



# Senate

General Assembly

**File No. 719**

*January Session, 2007*

Substitute Senate Bill No. 125

*Senate, May 3, 2007*

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

## ***AN ACT CONCERNING THE CONNECTICUT STATE UNIVERSITY SYSTEM INFRASTRUCTURE ACT.***

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

1 Section 1. (NEW) (*Effective from passage*) Sections 1 to 5, inclusive, of  
2 this act is known and may be cited as "The Connecticut State  
3 University System Infrastructure Act".

4 Sec. 2. (NEW) (*Effective from passage*) The purpose of The  
5 Connecticut State University System Infrastructure Act is to enhance  
6 the intellectual capacity of the state by providing the infrastructure  
7 needed to prepare the state's present and future workforce, to  
8 contribute to the increased competitiveness of the state's businesses  
9 and to have a positive impact on economic development within the  
10 state, through a special capital improvement program established for  
11 the Connecticut State University system that assures a state  
12 commitment to support the financing of the acquisition, construction,  
13 reconstruction, improvement and equipping of facilities, structures

14 and related systems for the benefit of the state and the Connecticut  
15 State University system, all to the public benefit and good, and the  
16 exercise of the powers, to the extent and manner provided in The  
17 Connecticut State University System Infrastructure Act, is declared to  
18 be for a public purpose and to be the exercise of an essential  
19 government function. Sections 2 to 5, inclusive, of this act, being  
20 necessary for the welfare of the state and its inhabitants, shall be  
21 liberally construed to effect the purposes thereof.

22 Sec. 3. (NEW) (*Effective from passage*) As used in sections 2 to 5,  
23 inclusive, of this act, unless the context otherwise indicates, the  
24 following terms have the following meanings:

25 (1) "Act" means The Connecticut State University System  
26 Infrastructure Act.

27 (2) "Board of trustees" means the Board of Trustees of the  
28 Connecticut State University System.

29 (3) "Cost", as applied to a project or any portion of a project,  
30 includes, but is not limited to: The purchase price or acquisition cost of  
31 any such project; the cost of planning, designing, constructing,  
32 building, altering, enlarging, reconstructing, renovating, improving,  
33 equipping and remodeling; the cost of all labor, materials, building  
34 systems, machinery and equipment; the cost of all lands, structures,  
35 real or personal property, rights, easements and franchises acquired;  
36 the cost of all utility extensions, access roads, site developments,  
37 financing charges, premiums for insurance; the cost of working capital  
38 related to a project, including the cost of administrative functions  
39 provided for in subsection (e) of section 4 of this act and the cost of  
40 building or building project inspections provided for in subsection (f)  
41 of section 4 of this act; the cost of plans and specifications, surveys and  
42 estimates of cost and of revenues; the cost of accountants, audits,  
43 engineering, feasibility studies, legal and other professional consulting  
44 or technical services; the cost of all other expenses necessary or  
45 incident to determining the feasibility or practicability of such  
46 construction; and administrative and operating expenses and such

47 other expenses as may be necessary or incidental to the financing  
48 authorized by sections 2 to 5, inclusive, of this act.

49 (4) "CSUS 2020" means the projects at the system universities and  
50 system-wide identified in the facilities plan necessary to modernize,  
51 rehabilitate, renew, expand and otherwise stabilize the physical plant  
52 of the system so as to provide a concentrated, accelerated and  
53 cooperative effort for the benefit of the educational and economic  
54 development needs of the state and the system in an efficient, cost  
55 effective and timely manner and to assure that the system continues to  
56 compete successfully for students, faculty and staff.

57 (5) "CSUS 2020 Fund" means the fund created under section 4 of this  
58 act which shall be a general obligation bond fund held and  
59 administered by the treasurer separate and apart from all other general  
60 obligation bond funds and accounts of the state and into which the  
61 proceeds of the bonds authorized by section 5 of this act shall be  
62 deposited.

63 (6) "Facilities plan" means the long-term capital improvement plan  
64 approved by the board of trustees biennially and updated from time to  
65 time.

66 (7) "Governor" means the Governor of the state.

67 (8) "Project" means (A) any structure designed for use as an  
68 academic building, administrative facility, library, classroom building,  
69 faculty facility, office facility, athletic or recreation facility, health care  
70 or wellness facility, laboratory facility, auditorium, public safety  
71 facility, parking facility, residence hall or other housing facility, dining  
72 facility, student center, maintenance, storage or utility facility or other  
73 building or structure essential, necessary or useful for the operation of  
74 a university and the system; (B) any multipurpose structure designed  
75 to combine two or more of the functions performed by the types of  
76 structures enumerated in this definition, including, without limitation,  
77 improvements, reconstruction, replacements, additions and equipment  
78 acquired in connection with a project or in connection with the

79 operation of any facilities of the system existing on the effective date of  
80 this act; (C) all real and personal property, lands, improvements,  
81 driveways, roads, approaches, pedestrian access roads, parking lots,  
82 parking facilities, rights-of-way, utilities, easements and other interests  
83 in land, machinery and equipment, and all appurtenances and facilities  
84 either on, above or under the ground that are used or usable in  
85 connection with any of the structures included in this definition; and  
86 (D) landscaping, site preparation, furniture, machinery, equipment  
87 and other similar items necessary or convenient for the operation of a  
88 particular facility or structure in the manner for which its use is  
89 intended, but does not include items that are customarily under  
90 applicable accounting principles considered as a current operating  
91 charge, unless the category and maximum amount thereof is  
92 specifically included by a determination of the board of trustees in  
93 order to preserve the excludability of the interest on the bonds issued  
94 therefor from federal taxation under the applicable provisions of the  
95 Internal Revenue Code of 1986, or any subsequent corresponding  
96 internal revenue code of the United States as from time to time  
97 amended. Notwithstanding the preceding sentence, "project" may  
98 include any residential or other auxiliary service facility, as defined in  
99 subsection (a) of section 10a-89c of the general statutes, as amended by  
100 this act, and any state facility used for the programs of the system.

