21 in or pursuant to the resolution or resolutions of the State Bond
22 Commission authorizing such bonds. None of said bonds shall be
23 authorized except upon a finding by the State Bond Commission that
24 there has been filed with it a request for such authorization, which is
25 signed by or on behalf of the Secretary of the Office of Policy and
26 Management and states such terms and conditions as said commission
27 in its discretion may require. Said bonds issued pursuant to this
28 section shall be general obligations of the state and the full faith and
29 credit of the state of Connecticut are pledged for the payment of the
30 principal of and interest on said bonds as the same become due, and
31 accordingly as part of the contract of the state with the holders of said
32 bonds, appropriation of all amounts necessary for punctual payment
33 of such principal and interest is hereby made, and the Treasurer shall
34 pay such principal and interest 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 sixty-seven
44 million five hundred ninety-one thousand six hundred forty-two
45 dollars, one million dollars of which shall be used for a grant to the
46 development center program and the nonprofit business consortium
47 deployment center approved pursuant to section 32-411; (2) for the
48 Department of Transportation: Urban mass transit, not exceeding two

49 million dollars; (3) for the Department of Environmental Protection:
50 Recreation development and solid waste disposal projects, not
51 exceeding one million nine hundred ninety-five thousand nine
52 hundred two dollars; (4) for the Department of Social Services: Child
53 day care projects, elderly centers, shelter facilities for victims of
54 domestic violence, emergency shelters and related facilities for the
55 homeless, multipurpose human resource centers and food distribution
56 facilities, not exceeding thirty-nine million one hundred thousand
57 dollars, provided four million dollars of said authorization shall be
58 effective July 1, 1994; (5) for the Department of Economic and
59 Community Development: Housing projects, not exceeding three
60 million dollars; (6) for the Office of Policy and Management: (A)
61 Grants-in-aid to municipalities for a pilot demonstration program to
62 leverage private contributions for redevelopment of designated
63 historic preservation areas, not exceeding one million dollars; (B)
64 grants-in-aid for urban development projects including economic and
65 community development, transportation, environmental protection,
66 public safety, children and families and social services projects and
67 programs, including, in the case of economic and community
68 development projects administered on behalf of the Office of Policy
69 and Management by the Department of Economic and Community
70 Development, administrative costs incurred by the Department of
71 Economic and Community Development, not exceeding [eight
72 hundred sixty-seven million eight hundred thousand] nine hundred
73 forty-seven million eight hundred thousand dollars, provided [eighty-
74 two million five hundred thousand] forty million dollars of said
75 authorization shall be effective July 1, [2004] 2006. Five million dollars
76 of the grants-in-aid authorized in subparagraph (B) of subdivision (6)
77 of this subsection may be made available to private nonprofit
78 organizations for the purposes described in said subparagraph (B).
79 Twelve million dollars of the grants-in-aid authorized in subparagraph
80 (B) of subdivision (6) of this subsection may be made available for
81 necessary renovations and improvements of libraries. Five million
82 dollars of the grants-in-aid authorized in subparagraph (B) of

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

88 Sec. 2. Subsection (a) of section 4-66g of the general statutes is
89 repealed and the following is substituted in lieu thereof (*Effective July*
90 *1, 2005*):

91 (a) For the purposes described in subsection (b) of this section, the
92 State Bond Commission shall have the power, from time to time, to
93 authorize the issuance of bonds of the state in one or more series and
94 in principal amounts not exceeding in the aggregate [~~sixty~~] eighty
95 million dollars, provided [~~twenty~~] ten million dollars of said
96 authorization shall be effective July 1, [~~2004~~] 2006.

97 Sec. 3. Subsection (a) of section 4a-10 of the general statutes is
98 repealed and the following is substituted in lieu thereof (*Effective July*
99 *1, 2005*):

100 (a) For the purposes described in subsection (b) of this section, the
101 State Bond Commission shall have the power, from time to time to
102 authorize the issuance of bonds of the state in one or more series and
103 in principal amounts not exceeding in the aggregate [~~two hundred~~
104 ~~forty-eight million~~] three hundred million five hundred fifty thousand
105 dollars, provided [~~eighteen million~~] twenty-five million fifty thousand
106 dollars of said authorization shall be effective July 1, [~~2004~~] 2006.

