



General Assembly

February Session, 2006

Raised Bill No. 5715

LCO No. 2748

02748_____TRA

Referred to Committee on Transportation

Introduced by:
(TRA)

**AN ACT CONCERNING STATE-WIDE TRANSPORTATION
IMPROVEMENTS.**

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

1 Section 1. Subsection (b) of section 4-65a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (b) There shall be such undersecretaries as may be necessary for the
5 efficient conduct of the business of the office. Each such undersecretary
6 shall be appointed by the secretary and shall be qualified and
7 experienced in the functions to be performed by him. The positions of
8 each such undersecretary shall be exempt from the classified service.
9 One such undersecretary shall be the Undersecretary of Transit and
10 Growth, whose duties shall be as provided in chapter 242a.

11 Sec. 2. Section 13b-57e of the general statutes is repealed and the
12 following is substituted in lieu thereof (*Effective from passage*):

13 (a) There is established the Connecticut Transportation Strategy
14 Board, the members of which shall be appointed as follows:

15 (1) Five members from the private sector who have expertise in
16 transportation, business, finance or law as follows: (A) The Governor
17 shall appoint one member, who shall be the chairperson, and whose
18 first term shall expire on June 30, 2005, (B) the president pro tempore
19 of the Senate shall appoint one member whose first term shall expire
20 on June 30, 2004, (C) the speaker of the House of Representatives shall
21 appoint one member whose first term shall expire on June 30, 2003, (D)
22 the minority leader of the Senate shall appoint one member whose first
23 term shall expire on June 30, 2003, and (E) the minority leader of the
24 House of Representatives shall appoint one member whose first term
25 shall expire on June 30, 2002;

26 (2) One member from each TIA, for which position the chairpersons
27 of the board of the local planning agencies in such TIA, after
28 consulting with the participants in such TIA, shall nominate, for
29 consideration by the appointing authority, three individuals who live
30 in such TIA and who have significant experience in and knowledge of
31 local, regional and state governmental processes, including at least one
32 chief elected official in a town in such TIA, and who shall be appointed
33 as follows: (A) The chairpersons of the joint standing committee of the
34 General Assembly having cognizance of matters relating to
35 transportation shall appoint one member from the southeast corridor
36 TIA, whose first term shall expire on June 30, 2002, (B) the president
37 pro tempore of the Senate shall appoint one member from the I-91
38 corridor TIA, whose first term shall expire on June 30, 2003, (C) the
39 speaker of the House of Representatives shall appoint one member
40 from the coastal corridor TIA, whose first term shall expire on June 30,
41 2004, (D) the majority leader of the Senate shall appoint one member
42 from the I-395 corridor TIA, whose first term shall expire on June 30,
43 2005, and (E) the majority leader of the House of Representatives shall
44 appoint one member from the I-84 corridor TIA, whose first term shall
45 expire on June 30, 2005; and

46 (3) The Commissioners of Transportation, Environmental
47 Protection, Economic and Community Development and Public Safety,

48 [and] the Secretary of the Office of Policy and Management and the
49 Undersecretary of Transit and Growth within the Office of Policy and
50 Management.

51 (b) Upon the expiration of the term of a member of the board who is
52 appointed as provided in subdivision (1) or (2) of subsection (a) of this
53 section, each subsequent appointee to the board shall serve for a term
54 of four years. No person shall serve as a member of the board for more
55 than two consecutive terms. A vacancy in the position of an appointed
56 board member shall be filled by the appointing authority for the
57 remainder of the term.

58 (c) The board may establish such subcommittees as it deems
59 appropriate and appoint the members of such subcommittees from
60 among its members. Ten members of the board shall be present to
61 constitute a quorum.

62 (d) The members of the board shall not be compensated for their
63 service as members of the board.

64 (e) The board may issue guidelines for coordination and
65 organization to the TIAs. These guidelines shall not constitute
66 regulations, as defined in subdivision (13) of section 4-166.

67 (f) (1) The Undersecretary of Transit and Growth within the Office
68 of Policy and Management, appointed pursuant to section 4-65a, as
69 amended by this act, shall be the executive director of the board and
70 shall be responsible for the work of the board, including overseeing the
71 implementation of board initiatives.

72 (2) The Department of Transportation, the Office of Policy and
73 Management and the Department of Economic and Community
74 Development shall provide staff assistance to the board, at the
75 direction of the Undersecretary of Transit and Growth. Within
76 available appropriations, the board may hire consultants with
77 approval by the undersecretary, in consultation with the Secretary of

78 the Office of Policy and Management and such consultants shall be
79 procured through the Department of Transportation.

80 (g) The Transportation Strategy Board is a public agency, as defined
81 in section 1-200, for purposes of the Freedom of Information Act, and
82 is a quasi-public agency, as defined in section 1-79, as amended, for
83 purposes of chapter 10.

84 Sec. 3. Subsection (k) of section 13b-57g of the general statutes is
85 repealed and the following is substituted in lieu thereof (*Effective from*
86 *passage*):

87 (k) The [board shall] Undersecretary of Transit and Growth shall,
88 after consultation with the board, submit the following reports, in
89 accordance with section 11-4a, to the Governor and the joint standing
90 committees of the General Assembly having cognizance of matters
91 relating to transportation and finance, revenue and bonding: (1) Not
92 later than January 15, 2002, an initial strategy and preliminary
93 projections of the cost necessary to implement the strategy over the
94 first ten years, which shall be subject to approval by the General
95 Assembly; (2) on June 30, 2002, and each December thirty-first and
96 June thirtieth thereafter, a status report on the implementation of and
97 any needed revisions to the strategy and the quarterly report provided
98 by the Department of Economic and Community Development,
99 pursuant to subsection (b) of section 32-6k; and (3) on December 15,
100 2002, and every two years thereafter, an update or revision of the
101 strategy, if necessary, which shall be subject to approval by the General
102 Assembly, and a report on implementation of the strategy.

103 Sec. 4. Section 13b-57h of the general statutes is repealed and the
104 following is substituted in lieu thereof (*Effective from passage*):

105 (a) The General Assembly approves the principles set forth in
106 section I of the report specified in subdivision (4) of subsection (a) of
107 section 13b-57d, provided no funds from the Transportation Strategy
108 Board projects account, established under section 13b-57r, as amended,

109 shall be authorized for any transportation project except those
110 specified in subsection (b) of this section, provided nothing in this
111 subsection shall preclude any TSB project from being funded, in whole
112 or in part, by other state or federal funds. Funds authorized for any
113 TSB project shall be used only for said project. TSB projects shall be
114 funded from funds authorized for the Transportation Strategy Board
115 only to the extent such funding is not provided from other funds in the
116 Special Transportation Fund or the Infrastructure Improvement Fund
117 created by the senior indenture for special tax obligation bonds.

