



# Senate

General Assembly

**File No. 889**

*January Session, 2009*

Substitute Senate Bill No. 836

*Senate, May 4, 2009*

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 INCREASING CERTAIN BOND AUTHORIZATIONS FOR CAPITAL IMPROVEMENTS AND CONCERNING INFRASTRUCTURE IMPROVEMENTS AT THE UNITED STATES NAVAL SUBMARINE BASE-NEW LONDON.***

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

1 Section 1. Subsections (a) and (b) of section 4-66c of the general  
2 statutes are repealed and the following is substituted in lieu thereof  
3 (*Effective July 1, 2009*):

4 (a) For the purposes of subsection (b) of this section, the State Bond  
5 Commission shall have power, from time to time to authorize the  
6 issuance of bonds of the state in one or more series and in principal  
7 amounts not exceeding in the aggregate [one billion one hundred  
8 seventy-two million four hundred eighty-seven thousand five hundred  
9 forty-four] one billion one hundred fifty-two million four hundred  
10 twenty-seven thousand five hundred forty-four dollars, provided  
11 twenty million dollars of said authorization shall be effective July 1,

12 2008. All provisions of section 3-20, or the exercise of any right or  
13 power granted thereby, which are not inconsistent with the provisions  
14 of this section, are hereby adopted and shall apply to all bonds  
15 authorized by the State Bond Commission pursuant to this section, and  
16 temporary notes in anticipation of the money to be derived from the  
17 sale of any such bonds so authorized may be issued in accordance with  
18 said section 3-20 and from time to time renewed. Such bonds shall  
19 mature at such time or times not exceeding twenty years from their  
20 respective dates as may be provided in or pursuant to the resolution or  
21 resolutions of the State Bond Commission authorizing such bonds.  
22 None of said bonds shall be authorized except upon a finding by the  
23 State Bond Commission that there has been filed with it a request for  
24 such authorization, which is signed by or on behalf of the Secretary of  
25 the Office of Policy and Management and states such terms and  
26 conditions as said commission in its discretion may require. Said  
27 bonds issued pursuant to this section shall be general obligations of the  
28 state and the full faith and credit of the state of Connecticut are  
29 pledged for the payment of the principal of and interest on said bonds  
30 as the same become due, and accordingly as part of the contract of the  
31 state with the holders of said bonds, appropriation of all amounts  
32 necessary for punctual payment of such principal and interest is  
33 hereby made, and the Treasurer shall pay such principal and interest  
34 as the same become due.

35 (b) (1) The proceeds of the sale of said bonds, to the extent  
36 hereinafter stated, shall be used, subject to the provisions of  
37 subsections (c) and (d) of this section, for the purpose of redirecting,  
38 improving and expanding state activities which promote community  
39 conservation and development and improve the quality of life for  
40 urban residents of the state as hereinafter stated: (A) For the  
41 Department of Economic and Community Development: Economic  
42 and community development projects, including administrative costs  
43 incurred by the Department of Economic and Community  
44 Development, not exceeding sixty-seven million five hundred ninety-  
45 one thousand six hundred forty-two dollars, one million dollars of  
46 which shall be used for a grant to the development center program and

47 the nonprofit business consortium deployment center approved  
48 pursuant to section 32-411; (B) for the Department of Transportation:  
49 Urban mass transit, not exceeding two million dollars; (C) for the  
50 Department of Environmental Protection: Recreation development and  
51 solid waste disposal projects, not exceeding one million nine hundred  
52 ninety-five thousand nine hundred two dollars; (D) for the Department  
53 of Social Services: Child day care projects, elderly centers, shelter  
54 facilities for victims of domestic violence, emergency shelters and  
55 related facilities for the homeless, multipurpose human resource  
56 centers and food distribution facilities, not exceeding thirty-nine  
57 million one hundred thousand dollars, provided four million dollars of  
58 said authorization shall be effective July 1, 1994; (E) for the Department  
59 of Economic and Community Development: Housing projects, not  
60 exceeding three million dollars; (F) for the Office of Policy and  
61 Management: (i) Grants-in-aid to municipalities for a pilot  
62 demonstration program to leverage private contributions for  
63 redevelopment of designated historic preservation areas, not  
64 exceeding one million dollars; (ii) grants-in-aid for urban development  
65 projects including economic and community development,  
66 transportation, environmental protection, public safety, children and  
67 families and social services projects and programs, including, in the  
68 case of economic and community development projects administered  
69 on behalf of the Office of Policy and Management by the Department  
70 of Economic and Community Development, administrative costs  
71 incurred by the Department of Economic and Community  
72 Development, not exceeding [one billion fifty-seven million eight  
73 hundred thousand] one billion thirty-seven million seven hundred  
74 forty thousand dollars, provided twenty million dollars of said  
75 authorization shall be effective July 1, 2008.

76 (2) (A) Five million dollars of the grants-in-aid authorized in  
77 subparagraph (F)(ii) of subdivision (1) of this subsection may be made  
78 available to private nonprofit organizations for the purposes described  
79 in said subparagraph (F)(ii). (B) Twelve million dollars of the grants-in-  
80 aid authorized in subparagraph (F)(ii) of subdivision (1) of this  
81 subsection may be made available for necessary renovations and

82 improvements of libraries. (C) Five million dollars of the grants-in-aid  
83 authorized in subparagraph (F)(ii) of subdivision (1) of this subsection  
84 shall be made available for small business gap financing. (D) Ten  
85 million dollars of the grants-in-aid authorized in subparagraph (F)(ii)  
86 of subdivision (1) of this subsection may be made available for regional  
87 economic development revolving loan funds. (E) One million four  
88 hundred thousand dollars of the grants-in-aid authorized in  
89 subparagraph (F)(ii) of subdivision (1) of this subsection shall be made  
90 available for rehabilitation and renovation of the Black Rock Library in  
91 Bridgeport. (F) Two million five hundred thousand dollars of the  
92 grants-in-aid authorized in subparagraph (F)(ii) of subdivision (1) of  
93 this subsection shall be made available for site acquisition, renovation  
94 and rehabilitation for the Institute for the Hispanic Family in Hartford.

95 Sec. 2. Subsection (a) of section 4-66g of the general statutes is  
96 repealed and the following is substituted in lieu thereof (*Effective July*  
97 *1, 2009*):

98 (a) For the purposes described in subsection (b) of this section, the  
99 State Bond Commission shall have the power, from time to time, to  
100 authorize the issuance of bonds of the state in one or more series and  
101 in principal amounts not exceeding in the aggregate one hundred  
102 [forty] sixty million dollars, provided [twenty] ten million dollars of  
103 said authorization shall be effective July 1, [2008] 2010.