101 (9) "Secretary" means the Secretary of the Office of Policy and  
102 Management.

103 (10) "State" means the state of Connecticut.

104 (11) "State Bond Commission" means the commission established  
105 and existing pursuant to subsection (c) of section 3-20 of the general  
106 statutes, as the same may from time to time be amended, or any  
107 successor to such commission.

108 (12) "System" means the Connecticut State University system, a  
109 constituent unit of the state system of higher education comprised of  
110 Western Connecticut State University, Southern Connecticut State  
111 University, Eastern Connecticut State University and Central

112 Connecticut State University, established pursuant to sections 10a-87  
113 to 10a-101, inclusive, of the general statutes.

114 (13) "Treasurer" means the State Treasurer or the Deputy State  
115 Treasurer appointed pursuant to section 3-12 of the general statutes.

116 (14) "University" means any one of Western Connecticut State  
117 University, Southern Connecticut State University, Eastern  
118 Connecticut State University or Central Connecticut State University.

119 Sec. 4. (NEW) (*Effective from passage*) (a) It is hereby determined and  
120 found to be in the best interest of the state and the system to establish  
121 CSUS 2020 as the efficient and cost effective course to achieve the  
122 objective of renewing, modernizing, enhancing, expanding, acquiring  
123 and maintaining the infrastructure of the system.

124 (b) The plan of funding CSUS 2020 shall be from the proceeds of  
125 general obligation bonds of the state in an amount authorized  
126 pursuant to subsection (a) of section 5 of this act. The proceeds of the  
127 general obligation bonds issued pursuant to section 5 of this act shall  
128 be deposited into the CSUS 2020 Fund.

129 (c) With respect to CSUS 2020 and within the authorized funding  
130 amount, the board of trustees may, from time to time, and shall  
131 whenever appropriate or necessary, revise, delete or add a project or  
132 projects to the facilities plan. Further, with respect to CSUS 2020 and  
133 subject to the limitations in the authorized funding amount, the board  
134 of trustees may determine the sequencing and timing of such project or  
135 projects, revise estimates of costs and reallocate amounts for one or  
136 more projects to one or more other projects then constituting a  
137 component of CSUS 2020 so long as, at the time of such reallocation,  
138 the board of trustees has found that any such project to which a  
139 reallocation is made has been revised or added in accordance with this  
140 subsection and such project from which a reallocation is made either  
141 has been so revised or added and can be completed within the  
142 amounts remaining allocated to the project, or has been so deleted. The  
143 board of trustees' actions under this section shall be included in the

144 reports to the Governor and the General Assembly under subsection  
145 (d) of this section.

146 (d) Not later than January 1, 2009, and annually thereafter, the  
147 board of trustees shall report to the Governor and the joint standing  
148 committees of the General Assembly having cognizance of matters  
149 relating to finance, revenue and bonding, higher education and  
150 employment advancement, and other appropriate committees of  
151 cognizance as may be determined from time to time, on the status and  
152 progress of CSUS 2020. Each report shall include, but not be limited to,  
153 information on the number of projects and bonds authorized,  
154 approved and issued hereunder including, relative to such projects,  
155 project costs, timeliness of completion and any issues that have  
156 developed in implementation, and a schedule of projects remaining  
157 and their expected costs. For purposes of preparing each report, upon  
158 request of the board of trustees, the Treasurer shall promptly provide  
159 information concerning bonds authorized, approved and issued under  
160 this act.

161 (e) In accordance with the provisions of chapters 59 and 60 of the  
162 general statutes, the Commissioner of Public Works shall be  
163 responsible for the duties as specified in said provisions, and, on a  
164 quarterly basis, the commissioner shall provide the chancellor of the  
165 system with information needed for compliance with subsection (d) of  
166 this section, including, but not limited to, costs, timeliness of  
167 completion of projects and any issues that have developed in  
168 implementation of any project under the commissioner's jurisdiction.

169 (f) The Commissioner of Public Safety and the chancellor of the  
170 system shall enter into and maintain a memorandum of understanding  
171 that shall provide for the assignment of personnel from the  
172 Department of Public Safety to ensure that buildings or projects that  
173 are part of the CSUS 2020 program are designed and constructed in  
174 compliance with the Fire Safety Code and the State Building Code.

175 Sec. 5. (*Effective from passage*) (a) The State Bond Commission shall  
176 approve the CSUS 2020 program and authorize the issuance of bonds

177 of the state in principal amounts not exceeding in the aggregate one  
 178 billion two hundred fifty-two million four hundred eighty-five  
 179 thousand eight hundred forty-nine dollars. The amount provided for  
 180 the issuance and sale of bonds in accordance with this section shall be  
 181 capped in each fiscal year in the following amounts, provided, to the  
 182 extent the board of trustees, or the Governor acting pursuant to  
 183 subsection (d) of this section, does not provide for the issuance of all or  
 184 a portion of such amount in a fiscal year, all or such portion, as the  
 185 case may be, shall be carried forward and added to the capped amount  
 186 for the next succeeding fiscal year, and provided further, the costs of  
 187 issuance and capitalized interest, if any, may be added to the capped  
 188 amount in each fiscal year, and each of the authorized amounts shall  
 189 be effective on July first of the fiscal year indicated as follows:

T1	Fiscal Year	Amount
T2		
T3	2008	\$84,484,000
T4	2009	90,740,000
T5	2010	91,483,849
T6	2011	111,002,000
T7	2012	144,384,000
T8	2013	122,493,000
T9	2014	87,135,000
T10	2015	98,790,000
T11	2016	107,376,000
T12	2017	124,025,000
T13	2018	99,455,000
T14	2019	91,118,000
T15		
T16	Total	\$1,252,485,849

190 (b) The State Bond Commission shall approve a memorandum of  
 191 understanding between the board of trustees and the state, acting by  
 192 and through the Secretary and the Treasurer, providing for the  
 193 issuance of said bonds for the purposes of this act, including  
 194 provisions regarding the extent to which federal, private or other  
 195 moneys then available or thereafter to be made available for costs  
 196 should be added to the proceeds of the bonds authorized pursuant to

197 this act for such project or projects. The memorandum of  
198 understanding shall be deemed to satisfy the provisions of section 3-20  
199 of the general statutes and the exercise of any right or power granted  
200 thereby which is not inconsistent with the provisions of this act.