118 (b) The following TSB projects shall be completed not later than ten
119 years from the effective date of this section:

120 (1) In the Coastal Corridor TIA, as defined in section 13b-57d:

121 (A) Acquire rolling rail stock, as deemed appropriate by the board,
122 sufficient to add no fewer than two thousand seats for the Metro
123 North-New Haven Line for use in both interstate and intrastate
124 service. All payments received by the state pursuant to any agreement
125 entered into in accordance with subsection (h) of section 13b-34, as
126 amended, involving rolling rail stock used on the Metro North-New
127 Haven Line shall be used exclusively for refurbishing rolling rail stock
128 on and other capital improvements to the Metro North-New Haven
129 Line;

130 (B) Construct or expand stations at Bridgeport, New Haven and
131 Stamford that can accommodate rail service and one or more other
132 modes of transportation and have:

133 (i) Facilities for one thousand or more parking spaces;

134 (ii) Connections to bus and other transit systems;

135 (iii) Opportunity for community revitalization;

136 (iv) Opportunity for transit oriented development;

137 (v) Ease of auto, bus, bicycle and pedestrian access to the station
138 facility;

139 (vi) Potential to attract sufficient riders to support additional
140 express trains;

141 (vii) Operation under control of the state; and

142 (viii) Feeder bus services for passenger rail service;

143 (C) Facilitate use of the Long Island Sound Waterway for passenger
144 and freight movement, including, but not limited to, bulkheading and
145 dredging, upon removal of prohibitions imposed by federal law,
146 expanding passenger facilities, including facilities at the Bridgeport
147 Intermodal Facility, to support high speed ferry service; and

148 (2) In the I-84 Corridor TIA, as defined in section 13b-57d:

149 (A) Establish express bus services from New Haven to Bradley
150 International Airport;

151 (B) Complete the New Britain to Hartford busway and establish
152 other bus rapid transit or light rail service in Hartford and
153 surrounding towns; and

154 (C) Expand rail passenger service on the Norwalk to Danbury-New
155 Milford Branch Line to assist commuter movement on Route 7 and I-
156 95; and

157 (3) In the I-91 Corridor TIA, as defined in section 13b-57d:

158 (A) Upgrade or construct maintenance facilities and parking
159 facilities and upgrade feeder bus services for passenger rail service,
160 particularly along the Metro North-New Haven Line; and

161 (B) Establish bus service or commuter rail service, as determined in
162 the Hartford-Springfield-New Haven Implementation Study
163 conducted by the department, that runs through New Haven, Hartford

164 and Springfield, with a connection to Bradley International Airport;
165 and

166 (4) In the I-395 Corridor TIA, as defined in section 13b-57d:

167 (A) Establish rail freight service with connections to the port of New
168 London;

169 (B) Expand the frequency of bus service, number of runs and
170 connections within and outside of the region, particularly in and to
171 Norwich and New London and acquire buses sufficient to add no
172 fewer than two hundred seats; and

173 (C) Design and plan for traffic mitigation in southeastern
174 Connecticut, including planning for the extension of Route 11 from its
175 terminus in Salem to the I-95 and I-395 intersect, with appropriate
176 greenway purchases made in accordance with section 13a-142e, as
177 amended; and

178 (5) In the Southeast Corridor TIA, as defined in section 13b-57d:

179 (A) Acquire rolling rail stock for the Shoreline East Railroad Line
180 sufficient to add no fewer than one thousand seats;

181 (B) Make operational improvements to highways that improve the
182 flow of traffic on I-95 and I-395; and

183 (6) State-wide:

184 (A) Improve and target marketing by the department of the Deduct-
185 a-Ride program to all eligible employers; [and]

186 (B) Continue funding the Jobs Access Program; and

187 (C) Implement transportation initiatives, as directed by the
188 Undersecretary of Transit and Growth, following consultation with the
189 board.

190 (c) Any TSB project included in subsection (a) of this section
191 requiring expenditures of more than one million dollars shall be
192 accompanied by an economic development plan that specifies the
193 projected economic development benefits of the transportation project
194 to the TIA in which it is located and to the state and that provides for
195 economic development projects that meet one or more of the following
196 criteria:

197 (1) Are generated by the TSB project;

198 (2) Support the TSB project;

199 (3) Maximize the economic benefits of the TSB project; or

200 (4) Utilize the TSB project to maximize the economic benefits of such
201 economic development projects.

202 An economic development plan shall not be required for any TSB
203 project whose sole purpose is public safety.

204 (d) The Auditors of Public Accounts shall audit, on an annual basis,
205 the books and accounts of the Transportation Strategy Board. Each
206 such audit shall include an examination of performance in order to
207 determine the board's effectiveness in completing the TSB projects
208 specified in section 13b-57h, as amended by this act. The auditors shall
209 report their findings and recommendations to the Governor and to the
210 joint standing committees of the General Assembly having cognizance
211 of matters relating to finance, revenue and bonding, appropriations
212 and the budgets of state agencies, transportation and planning and
213 development.

214 (e) On or before January 1, 2007, and annually thereafter, the
215 Undersecretary of Transit and Growth, after consultation with the
216 board, shall submit a report to the joint standing committees of the
217 General Assembly having cognizance of matters relating to finance,
218 revenue and bonding, transportation and planning and development,
219 in accordance with the provisions of section 11-4a, on the

220 implementation status of the TSB projects specified in section 13b-57h,
221 as amended by this act. Such report shall include recommended
222 revisions to such projects, an explanation of any obstacles to
223 completing such projects and the anticipated advantages or
224 disadvantages of completing such projects. Upon receipt of such
225 report, said committees shall hold a joint public hearing for purposes
226 of the evaluation and consideration of the progress or lack of progress
227 of said TSB projects, which public hearing the undersecretary and the
228 Commissioners of Transportation, Environmental Protection,
229 Economic and Community Development and Public Safety and the
230 Secretary of the Office of Policy and Management shall attend.

231 Sec. 5. Section 13b-57i of the 2006 supplement to the general statutes
232 is repealed and the following is substituted in lieu thereof (*Effective*
233 *from passage*):

234 (a) The Undersecretary of Transit and Growth and the board shall
235 coordinate preparation of a performance report on the TSB projects
236 specified in section 13b-57h, as amended by this act, that require
237 accompanying economic development plans. For the purposes of this
238 section, a project undertaken as part of the New Haven Line
239 revitalization program defined in section 13b-78k is not a TSB project.

240 (b) [The] Said undersecretary and the board, in consultation with
241 the Departments of Transportation and Economic and Community
242 Development and the Office of Policy and Management, shall
243 determine the format for the report. The report shall include, but not
244 be limited to, the following: (1) A map delineating the boundaries of
245 each TIA and identifying TSB projects and any economic development
246 projects described in subsection (c) of section 13b-57h, as amended by
247 this act; (2) a description of funding for, implementation status of and
248 estimated completion date of each TSB project and any economic
249 development projects described in subsection (c) of section 13b-57h, as
250 amended by this act; (3) an explanation of how each economic
251 development project described in subsection (c) of section 13b-57h, as

252 amended by this act, meets one or more of the criteria in subdivisions
253 (1) to (4) of subsection (c) of section 13b-57h, as amended by this act,
254 with regard to one or more TSB projects; (4) a statement describing
255 how each TSB project and each economic development project
256 described in subsection (c) of section 13b-57h, as amended by this act,
257 addresses the goals and objectives of the state plan of conservation and
258 development prepared under chapter 297; (5) a description of the role
259 of municipalities and regional planning agencies in planning and
260 implementing each TSB project and each economic development
261 project described in subsection (c) of section 13b-57h, as amended by
262 this act; (6) a description of the extent to which all of the TSB projects
263 and economic development projects described in subsection (c) of
264 section 13b-57h, as amended by this act, in each TIA address the
265 transportation problems, needs or concerns of the TIA; and (7) an
266 evaluation of how each TSB project and each economic development
267 project described in subsection (c) of section 13b-57h, as amended by
268 this act, addresses the transportation problems, needs or concerns of
269 the TIA based on statistical measures which shall be developed jointly
270 by the board and the Departments of Transportation and Economic
271 and Community Development and the Office of Policy and
272 Management.