104 Sec. 3. Subsection (a) of section 4a-10 of the general statutes is  
105 repealed and the following is substituted in lieu thereof (*Effective July*  
106 *1, 2009*):

107 (a) For the purposes described in subsection (b) of this section, the  
108 State Bond Commission shall have the power, from time to time to  
109 authorize the issuance of bonds of the state in one or more series and  
110 in principal amounts not exceeding in the aggregate [three hundred  
111 sixty-six million five hundred fifty thousand] three hundred fifty-two  
112 million eight hundred ninety-nine thousand two hundred ten dollars,  
113 provided twenty-six million dollars of said authorization shall be  
114 effective July 1, 2008.

115 Sec. 4. Section 7-374b of the general statutes is repealed and the  
116 following is substituted in lieu thereof (*Effective July 1, 2009*):

117 (a) A municipality, as defined in section 7-369, and any regional  
118 school district, may authorize the issuance of bonds, notes or other  
119 obligations in accordance with the provisions of this chapter for the  
120 purpose of funding a judgment, a compromised or settled claim  
121 against it or an award or sum payable by it pursuant to a  
122 determination by a court, or an officer, body or agency acting in an  
123 administrative or quasi-judicial capacity, other than an award or sum  
124 arising out of an employment contract, in any case in which the  
125 amount of such judgment, claim, award or sum exceeds five per cent  
126 of the total annual receipts from taxation, as computed for the  
127 purposes of subsection (b) of section 7-374 or subsection (b) of section  
128 10-56, as applicable, or two hundred fifty thousand dollars, whichever  
129 is less, provided that the last principal installment of such bonds, notes  
130 or other obligations shall mature no later than [fifteen] twenty years  
131 from the date of original issue of such bonds, notes or other obligations  
132 issued for such purposes. The temporary borrowing periods provided  
133 by sections 7-378 and 7-378a shall apply to the computation of the  
134 maximum maturity permitted by this section. This section shall not be  
135 applicable to the issuance of bonds, notes or other obligations to fund  
136 judgments, settlements, awards or sums payable in connection with  
137 construction projects.

138 (b) Any municipality may authorize the issuance of bonds, notes or  
139 other obligations in accordance with the provisions of this chapter for  
140 the purpose of funding a reserve fund for property or casualty losses  
141 established pursuant to section 7-403a.

142 Sec. 5. Subsection (a) of section 7-538 of the general statutes is  
143 repealed and the following is substituted in lieu thereof (*Effective July*  
144 *1, 2009*):

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

148 in principal amounts not exceeding in the aggregate [five hundred  
149 eighty-five] six hundred thirty-five million dollars, provided [thirty]  
150 fifty million dollars of said authorization shall be effective July 1,  
151 [2008] 2010.

152 Sec. 6. Subsection (a) of section 8-336n of the general statutes is  
153 repealed and the following is substituted in lieu thereof (*Effective July*  
154 *1, 2009*):

155 (a) For the purpose of capitalizing the Housing Trust Fund created  
156 by section 8-336o, the State Bond Commission shall have power, in  
157 accordance with the provisions of this section, from time to time to  
158 authorize the issuance of bonds of the state in one or more series and  
159 in principal amounts in the aggregate, not exceeding [one hundred  
160 ten] sixty million dollars, provided (1) twenty million dollars shall be  
161 effective July 1, 2005, (2) twenty million dollars shall be effective July 1,  
162 2006, [(3) twenty million dollars shall be effective July 1, 2007, (4) thirty  
163 million dollars shall be effective July 1, 2008, and (5)] and (3) twenty  
164 million dollars shall be effective July 1, 2009. The proceeds of the sale  
165 of bonds pursuant to this section shall be deposited in the Housing  
166 Trust Fund.

167 Sec. 7. Subsection (a) of section 10-66jj of the general statutes is  
168 repealed and the following is substituted in lieu thereof (*Effective July*  
169 *1, 2009*):

170 (a) For the purposes described in subsection (b) of this section, the  
171 State Bond Commission shall have the power, from time to time, to  
172 authorize the issuance of bonds of the state in one or more series and  
173 in principal amounts not exceeding in the aggregate [twenty] fifteen  
174 million dollars. [, provided five million dollars of said authorization  
175 shall be effective July 1, 2008.]

176 Sec. 8. Section 10-287d of the general statutes is repealed and the  
177 following is substituted in lieu thereof (*Effective July 1, 2009*):

178 For the purposes of funding (1) grants to projects that have received

179 approval of the State Board of Education pursuant to sections 10-287  
180 and 10-287a, subsection (a) of section 10-65 and section 10-76e, (2)  
181 grants to assist school building projects to remedy safety and health  
182 violations and damage from fire and catastrophe, and (3) regional  
183 vocational-technical school projects pursuant to section 10-283b, the  
184 State Treasurer is authorized and directed, subject to and in  
185 accordance with the provisions of section 3-20, to issue bonds of the  
186 state from time to time in one or more series in an aggregate amount  
187 not exceeding [six billion seven hundred thirty-one million eight  
188 hundred sixty thousand] eight billion thirty-seven million nine  
189 hundred sixty thousand dollars, provided [six hundred twenty-three  
190 million] six hundred thirty million four hundred thousand dollars of  
191 said authorization shall be effective July 1, [2008] 2010. Bonds of each  
192 series shall bear such date or dates and mature at such time or times  
193 not exceeding thirty years from their respective dates and be subject to  
194 such redemption privileges, with or without premium, as may be fixed  
195 by the State Bond Commission. They shall be sold at not less than par  
196 and accrued interest and the full faith and credit of the state is pledged  
197 for the payment of the interest thereon and the principal thereof as the  
198 same shall become due, and accordingly and as part of the contract of  
199 the state with the holders of said bonds, appropriation of all amounts  
200 necessary for punctual payment of such principal and interest is  
201 hereby made, and the State Treasurer shall pay such principal and  
202 interest as the same become due. The State Treasurer is authorized to  
203 invest temporarily in direct obligations of the United States, United  
204 States agency obligations, certificates of deposit, commercial paper or  
205 bank acceptances such portion of the proceeds of such bonds or of any  
206 notes issued in anticipation thereof as may be deemed available for  
207 such purpose.