201 (c) All bonds issued pursuant to this act shall be general obligations  
202 of the state and the full faith and credit of the state of Connecticut are  
203 pledged for the payment of the principal of and interest on said bonds  
204 as the same become due, and accordingly and as part of the contract of  
205 the state with the holders of said bonds, appropriation of all amounts  
206 necessary for punctual payment of such principal and interest is  
207 hereby made, and the Treasurer shall pay such principal and interest  
208 as the same become due.

209 (d) (1) On or before the first day of March in each year, the board of  
210 trustees shall submit to the Governor through the Secretary the most  
211 recently approved facilities plan and a request that the Governor  
212 approve the issuance of bonds for the CSUS 2020 program for the fiscal  
213 year beginning on July first of that year. If the Governor, as of the date  
214 of such submission, (A) has modified budgeted agency allotment  
215 requisitions or allotments in force for the current fiscal year pursuant  
216 to subsection (b) of section 4-85 of the general statutes, or (B) has  
217 received, pursuant to subsection (b) of section 2-27b of the general  
218 statutes, a certification from the Treasurer that the aggregate amount  
219 of state indebtedness has reached ninety per cent of the statutory debt  
220 limit, the Governor may, upon the recommendation of the Secretary  
221 and not later than the thirty days after such submission, disapprove all  
222 or part of the amount of bonds requested to be issued by notifying the  
223 board of trustees in writing of the Governor's disapproval and the  
224 reasons for it. If the Governor does not act within such thirty-day  
225 period, the request is deemed approved.

226 (2) Subject to the amount of limitations of such capping provisions  
227 in subsection (a) of this section and following the approval or deemed  
228 approval of the request to issue bonds as provided in subdivision (1) of  
229 this subsection, the principal amount of the bonds authorized under

230 this section shall be deemed to be an appropriation and allocation of  
231 such amount, and such approval of such request shall be deemed the  
232 allotment by the Governor of such capital outlays within the meaning  
233 of section 4-85 of the general statutes.

234 Sec. 6. Section 20 of public act 99-242, as amended by section 47 of  
235 public act 00-167, section 61 of special act 02-1 of the May 9 special  
236 session and section 83 of special act 04-2 of the May special session, is  
237 amended to read as follows (*Effective from passage*):

238 The State Bond Commission shall have power, in accordance with  
239 the provisions of sections 20 to 26, inclusive, of public act 99-242, from  
240 time to time, to authorize the issuance of bonds of the state in one or  
241 more series and in principal amounts in the aggregate, not exceeding  
242 ~~[\$218,727,700]~~ \$218,596,029.

243 Sec. 7. Subparagraph (B) of subdivision (1) of subsection (k) of  
244 section 21 of public act 99-242 is amended to read as follows (*Effective*  
245 *from passage*):

246 Land acquisition and related development costs, not exceeding  
247 ~~[\$1,000,000]~~ \$943,429.

248 Sec. 8. Subparagraph (C) of subdivision (3) of subsection (k) of  
249 section 21 of public act 99-242 is amended to read as follows (*Effective*  
250 *from passage*):

251 Planning for new campus police station, not exceeding ~~[\$212,000]~~  
252 \$136,900.

253 Sec. 9. Section 1 of special act 01-2 of the June special session, as  
254 amended by section 5 of special act 01-1 of the November 15 special  
255 session, section 74 of special act 02-1 of the May 9 special session and  
256 section 94 of special act 04-2 of the May special session, is amended to  
257 read as follows (*Effective from passage*):

258 The State Bond Commission shall have power, in accordance with  
259 the provisions of sections 1 to 7, inclusive, of special act 01-2 of the

260 June special session, from time to time to authorize the issuance of  
261 bonds of the state in one or more series and in principal amounts in the  
262 aggregate, not exceeding [~~\$484,883,595~~] \$484,130,595.

263 Sec. 10. Subparagraph (C) of subdivision (1) of subsection (j) of  
264 section 2 of special act 01-2 of the June special session is amended to  
265 read as follows (*Effective from passage*):

266 Land and property acquisition, not exceeding [~~\$4,000,000~~]  
267 \$3,247,000.

268 Sec. 11. Section 16 of special act 01-2 of the June special session, as  
269 amended by section 91 of special act 02-1 of the May 9 special session  
270 and section 103 of special act 04-2 of the May special session, is  
271 amended to read as follows (*Effective from passage*):

272 The State Bond Commission shall have power, in accordance with  
273 the provisions of sections 16 to 22, inclusive, of special act 01-2 of the  
274 June special session, from time to time to authorize the issuance of  
275 bonds of the state in one or more series and in principal amounts in the  
276 aggregate, not exceeding [~~\$159,545,100~~] \$158,074,100.

277 Sec. 12. Subparagraph (B) of subdivision (5) of subsection (g) of  
278 section 17 of special act 01-2 of the June special session is repealed.  
279 (*Effective from passage*)

280 Sec. 13. Section 1 of special act 04-2 of the May special session, as  
281 amended by section 91 of special act 05-1 of the June special session, is  
282 amended to read as follows (*Effective from passage*):

283 The State Bond Commission shall have power, in accordance with  
284 the provisions of sections 1 to 7, inclusive, of special act 04-2 of the  
285 May special session, from time to time to authorize the issuance of  
286 bonds of the state in one or more series and in principal amounts in the  
287 aggregate, not exceeding [~~\$242,577,339~~] \$238,036,871.