273 (c) The report required under subsection (b) of this section shall be
274 submitted, in accordance with the provisions of section 11-4a, not later
275 than December 15, 2004, along with the report required on the same
276 date under subdivision (3) of subsection (k) of section 13b-57g, as
277 amended by this act, and thereafter along with said report as required
278 under subdivision (3) of subsection (k) of section 13b-57g, as amended
279 by this act, to the joint standing committees of the General Assembly
280 having cognizance of matters relating to transportation, planning and
281 development and finance, revenue and bonding. Not later than fifteen
282 days after receipt of the December fifteenth report, the joint standing
283 committees of the General Assembly having cognizance of matters
284 relating to transportation and planning and development shall review
285 the report and submit comments and recommendations to the bonding

286 subcommittee of the joint standing committee of the General Assembly
287 having cognizance of matters relating to finance, revenue and bonding.
288 Not later than thirty days after receipt of the report, the joint standing
289 committee of the General Assembly having cognizance of matters
290 relating to finance, revenue and bonding shall conduct a public
291 hearing on the report.

292 Sec. 6. Section 13b-57j of the general statutes is repealed and the
293 following is substituted in lieu thereof (*Effective from passage*):

294 (a) The [board] Undersecretary of Transit and Growth shall prepare
295 an analysis, based on appropriate metrics, methodologies and
296 standards, developed by the board or by any agency or other unit of
297 government of the state, of the short-term and long-term effects of the
298 initial strategy on: (1) The present and future transportation needs of
299 the state for the movement of both people and goods; (2) economic
300 development in the state; and (3) the environment, including air
301 quality, wetlands, open space and energy consumption. Said analysis
302 shall include the projected return on investment for each TSB project.
303 [The] Said undersecretary and the board shall submit such analysis, in
304 accordance with section 11-4a, to the Governor and to the joint
305 standing committees of the General Assembly having cognizance of
306 matters relating to transportation and finance, revenue and bonding
307 along with the report due on December 15, 2004, pursuant to
308 subdivision (3) of subsection (k) of section 13b-57g, as amended by this
309 act.

310 (b) [The board] Said undersecretary shall monitor the planning and
311 implementation of the TSB projects specified in section 13b-57h, as
312 amended by this act, and shall report to the Governor and the General
313 Assembly in accordance with subdivision (2) of subsection (k) of
314 section 13b-57g, as amended by this act. Any recommended update or
315 revision to any TSB project or to the strategy, including any project
316 recommended as an addition to the strategy, included in the report
317 due on December 15, 2004, and each report due every two years

318 thereafter, pursuant to subdivision (3) of subsection (k) of section 13b-
319 57g, as amended by this act, shall be accompanied by an analysis made
320 in accordance with subsection (a) of this section.

321 Sec. 7. Section 13b-57q of the 2006 supplement to the general
322 statutes is repealed and the following is substituted in lieu thereof
323 (*Effective from passage*):

324 (a) On or before August first of each year, the Department of
325 Transportation, in consultation with the Secretary of the Office of
326 Policy and Management, the Undersecretary of Transit and Growth,
327 the State Treasurer and the Transportation Strategy Board, shall
328 prepare a financing plan for the annual funding and financing of the
329 projects and purposes described in section 13b-57h. Such annual
330 financing plan shall be based upon the use of general obligation bonds
331 as provided in section 11 of this act and revenue bonds as provided in
332 section 12 of this act, to fund some or all project purposes, funding
333 available or anticipated to be available in the Transportation Strategy
334 Board projects account or in the State-Wide Traffic Improvements
335 Fund established pursuant to section 9 of this act, as well as the use of
336 any federal revenue, grants or other transportation-related financial
337 assistance which may be available in such fiscal year. The annual
338 financing plan shall include funding mandated by sections 13b-57s and
339 13b-57t. Upon the approval of such annual financing plan by the
340 Governor, funding identified in the annual financing plan shall be paid
341 within the fiscal year of such annual financing plan into the
342 Transportation Strategy Board projects account, established under
343 section 13b-57r, as amended by this act, of the Special Transportation
344 Fund and shall be available to fund those projects and purposes
345 identified in such annual financing plan. Upon the approval by the
346 Treasurer, the Secretary of the Office of Policy and Management and
347 the Undersecretary of Transit and Growth of the portion of the annual
348 financing plan relating to the use of bond proceeds to fund some or all
349 of such projects and purposes, the amount identified in the annual
350 financing plan to pay debt service and other expenditures related to

351 the issuance of bonds to fund such projects and purposes shall be
352 transferred from the Transportation Strategy Board project accounts to
353 the State-Wide Traffic Improvements Fund established pursuant to
354 section 9 of this act during the fiscal year covered by such financing
355 plan, and shall be available to pay debt service requirements, and the
356 Treasurer shall proceed to issue the requisite amount of general
357 obligation or revenue bonds, subject to any required approval of the
358 State Bond Commission, to fund those projects and purposes identified
359 in such annual financing plan to be funded by bond proceeds, and the
360 Commissioner of Transportation shall direct the expenditure of such
361 bond proceeds. The proceeds of any general obligation or revenue
362 bonds issued to fund the projects and purposes described in section
363 13b-57h, as amended by this act, as those projects and purposes may
364 be modified, less costs of issuance and the funding of required
365 reserves, shall be deposited in said State-Wide Traffic Improvements
366 Fund and shall be available to fund those projects and purposes
367 identified in such annual financing plan to be funded by the issuance
368 of such bonds. Any such projects or purposes so financed are hereby
369 found and determined to be in furtherance of one or more of the
370 authorized purposes for the issuance of such bonds set forth in section
371 13b-57h, as amended by this act, or subsection (a) of section 11 of this
372 act.

373 (b) In addition to the preparation of the annual financing plans, the
374 Department of Transportation shall prepare a five-year financing plan
375 that shall project for a period of five years the funds to be credited to
376 the Transportation Strategy Board projects account, established under
377 section 13b-57r, as amended by this act, of the Special Transportation
378 Fund, the anticipated use of cash funding, including funding
379 mandated by sections 13b-57s and 13b-57t, and federal revenue, grants
380 or other transportation related financial assistance to fund or finance
381 the projects and purposes described in section 13b-57h. Such five-year
382 financing plan shall be updated on or before August first of each year
383 at the same time as the preparation of the annual financing plan and
384 shall be provided by the Commissioner of Transportation to the

385 Transportation Strategy Board, the State Treasurer, the Secretary of the
386 Office of Policy and Management, the Undersecretary of Transit and
387 Growth and the joint standing committees of the General Assembly
388 having cognizance of matters relating to transportation and finance,
389 revenue and bonding.

390 Sec. 8. Subsection (a) of section 13b-57r of the 2006 supplement to
391 the general statutes is repealed and the following is substituted in lieu
392 thereof (*Effective from passage*):

393 (a) There shall be a Transportation Strategy Board projects account,
394 which shall be a nonlapsing account within the [Special Transportation
395 Fund] State-Wide Traffic Improvements Fund established pursuant to
396 section 9 of this act.

397 Sec. 9. (NEW) (*Effective from passage*) (a) There is established a fund
398 to be known as the "State-Wide Traffic Improvements Fund". The fund
399 may contain any moneys required or permitted by law to be deposited
400 in the fund and any moneys recovered by the state for overpayments,
401 improper payments or duplicate payments made by the state relating
402 to any transportation initiative that has been financed by general
403 obligation bonds issued pursuant to section 11 of this act or revenue
404 bonds issued pursuant to section 11 of this act, and shall be held by the
405 State Treasurer separate and apart from all other moneys, fund and
406 accounts. Investment earnings credited to the assets of said fund shall
407 become part of the assets of said fund. Any balance remaining in said
408 fund at the end of any fiscal year shall be carried forward in said fund
409 for the fiscal year next succeeding.