208 Sec. 9. Section 10-292k of the general statutes is repealed and the  
209 following is substituted in lieu thereof (*Effective July 1, 2009*):

210 For purposes of funding interest subsidy grants, except for interest  
211 subsidy grants made pursuant to subsection (b) of section 10-292m, the  
212 State Treasurer is authorized and directed, subject to and in

213 accordance with the provisions of section 3-20, to issue bonds of the  
214 state from time to time in one or more series in an aggregate amount  
215 not exceeding [three hundred eleven million nine hundred thousand]  
216 three hundred thirty-four million seven hundred thousand dollars,  
217 provided [sixteen million four hundred thousand] eleven million two  
218 hundred thousand dollars of said authorization shall be effective July  
219 1, [2008] 2010. Bonds of each series shall bear such date or dates and  
220 mature at such time or times not exceeding thirty years from their  
221 respective dates and be subject to such redemption privileges, with or  
222 without premium, as may be fixed by the State Bond Commission.  
223 They shall be sold at not less than par and accrued interest and the full  
224 faith and credit of the state is pledged for the payment of the interest  
225 thereon and the principal thereof as the same shall become due, and  
226 accordingly and as part of the contract of the state with the holders of  
227 said bonds, appropriation of all amounts necessary for punctual  
228 payment of such principal and interest is hereby made, and the State  
229 Treasurer shall pay such principal and interest as the same become  
230 due. The State Treasurer is authorized to invest temporarily in direct  
231 obligations of the United States, United States agency obligations,  
232 certificates of deposit, commercial paper or bank acceptances, such  
233 portion of the proceeds of such bonds or of any notes issued in  
234 anticipation thereof as may be deemed available for such purpose.

235 Sec. 10. Subsection (a) of section 17a-225 of the general statutes is  
236 repealed and the following is substituted in lieu thereof (*Effective July*  
237 *1, 2009*):

238 (a) The State Bond Commission shall have the power, from time to  
239 time to authorize the issuance of bonds of the state in one or more  
240 series and in principal amounts not exceeding in the aggregate [six]  
241 seven million dollars.

242 Sec. 11. Section 22-26hh of the general statutes is repealed and the  
243 following is substituted in lieu thereof (*Effective July 1, 2009*):

244 The State Bond Commission shall have power, from time to time, to  
245 authorize the issuance of bonds of the state in one or more series and

246 in principal amounts not exceeding in the aggregate [one hundred  
247 seventeen million seven hundred fifty thousand] one hundred fifteen  
248 million one hundred seventy-four thousand seven hundred twelve  
249 dollars, the proceeds of which shall be used for the purposes of section  
250 22-26cc, provided [not more than five million dollars of said  
251 authorization shall be effective July 1, 2008, and further provided] not  
252 more than two million dollars shall be used for the purposes of section  
253 22-26jj. All provisions of section 3-20, or the exercise of any right or  
254 power granted thereby which are not inconsistent with the provisions  
255 of this section are hereby adopted and shall apply to all bonds  
256 authorized by the State Bond Commission pursuant to this section, and  
257 temporary notes in anticipation of the money to be derived from the  
258 sale of any such bonds so authorized may be issued in accordance with  
259 said section 3-20 and from time to time renewed. Such bonds shall  
260 mature at such time or times not exceeding twenty years from their  
261 respective dates as may be provided in or pursuant to the resolution or  
262 resolutions of the State Bond Commission authorizing such bonds.  
263 None of said bonds shall be authorized except upon a finding by the  
264 State Bond Commission that there has been filed with it a request for  
265 such authorization, which is signed by or on behalf of the Secretary of  
266 the Office of Policy and Management and states such terms and  
267 conditions as said commission, in its discretion, may require. Said  
268 bonds issued pursuant to this section shall be general obligations of the  
269 state and the full faith and credit of the state of Connecticut are  
270 pledged for the payment of the principal of and interest on said bonds  
271 as the same become due, and accordingly and as part of the contract of  
272 the state with the holders of said bonds, appropriation of all amounts  
273 necessary for punctual payment of such principal and interest is  
274 hereby made, and the Treasurer shall pay such principal and interest  
275 as the same become due.

276 Sec. 12. Subsection (a) of section 22a-483 of the general statutes is  
277 repealed and the following is substituted in lieu thereof (*Effective July*  
278 *1, 2009*):

279 (a) For the purposes of sections 22a-475 to 22a-483, inclusive, as

280 amended by this act, the State Bond Commission shall have the power,  
281 from time to time to authorize the issuance of bonds of the state in one  
282 or more series and in principal amounts, not exceeding in the  
283 aggregate [nine hundred sixty-one million thirty thousand] one billion  
284 sixty-six million thirty thousand dollars, provided [ninety] forty  
285 million dollars of said authorization shall be effective July 1, [2008]  
286 2010.

287 Sec. 13. Subsection (d) of section 22a-483 of the general statutes is  
288 repealed and the following is substituted in lieu thereof (*Effective July*  
289 *1, 2009*):

290 (d) Notwithstanding the foregoing, nothing herein shall preclude  
291 the State Bond Commission from authorizing the issuance of revenue  
292 bonds, in principal amounts not exceeding in the aggregate [one billion  
293 seven hundred fifty-three million four hundred thousand] one billion  
294 nine hundred thirteen million four hundred thousand dollars,  
295 provided [one hundred] eighty million dollars of said authorization  
296 shall be effective July 1, [2008] 2010, that are not general obligations of  
297 the state of Connecticut to which the full faith and credit of the state of  
298 Connecticut are pledged for the payment of the principal and interest.  
299 Such revenue bonds shall mature at such time or times not exceeding  
300 thirty years from their respective dates as may be provided in or  
301 pursuant to the resolution or resolutions of the State Bond Commission  
302 authorizing such revenue bonds. The revenue bonds, revenue state  
303 bond anticipation notes and revenue state grant anticipation notes  
304 authorized to be issued under sections 22a-475 to 22a-483, inclusive, as  
305 amended by this act, shall be special obligations of the state and shall  
306 not be payable from nor charged upon any funds other than the  
307 revenues or other receipts, funds or moneys pledged therefor as  
308 provided in said sections 22a-475 to 22a-483, inclusive, including the  
309 repayment of municipal loan obligations; nor shall the state or any  
310 political subdivision thereof be subject to any liability thereon except  
311 to the extent of such pledged revenues or the receipts, funds or  
312 moneys pledged therefor as provided in said sections 22a-475 to  
313 22a-483, inclusive. The issuance of revenue bonds, revenue state bond