288 Sec. 14. Subparagraph (B) of subdivision (1) of subsection (k) of  
289 section 2 of special act 04-2 of the May 2004 special session is amended

290 to read as follows (*Effective from passage*):

291 Alterations, repairs and improvements-Auxiliary Services buildings,  
292 not exceeding [\$5,000,000] \$3,870,000.

293 Sec. 15. Subparagraph (C) of subdivision (1) of subsection (k) of  
294 section 2 of special act 04-2 of the May 2004 special session is amended  
295 to read as follows (*Effective from passage*):

296 System telecom infrastructure upgrades, improvements and  
297 expansions, not exceeding [\$1,921,000] \$76,561.

298 Sec. 16. Subparagraph (D) of subdivision (1) of subsection (k) of  
299 section 2 of special act 04-2 of the May 2004, special session is repealed.  
300 (*Effective from passage*)

301 Sec. 17. Subparagraph (A) of subdivision (2) of subsection (k) of  
302 section 2 of special act 04-2 of the May 2004 special session is amended  
303 to read as follows (*Effective from passage*):

304 Alterations, renovations and improvements to facilities, including  
305 fire, safety, energy conservation and code compliance improvements,  
306 not exceeding [\$743,000] \$426,301.

307 Sec. 18. Subparagraph (B) of subdivision (2) of subsection (k) of  
308 section 2 of special act 04-2 of the May 2004 special session is amended  
309 to read as follows (*Effective from passage*):

310 Davidson/Marcus White fire code improvements, not exceeding  
311 [\$417,000] \$146,000.

312 Sec. 19. Subparagraph (C) of subdivision (2) of subsection (k) of  
313 section 2 of special act 04-2 of the May 2004, special session is repealed.  
314 (*Effective from passage*)

315 Sec. 20. Subdivision (3) of subsection (k) of section 2 of special act  
316 04-2 of the May 2004 special session is amended to read as follows  
317 (*Effective from passage*):

318 At Western Connecticut State University: Alterations, renovations  
319 and improvements to facilities, including fire, safety, energy  
320 conservation and code compliance improvements, not exceeding  
321 [\$980,000] \$701,670.

322 Sec. 21. Section 1 of public act 04-3, as amended by section 98 of  
323 special act 05-1 of the June special session, is amended to read as  
324 follows (*Effective from passage*):

325 The State Bond Commission shall have power, in accordance with  
326 the provisions of sections 1 to 7, inclusive, of public act 04-3, from time  
327 to time to authorize the issuance of bonds of the state in one or more  
328 series and in principal amounts in the aggregate, not exceeding  
329 [\$137,662,390] \$102,556,390.

330 Sec. 22. Subparagraph (D) of subdivision (1) of subsection (c) of  
331 section 2 of public act 04-3 is repealed. (*Effective from passage*)

332 Sec. 23. Subparagraph (A) of subdivision (2) of subsection (c) of  
333 section 2 of public act 04-3 is repealed. (*Effective from passage*)

334 Sec. 24. Subparagraph (C) of subdivision (2) of subsection (c) of  
335 section 2 of public act 04-3 is repealed. (*Effective from passage*)

336 Sec. 25. Subparagraph (D) of subdivision (2) of subsection (c) of  
337 section 2 of public act 04-3 is repealed. (*Effective from passage*)

338 Sec. 26. Subparagraph (C) of subdivision (3) of subsection (c) of  
339 section 2 of public act 04-3 is repealed. (*Effective from passage*)

340 Sec. 27. Subparagraph (C) of subdivision (4) of subsection (c) of  
341 section 2 of public act 04-3 is repealed. (*Effective from passage*)

342 Sec. 28. Subparagraph (D) of subdivision (4) of subsection (c) of  
343 section 2 of public act 04-3 is repealed. (*Effective from passage*)

344 Sec. 29. Section 9 of public act 04-3 is amended to read as follows  
345 (*Effective from passage*):

346 The State Bond Commission shall have power, in accordance with  
347 the provisions of sections 9 to 15, inclusive, of this act, from time to  
348 time to authorize the issuance of bonds of the state in one or more  
349 series and in principal amounts in the aggregate, not exceeding  
350 ~~[\$56,789,000]~~ \$56,389,000.

351 Sec. 30. Subparagraph (B) of subdivision (1) of subsection (a) of  
352 section 10 of public act 04-3 is amended to read as follows (*Effective*  
353 *from passage*):

354 Alterations, renovations and improvements to facilities, including  
355 fire, safety, energy conservation and code compliance improvements,  
356 including improvements to the south electrical loop, not exceeding  
357 ~~[\$915,000]~~ \$515,000.

358 Sec. 31. Section 1 of special act 05-1 of the June special session is  
359 amended to read as follows (*Effective from passage*):

360 The State Bond Commission shall have power, in accordance with  
361 the provisions of sections 1 to 7, inclusive, of this act, from time to time  
362 to authorize the issuance of bonds of the state in one or more series  
363 and in principal amounts in the aggregate, not exceeding  
364 ~~[\$228,614,110]~~ \$198,629,037.

365 Sec. 32. Subparagraph (B) of subdivision (1) of subsection (p) of  
366 section 2 of special act 05-1 of the June special session is repealed.  
367 (*Effective from passage*)

368 Sec. 33. Subparagraph (C) of subdivision (1) of subsection (p) of  
369 section 2 of special act 05-1 of the June special session is repealed.  
370 (*Effective from passage*)

371 Sec. 34. Subparagraph (A) of subdivision (2) of subsection (p) of  
372 section 2 of special act 05-1 of the June special session is amended to  
373 read as follows (*Effective from passage*):

374 Alterations, renovations and improvements to facilities, including  
375 energy conservation and code compliance improvements, not

376 exceeding [\$2,500,000] \$775,000.

