



General Assembly

**Amendment**

February Session, 2006

LCO No. 5140

\*HB0544705140SR0\*

Offered by:

SEN. RORABACK, 30<sup>th</sup> Dist.

SEN. HERLIHY, 8<sup>th</sup> Dist.

To: Subst. House Bill No. 5447

File No. 174

Cal. No. 460

**"AN ACT CONCERNING ENCROACHMENT ON OPEN SPACE LANDS."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Subsection (a) of section 4-30a of the general statutes is  
4 repealed and the following is substituted in lieu thereof (*Effective July*  
5 *1, 2006*):

6 (a) After the accounts for the General Fund have been closed for  
7 each fiscal year and the Comptroller has determined the amount of  
8 unappropriated surplus in said fund, after any amounts required by  
9 provision of law to be transferred for other purposes have been  
10 deducted, the amount of such surplus shall be transferred by the State  
11 Treasurer as follows: (1) Ten per cent to the Department of Agriculture  
12 for the purchase or preservation of open space or farmland, and (2)  
13 ninety per cent to a special fund to be known as the Budget Reserve  
14 Fund. When the amount in said fund equals ten per cent of the net

15 General Fund appropriations for the fiscal year in progress, no further  
16 transfers shall be made by the Treasurer to said fund and the amount  
17 of such surplus in excess of that transferred to said fund shall be  
18 deemed to be appropriated to the State Employees Retirement Fund, in  
19 addition to the contributions required pursuant to section 5-156a, but  
20 not exceeding five per cent of the unfunded past service liability of the  
21 system as set forth in the most recent actuarial valuation certified by  
22 the Retirement Commission. Such surplus in excess of the amounts  
23 transferred to the Department of Agriculture, the Budget Reserve Fund  
24 and the state employees retirement system shall be deemed to be  
25 appropriated for: (1) Redeeming prior to maturity any outstanding  
26 indebtedness of the state selected by the Treasurer in the best interests  
27 of the state; (2) purchasing outstanding indebtedness of the state in the  
28 open market at such prices and on such terms and conditions as the  
29 Treasurer shall determine to be in the best interests of the state for the  
30 purpose of extinguishing or defeasing such debt; (3) providing for the  
31 defeasance of any outstanding indebtedness of the state selected by the  
32 Treasurer in the best interests of the state by irrevocably placing with  
33 an escrow agent in trust an amount to be used solely for, and sufficient  
34 to satisfy, scheduled payments of both interest and principal on such  
35 indebtedness; or (4) any combination of these methods. Pending the  
36 use or application of such amount for the payment of interest and  
37 principal, such amount may be invested in (A) direct obligations of the  
38 United States government, including state and local government  
39 treasury securities that the United States Treasury issues specifically to  
40 provide state and local governments with required cash flows at yields  
41 that do not exceed Internal Revenue Service arbitrage limits, (B)  
42 obligations guaranteed by the United States government, and (C)  
43 securities backed by United States government obligations as collateral  
44 and for which interest and principal payments on the collateral  
45 generally flow immediately through to the security holder."