314 anticipation notes and revenue state grant anticipation notes under the  
315 provisions of said sections 22a-475 to 22a-483, inclusive, shall not  
316 directly or indirectly or contingently obligate the state or any political  
317 subdivision thereof to levy or to pledge any form of taxation whatever  
318 therefor or to make any appropriation for their payment. The revenue  
319 bonds, revenue state bond anticipation notes and revenue state grant  
320 anticipation notes shall not constitute a charge, lien or encumbrance,  
321 legal or equitable, upon any property of the state or of any political  
322 subdivision thereof, except the property mortgaged or otherwise  
323 encumbered under the provisions and for the purposes of said sections  
324 22a-475 to 22a-483, inclusive. The substance of such limitation shall be  
325 plainly stated on the face of each revenue bond, revenue state bond  
326 anticipation note and revenue state grant anticipation note issued  
327 pursuant to said sections 22a-475 to 22a-483, inclusive, shall not be  
328 subject to any statutory limitation on the indebtedness of the state and  
329 such revenue bonds, revenue state bond anticipation notes and  
330 revenue state grant anticipation notes, when issued, shall not be  
331 included in computing the aggregate indebtedness of the state in  
332 respect to and to the extent of any such limitation. As part of the  
333 contract of the state with the owners of such revenue bonds, revenue  
334 state bond anticipation notes and revenue state grant anticipation  
335 notes, all amounts necessary for the punctual payment of the debt  
336 service requirements with respect to such revenue bonds, revenue  
337 state bond anticipation notes and revenue state grant anticipation  
338 notes shall be deemed appropriated, but only from the sources  
339 pledged pursuant to said sections 22a-475 to 22a-483, inclusive. The  
340 proceeds of such revenue bonds or notes may be deposited in the  
341 Clean Water Fund for use in accordance with the permitted uses of  
342 such fund. Any expense incurred in connection with the carrying out  
343 of the provisions of this section, including the costs of issuance of  
344 revenue bonds, revenue state bond anticipation notes and revenue  
345 state grant anticipation notes may be paid from the accrued interest  
346 and premiums or from any other proceeds of the sale of such revenue  
347 bonds, revenue state bond anticipation notes or revenue state grant  
348 anticipation notes and in the same manner as other obligations of the

349 state. All provisions of subsections (g), (k), (l), (s) and (u) of section  
350 3-20 or the exercise of any right or power granted thereby which are  
351 not inconsistent with the provisions of said sections 22a-475 to 22a-483,  
352 inclusive, are hereby adopted and shall apply to all revenue bonds,  
353 state revenue bond anticipation notes and state revenue grant  
354 anticipation notes authorized by the State Bond Commission pursuant  
355 to said sections 22a-475 to 22a-483, inclusive. For the purposes of  
356 subsection (o) of section 3-20, "bond act" shall be construed to include  
357 said sections 22a-475 to 22a-483, inclusive.

358 Sec. 14. Subsection (a) of section 23-103 of the general statutes is  
359 repealed and the following is substituted in lieu thereof (*Effective July*  
360 *1, 2009*):

361 (a) For the purposes described in subsection (b) of this section, the  
362 State Bond Commission shall have the power, from time to time, to  
363 authorize the issuance of bonds of the state in one or more series and  
364 in principal amounts not exceeding in the aggregate [six million  
365 dollars for the fiscal year ending June 30, 2008, and six] three million  
366 dollars for the fiscal year ending June 30, 2009.

367 Sec. 15. Subsections (a) and (b) of section 32-616 of the general  
368 statutes are repealed and the following is substituted in lieu thereof  
369 (*Effective July 1, 2009*):

370 (a) For the purposes described in subsection (b) of this section the  
371 State Bond Commission shall have power, from time to time but in no  
372 case later than June 30, 2009, to authorize the issuance of bonds of the  
373 state, in one or more series and in principal amounts and in the  
374 aggregate not exceeding [one hundred fifteen million] one hundred six  
375 million eight hundred eighty thousand dollars and such additional  
376 amounts as may be required in connection with the costs of issuance of  
377 the bonds including bond anticipation, temporary and interim notes,  
378 the proceeds of which shall be used by the State Treasurer to pay the  
379 costs of issuance, provided in computing the total amount of bonds  
380 which may at any one time be outstanding, the principal amount of  
381 any refunding bonds issued to refund bonds shall be excluded.

382 (b) The proceeds of the sale of said bonds, to the extent of the  
383 amount stated in subsection (a) of this section, shall be used by the  
384 Department of Economic and Community Development for grants-in-  
385 aid for capital city projects as follows:

386 (1) For the Civic Center and coliseum complex renovation and  
387 rejuvenation project, not exceeding fifteen million dollars;

388 (2) For the riverfront infrastructure development and improvement  
389 project, not exceeding [twenty-five million] nineteen million eight  
390 hundred eighty thousand dollars provided no amount shall be issued  
391 under this subdivision until the Commissioner of Economic and  
392 Community Development certifies to the State Bond Commission that  
393 it has received a commitment by agreement, contract or other legally  
394 enforceable instrument with private investors or developers for a  
395 minimum private investment equal to the amount of bonds at the time  
396 such bonds are issued pursuant to this subdivision taken together with  
397 any previous commitments; and provided further, twelve million  
398 dollars of said authorization shall be effective July 1, 1999, seven  
399 million dollars of said authorization shall be effective July 1, 2001, and  
400 three million dollars of said authorization shall be effective July 1,  
401 2003;

402 (3) For housing rehabilitation and new construction projects, as  
403 defined in subparagraph (E) (i) of subdivision (2) of section 32-600, not  
404 exceeding thirty-five million dollars, provided seven million dollars of  
405 said authorization shall be effective July 1, 1999, fourteen million  
406 dollars of said authorization shall be effective July 1, 2000, fourteen  
407 million dollars of said authorization shall be effective July 1, 2001, and  
408 four million dollars of said authorization shall be effective July 1, 2003;

409 (4) For demolition or redevelopment projects, as defined in  
410 subparagraph (E) (ii) of subdivision (2) of section 32-600, not exceeding  
411 twenty-five million dollars, provided seven million dollars of said  
412 authorization shall be effective July 1, 1999, eight million dollars of  
413 said authorization shall be effective July 1, 2000, five million dollars of  
414 said authorization shall be effective July 1, 2001, and three million

415 dollars of said authorization shall be effective July 1, 2003;

416 (5) For parking projects, as defined in subparagraph (F) of  
417 subdivision (2) of section 32-600, not exceeding [~~fifteen~~] twelve million  
418 dollars provided five million dollars of said authorization shall be  
419 effective July 1, 1999, and five million dollars of said authorization  
420 shall be effective July 1, 2000.

421 Sec. 16. (NEW) (*Effective July 1, 2009*) (a) For the purposes described  
422 in subsection (b) of this section, the State Bond Commission shall have  
423 the power, from time to time, to authorize the issuance of bonds of the  
424 state in one or more series and in principal amounts not exceeding in  
425 the aggregate four million dollars, provided two million dollars of said  
426 authorization shall be effective July 1, 2010.

