



House of Representatives

General Assembly

File No. 524

January Session, 2009

Substitute House Bill No. 6660

House of Representatives, April 6, 2009

The Committee on Environment reported through REP. ROY, R. of the 119th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT AUTHORIZING BONDS OF THE STATE FOR VARIOUS STATE GRANT PROGRAMS AND CONCERNING THE FACE OF CONNECTICUT STEERING COMMITTEE.

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

1 Section 1. Section 22-26hh of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 The State Bond Commission shall have the power, from time to
4 time, to authorize the issuance of bonds of the state in one or more
5 series and in principal amounts not exceeding in the aggregate one
6 hundred [seventeen million seven hundred] thirty million two
7 hundred fifty thousand dollars, the proceeds of which shall be used for
8 the purposes of section 22-26cc, [provided not more than five million
9 dollars of said authorization shall be effective July 1, 2008, and further]
10 provided not more than two million dollars shall be used for the
11 purposes of section 22-26jj. All provisions of section 3-20, or the
12 exercise of any right or power granted thereby which are not
13 inconsistent with the provisions of this section are hereby adopted and

14 shall apply to all bonds authorized by the State Bond Commission
15 pursuant to this section, and temporary notes in anticipation of the
16 money to be derived from the sale of any such bonds so authorized
17 may be issued in accordance with said section 3-20 and from time to
18 time renewed. Such bonds shall mature at such time or times not
19 exceeding twenty years from their respective dates as may be provided
20 in or pursuant to the resolution or resolutions of the State Bond
21 Commission authorizing such bonds. None of said bonds shall be
22 authorized except upon a finding by the State Bond Commission that
23 there has been filed with it a request for such authorization, which is
24 signed by or on behalf of the Secretary of the Office of Policy and
25 Management and states such terms and conditions as said commission,
26 in its discretion, may require. Said bonds issued pursuant to this
27 section shall be general obligations of the state and the full faith and
28 credit of the state of Connecticut are pledged for the payment of the
29 principal of and interest on said bonds as the same become due, and
30 accordingly and as part of the contract of the state with the holders of
31 said bonds, appropriation of all amounts necessary for punctual
32 payment of such principal and interest is hereby made, and the
33 Treasurer shall pay such principal and interest as the same become
34 due.

35 Sec. 2. Section 22a-27s of the general statutes is repealed and the
36 following is substituted in lieu thereof (*Effective from passage*):

37 (a) There is established the Face of Connecticut Steering Committee,
38 which shall be within the Department of Environmental Protection for
39 administrative purposes only. Such committee shall direct the
40 expenditure of any funds deposited in the Face of Connecticut account
41 created under section 22a-27t. The committee shall consist of the
42 Commissioner of Environmental Protection, the Commissioner of
43 Economic and Community Development, or the commissioner's
44 designee, the Commissioner of Agriculture, the executive director of
45 the Connecticut Commission on Culture and Tourism, the Secretary of
46 the Office of Policy and Management and ten members as follows: (1)
47 A representative of a local organization involved in historic

48 preservation, appointed by the speaker of the House of
49 Representatives; (2) a representative of a nonprofit organization
50 involved in farmland preservation, appointed by the president pro
51 tempore of the Senate; (3) a representative of a local or regional
52 nonprofit organization involved in the preservation of open space,
53 appointed by the majority leader of the House of Representatives; (4) a
54 representative of a water company actively involved in land
55 preservation, appointed by the majority leader of the Senate; (5) a
56 representative of the agricultural industry, appointed by the minority
57 leader of the House of Representatives; (6) a representative of a state-
58 wide nonprofit involved in the preservation of open space, appointed
59 by the minority leader of the Senate; (7) a representative of a state-wide
60 nonprofit organization involved in historic preservation, appointed by
61 the Governor; (8) a representative of an organization involved with
62 community redevelopment, appointed by the Governor; (9) a
63 representative of the legislative Brownfields Task Force, appointed by
64 the speaker of the House of Representatives; and (10) a representative
65 of the environmental law section of the Connecticut Bar Association
66 who is involved with brownfields remediation, appointed by the
67 president pro tempore of the Senate.

68 (b) All initial appointments to the committee shall be made not later
69 than September 1, 2008. The term of each appointed member of the
70 steering committee shall be coterminous with the term of the
71 appointing authority or until a successor is chosen, whichever is later.
72 The Commissioner of Environmental Protection shall serve as the
73 chairperson of the committee for the two years following the
74 appointment of the committee, followed first by the Commissioner of
75 Agriculture for two years and subsequently by the executive director
76 of the Connecticut Commission on Culture and Tourism for two years
77 and subsequently by the Commissioner of Economic and Community
78 Development or said commissioner's designee for two years. Such
79 rotation shall repeat every two years thereafter in the order specified in
80 this subsection, except that if there is a vacancy in one of said
81 positions, one of the other commissioners or the executive director
82 may serve as chairperson until the vacancy is filled.