107 Sec. 4. Subsection (a) of section 7-538 of the general statutes is
108 repealed and the following is substituted in lieu thereof (*Effective July*
109 *1, 2005*):

110 (a) For the purposes described in subsection (b) of this section, the
111 State Bond Commission shall have the power, from time to time, to
112 authorize the issuance of bonds of the state in one or more series and

113 in principal amounts not exceeding in the aggregate [four hundred
114 sixty-five million dollars] five hundred twenty-five million dollars,
115 provided thirty million dollars of said authorization shall be effective
116 July 1, 2006.

117 Sec. 5. Section 10-287d of the general statutes is repealed and the
118 following is substituted in lieu thereof (*Effective July 1, 2005*):

119 For the purposes of funding (1) grants to projects that have received
120 approval of the State Board of Education pursuant to sections 10-287
121 and 10-287a, subsection (a) of section 10-65 and section 10-76e, (2)
122 grants to assist school building projects to remedy safety and health
123 violations and damage from fire and catastrophe, and (3) regional
124 vocational-technical school projects pursuant to section 10-283b, the
125 State Treasurer is authorized and directed, subject to and in
126 accordance with the provisions of section 3-20, to issue bonds of the
127 state from time to time in one or more series in an aggregate amount
128 not exceeding [four billion one hundred seventy-one million eight
129 hundred sixty thousand dollars, provided six hundred twenty-five
130 million five hundred thousand] five billion four hundred one million
131 eight hundred sixty thousand dollars, provided six hundred fifty
132 million dollars of said authorization shall be effective July 1, [2004]
133 2006. Bonds of each series shall bear such date or dates and mature at
134 such time or times not exceeding thirty years from their respective
135 dates and be subject to such redemption privileges, with or without
136 premium, as may be fixed by the State Bond Commission. They shall
137 be sold at not less than par and accrued interest and the full faith and
138 credit of the state is pledged for the payment of the interest thereon
139 and the principal thereof as the same shall become due, and
140 accordingly and as part of the contract of the state with the holders of
141 said bonds, appropriation of all amounts necessary for punctual
142 payment of such principal and interest is hereby made, and the State
143 Treasurer shall pay such principal and interest as the same become
144 due. The State Treasurer is authorized to invest temporarily in direct
145 obligations of the United States, United States agency obligations,

146 certificates of deposit, commercial paper or bank acceptances such
147 portion of the proceeds of such bonds or of any notes issued in
148 anticipation thereof as may be deemed available for such purpose.

149 Sec. 6. Section 10-292k of the general statutes is repealed and the
150 following is substituted in lieu thereof (*Effective July 1, 2005*):

151 For purposes of funding interest subsidy grants, except for interest
152 subsidy grants made pursuant to subsection (b) of section 10-292m, the
153 State Treasurer is authorized and directed, subject to and in
154 accordance with the provisions of section 3-20, to issue bonds of the
155 state from time to time in one or more series in an aggregate amount
156 not exceeding [two hundred thirty-one million one hundred thousand]
157 two hundred eighty-one million one hundred thousand dollars,
158 provided [thirty-three] twenty-five million dollars of said
159 authorization shall be effective July 1, [2004] 2006. Bonds of each series
160 shall bear such date or dates and mature at such time or times not
161 exceeding thirty years from their respective dates and be subject to
162 such redemption privileges, with or without premium, as may be fixed
163 by the State Bond Commission. They shall be sold at not less than par
164 and accrued interest and the full faith and credit of the state is pledged
165 for the payment of the interest thereon and the principal thereof as the
166 same shall become due, and accordingly and as part of the contract of
167 the state with the holders of said bonds, appropriation of all amounts
168 necessary for punctual payment of such principal and interest is
169 hereby made, and the State Treasurer shall pay such principal and
170 interest as the same become due. The State Treasurer is authorized to
171 invest temporarily in direct obligations of the United States, United
172 States agency obligations, certificates of deposit, commercial paper or
173 bank acceptances, such portion of the proceeds of such bonds or of any
174 notes issued in anticipation thereof as may be deemed available for
175 such purpose.

176 Sec. 7. Subsection (a) of section 12-242uu of the general statutes is
177 repealed and the following is substituted in lieu thereof (*Effective July*

178 1, 2005):

179 (a) The State Bond Commission shall have power, in accordance
180 with the provisions of this section from time to time to authorize the
181 issuance of bonds of the state in one or more series and in principal
182 amounts in the aggregate, not exceeding [thirty-five million five
183 hundred thousand] thirty-three million two hundred sixty thousand
184 dollars.