427 (b) The proceeds of the sale of said bonds, to the extent of the  
428 amount stated in subsection (a) of this section, shall be used by the  
429 Department of Environmental Protection for the purpose of deposit  
430 into the Face of Connecticut account established pursuant to section  
431 22a-27t of the general statutes.

432 (c) All provisions of section 3-20 of the general statutes, or the  
433 exercise of any right or power granted thereby, which are not  
434 inconsistent with the provisions of this section are hereby adopted and  
435 shall apply to all bonds authorized by the State Bond Commission  
436 pursuant to this section, and temporary notes in anticipation of the  
437 money to be derived from the sale of any such bonds so authorized  
438 may be issued in accordance with said section 3-20 and from time to  
439 time renewed. Such bonds shall mature at such time or times not  
440 exceeding twenty years from their respective dates as may be provided  
441 in or pursuant to the resolution or resolutions of the State Bond  
442 Commission authorizing such bonds. None of said bonds shall be  
443 authorized except upon a finding by the State Bond Commission that  
444 there has been filed with it a request for such authorization which is  
445 signed by or on behalf of the Secretary of the Office of Policy and  
446 Management and states such terms and conditions as said commission,  
447 in its discretion, may require. Said bonds issued pursuant to this

448 section shall be general obligations of the state and the full faith and  
449 credit of the state of Connecticut are pledged for the payment of the  
450 principal of and interest on said bonds as the same become due, and  
451 accordingly and as part of the contract of the state with the holders of  
452 said bonds, appropriation of all amounts necessary for punctual  
453 payment of such principal and interest is hereby made, and the State  
454 Treasurer shall pay such principal and interest as the same become  
455 due.

456 Sec. 17. (NEW) (*Effective July 1, 2009*) (a) For the purposes described  
457 in subsection (b) of this section, the State Bond Commission shall have  
458 the power, from time to time, to authorize the issuance of bonds of the  
459 state in one or more series and in principal amounts not exceeding in  
460 the aggregate three million dollars.

461 (b) The proceeds of the sale of said bonds, to the extent of the  
462 amount stated in subsection (a) of this section, shall be used by the  
463 Secretary of the Office of Policy and Management for the purpose of  
464 providing grants-in-aid under the nonprofit collaboration incentive  
465 grant program established pursuant to subsection (c) of this section.

466 (c) (1) There is established the nonprofit collaboration incentive  
467 grant program to provide grants to nonprofit organizations for  
468 infrastructure costs related to the consolidation of programs and  
469 services resulting from the collaborative efforts of two or more such  
470 organizations. Grant funds may be used for: (A) The purchase of and  
471 improvements to facilities; (B) the refinancing of facility loans; (C)  
472 equipment purchases; (D) energy conservation, transportation and  
473 technology projects; (E) planning and administrative costs related to  
474 such purchases, improvements, refinancing or projects; and (F) any  
475 other purpose authorized in guidelines established under subdivision  
476 (2) of this subsection.

477 (2) Not later than October 1, 2009, the Secretary of the Office of  
478 Policy and Management shall, in consultation with the chairpersons of  
479 the joint standing committee of the General Assembly having  
480 cognizance of matters relating to human services, and with

481 representatives of nonprofit organizations that receive state funding,  
482 develop guidelines for (A) administration of the nonprofit  
483 collaboration incentive grant program, (B) eligibility criteria for  
484 participation by nonprofit organizations, and for the expenditure of  
485 grant funds, and (C) prioritization for the awarding of grants pursuant  
486 to this section.

487 (3) Not later than November 1, 2009, and annually thereafter, the  
488 Secretary of the Office of Policy and Management shall publish a  
489 notice of grant availability and solicit proposals for funding under the  
490 nonprofit collaboration incentive grant program. Nonprofit  
491 organizations eligible for such funding pursuant to the guidelines  
492 developed under subdivision (2) of this subsection may file  
493 applications for such funding at such times and in such manner as the  
494 secretary prescribes. The secretary shall review all grant applications  
495 and make determinations as to which projects to fund and the amount  
496 of grants to be awarded in accordance with the guidelines developed  
497 under subdivision (2) of this subsection.

498 (d) All provisions of section 3-20 of the general statutes, or the  
499 exercise of any right or power granted thereby, which are not  
500 inconsistent with the provisions of this section are hereby adopted and  
501 shall apply to all bonds authorized by the State Bond Commission  
502 pursuant to this section, and temporary notes in anticipation of the  
503 money to be derived from the sale of any such bonds so authorized  
504 may be issued in accordance with said section 3-20 and from time to  
505 time renewed. Such bonds shall mature at such time or times not  
506 exceeding twenty years from their respective dates as may be provided  
507 in or pursuant to the resolution or resolutions of the State Bond  
508 Commission authorizing such bonds. None of said bonds shall be  
509 authorized except upon a finding by the State Bond Commission that  
510 there has been filed with it a request for such authorization which is  
511 signed by or on behalf of the Secretary of the Office of Policy and  
512 Management and states such terms and conditions as said commission,  
513 in its discretion, may require. Said bonds issued pursuant to this  
514 section shall be general obligations of the state and the full faith and

515 credit of the state of Connecticut are pledged for the payment of the  
516 principal of and interest on said bonds as the same become due, and  
517 accordingly and as part of the contract of the state with the holders of  
518 said bonds, appropriation of all amounts necessary for punctual  
519 payment of such principal and interest is hereby made, and the State  
520 Treasurer shall pay such principal and interest as the same become  
521 due.

522 Sec. 18. Section 32-235 of the general statutes is repealed and the  
523 following is substituted in lieu thereof (*Effective from passage*):

524 (a) For the purposes described in subsection (b) of this section, the  
525 State Bond Commission shall have the power, from time to time to  
526 authorize the issuance of bonds of the state in one or more series and  
527 in principal amounts not exceeding in the aggregate five hundred  
528 [ninety-five million three hundred thousand] eighty-three million  
529 dollars, provided forty-five million dollars of said authorization shall  
530 be effective July 1, 2008.