410 (b) Notwithstanding the provisions of section 13b-61a of the 2006
411 supplement to the general statutes, on and after July 1, 2006, there shall
412 be paid promptly to the State Treasurer and thereupon credited to the
413 State-Wide Traffic Improvement Fund not more than ___ dollars
414 received or collected by the state or any other officer thereof on
415 account of, or derived from, the petroleum gross receipts tax.

416 Sec. 10. (NEW) (*Effective from passage*) The Treasurer shall apply the
417 resources in the State-Wide Traffic Improvements Fund, upon their
418 receipt, first, to pay or provide for the payment of debt service
419 requirements, at such time or times, in such amount or amounts and in
420 such manner as provided by the proceedings authorizing the issuance
421 of revenue bonds pursuant to sections 11 and 12 of this act. The
422 remaining resources of the State-Wide Traffic Improvements Fund
423 shall, pursuant to appropriation thereof in accordance with chapter 50
424 of the general statutes, and subject to approval by the Governor of
425 allotment thereof, be applied and expended for payment of the
426 principal of and interest on such bonds of the state issued for traffic
427 improvements or to any obligations refunding the same.

428 Sec. 11. (NEW) (*Effective from passage*) For the purpose of funding the
429 projects and purposes described in section 13b-57h of the general
430 statutes, as amended by this act, the State Treasurer is authorized and
431 directed, subject to and in accordance with the provisions of section 3-
432 20 of the general statutes, to issue bonds of the state from time to time
433 in one or more series, for the purposes of funding the projects and
434 purposes described in section 13b-57h of the general statutes, as
435 amended by this act, as those projects and purposes may be modified,
436 including, but not limited to, the costs of issuance and required
437 reserves which authorizations shall not exceed the following aggregate
438 amounts:

T1	Authorized Funding Amounts	
T2	Fiscal Year	Amount
T3	2008	\$ 100,000,000
T4	2009	\$ 100,000,000
T5	2010	\$ 100,000,000
T6	2011	\$ 100,000,000
T7	2012	\$ 100,000,000
T8	2013	\$ 100,000,000
T9	2014	\$ 100,000,000
T10	2015	\$ 100,000,000
T11	2016	\$ 100,000,000

T12	2017	\$ 100,000,000
T13	Total	\$1,000,000,000

439 Such projects and purposes shall be funded by the use of any
440 federal revenue, grants or other transportation related financial
441 assistance which may be available, including the issuance of revenue
442 bonds, as more particularly described in sections 9 to 11, inclusive, of
443 this act.

444 Sec. 12. (NEW) (*Effective from passage*) (a) The State Bond
445 Commission may authorize the issuance of revenue bonds of the state
446 in one or more series and in principal amounts necessary or estimated
447 to be necessary for the purposes of section 13b-57h of the general
448 statutes, as amended by this act, and such additional amount of bonds
449 required to fund any debt service and reserve account in accordance
450 with the proceedings authorizing the bonds and the costs of issuance,
451 capitalized interest, if any, and the initial costs and expenses of the
452 administration account, provided, in computing the total amount of
453 bonds which may at any one time be outstanding, the principal
454 amount of any refunding bonds issued to refund bonds shall be
455 excluded. The General Assembly finds that it is an essential
456 governmental function to improve personal mobility and the
457 movement of goods and freight within and through this state, to
458 integrate transportation with economic, land use, environmental and
459 quality of life issues, to integrate the state economy with regional,
460 national and global economies and to provide an adequate and reliable
461 flow of funding necessary for a quality multimodal transportation
462 system, and further finds that the financing of traffic improvements is
463 in the public interest, will achieve a public purpose of reducing overall
464 costs due to traffic congestion and delays, and will thereby foster and
465 promote economic growth, provide employment opportunities for the
466 residents of the state and assist companies by reducing their overall
467 costs of doing business in the state.

468 (b) Bonds issued pursuant to subsection (a) of this section shall be

469 special obligations of the state and shall not be payable from nor
470 charged upon any funds other than the State-Wide Traffic
471 Improvement Fund and revenues pledged to the payment thereof, nor
472 shall the state or any political subdivision thereof be subject to any
473 liability thereon other than from such sources. The issuance of revenue
474 bonds under the provisions of this section, section 13b-57h of the
475 general statutes, as amended by this act, and section 13b-57q of the
476 general statutes, as amended by this act, shall not directly or indirectly
477 or contingently obligate the state or any political subdivision thereof to
478 levy or to pledge any form of taxation whatever therefor or to make
479 any appropriation for their payment other than the appropriation set
480 forth in this section. The bonds shall not constitute a charge, lien or
481 encumbrance, legal or equitable, upon any property of the state or of
482 any political subdivision thereof, except the State-Wide Traffic
483 Improvement Fund and revenues pledged or otherwise encumbered
484 under the provisions and for the purpose of said sections 13b-57h and
485 13b-57q. The substance of this limitation shall be plainly stated on the
486 face of each bond. Revenue bonds issued pursuant to said sections 13b-
487 57h and 13b-57q shall not be subject to any statutory limitation on the
488 indebtedness of the state and the bonds, when issued, shall not be
489 included in computing the aggregate indebtedness of the state in
490 respect to, and to the extent of, any such limitation. As part of the
491 contract of the state with the owners of the revenue bonds, all amounts
492 necessary for the punctual payment of the debt service requirements
493 with respect to the revenue bonds shall be deemed appropriated, but
494 only from the sources pledged pursuant to this section, section 13b-57h
495 of the general statutes, as amended by this act, and section 13b-57q of
496 the general statutes, as amended by this act.

497 (c) The revenue bonds referred to in subsection (a) of this section
498 may be executed and delivered at the time or times, shall be dated,
499 shall bear interest at the rate or rates, shall mature at the time or times
500 not exceeding twenty years from their date, have the rank or priority,
501 be payable in the medium of payment, be issued in coupon or in
502 registered form, or both, carry the registration and transfer privileges

503 and be made redeemable before maturity at the price or prices and
504 under the terms and conditions, all as may be provided by the State
505 Bond Commission. With the exception of subsections (i) and (p) all
506 provisions of section 3-20 of the general statutes, as amended, and the
507 exercise of any right or power granted thereby which are not
508 inconsistent with the provisions of this section, section 13b-57h of the
509 general statutes, as amended by this act, and section 13b-57q of the
510 general statutes, as amended by this act, are hereby adopted and may
511 be invoked in respect to all revenue bonds authorized by the State
512 Bond Commission pursuant to said sections. For the purposes of
513 subsection (o) of said section 3-20, "bond act" includes said sections
514 13b-57h and 13b-57q. None of the revenue bonds shall be authorized,
515 except upon a finding by the State Bond Commission that there has
516 been filed with it a request for authorization, which is signed by or on
517 behalf of the State Treasurer and states the terms and conditions as
518 said commission, in its discretion, may require.