377 Sec. 35. Subparagraph (B) of subdivision (2) of subsection (p) of  
378 section 2 of special act 05-1 of the June special session is repealed.  
379 (*Effective from passage*)

380 Sec. 36. Subparagraph (C) of subdivision (2) of subsection (p) of  
381 section 2 of special act 05-1 of the June special session is repealed.  
382 (*Effective from passage*)

383 Sec. 37. Subparagraph (D) of subdivision (2) of subsection (p) of  
384 section 2 of special act 05-1 of the June special session is repealed.  
385 (*Effective from passage*)

386 Sec. 38. Subparagraph (E) of subdivision (2) of subsection (p) of  
387 section 2 of special act 05-1 of the June special session is repealed.  
388 (*Effective from passage*)

389 Sec. 39. Subparagraph (A) of subdivision (3) of subsection (p) of  
390 section 2 of special act 05-1 of the June special session is repealed.  
391 (*Effective from passage*)

392 Sec. 40. Subparagraph (B) of subdivision (3) of subsection (p) of  
393 section 2 of special act 05-1 of the June special session is repealed.  
394 (*Effective from passage*)

395 Sec. 41. Subparagraph (C) of subdivision (3) of subsection (p) of  
396 section 2 of special act 05-1 of the June special session is amended to  
397 read as follows (*Effective from passage*):

398 Renovations and improvements to academic facilities, not exceeding  
399 [\$1,300,000] \$225,000.

400 Sec. 42. Subparagraph (A) of subdivision (4) of subsection (p) of  
401 section 2 of special act 05-1 of the June special session is amended to  
402 read as follows (*Effective from passage*):

403 Alterations, renovations and improvements to facilities, including  
404 energy conservation and code compliance improvements, not

405 exceeding [\$2,600,000] \$2,214,800.

406 Sec. 43. Subparagraph (B) of subdivision (4) of subsection (p) of  
407 section 2 of special act 05-1 of the June special session is repealed.  
408 (*Effective from passage*)

409 Sec. 44. Subparagraph (C) of subdivision (4) of subsection (p) of  
410 section 2 of special act 05-1 of the June special session is repealed.  
411 (*Effective from passage*)

412 Sec. 45. Subparagraph (A) of subdivision (5) of subsection (p) of  
413 section 2 of special act 05-1 of the June special session is amended to  
414 read as follows (*Effective from passage*):

415 Alterations, renovations and improvements to facilities, including  
416 code compliance improvements and a new campus police station, not  
417 exceeding [\$2,700,000] \$736,307.

418 Sec. 46. Subparagraph (B) of subdivision (5) of subsection (p) of  
419 section 2 of special act 05-1 of the June special session is amended to  
420 read as follows (*Effective from passage*):

421 Softball field relocation, not exceeding [\$2,788,000] \$274,820.

422 Sec. 47. Section 20 of special act 05-1 of the June special session is  
423 amended to read as follows (*Effective from passage*):

424 The State Bond Commission shall have power, in accordance with  
425 the provisions of sections 20 to 26, inclusive, of [this act] special act 05-  
426 1 of the June special session, from time to time to authorize the  
427 issuance of bonds of the state in one or more series and in principal  
428 amounts in the aggregate, not exceeding [\$299,965,241] \$169,957,941.

429 Sec. 48. Subdivision (1) of subsection (k) of section 21 of special act  
430 05-1 of the June special session is repealed. (*Effective from passage*)

431 Sec. 49. Subdivision (2) of subsection (k) of section 21 of special act  
432 05-1 of the June special session is repealed. (*Effective from passage*)

433 Sec. 50. Subdivision (3) of subsection (k) of section 21 of special act  
434 05-1 of the June special session is repealed. (*Effective from passage*)

435 Sec. 51. Subparagraph (A) of subdivision (4) of subsection (k) of  
436 section 21 of special act 05-1 of the June special session is amended to  
437 read as follows (*Effective from passage*):

438 Alterations, renovations and improvements to facilities, including  
439 fire, safety, energy conservation and code compliance improvements,  
440 not exceeding [\$1,100,000] \$511,700.

441 Sec. 52. Subparagraph (B) of subdivision (4) of subsection (k) of  
442 section 21 of special act 05-1 of the June special session is repealed.  
443 (*Effective from passage*)

444 Sec. 53. Subparagraph (C) of subdivision (4) of subsection (k) of  
445 section 21 of special act 05-1 of the June special session is repealed.  
446 (*Effective from passage*)

447 Sec. 54. Subparagraph (D) of subdivision (4) of subsection (k) of  
448 section 21 of special act 05-1 of the June special session is repealed.  
449 (*Effective from passage*)

450 Sec. 55. Subparagraph (A) of subdivision (5) of subsection (k) of  
451 section 21 of special act 05-1 of the June special session is amended to  
452 read as follows (*Effective from passage*):

453 Alterations, renovations and improvements to facilities, including  
454 fire, safety, energy conservation and code compliance improvements,  
455 not exceeding [\$2,500,000] \$700,000.

456 Sec. 56. Subparagraph (B) of subdivision (5) of subsection (k) of  
457 section 21 of special act 05-1 of the June special session is repealed.  
458 (*Effective from passage*)

459 Sec. 57. Subparagraph (C) of subdivision (5) of subsection (k) of  
460 section 21 of special act 05-1 of the June special session is repealed.  
461 (*Effective from passage*)

462 Sec. 58. Subparagraph (D) of subdivision (5) of subsection (k) of  
463 section 21 of special act 05-1 of the June special session is repealed.  
464 (*Effective from passage*)

465 Sec. 59. Subsection (a) of section 10a-89c of the general statutes is  
466 repealed and the following is substituted in lieu thereof (*Effective from*  
467 *passage*):