531 (b) The proceeds of the sale of said bonds, to the extent of the  
532 amount stated in subsection (a) of this section, shall be used by the  
533 Department of Economic and Community Development for the  
534 purposes of sections 32-220 to 32-234, inclusive, as amended by this  
535 act, including economic cluster-related programs and activities, and  
536 for the Connecticut job training finance demonstration program  
537 pursuant to sections 32-23uu and 32-23vv provided, (1) three million  
538 dollars shall be used by said department solely for the purposes of  
539 section 32-23uu and not more than five million two hundred fifty  
540 thousand dollars of the amount stated in said subsection (a) may be  
541 used by said department for the purposes of section 31-3u, (2) not less  
542 than one million dollars shall be used for an educational technology  
543 grant to the deployment center program and the nonprofit business  
544 consortium deployment center approved pursuant to section 32-41l, (3)  
545 not less than two million dollars shall be used by said department for  
546 the establishment of a pilot program to make grants to businesses in  
547 designated areas of the state for construction, renovation or

548 improvement of small manufacturing facilities provided such grants  
549 are matched by the business, a municipality or another financing  
550 entity. The Commissioner of Economic and Community Development  
551 shall designate areas of the state where manufacturing is a substantial  
552 part of the local economy and shall make grants under such pilot  
553 program which are likely to produce a significant economic  
554 development benefit for the designated area, (4) five million dollars  
555 may be used by said department for the manufacturing  
556 competitiveness grants program, (5) one million dollars shall be used  
557 by said department for the purpose of a grant to the Connecticut  
558 Center for Advanced Technology, for the purposes of section 32-237,  
559 (6) fifty million dollars shall be used by said department for the  
560 purpose of grants to the United States Department of the Navy, the  
561 United States Department of Defense or eligible applicants for projects  
562 related to the enhancement of infrastructure for long-term, on-going  
563 naval operations at the United States Naval Submarine Base-New  
564 London, located in Groton, which will increase the military value of  
565 said base, and (7) two million dollars shall be used by said department  
566 for the purpose of a grant to the Connecticut Center for Advanced  
567 Technology, Inc., for manufacturing initiatives, including aerospace  
568 and defense.

569 (c) All provisions of section 3-20, or the exercise of any right or  
570 power granted thereby which are not inconsistent with the provisions  
571 of this section are hereby adopted and shall apply to all bonds  
572 authorized by the State Bond Commission pursuant to this section, and  
573 temporary notes in anticipation of the money to be derived from the  
574 sale of any such bonds so authorized may be issued in accordance with  
575 said section 3-20 and from time to time renewed. Such bonds shall  
576 mature at such time or times not exceeding twenty years from their  
577 respective dates as may be provided in or pursuant to the resolution or  
578 resolutions of the State Bond Commission authorizing such bonds.  
579 None of said bonds shall be authorized except upon a finding by the  
580 State Bond Commission that there has been filed with it a request for  
581 such authorization, which is signed by or on behalf of the Secretary of  
582 the Office of Policy and Management and states such terms and

583 conditions as said commission, in its discretion, may require. Said  
584 bonds issued pursuant to this section shall be general obligations of the  
585 state and the full faith and credit of the state of Connecticut are  
586 pledged for the payment of the principal of and interest on said bonds  
587 as the same become due, and accordingly and as part of the contract of  
588 the state with the holders of said bonds, appropriation of all amounts  
589 necessary for punctual payment of such principal and interest is  
590 hereby made, and the Treasurer shall pay such principal and interest  
591 as the same become due.

592 (d) For the purposes of subdivision (6) of subsection (b) of this  
593 section, grants to the United States Department of the Navy or the  
594 United States Department of Defense shall not be subject to compliance  
595 with any executive order of the Governor.

596 Sec. 19. Subsection (a) of section 32-223 of the general statutes is  
597 repealed and the following is substituted in lieu thereof (*Effective from*  
598 *passage*):

599 (a) (1) An eligible applicant shall submit an application for financial  
600 assistance to the commissioner on forms provided by the  
601 commissioner and with such information the commissioner deems  
602 necessary, including, but not limited to: [(1)] (A) A description of the  
603 proposed project; [(2)] (B) an explanation of the expected benefits of  
604 the project in relation to the purposes of sections 32-220 to 32-234,  
605 inclusive, as amended by this act; [(3)] (C) information concerning the  
606 financial and technical capacity of the eligible applicant to undertake  
607 the proposed project; [(4)] (D) a project budget; and [(5)] (E)  
608 identification, when appropriate, of business support services that may  
609 be of benefit to the state and the manufacturing and economic base  
610 businesses located or locating in the project area as part of the project.  
611 In the case of a municipal development project the eligible applicant  
612 shall, in addition to an application for financial assistance, submit a  
613 development plan prepared pursuant to subsection (b) of section 32-  
614 224 and approved by the commissioner, provided an eligible applicant  
615 may, prior to the submission of a development plan, receive financial

616 assistance for activities related to the planning of a municipal  
617 development project to the extent such assistance is provided for  
618 under subsection (b) of this section.

619 (2) The United States Department of the Navy, the United States  
620 Department of Defense or eligible applicants shall not be required to  
621 submit an application for financial assistance to the commissioner, as  
622 required by subsection (a) of this section, for projects related to the  
623 enhancement of infrastructure for long-term, on-going naval  
624 operations at the United States Naval Submarine Base-New London  
625 that are funded by grants to said Department of the Navy, said  
626 Department of Defense or said applicants as provided in subdivision  
627 (6) of subsection (b) of this section.

628 Sec. 20. Subsection (c) of section 32-223 of the general statutes is  
629 repealed and the following is substituted in lieu thereof (*Effective from*  
630 *passage*):

631 (c) No financial assistance shall be given to an eligible applicant and  
632 no participation interest in a loan made by the Connecticut  
633 Development Authority for the benefit of an eligible applicant shall be  
634 purchased by the department until the commissioner has approved the  
635 application submitted in accordance with subsection (a) of this section.  
636 Notwithstanding any other provision of this section, in the event that  
637 the financial assistance requested is the purchase by the department of  
638 a participation interest in a loan made by the Connecticut  
639 Development Authority, such authority may submit such application  
640 and other information as is required of eligible applicants under  
641 subsection (a) of this section on behalf of such eligible applicant and no  
642 further application shall be required of such eligible applicant. No  
643 financial assistance shall exceed: (1) Except as otherwise provided in  
644 subdivisions (2) to [(5)] (6), inclusive, of this subsection, fifty per cent  
645 of the total project cost, (2) in the case of financial assistance to any  
646 project in a targeted investment community, ninety per cent of the  
647 project cost, (3) when two or more municipalities which are not  
648 targeted investment communities jointly initiate a municipal

649 development project in accordance with the provisions of subsection  
650 (e) of section 32-224, seventy-five per cent of the total project cost, (4) in  
651 the case of a municipal development project jointly initiated by two or  
652 more municipalities at least one of which is a targeted investment  
653 community, the sum of: (A) Seventy-five per cent of the portion of the  
654 total project cost allocable to the participation of the municipality or  
655 municipalities which are not targeted investment communities, and (B)  
656 ninety per cent of the portion of the total project cost allocable to the  
657 participation of any targeted investment community or communities,  
658 [and] (5) in the case of a defense diversification project, ninety per cent  
659 of the total project cost if the project involves a municipal development  
660 project or the acquisition or development, or both, of real property for  
661 an unspecified occupant, and one hundred per cent in the case of any  
662 other defense diversification project, and (6) in the case of moneys  
663 used by the department for the purpose of grants to the United States  
664 Department of the Navy, United States Department of Defense or  
665 eligible applicants for projects related to the enhancement of  
666 infrastructure for long-term, on-going naval operations at the United  
667 States Naval Submarine Base-New London, as provided in subdivision  
668 (6) of subsection (b) of section 32-235, as amended by this act, one  
669 hundred per cent of the total project cost. A municipality's share of the  
670 total project cost, if any, may, with the approval of the commissioner,  
671 be satisfied entirely or partially from noncash contributions, including  
672 contributions of real property, from private sources, or, to the extent  
673 permitted by federal law, from moneys received by the municipality  
674 under any federal grant program.