519 (d) The principal of and interest on any bonds issued pursuant to
520 this section, section 13b-57h of the general statutes, as amended by this
521 act, and section 13b-57q of the general statutes, as amended by this act,
522 shall be secured by a pledge of the State-Wide Traffic Improvement
523 Fund and any revenues, receipts, funds or moneys payable to the fund,
524 including any federal grants or advances available for the fund, all as
525 set forth in the proceedings authorizing the bonds pursuant to said
526 sections 13b-57h and 13b-57q. Any pledge made by the state pursuant
527 to said sections 13b-57h and 13b-57q is a pledge within the meaning
528 and for all purposes of title 42a of the general statutes and shall be
529 valid and binding from the time when the pledge is made. Any
530 revenues or other receipts, funds or moneys so pledged and thereafter
531 received by the state shall be subject immediately to the lien of the
532 pledge without any physical delivery thereof or further act. The lien of
533 any pledge shall be valid and binding as against all parties having
534 claims of any kind in tort, contract or otherwise against the state,
535 irrespective of whether the parties have notice of the claims. Neither
536 this section, section 13b-57h of the general statutes, as amended by this

537 act, and section 13b-57q of the general statutes, as amended by this act,
538 the resolution nor any other instrument by which a pledge is created
539 need be recorded.

540 (e) Revenue bonds issued pursuant to this section, section 13b-57h
541 of the general statutes, as amended by this act, and section 13b-57q of
542 the general statutes, as amended by this act, are hereby made securities
543 in which public officers and public bodies of the state and its political
544 subdivisions, all insurance companies, credit unions, savings and loan
545 associations, investment companies, banking associations, trust
546 companies, executors, administrators, trustees and other fiduciaries
547 and pension, profit-sharing and retirement funds may properly and
548 legally invest funds, including capital in their control or belonging to
549 them. The bonds are hereby made securities which may properly and
550 legally be deposited with and received by any state or municipal
551 officer or any agency or political subdivision of the state for any
552 purpose for which the deposit of bonds or other obligations of the state
553 is now or may hereafter be authorized by law.

554 (f) The proceedings under which bonds are authorized to be issued
555 may contain any or all of the following: (1) Provisions respecting
556 custody of the proceeds from the sale of the bonds, including any
557 requirement that the proceeds be deposited in the State-Wide Traffic
558 Improvement Fund and held separate from, or not be commingled
559 with, other funds of the state; (2) provisions for the investment and
560 reinvestment of bond proceeds and after the disposition of any excess
561 bond proceeds or investment earnings thereon; (3) provisions for the
562 execution of reimbursement agreements or similar agreements in
563 connection with credit facilities, including, but not necessarily limited
564 to, letters of credit or policies of bond insurance, remarketing
565 agreements and agreements for the purpose of moderating interest
566 rate fluctuations, and of such other agreements entered into pursuant
567 to section 3-20a of the general statutes; (4) provisions for the collection,
568 custody, investment, reinvestment and use of the pledged revenues or
569 other receipts, funds or moneys pledged therefor as provided in this

570 section, section 13b-57h of the general statutes, as amended by this act,
571 and 13b-57q of the general statutes, as amended by this act; (5)
572 provisions regarding the establishment and maintenance of reserves,
573 sinking funds and any other funds and accounts of the State-Wide
574 Traffic Improvement Fund pursuant to said sections 13b-57h and 13b-
575 57q and in the amounts and on the terms approved by the State Bond
576 Commission in the amounts established by the State Bond
577 Commission; (6) covenants for the establishment of pledged revenue
578 coverage requirements for the bonds; (7) provisions for the issuance of
579 additional bonds on a parity with bonds theretofore issued, including
580 establishment of coverage requirements with respect thereto as
581 provided in this subsection; (8) provisions regarding the rights and
582 remedies available in case of a default to bondowners, noteowners or
583 any trustee under any contract, loan agreement, document, instrument
584 or trust indenture, including the right to appoint a trustee to represent
585 their interests upon occurrence of an event of default, as defined in
586 said proceedings, provided if any revenue bonds are secured by a trust
587 indenture, the respective owners of the bonds shall have no authority,
588 except as set forth in the trust indenture, to appoint a separate trustee
589 to represent them; (9) provisions for the payment of rebate amounts;
590 and (10) provisions of covenants of like or different character from the
591 foregoing which are consistent with this section, section 13b-57h of the
592 general statutes, as amended by this act, and section 13b-57q of the
593 general statutes, as amended by this act, and which the State Bond
594 Commission determines in such proceedings are necessary, convenient
595 or desirable in order to better secure the revenue bonds, or will tend to
596 make the revenue bonds more marketable, and which are in the best
597 interests of the state. Any provision which may be included in
598 proceedings authorizing the issuance of bonds under this subsection
599 may be included in an indenture of trust duly approved in accordance
600 with said sections 13b-57h and 13b-57q, which secures the revenue
601 bonds issued in anticipation thereof, and in such case the provision of
602 the indenture shall be deemed to be a part of the proceedings as
603 though they were expressly included therein.

604 (g) Whether or not any revenue bonds issued pursuant to this
605 section, section 13b-57h of the general statutes, as amended by this act,
606 and section 13b-57q of the general statutes, as amended by this act, are
607 of the form and character to qualify as negotiable instruments under
608 the terms of title 42a of the general statutes, the bonds are hereby made
609 negotiable instruments within the meaning of and for all purposes of
610 said title 42a, subject only to the provisions of the bonds.

611 (h) The state covenants with the purchasers and all subsequent
612 owners and transferees of revenue bonds issued by the state pursuant
613 to this section, section 13b-57h of the general statutes, as amended by
614 this act, and section 13b-57q of the general statutes, as amended by this
615 act, in consideration of the acceptance of and payment for the bonds,
616 that the bonds shall be free at all times from taxes levied by any
617 municipality or political subdivision or special district having taxing
618 powers of the state, and the principal and interest of any bonds issued
619 under the provisions of said sections 13b-57h and 13b-57q, their
620 transfer and the income therefrom, including any profit on the sale or
621 transfer thereof, shall at all times be exempt from any taxation by the
622 state of Connecticut or under its authority, except for estate or
623 succession taxes. The State Treasurer is authorized to include this
624 covenant of the state in any agreement with the owner of any bonds
625 and in any credit facility or reimbursement agreement with respect to
626 the bonds.

627 (i) The state further covenants with the purchasers and all
628 subsequent owners and transferees of bonds issued by the state
629 pursuant to this section, section 13b-57h of the general statutes, as
630 amended by this act, and section 13b-57q of the general statutes, as
631 amended by this act, in consideration of the acceptance of the payment
632 of the bonds, until the bonds, together with the interest thereon, with
633 interest on any unpaid installment of interest and all costs and
634 expenses in connection with any action or proceeding on behalf of the
635 owners, are fully met and discharged or unless expressly permitted or
636 otherwise authorized by the terms of each contract and agreement

637 made or entered into by or on behalf of the state with or for the benefit
638 of such owners, that the state will cause the administrator to impose,
639 charge, raise, levy, collect and apply the pledged revenues, receipts,
640 funds or moneys pledged for the payment of debt service
641 requirements in each year in which bonds are outstanding and further,
642 that the state (1) will not limit or alter the duties imposed on the
643 administrator, the State Treasurer and other officers of the state by the
644 proceedings authorizing the issuance of bonds with respect to
645 application of revenues, receipts, funds or moneys pledged for the
646 payment of debt service requirements; (2) will not issue any bonds,
647 notes or other evidences of indebtedness, other than the bonds, having
648 any rights arising out of said sections 13b-57h and 13b-57q or secured
649 by any pledge of or other lien or charge on the pledged revenues or
650 other receipts, funds or moneys pledged for the payment of debt
651 service requirements; (3) will not create or cause to be created any lien
652 or charge on the pledged amounts, other than a lien or pledge created
653 thereon pursuant to said sections 13b-57h and 13b-57q, provided
654 nothing in this subsection shall prevent the state from issuing
655 evidences of indebtedness (A) which are secured by a pledge or lien
656 which is, and shall on the face thereof, be expressly subordinate and
657 junior in all respects to every lien and pledge created by or pursuant to
658 said sections 13b-57h and 13b-57q; or (B) which are secured by a
659 pledge of or lien on moneys or funds derived on or after the date every
660 pledge or lien thereon created by or pursuant to said sections 13b-57h
661 and 13b-57q shall be discharged and satisfied; (4) will carry out and
662 perform, or cause to be carried out and performed, each and every
663 promise, covenant, agreement or contract made or entered into by the
664 state or on its behalf with the owners of any bonds; (5) will not in any
665 way impair the rights, exemptions or remedies of the owners; and (6)
666 will not limit, modify, rescind, repeal or otherwise alter the rights or
667 obligations of the appropriate officers of the state to impose, maintain,
668 charge or collect the revenues or receipts constituting the pledged
669 revenues as may be necessary to produce sufficient revenues to fulfill
670 the terms of the proceedings authorizing the issuance of the bonds,