185 Sec. 8. Section 22-26hh of the general statutes is repealed and the
186 following is substituted in lieu thereof (*Effective July 1, 2005*):

187 The State Bond Commission shall have power, from time to time, to
188 authorize the issuance of bonds of the state in one or more series and
189 in principal amounts not exceeding in the aggregate [eighty-nine
190 million seven hundred fifty thousand] ninety-nine million seven
191 hundred fifty thousand dollars, the proceeds of which shall be used for
192 the purposes of section 22-26cc, provided not more than [two] five
193 million dollars of said authorization shall be effective July 1, [2004]
194 2006, and further provided not more than two million dollars shall be
195 used for the purposes of section 22-26jj. All provisions of section 3-20,
196 or the exercise of any right or power granted thereby which are not
197 inconsistent with the provisions of this section are hereby adopted and
198 shall apply to all bonds authorized by the State Bond Commission
199 pursuant to this section, and temporary notes in anticipation of the
200 money to be derived from the sale of any such bonds so authorized
201 may be issued in accordance with said section 3-20 and from time to
202 time renewed. Such bonds shall mature at such time or times not
203 exceeding twenty years from their respective dates as may be provided
204 in or pursuant to the resolution or resolutions of the State Bond
205 Commission authorizing such bonds. None of said bonds shall be
206 authorized except upon a finding by the State Bond Commission that
207 there has been filed with it a request for such authorization, which is
208 signed by or on behalf of the Secretary of the Office of Policy and
209 Management and states such terms and conditions as said commission,

210 in its discretion, may require. Said bonds issued pursuant to this
211 section shall be general obligations of the state and the full faith and
212 credit of the state of Connecticut are pledged for the payment of the
213 principal of and interest on said bonds as the same become due, and
214 accordingly and as part of the contract of the state with the holders of
215 said bonds, appropriation of all amounts necessary for punctual
216 payment of such principal and interest is hereby made, and the
217 Treasurer shall pay such principal and interest as the same become
218 due.

219 Sec. 9. Subsection (a) of section 22a-483 of the general statutes is
220 repealed and the following is substituted in lieu thereof (*Effective July*
221 *1, 2005*):

222 (a) For the purposes of sections 22a-475 to 22a-483, inclusive, the
223 State Bond Commission shall have the power, from time to time to
224 authorize the issuance of bonds of the state in one or more series and
225 in principal amounts, not exceeding in the aggregate [seven hundred
226 forty-one million thirty thousand dollars] seven hundred eighty-one
227 million thirty thousand dollars, provided twenty million dollars of
228 said authorization shall be effective July 1, 2006.

229 Sec. 10. Subsection (d) of section 22a-483 of the general statutes is
230 repealed and the following is substituted in lieu thereof (*Effective July*
231 *1, 2005*):

232 (d) Notwithstanding the foregoing, nothing herein shall preclude
233 the State Bond Commission from authorizing the issuance of revenue
234 bonds, in principal amounts not exceeding in the aggregate [one billion
235 two hundred thirty-eight million four hundred thousand] one billion
236 three hundred thirty-eight million four hundred thousand dollars,
237 provided one hundred [fifty-eight] million dollars of said
238 authorization shall be effective July 1, [2002] 2006, that are not general
239 obligations of the state of Connecticut to which the full faith and credit
240 of the state of Connecticut are pledged for the payment of the principal
241 and interest. Such revenue bonds shall mature at such time or times

242 not exceeding thirty years from their respective dates as may be
243 provided in or pursuant to the resolution or resolutions of the State
244 Bond Commission authorizing such revenue bonds. The revenue
245 bonds, revenue state bond anticipation notes and revenue state grant
246 anticipation notes authorized to be issued under sections 22a-475 to
247 22a-483, inclusive, shall be special obligations of the state and shall not
248 be payable from nor charged upon any funds other than the revenues
249 or other receipts, funds or moneys pledged therefor as provided in
250 said sections 22a-475 to 22a-483, inclusive, including the repayment of
251 municipal loan obligations; nor shall the state or any political
252 subdivision thereof be subject to any liability thereon except to the
253 extent of such pledged revenues or the receipts, funds or moneys
254 pledged therefor as provided in said sections 22a-475 to 22a-483,
255 inclusive. The issuance of revenue bonds, revenue state bond
256 anticipation notes and revenue state grant anticipation notes under the
257 provisions of said sections 22a-475 to 22a-483, inclusive, shall not
258 directly or indirectly or contingently obligate the state or any political
259 subdivision thereof to levy or to pledge any form of taxation whatever
260 therefor or to make any appropriation for their payment. The revenue
261 bonds, revenue state bond anticipation notes and revenue state grant
262 anticipation notes shall not constitute a charge, lien or encumbrance,
263 legal or equitable, upon any property of the state or of any political
264 subdivision thereof, except the property mortgaged or otherwise
265 encumbered under the provisions and for the purposes of said sections
266 22a-475 to 22a-483, inclusive. The substance of such limitation shall be
267 plainly stated on the face of each revenue bond, revenue state bond
268 anticipation note and revenue state grant anticipation note issued
269 pursuant to said sections 22a-475 to 22a-483, inclusive, shall not be
270 subject to any statutory limitation on the indebtedness of the state and
271 such revenue bonds, revenue state bond anticipation notes and
272 revenue state grant anticipation notes, when issued, shall not be
273 included in computing the aggregate indebtedness of the state in
274 respect to and to the extent of any such limitation. As part of the
275 contract of the state with the owners of such revenue bonds, revenue