675 Sec. 21. Subsection (g) of section 9-612 of the general statutes is  
676 repealed and the following is substituted in lieu thereof (*Effective from*  
677 *passage*):

678 (g) (1) As used in this subsection and subsections (h) and (i) of this  
679 section:

680 (A) "Quasi-public agency" has the same meaning as provided in  
681 section 1-120.

682 (B) "State agency" means any office, department, board, council,  
683 commission, institution or other agency in the executive or legislative  
684 branch of state government.

685 (C) "State contract" means an agreement or contract with the state or  
686 any state agency or any quasi-public agency, let through a  
687 procurement process or otherwise, having a value of fifty thousand  
688 dollars or more, or a combination or series of such agreements or  
689 contracts having a value of one hundred thousand dollars or more in a  
690 calendar year, for (i) the rendition of services, (ii) the furnishing of any  
691 goods, material, supplies, equipment or any items of any kind, (iii) the  
692 construction, alteration or repair of any public building or public work,  
693 (iv) the acquisition, sale or lease of any land or building, (v) a licensing  
694 arrangement, or (vi) a grant, loan or loan guarantee. "State contract"  
695 does not include any agreement or contract with the state, any state  
696 agency or any quasi-public agency that is exclusively federally funded,  
697 an education loan or a loan to an individual for other than commercial  
698 purposes.

699 (D) "State contractor" means a person, business entity or nonprofit  
700 organization that enters into a state contract. Such person, business  
701 entity or nonprofit organization shall be deemed to be a state  
702 contractor until December thirty-first of the year in which such  
703 contract terminates. "State contractor" does not include a municipality  
704 or any other political subdivision of the state, including any entities or  
705 associations duly created by the municipality or political subdivision  
706 exclusively amongst themselves to further any purpose authorized by  
707 statute or charter, or an employee in the executive or legislative branch  
708 of state government or a quasi-public agency, whether in the classified  
709 or unclassified service and full or part-time, and only in such person's  
710 capacity as a state or quasi-public agency employee.

711 (E) "Prospective state contractor" means a person, business entity or  
712 nonprofit organization that (i) submits a response to a state contract  
713 solicitation by the state, a state agency or a quasi-public agency, or a  
714 proposal in response to a request for proposals by the state, a state

715 agency or a quasi-public agency, until the contract has been entered  
716 into, or (ii) holds a valid prequalification certificate issued by the  
717 Commissioner of Administrative Services under section 4a-100.  
718 "Prospective state contractor" does not include a municipality or any  
719 other political subdivision of the state, including any entities or  
720 associations duly created by the municipality or political subdivision  
721 exclusively amongst themselves to further any purpose authorized by  
722 statute or charter, or an employee in the executive or legislative branch  
723 of state government or a quasi-public agency, whether in the classified  
724 or unclassified service and full or part-time, and only in such person's  
725 capacity as a state or quasi-public agency employee.

726 (F) "Principal of a state contractor or prospective state contractor"  
727 means (i) any individual who is a member of the board of directors of,  
728 or has an ownership interest of five per cent or more in, a state  
729 contractor or prospective state contractor, which is a business entity,  
730 except for an individual who is a member of the board of directors of a  
731 nonprofit organization, (ii) an individual who is employed by a state  
732 contractor or prospective state contractor, which is a business entity, as  
733 president, treasurer or executive vice president, (iii) an individual who  
734 is the chief executive officer of a state contractor or prospective state  
735 contractor, which is not a business entity, or if a state contractor or  
736 prospective state contractor has no such officer, then the officer who  
737 duly possesses comparable powers and duties, (iv) an officer or an  
738 employee of any state contractor or prospective state contractor who  
739 has managerial or discretionary responsibilities with respect to a state  
740 contract, (v) the spouse or a dependent child who is eighteen years of  
741 age or older of an individual described in this subparagraph, or (vi) a  
742 political committee established or controlled by an individual  
743 described in this subparagraph or the business entity or nonprofit  
744 organization that is the state contractor or prospective state contractor.

745 (G) "Dependent child" means a child residing in an individual's  
746 household who may legally be claimed as a dependent on the federal  
747 income tax return of such individual.

748 (H) "Managerial or discretionary responsibilities with respect to a  
749 state contract" means having direct, extensive and substantive  
750 responsibilities with respect to the negotiation of the state contract and  
751 not peripheral, clerical or ministerial responsibilities.

752 (I) "Rendition of services" means the provision of any service to a  
753 state agency or quasi-public agency in exchange for a fee,  
754 remuneration or compensation of any kind from the state or through  
755 an arrangement with the state.

756 (J) "State contract solicitation" means a request by a state agency or  
757 quasi-public agency, in whatever form issued, including, but not  
758 limited to, an invitation to bid, request for proposals, request for  
759 information or request for quotes, inviting bids, quotes or other types  
760 of submittals, through a competitive procurement process or another  
761 process authorized by law waiving competitive procurement.