671 including pledged revenue coverage requirements, and provided
672 nothing in this subsection shall preclude the state from exercising its
673 power, through a change in law, to limit, modify, rescind, repeal or
674 otherwise alter the character of the pledged assessments or revenues or
675 to substitute like or different sources of taxes, fees, charges or other
676 receipts as pledged revenues if and when adequate provision shall be
677 made by law for the protection of the holders of outstanding bonds
678 pursuant to the proceedings under which the bonds are issued. The
679 State Bond Commission is authorized to include this covenant of the
680 state, as a contract of the state, in any agreement with the owner of any
681 bonds and in any credit facility or reimbursement agreement with
682 respect to the bonds.

683 (j) Pending the use and application of any bond proceeds, the
684 proceeds may be invested by, or at the direction of, the State Treasurer
685 in obligations listed in section 3-20 of the general statutes.

686 (k) Any revenue bonds issued under the provisions of this section,
687 section 13b-57h of the general statutes, as amended by this act, and
688 section 13b-57q of the general statutes, as amended by this act, and at
689 any time outstanding may, at any time and from time to time, be
690 refunded by the state by the issuance of its revenue refunding bonds in
691 whatever amounts the State Bond Commission may deem necessary,
692 but not to exceed an amount sufficient to refund the principal of the
693 revenue bonds to be so refunded, to pay any unpaid interest thereon
694 and any premiums and commissions necessary to be paid in
695 connection therewith and to pay costs and expenses which the State
696 Treasurer may deem necessary or advantageous in connection with the
697 authorization, sale and issuance of refund bonds. Any such refunding
698 may be effected whether the revenue bonds to be refunded shall have
699 matured or shall thereafter mature. All revenue refunding bonds
700 issued hereunder shall be payable solely from the State-Wide Traffic
701 Improvement Fund and revenues or other receipts, funds or moneys
702 out of which the revenue bonds to be refunded thereby are payable
703 and shall be subject to and may be secured in accordance with the

704 provisions of this section.

705 (l) The State Treasurer shall have power, out of any funds available
706 therefor, to purchase revenue bonds issued pursuant to this section,
707 section 13b-57h of the general statutes, as amended by this act, and
708 section 13b-57q of the general statutes, as amended by this act. The
709 State Treasurer may hold, pledge, cancel or resell the bonds, subject to
710 and in accordance with agreements with bondholders.

711 Sec. 13. Section 12-587 of the 2006 supplement to the general statutes
712 is repealed and the following is substituted in lieu thereof (*Effective*
713 *from passage*):

714 (a) As used in this chapter: (1) "Company" includes a corporation,
715 partnership, limited partnership, limited liability company, limited
716 liability partnership, association, individual or any fiduciary thereof;
717 (2) "quarterly period" means a period of three calendar months
718 commencing on the first day of January, April, July or October and
719 ending on the last day of March, June, September or December,
720 respectively; (3) "gross earnings" means all consideration received
721 from the first sale within this state of a petroleum product; (4)
722 "petroleum products" means those products which contain or are
723 made from petroleum or a petroleum derivative; (5) "first sale of
724 petroleum products within this state" means the initial sale of a
725 petroleum product delivered to a location in this state; (6) "export" or
726 "exportation" means the conveyance of petroleum products from
727 within this state to a location outside this state for the purpose of sale
728 or use outside this state; and (7) "sale for exportation" means a sale of
729 petroleum products to a purchaser which itself exports such products.

730 (b) (1) Except as otherwise provided in subdivision (2) of this
731 subsection, any company which is engaged in the refining or
732 distribution, or both, of petroleum products and which distributes
733 such products in this state shall pay a quarterly tax on its gross
734 earnings derived from the first sale of petroleum products within this
735 state. Each company shall on or before the last day of the month next

736 succeeding each quarterly period render to the commissioner a return
737 on forms prescribed or furnished by the commissioner and signed by
738 the person performing the duties of treasurer or an authorized agent or
739 officer, including the amount of gross earnings derived from the first
740 sale of petroleum products within this state for the quarterly period
741 and such other facts as the commissioner may require for the purpose
742 of making any computation required by this chapter. Except as
743 otherwise provided in subdivision (3) of this subsection, the rate of tax
744 shall be (A) five per cent with respect to calendar quarters prior to July
745 1, 2005; (B) five and eight-tenths per cent with respect to calendar
746 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;
747 (C) six and three-tenths per cent with respect to calendar quarters
748 commencing on or after July 1, 2006, and prior to July 1, 2007; (D)
749 seven and three-tenths per cent with respect to calendar quarters
750 commencing on or after July 1, 2007, and prior to July 1, 2008; (E)
751 [seven and one-half] eight and one-tenth per cent with respect to
752 calendar quarters commencing on or after July 1, 2008, and prior to
753 July 1, [2013; and (F)] 2009; (F) eight and [one-tenth] four-tenths per
754 cent with respect to calendar quarters commencing on or after July 1,
755 [2013] 2009, and prior to July 1, 2010; (G) eight and six-tenths per cent
756 with respect to calendar quarters commencing on or after July 1, 2010,
757 and prior to July 1, 2011; (H) eight and nine-tenths per cent with
758 respect to calendar quarters commencing on or after July 1, 2011, and
759 prior to July 1, 2012; (I) nine and one-tenths per cent with respect to
760 calendar quarters commencing on or after July 1, 2012, and prior to
761 July 1, 2013; (J) ten and one-tenths per cent with respect to calendar
762 quarters commencing on or after July 1, 2013, and prior to July 1, 2014;
763 (K) ten and three-tenths per cent with respect to calendar quarters
764 commencing on or after July 1, 2014, and prior to July 1, 2015; (L) ten
765 and six-tenths per cent with respect to calendar quarters commencing
766 on or after July 1, 2015, and prior to July 1, 2016; and (M) ten and eight-
767 tenths per cent with respect to calendar quarters commencing on or
768 after July 1, 2016.