468 (a) If the General Assembly for each fiscal year following the fiscal  
469 year ending June 30, 1998, to the fiscal year ending June 30, [2008]  
470 2019, inclusive, does not appropriate from the General Fund for the  
471 specific purpose of debt service on self-liquidating general obligation  
472 bonds of the state or obligations of the Board of Trustees for the  
473 Connecticut State University System financed through the Connecticut  
474 Health and Educational Facilities Authority for residential and other  
475 auxiliary service facilities, excluding any appropriation for such debt  
476 service to be paid from revenues from student fees, [and dormitory  
477 and dining hall income] housing, food service and student parking  
478 revenue to be paid by the Board of Trustees for the Connecticut State  
479 University System to the State Treasurer for the payment of such self-  
480 liquidating general obligation bonds of the state, [(1)] the amount of  
481 five million dollars, [or (2) an amount equal to half the sum of revenue  
482 from student fees received by all the state universities within the  
483 Connecticut State University system from the uniform assessment of  
484 all full-time students enrolled at any time at any of the state  
485 universities within the Connecticut State University system, except for  
486 charges for tuition or dormitory or dining charges or student activity  
487 fee or other fee charged by an individual state university, commonly  
488 called the university fee, for the calendar year ending the preceding  
489 December thirty-first, as certified by the chairperson of the board of  
490 trustees by February fifteenth to the Secretary of the Office of Policy  
491 and Management, whichever amount is less,] the State Bond  
492 Commission may, in accordance with the provisions of this section,  
493 from time to time authorize the issuance of general obligation bonds of  
494 the state in one or more series in principal amounts not exceeding five  
495 million dollars in any such fiscal year, to finance the design,

496 construction or renovation of residential and other auxiliary service  
 497 facilities at state universities within the Connecticut State University  
 498 system. [, and in any event not exceeding the amount which the  
 499 General Assembly failed to appropriate for debt service for that fiscal  
 500 year in the manner provided in this section.] For purposes of this  
 501 section the term "residential and other auxiliary facilities" [(A)] means  
 502 any residential facilities, student centers, dining facilities, student  
 503 parking facilities and other auxiliary service facilities at state  
 504 universities within the Connecticut State University system. [, and (B)  
 505 includes, but is not limited to, low rise dormitory code compliance  
 506 renovations at Central Connecticut State University; code compliance  
 507 at Central Connecticut State University, Eastern Connecticut State  
 508 University, Southern Connecticut State University and Western  
 509 Connecticut State University; student center addition and renovations  
 510 at Central Connecticut State University; student center addition and  
 511 renovations at Eastern Connecticut State University; construction of a  
 512 new student center at Southern Connecticut State University; Burr Hall  
 513 residence hall renovations at Eastern Connecticut State University;  
 514 improvements to Connecticut Hall at Southern Connecticut State  
 515 University; and Shafer Hall residence conversion at Eastern  
 516 Connecticut State University.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	PA 99-242, Sec. 20
Sec. 7	<i>from passage</i>	PA 99-242, Sec. 21(k)(1)(B)
Sec. 8	<i>from passage</i>	PA 99-242, Sec. 21(k)(3)(C)
Sec. 9	<i>from passage</i>	SA 01-2 of the June Sp. Sess., Sec. 1

Sec. 10	<i>from passage</i>	SA 01-2 of the June Sp. Sess., Sec. 2(j)
Sec. 11	<i>from passage</i>	SA 01-2 of the June Sp. Sess., Sec. 16
Sec. 12	<i>from passage</i>	Repealer section
Sec. 13	<i>from passage</i>	SA 04-2 of the May Sp. Sess., Sec. 1
Sec. 14	<i>from passage</i>	SA 04-2 of the May 2004 Sp. Sess., Sec. 2(k)
Sec. 15	<i>from passage</i>	SA 04-2 of the May 2004 Sp. Sess., Sec. 2(k)
Sec. 16	<i>from passage</i>	Repealer section
Sec. 17	<i>from passage</i>	SA 04-2 of the May 2004 Sp. Sess., Sec. 2(k)
Sec. 18	<i>from passage</i>	SA 04-2 of the May 2004 Sp. Sess., Sec. 2(k)
Sec. 19	<i>from passage</i>	Repealer section
Sec. 20	<i>from passage</i>	SA 04-2 of the May 2004 Sp. Sess., Sec. 2(k)
Sec. 21	<i>from passage</i>	PA 04-3, Sec. 1
Sec. 22	<i>from passage</i>	Repealer section
Sec. 23	<i>from passage</i>	Repealer section
Sec. 24	<i>from passage</i>	Repealer section
Sec. 25	<i>from passage</i>	Repealer section
Sec. 26	<i>from passage</i>	Repealer section
Sec. 27	<i>from passage</i>	Repealer section
Sec. 28	<i>from passage</i>	Repealer section
Sec. 29	<i>from passage</i>	PA 04-3, Sec. 9
Sec. 30	<i>from passage</i>	PA 04-3, Sec. 10(a)(1)(B)
Sec. 31	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 1
Sec. 32	<i>from passage</i>	Repealer section
Sec. 33	<i>from passage</i>	Repealer section
Sec. 34	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 2(p)
Sec. 35	<i>from passage</i>	Repealer section
Sec. 36	<i>from passage</i>	Repealer section
Sec. 37	<i>from passage</i>	Repealer section
Sec. 38	<i>from passage</i>	Repealer section
Sec. 39	<i>from passage</i>	Repealer section
Sec. 40	<i>from passage</i>	Repealer section

Sec. 41	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 2(p)
Sec. 42	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 2(p)
Sec. 43	<i>from passage</i>	Repealer section
Sec. 44	<i>from passage</i>	Repealer section
Sec. 45	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 2(p)
Sec. 46	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 2(p)
Sec. 47	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 20
Sec. 48	<i>from passage</i>	Repealer section
Sec. 49	<i>from passage</i>	Repealer section
Sec. 50	<i>from passage</i>	Repealer section
Sec. 51	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 21(k)
Sec. 52	<i>from passage</i>	Repealer section
Sec. 53	<i>from passage</i>	Repealer section
Sec. 54	<i>from passage</i>	Repealer section
Sec. 55	<i>from passage</i>	SA 05-1 of the June Sp. Sess., Sec. 21(k)
Sec. 56	<i>from passage</i>	Repealer section
Sec. 57	<i>from passage</i>	Repealer section
Sec. 58	<i>from passage</i>	Repealer section
Sec. 59	<i>from passage</i>	10a-89c(a)