83 (c) The committee shall meet quarterly.

84 (d) The committee shall: (1) Not later than January 1, 2010, submit a
85 report, in accordance with the provisions of section 11-4a, detailing
86 specific goals of current state programs concerning farmland
87 preservation, open space preservation, brownfields remediation,
88 historic preservation and the obstacles to achieving such goals to the
89 Office of Policy and Management and the joint standing committees of
90 the General Assembly having cognizance of matters relating to the
91 environment and commerce, (2) create a grant program for mixed-use
92 preservation, (3) develop criteria for eligibility for smart growth
93 funding and make recommendations consisting of a prioritized list of
94 smart growth projects to the General Assembly, in accordance with the
95 provisions of section 11-4a, and (4) not later than January 1, 2010, and
96 annually thereafter, report to the General Assembly concerning what
97 projects were funded by the committee in accordance with this section.

98 Sec. 3. (*Effective July 1, 2009*) (a) For the purposes described in
99 subsection (b) of this section, the State Bond Commission shall have
100 the power, from time to time, to authorize the issuance of bonds of the
101 state in one or more series and in principal amounts not exceeding in
102 the aggregate forty two million five hundred thousand dollars.

103 (b) The proceeds of the sale of said bonds, to the extent of the
104 amount stated in subsection (a) of this section, shall be used by the
105 following agencies: (1) Seven million five hundred thousand dollars by
106 the Department of Environmental Protection for the open space and
107 watershed land acquisition program established under section 7-131d
108 of the general statutes; (2) seven million five hundred thousand dollars
109 by the Department of Environmental Protection for the recreation and
110 natural heritage trust program established under sections 23-73 to 23-
111 79, inclusive, of the general statutes; (3) seven million five hundred
112 thousand dollars by the Department of Economic and Community
113 Development for brownfields remediation and redevelopment in
114 accordance with title 32 of the general statutes; and (4) twenty million
115 dollars which shall be deposited in the Face of Connecticut account to

116 be expended by the Department of Environmental Protection as
 117 directed by the Face of Connecticut Steering Committee, established
 118 under section 22a-27s of the general statutes, as amended by this act,
 119 for the purpose of historic preservation, brownfields remediation and
 120 farmland and open space preservation.

121 (c) All provisions of section 3-20 of the general statutes, or the
 122 exercise of any right or power granted thereby, which are not
 123 inconsistent with the provisions of this section are hereby adopted and
 124 shall apply to all bonds authorized by the State Bond Commission
 125 pursuant to this section, and temporary notes in anticipation of the
 126 money to be derived from the sale of any such bonds so authorized
 127 may be issued in accordance with said section 3-20 and from time to
 128 time renewed. Such bonds shall mature at such time or times not
 129 exceeding twenty years from their respective dates as may be provided
 130 in or pursuant to the resolution or resolutions of the State Bond
 131 Commission authorizing such bonds. None of said bonds shall be
 132 authorized except upon a finding by the State Bond Commission that
 133 there has been filed with it a request for such authorization which is
 134 signed by or on behalf of the Secretary of the Office of Policy and
 135 Management and states such terms and conditions as said commission,
 136 in its discretion, may require. Said bonds issued pursuant to this
 137 section shall be general obligations of the state and the full faith and
 138 credit of the state of Connecticut are pledged for the payment of the
 139 principal of and interest on said bonds as the same become due, and
 140 accordingly and as part of the contract of the state with the holders of
 141 said bonds, appropriation of all amounts necessary for punctual
 142 payment of such principal and interest is hereby made, and the State
 143 Treasurer shall pay such principal and interest as the same become
 144 due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	22-26hh
Sec. 2	<i>from passage</i>	22a-27s
Sec. 3	<i>July 1, 2009</i>	New section

Statement of Legislative Commissioners:

In subsection (a) of section 3, the amount was changed for accuracy.

ENV *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 House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Treasurer, Debt Serv.	GF - Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

Section 1 authorizes \$12.5 million in General Obligation (GO) bonds for the Farmland Preservation Program, which is administered by the Department of Agriculture. The total General Fund debt service cost for principal and interest payments on this amount over 20 years assuming a 5.0% interest rate, is \$19.1 million. The first year that the state will experience costs associated with the bonds depends on when they are allocated through the State Bond Commission and when the funds are expended.

Section 3 authorizes \$42.5 million in General Obligation (GO) bonds for a variety of purposes. The total General Fund debt service cost for principal and interest payments on this amount over 20 years assuming a 5.0% interest rate, is \$64.8 million. The first year that the state will experience costs associated with the bonds depends on when they are allocated through the State Bond Commission and when the funds are expended.

The Out Years

The General Fund debt service costs noted above would continue for 20 years after the GO bonds are issued.