769 (2) Gross earnings derived from the first sale of the following

770 petroleum products within this state shall be exempt from tax: (A) Any
771 petroleum products sold for exportation from this state for sale or use
772 outside this state; (B) the product designated by the American Society
773 for Testing and Materials as "Specification for Heating Oil D396-69",
774 commonly known as number 2 heating oil, to be used exclusively for
775 heating purposes or to be used in a commercial fishing vessel, which
776 vessel qualifies for an exemption pursuant to section 12-412, as
777 amended; (C) kerosene, commonly known as number 1 oil, to be used
778 exclusively for heating purposes, provided delivery is of both number
779 1 and number 2 oil, and via a truck with a metered delivery ticket to a
780 residential dwelling or to a centrally metered system serving a group
781 of residential dwellings; (D) the product identified as propane gas, to
782 be used exclusively for heating purposes; (E) bunker fuel oil,
783 intermediate fuel, marine diesel oil and marine gas oil to be used in
784 any vessel having a displacement exceeding four thousand dead
785 weight tons; (F) for any first sale occurring prior to July 1, 2008,
786 propane gas to be used as a fuel for a motor vehicle; (G) for any first
787 sale occurring on or after July 1, 2002, grade number 6 fuel oil, as
788 defined in regulations adopted pursuant to section 16a-22c, to be used
789 exclusively by a company which, in accordance with census data
790 contained in the Standard Industrial Classification Manual, United
791 States Office of Management and Budget, 1987 edition, is included in
792 code classifications 2000 to 3999, inclusive, or in Sector 31, 32 or 33 in
793 the North American Industrial Classification System United States
794 Manual, United States Office of Management and Budget, 1997 edition;
795 (H) for any first sale occurring on or after July 1, 2002, number 2
796 heating oil to be used exclusively in a vessel primarily engaged in
797 interstate commerce, which vessel qualifies for an exemption under
798 section 12-412, as amended; (I) for any first sale occurring on or after
799 July 1, 2000, paraffin or microcrystalline waxes; or (J) for any first sale
800 occurring prior to July 1, 2008, petroleum products to be used as a fuel
801 for a fuel cell, as defined in subdivision (113) of section 12-412, as
802 amended.

803 (3) The rate of tax on gross earnings derived from the first sale of

804 grade number 6 fuel oil, as defined in regulations adopted pursuant to
805 section 16a-22c, to be used exclusively by a company which, in
806 accordance with census data contained in the Standard Industrial
807 Classification Manual, United States Office of Management and
808 Budget, 1987 edition, is included in code classifications 2000 to 3999,
809 inclusive, or in Sector 31, 32 or 33 in the North American Industrial
810 Classification System United States Manual, United States Office of
811 Management and Budget, 1997 edition, or number 2 heating oil used
812 exclusively in a vessel primarily engaged in interstate commerce,
813 which vessel qualifies for an exemption under section 12-412, as
814 amended, shall be: (A) Four per cent with respect to calendar quarters
815 commencing on or after July 1, 1998, and prior to July 1, 1999; (B) three
816 per cent with respect to calendar quarters commencing on or after July
817 1, 1999, and prior to July 1, 2000; (C) two per cent with respect to
818 calendar quarters commencing on or after July 1, 2000, and prior to
819 July 1, 2001; and (D) one per cent with respect to calendar quarters
820 commencing on or after July 1, 2001, and prior to July 1, 2002.

821 (c) (1) Any company which imports or causes to be imported into
822 this state petroleum products for sale, use or consumption in this state,
823 other than a company subject to and having paid the tax on such
824 company's gross earnings from first sales of petroleum products
825 within this state, which earnings include gross earnings attributable to
826 such imported or caused to be imported petroleum products, in
827 accordance with subsection (b) of this section, shall pay a quarterly tax
828 on the consideration given or contracted to be given for such
829 petroleum product if the consideration given or contracted to be given
830 for all such deliveries during the quarterly period for which such tax is
831 to be paid exceeds three thousand dollars. Except as otherwise
832 provided in subdivision (3) of this subsection, the rate of tax shall be
833 (A) five per cent with respect to calendar quarters commencing prior to
834 July 1, 2005; (B) five and eight-tenths per cent with respect to calendar
835 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;
836 (C) six and three-tenths per cent with respect to calendar quarters
837 commencing on or after July 1, 2006, and prior to July 1, 2007; (D)

838 seven and three-tenths per cent with respect to calendar quarters
839 commencing on or after July 1, 2007, and prior to July 1, 2008; (E)
840 [seven and one-half] eight and one-tenth per cent with respect to
841 calendar quarters commencing on or after July 1, 2008, and prior to
842 July 1, [2013; and (F)] 2009; (F) eight and [one-tenth] four-tenths per
843 cent with respect to calendar quarters commencing on or after July 1,
844 [2013] 2009, and prior to July 1, 2010; (G) eight and six-tenths per cent
845 with respect to calendar quarters commencing on or after July 1, 2010,
846 and prior to July 1, 2011; (H) eight and nine-tenths per cent with
847 respect to calendar quarters commencing on or after July 1, 2011, and
848 prior to July 1, 2012; (I) nine and one-tenths per cent with respect to
849 calendar quarters commencing on or after July 1, 2012, and prior to
850 July 1, 2013; (J) ten and one-tenths per cent with respect to calendar
851 quarters commencing on or after July 1, 2013, and prior to July 1, 2014;
852 (K) ten and three-tenths per cent with respect to calendar quarters
853 commencing on or after July 1, 2014, and prior to July 1, 2015; (L) ten
854 and six-tenths per cent with respect to calendar quarters commencing
855 on or after July 1, 2015, and prior to July 1, 2016; and (M) ten and eight-
856 tenths per cent with respect to calendar quarters commencing on or
857 after July 1, 2016. Fuel in the fuel supply tanks of a motor vehicle,
858 which fuel tanks are directly connected to the engine, shall not be
859 considered a delivery for the purposes of this subsection.

860 (2) Consideration given or contracted to be given for petroleum
861 products, gross earnings from the first sale of which are exempt from
862 tax under subdivision (2) of subsection (b) of this section, shall be
863 exempt from tax.

864 (3) The rate of tax on consideration given or contracted to be given
865 for grade number 6 fuel oil, as defined in regulations adopted
866 pursuant to section 16a-22c, to be used exclusively by a company
867 which, in accordance with census data contained in the Standard
868 Industrial Classification Manual, United States Office of Management
869 and Budget, 1987 edition, is included in code classifications 2000 to
870 3999, inclusive, or in Sector 31, 32 or 33 in the North American

871 Industrial Classification System United States Manual, United States
872 Office of Management and Budget, 1997 edition, or number 2 heating
873 oil used exclusively in a vessel primarily engaged in interstate
874 commerce, which vessel qualifies for an exemption under section 12-
875 412, as amended, shall be: (A) Four per cent with respect to calendar
876 quarters commencing on or after July 1, 1998, and prior to July 1, 1999;
877 (B) three per cent with respect to calendar quarters commencing on or
878 after July 1, 1999, and prior to July 1, 2000; (C) two per cent with
879 respect to calendar quarters commencing on or after July 1, 2000, and
880 prior to July 1, 2001; and (D) one per cent with respect to calendar
881 quarters commencing on or after July 1, 2001, and prior to July 1, 2002.

882 (d) The amount of tax reported to be due on such return shall be
883 due and payable on or before the last day of the month next
884 succeeding the quarterly period. The tax imposed under the provisions
885 of this chapter shall be in addition to any other tax imposed by this
886 state on such company.

887 (e) For the purposes of this chapter, the gross earnings of any
888 producer or refiner of petroleum products operating a service station
889 along the highways or interstate highways within the state pursuant to
890 a contract with the Department of Transportation or operating a
891 service station which is used as a training or test marketing center
892 under the provisions of subsection (b) of section 14-344d, shall be
893 calculated by multiplying the volume of petroleum products delivered
894 by any producer or refiner to any such station by such producer's or
895 refiner's dealer tank wagon price or dealer wholesale price in the area
896 of the service station.