276 state bond anticipation notes and revenue state grant anticipation
277 notes, all amounts necessary for the punctual payment of the debt
278 service requirements with respect to such revenue bonds, revenue
279 state bond anticipation notes and revenue state grant anticipation
280 notes shall be deemed appropriated, but only from the sources
281 pledged pursuant to said sections 22a-475 to 22a-483, inclusive. The
282 proceeds of such revenue bonds or notes may be deposited in the
283 Clean Water Fund for use in accordance with the permitted uses of
284 such fund. Any expense incurred in connection with the carrying out
285 of the provisions of this section, including the costs of issuance of
286 revenue bonds, revenue state bond anticipation notes and revenue
287 state grant anticipation notes may be paid from the accrued interest
288 and premiums or from any other proceeds of the sale of such revenue
289 bonds, revenue state bond anticipation notes or revenue state grant
290 anticipation notes and in the same manner as other obligations of the
291 state. All provisions of subsections (g), (k), (l), (s) and (u) of section
292 3-20 or the exercise of any right or power granted thereby which are
293 not inconsistent with the provisions of said sections 22a-475 to 22a-483,
294 inclusive, are hereby adopted and shall apply to all revenue bonds,
295 state revenue bond anticipation notes and state revenue grant
296 anticipation notes authorized by the State Bond Commission pursuant
297 to said sections 22a-475 to 22a-483, inclusive. For the purposes of
298 subsection (o) of section 3-20, "bond act" shall be construed to include
299 said sections 22a-475 to 22a-483, inclusive.

300 Sec. 11. Subsection (a) of section 32-235 of the general statutes is
301 repealed and the following is substituted in lieu thereof (*Effective July*
302 *1, 2005*):

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

309 of said authorization shall be effective July 1, 2006.

310 Sec. 12. Subsection (a) of section 3 of public act 96-250, as amended
 311 by section 15 of public act 04-1 of the May special session, is repealed
 312 and the following is substituted in lieu thereof (*Effective July 1, 2005*):

313 (a) For the purposes described in subsection (b) of this section, the
 314 State Bond Commission shall have the power, from time to time to
 315 authorize the issuance of bonds of the state in one or more series and
 316 in principal amounts not exceeding in the aggregate [~~three~~] four
 317 million dollars.

318 Sec. 13. (NEW) (*Effective from passage*) Notwithstanding the
 319 provisions of sections 22a-475 to 22a-483, inclusive, of the general
 320 statutes, the town of Enfield shall be eligible for a grant-in-aid of not
 321 more than two million eight hundred thousand dollars for additional
 322 funding of eligible costs under said sections to assist the town in its
 323 upgrade of a wastewater treatment plant.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	4-66c(a) and (b)
Sec. 2	<i>July 1, 2005</i>	4-66g(a)
Sec. 3	<i>July 1, 2005</i>	4a-10(a)
Sec. 4	<i>July 1, 2005</i>	7-538(a)
Sec. 5	<i>July 1, 2005</i>	10-287d
Sec. 6	<i>July 1, 2005</i>	10-292k
Sec. 7	<i>July 1, 2005</i>	12-242uu(a)
Sec. 8	<i>July 1, 2005</i>	22-26hh
Sec. 9	<i>July 1, 2005</i>	22a-483(a)
Sec. 10	<i>July 1, 2005</i>	22a-483(d)
Sec. 11	<i>July 1, 2005</i>	32-235(a)
Sec. 12	<i>July 1, 2005</i>	PA 96-250, Sec. 3(a)
Sec. 13	<i>from passage</i>	New section

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.]