**HED**      *Joint Favorable C/R*

FIN

**FIN**      *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

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### **OFA Fiscal Note**

#### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 08 \$</b>	<b>FY 09 \$</b>
Treasurer, Debt Serv.	GF - Cost	See Below	See Below
Public Safety, Dept.	GOBonds - Cost	Approx. 200,000	Approx. 700,000
Pub. Works, Dept.	GOBonds - Cost	Approx. 112,000	Approx. 153,000

Note: GF=General Fund; GOBonds=General Obligation Bonds

**Municipal Impact:** None

#### **Explanation**

The bill authorizes the issuance of \$1.252 billion in General Obligation (GO) bonds for an infrastructure renewal program for the Connecticut State University System (CSUS) between FY 08 and FY 19. The General Fund debt service cost to bond this amount over 20 years at a 5.0% rate of interest is \$1.9 billion.

It also cancels \$202.4 million in GO bonds that were previously authorized for CSUS projects.

This bill will result in increased operating costs for CSUS beginning in FY 12. Based on current General Fund support levels the increased state cost by FY 13 will be approximately \$650,000 with additional costs of approximately \$1,720,000 paid through tuition and student fees. Additional operating costs in further years will occur but are subject to actions of the CSUS Board of Trustees and the actual projects that go forward.

Any costs to the Department of Public Works and the Department of Public Safety to provide the services to CSUS described in the bill will be paid out of the proceeds of the GO bonds.

#### **Further Explanation**

Department of Public Safety (DPS): The bill requires DPS to ensure fire and building code compliance on the CSUS projects. It is anticipated that in order to meet the provisions in the bill, the Office of the State Building Inspector (OSBI) and the Office of the State Fire Marshal (OSFM) would require 9 additional employees. Since construction will begin in FY 08, only 4 new employees would be required (with  $\frac{3}{4}$  year funding) with the remaining 5 needed in FY 09. The anticipated costs are approximately \$200,000 in FY 08 and \$700,000 in FY 09. Table 1 summarizes the additional staff and equipment requirements and corresponding costs, including fringe benefits<sup>1</sup>.

<u>Description</u>	<u># Positions</u>	<u>Total (\$)</u>
<b>FY 08 (<math>\frac{3}{4}</math> year funding)</b>		
Building Construction Specialist 2	1	33,875
Fire and Life Safety Specialist	1	31,591
Building Plan Reviewers	2	60,074
Vehicles <sup>1</sup>		34,000
Computers <sup>2</sup>		5,200
Fringe Benefits		<u>32,389</u>
<b>Total</b>	<b>4</b>	<b>197,128</b>
<b>FY 09</b>		
Building Construction Specialist 2	4	180,666
Fire and Life Safety Specialist	3	126,362
Building Plan Reviewers	2	80,098
Vehicles <sup>1</sup>		85,000
Computers <sup>2</sup>		6,500
Fringe Benefits		<u>233,050</u>
<b>Total</b>	<b>9</b>	<b>711,676</b>
<sup>1</sup> Each vehicle costs approximately \$17,000		
<sup>2</sup> Each computer costs approximately \$1,300		

<sup>1</sup> The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The estimated first year fringe benefit rate for a new employee as a percentage of average salary is 25.8%, effective July 1, 2006. The first year fringe benefit costs for new positions do not include pension costs. The state's pension contribution is based upon the prior year's certification by the actuary for the State Employees Retirement System (SERS). The SERS 2006-07 fringe benefit rate is 34.4%, which when combined with the non pension fringe benefit rate totals 60.2%.

Department of Public Works (DPW): The bill requires DPW to supervise the design and construction process, including hiring design and construction firms for the CSUS projects. It also requires DPW to provide the CSUS chancellor with quarterly information on project costs, timeliness of completion and any issues that arise on the design or construction process. It is anticipated that DPW will need 2 new staff positions to meet the provisions of the bill. Table 2 summarizes the additional staff and equipment requirements and corresponding costs, including fringe benefits<sup>1</sup>.

<b>Table 2</b>		
<b>Department of Public Works Costs</b>		
<u>Description</u>	<u># Positions</u>	<u>Total (\$)</u>
<b>FY 08 (¾ year funding)</b>		
Project manager	1	51,168
Administrative assistant	1	34,041
Office equipment including computers		5,000
Fringe Benefits		<b>21,984</b>
<b>Total</b>	<b>2</b>	<b>112,193</b>
<b>FY 09</b>		
Project manager	1	68,224
Administrative assistant	1	45,388
Fringe Benefits		<u>39,083</u>
<b>Total</b>		<b>152,695</b>

### ***The Out Years***

The bill will result in increased operating costs for CSUS beginning in FY 11. Based on current General Fund support levels the increased state cost in FY 11 will be approximately \$650,000 with additional costs of approximately \$1,720,000 paid through tuition and student fees. Additional operating costs in further years will occur but are subject to actions of the CSUS Board of Trustees and the actual projects that go forward.

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**OLR Bill Analysis****sSB 125*****AN ACT CONCERNING THE CONNECTICUT STATE UNIVERSITY SYSTEM INFRASTRUCTURE ACT.*****SUMMARY:**

This bill authorizes over \$1.2 billion in general obligation (GO) bonds over 12 years for the Connecticut State University System (CSUS) 2020 plan, a system-wide capital improvement plan. It reduces or cancels existing unallocated bond authorizations for various CSUS capital improvements that will be incorporated in the CSUS 2020 plan. The bond issuance requires the approval of the State Bond Commission and the governor.

The bill authorizes the CSUS board of trustees to determine the sequencing and timing of the projects. And it allows the board to revise, delete, or add projects to the plan. The board must report annually to the governor and the General Assembly on the status and progress of CSUS 2020.