OLR Bill Analysis**sHB 6660*****AN ACT AUTHORIZING BONDS OF THE STATE FOR VARIOUS STATE GRANT PROGRAMS AND CONCERNING THE FACE OF CONNECTICUT STEERING COMMITTEE.*****SUMMARY:**

This bill authorizes a \$12.5 million increase in bonds for the state's farmland preservation program and \$42.5 million in new bonds for existing Department of Environmental Protection (DEP) and Department of Economic and Community Development (DECD) land preservation and remediation programs. It also establishes several requirements for the existing Face of Connecticut Steering Committee.

EFFECTIVE DATE: Upon passage, except for the new bond authorization for DEP and DECD programs, which is effective July 1, 2009.

FARMLAND PRESERVATION

The bill authorizes a bond increase for the state's Purchase of Development Rights (PDR) program for farmland (see BACKGROUND). By law, the State Bond Commission may from time to time authorize General Obligation (GO) bonds up to \$117,750,000 for the program. The bill increases the amount by \$12.5 million to \$130,250,000.

NEW GO BONDS FOR LAND PRESERVATION

The bill authorizes \$42.5 million in GO bonds to be used as follows:

1. \$7.5 million to DEP for the open space and watershed land acquisition program (see BACKGROUND);
2. \$7.5 million to DEP for the recreation and natural heritage trust program (see BACKGROUND);

3. \$7.5 million to DECD for brownfields remediation and redevelopment; and
4. \$20 million to the Face of Connecticut account to be expended by DEP as the Face of Connecticut Steering Committee directs for historic preservation, brownfields remediation, and farmland and open space preservation.

FACE OF CONNECTICUT STEERING COMMITTEE

The bill also requires the Face of Connecticut Steering Committee to:

1. submit a report by January 1, 2010 detailing specific goals of current state programs concerning farmland preservation, open space preservation, brownfield remediation, historic preservation, and the obstacles to achieving these goals to the Office of Policy and Management and Environment and Commerce committees;
2. create a grant program for mixed-use preservation;
3. develop eligibility criteria for smart growth funding and make a prioritized list of recommendations for smart growth projects to the General Assembly; and
4. annually report to the General Assembly on the projects the committee funded.

BACKGROUND

Agricultural Land Preservation - Purchase of Development Rights (PDR) Program

The agricultural land PDR Program is the state's primary farmland preservation tool and is administered by the Department of Agriculture (DOAG). Farmers may apply to the program through the DOAG, which evaluates applications according to regulatory criteria. The program's primary goal is to preserve farmland containing a high percentage of prime farmland soils in established farm communities.

DEP's Land Preservation Programs

Open Space and Watershed Land Acquisition Program. DEP administers this land preservation program. To be eligible for funding, the land must be:

1. valuable for recreation, forestry, fishing, conservation of wildlife, or natural resources;
2. a prime natural feature of the state's landscape;
3. a habitat for native plants or animals listed as threatened, endangered, or of special concern;
4. a relatively undisturbed and outstanding example of an uncommon native ecological community;
5. important for enhancing and conserving water quality;
6. valuable for preserving local agricultural heritage; or
7. eligible for class I or class II watershed land classification.

Recreation and Natural Heritage Trust Program. This program's goal is to acquire land for public use that:

1. represents the ecological diversity of Connecticut and to preserve and conserve it for recreational, scientific, educational, cultural, and aesthetic purposes;
2. is of unusual natural interest as additions to the state parks, forests, wildlife systems, and fishery management areas; and
3. is essential habitat for endangered and threatened species.

The program also aims to offset carbon dioxide by preserving lands that naturally absorb it. The law establishes a stewardship account for the maintenance, protection, and management of lands acquired.

Face of Connecticut Steering Committee

PA 08-174 created the steering committee to oversee how the Face of

Connecticut Account funds are used; it is a 15-member committee within the DEP for administrative purposes only.

The Face of Connecticut Steering Committee consists of the DEP and DOAG commissioners, the DECD commissioner or her designee, the executive director of the Connecticut Commission on Culture and Tourism, the Office of Policy and Management secretary, and 10 other appointed members representing different organizations.

The Face of Connecticut Account is a separate, non-lapsing General Fund account for acquiring, restoring, and maintaining open space, urban parks, farmland, and historic resources. It exists to acquire, restore, or manage specific types of property. The account can be used to fund these activities if doing so conserves open space, renovates or enhances urban parks, preserves active agricultural land, or restores historic assets.

Related Bills

sHB 1082, favorably reported by the Environment Committee, requires the Farmland Preservation Advisory Board to review any state-owned agricultural land, excluding DEP land, to evaluate permanent preservation methods and make recommendations for further preservation action. The board must submit its recommendations to the DOAG commissioner and the Environment Committee no later than January 15, 2010. By law, the 12-member board helps the agriculture department with its purchase of development rights program and other efforts to preserve agricultural lands.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute
Yea 30 Nay 0 (03/20/2009)