897 Sec. 14. Section 13b-61a of the 2006 supplement to the general
898 statutes is repealed and the following is substituted in lieu thereof
899 (*Effective from passage*):

900 (a) Notwithstanding the provisions of section 13b-61, as amended:
901 (1) For calendar quarters ending on or after September 30, 1998, and
902 prior to September 30, 1999, the Commissioner of Revenue Services

903 shall deposit into the Special Transportation Fund established under
904 section 13b-68 five million dollars of the amount of funds received by
905 the state from the tax imposed under section 12-587, as amended by
906 this act, on the gross earnings from the sales of petroleum products
907 attributable to sales of motor vehicle fuel; (2) for calendar quarters
908 ending September 30, 1999, and prior to September 30, 2000, the
909 commissioner shall deposit into the Special Transportation Fund nine
910 million dollars of the amount of such funds received by the state from
911 the tax imposed under said section 12-587 on the gross earnings from
912 the sales of petroleum products attributable to sales of motor vehicle
913 fuel; (3) for calendar quarters ending September 30, 2000, and prior to
914 September 30, 2002, the commissioner shall deposit into the Special
915 Transportation Fund eleven million five hundred thousand dollars of
916 the amount of such funds received by the state from the tax imposed
917 under said section 12-587, on the gross earnings from the sales of
918 petroleum products attributable to sales of motor vehicle fuel; (4) for
919 the calendar quarters ending September 30, 2002, and prior to
920 September 30, 2003, the commissioner shall deposit into the Special
921 Transportation Fund, five million dollars of the amount of such funds
922 received by the state from the tax imposed under said section 12-587
923 on the gross earnings from the sales of petroleum products attributable
924 to sales of motor vehicle fuel; (5) for the calendar quarter ending
925 September 30, 2003, and each calendar quarter thereafter, the
926 commissioner shall deposit into the Special Transportation Fund, five
927 million two hundred fifty thousand dollars of the amount of such
928 funds received by the state from the tax imposed under said section 12-
929 587 on the gross earnings from the sales of petroleum products
930 attributable to sales of motor vehicle fuel; (6) for the calendar quarters
931 ending September 30, 2005, and prior to September 30, 2006, the
932 commissioner shall deposit into the Special Transportation Fund ten
933 million eight hundred and seventy-five thousand dollars of the
934 amount of such funds received by the state from the tax imposed
935 under said section 12-587 on the gross earnings from the sales of
936 petroleum products attributable to sales of motor vehicle fuel; (7) for

937 the calendar quarters ending September 30, 2006, and prior to
938 September 30, 2007, the commissioner shall deposit into the Special
939 Transportation Fund fifteen million two hundred fifty thousand
940 dollars of the amount of such funds received by the state from the tax
941 imposed under said section 12-587 on the gross earnings from the sales
942 of petroleum products attributable to sales of motor vehicle fuel; (8) for
943 the calendar quarters ending September 30, 2007, and prior to
944 September 30, 2008, the commissioner shall deposit into the Special
945 Transportation Fund twenty-one million dollars of the amount of such
946 funds received by the state from the tax imposed under said section 12-
947 587 on the gross earnings from the sales of petroleum products
948 attributable to sales of motor vehicle fuel; (9) for the calendar quarters
949 ending September 30, 2008, and prior to September 30, 2013, the
950 commissioner shall deposit into the Special Transportation Fund
951 twenty-five million two hundred twenty-five thousand dollars of the
952 amount of such funds received by the state from the tax imposed
953 under said section 12-587 on the gross earnings from the sales of
954 petroleum products attributable to sales of motor vehicle fuel; and (10)
955 for the calendar quarters ending on and after September 30, 2013, the
956 commissioner shall deposit into the Special Transportation Fund
957 twenty-nine million eight hundred fifty thousand dollars of the
958 amount of such funds received by the state from the tax imposed
959 under said section 12-587 on the gross earnings from the sales of
960 petroleum products attributable to sales of motor vehicle fuel.

961 (b) For calendar quarters ending September 30, 2006, and each
962 calendar quarter thereafter, the commissioner shall deposit into the
963 State-Wide Traffic Improvements Fund, established pursuant to
964 section 9 of this act, ___ dollars of the amount of such funds received
965 by the state from the tax imposed in section 12-587, as amended by this
966 act, on the gross earnings from the sales of petroleum products
967 attributable to sales of motor vehicle fuel.

968 (c) On and after July 1, 2006, all moneys received or collected by the
969 state or any officer thereof on account of, or derived from, section 12-

970 458 in excess of the amounts deposited pursuant to subsections (a) and
971 (b) of this section, shall be credited by the State Treasurer to the State-
972 Wide Traffic Improvement Fund, established pursuant to section 9 of
973 this act.

974 [(b)] (d) If in any calendar quarter receipts from the tax imposed
975 under section 12-587, as amended by this act, are less than the total of
976 (1) the amount required to be transferred pursuant to the Special
977 Transportation Fund pursuant to subsection (a) of this section, [and]
978 (2) the amount required to be transferred to the State-Wide Traffic
979 Improvements Fund pursuant to subsection (b) of this section, and (3)
980 any other transfers required by law, the commissioner shall certify to
981 the Treasurer the amount of such shortfall. Upon receipt of such
982 certification the Treasurer shall forthwith transfer an amount equal to
983 such shortfall from the resources of the General Fund into the Special
984 Transportation Fund or into the State-Wide Traffic Improvements
985 Fund, as applicable.

986 Sec. 15. Subdivision (1) of subsection (b) of section 13b-61 of the 2006
987 supplement to the general statutes is repealed and the following is
988 substituted in lieu thereof (*Effective from passage*):

989 (1) On and after July 1, 1984, all moneys received or collected by the
990 state or any officer thereof on account of, or derived from, [sections 12-
991 458 and] section 12-479, provided the State Comptroller is authorized
992 to record as revenue to the General Fund for the fiscal year ending
993 June 30, 1984, the amount of tax levied in accordance with said sections
994 12-458 and 12-479, on all fuel sold or used prior to the end of said fiscal
995 year and which tax is received no later than July 31, 1984;

996 Sec. 16. Subsection (a) of section 13b-69 of the general statutes is
997 repealed and the following is substituted in lieu thereof (*Effective from*
998 *passage*):

999 (a) The Treasurer shall apply the resources in the Special
1000 Transportation Fund, upon their receipt, first, to pay or provide for the

1001 payment of debt service requirements, as defined in section 13b-75, at
 1002 such time or times, in such amount or amounts and in such manner, as
 1003 provided by the proceedings authorizing the issuance of special tax
 1004 obligation bonds pursuant to sections 13b-74 to 13b-77, inclusive, as
 1005 amended, and then to pay from the Transportation Strategy Board
 1006 projects account of the [Special Transportation Fund] the State-Wide
 1007 Traffic Improvements Fund, established under section [13b-57r] 9 of
 1008 this act, the incremental revenues identified in approved annual
 1009 financing plans for cash funding in accordance with the provisions of
 1010 section 13b-57q, as amended.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	4-65a(b)
Sec. 2	<i>from passage</i>	13b-57e
Sec. 3	<i>from passage</i>	13b-57g(k)
Sec. 4	<i>from passage</i>	13b-57h
Sec. 5	<i>from passage</i>	13b-57i
Sec. 6	<i>from passage</i>	13b-57j
Sec. 7	<i>from passage</i>	13b-57q
Sec. 8	<i>from passage</i>	13b-57r(a)
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section
Sec. 13	<i>from passage</i>	12-587
Sec. 14	<i>from passage</i>	13b-61a
Sec. 15	<i>from passage</i>	13b-61(b)(1)
Sec. 16	<i>from passage</i>	13b-69(a)

Statement of Purpose:

To improve state-wide transportation.

[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.]