EFFECTIVE DATE: Upon passage

**§ 2 – PURPOSE**

The bill's purpose is to finance a capital improvement plan for the CSUS that (1) includes constructing, buying, improving, and equipping its facilities and (2) assures a state financial commitment to support these activities.

**§ 3 – DEFINITIONS**

The bill defines "CSUS 2020" as the projects in the facilities plan necessary to modernize, rehabilitate, renew, expand, and stabilize the system's infrastructure. The "CSUS 2020 Fund" is the fund created to hold the GO bond proceeds used to finance CSUS 2020. The state

treasurer holds and administers the fund separate from other accounts.

Under the bill, a “project” is any building, property, related equipment, or improvements, except for operating charges unless such an amount is included in a financing transaction to ensure that the interest on the securities is exempt from federal tax. A project may also include (1) any residential or other auxiliary service facility and (2) any state facility used for CSUS programs.

The “cost” of a project includes all costs associated with (1) planning, design, construction, and financing; (2) working capital, including the costs incurred by the Department of Public Works (DPW) in supervising the design and construction process, and the Department of Public Safety (DPS) for the assignment of DPS personnel to oversee code compliance; and (3) consulting or technical services (e.g. accounting, engineering, and legal services).

#### **§ 4 – BOARD OF TRUSTEES’ POWERS AND REPORTING REQUIREMENT**

##### ***Facilities Plan Revisions***

The bill authorizes the CSUS board of trustees to (1) revise, delete, or add projects to the facilities plan; (2) determine the sequencing and timing of the projects, to the extent the authorized funding amounts allow; and (3) revise cost estimates. The bill also allows the board to reallocate amounts between projects, if the facilities plan is revised accordingly and the projects can still be completed within authorized amounts, or they are deleted from the plan.

##### ***CSUS 2020 Annual Report***

By January 1, 2009 and annually thereafter, the board of trustees must report to the governor and the Finance, Revenue, and Bonding; Higher Education and Employment Advancement; and other appropriate committees on the status and progress of CSUS 2020. The board may request from the treasurer and the public works commissioner information necessary to prepare the annual report. The report must include:

1. the number of projects and bonds authorized, approved, and issued;
2. project costs and timeliness of completion;
3. any issues that arise in the design or construction process;
4. a schedule of the remaining projects and their expected costs; and
5. any revisions to the facilities plan approved by the board.

### ***Construction Management and Oversight***

By law, the DPW is authorized to supervise the design and construction process, including hiring design and construction firms. The bill requires the public works commissioner to provide the CSUS chancellor with quarterly information on (1) project costs, (2) timeliness of completion, and (3) any issues that arise in the design or construction process.

The bill also requires the public safety commissioner and the chancellor to enter into and maintain a memorandum of understanding (MOU) that assigns DPS staff to ensure fire and building code compliance on CSUS projects.

### **§ 5 – BOND AUTHORIZATIONS**

The bill authorizes up to \$1,252,485,849 over 12 years in state GO bonds. Table 1 shows the amount of the bond authorization by fiscal year. If the board of trustees or the governor do not approve all or a portion of the capped amount in a fiscal year, the amount, and any issuance costs and capitalized interest, is carried forward and added to the capped amount for the following year.

**Table 1. CSUS 2020 Bond Authorization**

<i>Fiscal Year</i>	<i>Amount</i>
2008	\$84,484,000
2009	90,740,000
2010	91,483,849
2011	111,002,000
2012	144,384,000
2013	122,493,000
2014	87,135,000
2015	98,790,000
2016	107,376,000
2017	124,025,000
2018	99,455,000
2019	91,118,000
Total	\$1,252,485,849

***State Bond Commission Approval***

The CSUS 2020 plan and the bond issuance must be approved and authorized by the State Bond Commission. The bill requires the board of trustees to enter into a MOU with the Office of Policy and Management (OPM) secretary and the treasurer regarding the bond issuance, including the extent to which federal, private, or other available funds should be added to the bond proceeds to finance CSUS 2020. The bond commission must approve the MOU, which satisfies the standard requirements for bond commission approval under the State General Obligation Bond Procedure Act.

***Gubernatorial Approval***

The governor must approve the CSUS 2020 bond issuance for each year of the program. The board of trustees must submit annually, by March 1, the most recently approved facilities plan to the governor, through the OPM secretary. If the OPM secretary recommends it, the governor can disapprove all or part of the requested bonds (1) if budget allotments have been modified or (2) if the state has reached 90% of its statutory debt limit. But the plan is deemed approved if the governor does not act within 30 days. The governor's approval of the

bonds is deemed to be an appropriation and allocation of the bond amounts.

**§§ 6-58 – PRIOR BOND AUTHORIZATIONS**

The bill reduces or cancels existing unallocated bond authorizations in the amount of \$202,394,512 for various capital improvements in the CSUS. A complete list of the reductions and cancellations can be found in the fiscal note.

**§ 59 – AUXILIARY SERVICE FACILITY FINANCING**

Current law allows the bond commission, through FY 2008, to issue GO bonds to finance the design, construction, or renovation of residential and other auxiliary service facilities within the CSUS, if the General Assembly does not appropriate the lesser of (1) \$5 million or (2) one-half the revenue from certain student fees, for debt service on self-liquidating GO bonds or CSU obligations financed through the Connecticut Health and Education Facilities Authority. This excludes any appropriation for debt service paid by student fees, dormitory, and dining hall income. The bill (1) extends this provision through FY 2019, (2) adds student parking revenue to the list of exclusions, and (3) as a corollary, includes student parking facilities as a type of auxiliary service facility.

Current law limits the bond authorization to the lesser of \$5 million or the amount the General Assembly failed to appropriate for debt service. Under the bill, the bond commission can issue \$5 million in GO bonds if the General Assembly does not appropriate \$5 million to the CSUS for debt service.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Change of Reference  
Yea 18 Nay 0 (03/01/2007)

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 53 Nay 0 (04/17/2007)