762 (2) On and after December 31, 2006:

763 (A) No state contractor, prospective state contractor, principal of a  
764 state contractor or principal of a prospective state contractor, with  
765 regard to a state contract or a state contract solicitation with or from a  
766 state agency in the executive branch or a quasi-public agency or a  
767 holder, or principal of a holder of a valid prequalification certificate,  
768 shall make a contribution to, or solicit contributions on behalf of (i) an  
769 exploratory committee or candidate committee established by a  
770 candidate for nomination or election to the office of Governor,  
771 Lieutenant Governor, Attorney General, State Comptroller, Secretary  
772 of the State or State Treasurer, (ii) a political committee authorized to  
773 make contributions or expenditures to or for the benefit of such  
774 candidates, or (iii) a party committee;

775 (B) No state contractor, prospective state contractor, principal of a  
776 state contractor or principal of a prospective state contractor, with  
777 regard to a state contract or a state contract solicitation with or from  
778 the General Assembly or a holder, or principal of a holder, of a valid  
779 prequalification certificate, shall make a contribution to, or solicit

780 contributions on behalf of (i) an exploratory committee or candidate  
781 committee established by a candidate for nomination or election to the  
782 office of state senator or state representative, (ii) a political committee  
783 authorized to make contributions or expenditures to or for the benefit  
784 of such candidates, or (iii) a party committee;

785 (C) If a state contractor or principal of a state contractor makes or  
786 solicits a contribution prohibited under subparagraph (A) or (B) of this  
787 subdivision, as determined by the State Elections Enforcement  
788 Commission, the contracting state agency or quasi-public agency may,  
789 in the case of a state contract executed on or after February 8, 2007,  
790 void the existing contract with said contractor, and no state agency or  
791 quasi-public agency shall award the state contractor a state contract or  
792 an extension or an amendment to a state contract for one year after the  
793 election for which such contribution is made or solicited unless the  
794 commission determines that mitigating circumstances exist concerning  
795 such violation. No violation of the prohibitions contained in  
796 subparagraph (A) or (B) of this subdivision shall be deemed to have  
797 occurred if, and only if, the improper contribution is returned to the  
798 principal by the later of thirty days after receipt of such contribution  
799 by the recipient committee treasurer or the filing date that corresponds  
800 with the reporting period in which such contribution was made; and

801 (D) If a prospective state contractor or principal of a prospective  
802 state contractor makes or solicits a contribution prohibited under  
803 subparagraph (A) or (B) of this subdivision, as determined by the State  
804 Elections Enforcement Commission, no state agency or quasi-public  
805 agency shall award the prospective state contractor the contract  
806 described in the state contract solicitation or any other state contract  
807 for one year after the election for which such contribution is made or  
808 solicited unless the commission determines that mitigating  
809 circumstances exist concerning such violation. The Commissioner of  
810 Administrative Services shall notify applicants of the provisions of this  
811 subparagraph and subparagraphs (A) and (B) of this subdivision  
812 during the prequalification application process.

813 (E) The State Elections Enforcement Commission shall make  
814 available to each state agency and quasi-public agency a written notice  
815 advising state contractors and prospective state contractors of the  
816 contribution and solicitation prohibitions contained in subparagraphs  
817 (A) and (B) of this subdivision. Such notice shall: (i) Direct each state  
818 contractor and prospective state contractor to inform each individual  
819 described in subparagraph (F) of subdivision (1) of this subsection,  
820 with regard to said state contractor or prospective state contractor,  
821 about the provisions of subparagraph (A) or (B) of this subdivision,  
822 whichever is applicable, and this subparagraph; (ii) inform each state  
823 contractor and prospective state contractor of the civil and criminal  
824 penalties that could be imposed for violations of such prohibitions if  
825 any such contribution is made or solicited; (iii) inform each state  
826 contractor and prospective state contractor that, in the case of a state  
827 contractor, if any such contribution is made or solicited, the contract  
828 may be voided; (iv) inform each state contractor and prospective state  
829 contractor that, in the case of a prospective state contractor, if any such  
830 contribution is made or solicited, the contract described in the state  
831 contract solicitation shall not be awarded, unless the commission  
832 determines that mitigating circumstances exist concerning such  
833 violation; and (v) inform each state contractor and prospective state  
834 contractor that the state will not award any other state contract to  
835 anyone found in violation of such prohibitions for a period of one year  
836 after the election for which such contribution is made or solicited,  
837 unless the commission determines that mitigating circumstances exist  
838 concerning such violation. Each state agency and quasi-public agency  
839 shall distribute such notice to the chief executive officer of its  
840 contractors and prospective state contractors, or an authorized  
841 signatory to a state contract, and shall obtain a written  
842 acknowledgement of the receipt of such notice.

843 (3) (A) On and after December 31, 2006, neither the Governor,  
844 Lieutenant Governor, Attorney General, State Comptroller, Secretary  
845 of the State or State Treasurer, any candidate for any such office nor  
846 any agent of any such official or candidate shall knowingly, wilfully or  
847 intentionally solicit contributions on behalf of an exploratory

848 committee or candidate committee established by a candidate for  
849 nomination or election to any public office, a political committee or a  
850 party committee, from a person who he or she knows is prohibited  
851 from making contributions, including a principal of a state contractor  
852 or prospective state contractor with regard to a state contract  
853 solicitation with or from a state agency in the executive branch or a  
854 quasi-public agency or a holder of a valid prequalification certificate.

855 (B) On and after December 31, 2006, neither a member of the  
856 General Assembly, any candidate for any such office nor any agent of  
857 any such official or candidate shall knowingly, wilfully or intentionally  
858 solicit contributions on behalf of an exploratory committee or  
859 candidate committee established by a candidate for nomination or  
860 election to any public office, a political committee or a party  
861 committee, from a person who he or she knows is prohibited from  
862 making contributions, including a principal of a state contractor or  
863 prospective state contractor with regard to a state contract solicitation  
864 with or from the General Assembly or a holder of a valid  
865 prequalification certificate.

866 (4) The provisions of this subsection shall not apply to the campaign  
867 of a principal of a state contractor or prospective state contractor or to  
868 a principal of a state contractor or prospective state contractor who is  
869 an elected public official.

870 (5) Each state contractor and prospective state contractor shall make  
871 reasonable efforts to comply with the provisions of this subsection. If  
872 the State Elections Enforcement Commission determines that a state  
873 contractor or prospective state contractor has failed to make reasonable  
874 efforts to comply with this subsection, the commission may impose  
875 civil penalties against such state contractor or prospective state  
876 contractor in accordance with subsection (a) of section 9-7b.

877 (6) The provisions of this subsection shall not apply to any state  
878 contractor who is contracted to work on any project funded by a  
879 contract between any state agency and the United States Department  
880 of the Navy or the United States Department of Defense.

881 Sec. 22. Section 4a-60 of the general statutes is repealed and the  
882 following is substituted in lieu thereof (*Effective from passage*):

883 (a) Every contract to which the state or any political subdivision of  
884 the state other than a municipality is a party shall contain the  
885 following provisions: (1) The contractor agrees and warrants that in  
886 the performance of the contract such contractor will not discriminate  
887 or permit discrimination against any person or group of persons on the  
888 grounds of race, color, religious creed, age, marital status, national  
889 origin, ancestry, sex, mental retardation or physical disability,  
890 including, but not limited to, blindness, unless it is shown by such  
891 contractor that such disability prevents performance of the work  
892 involved, in any manner prohibited by the laws of the United States or  
893 of the state of Connecticut. The contractor further agrees to take  
894 affirmative action to insure that applicants with job-related  
895 qualifications are employed and that employees are treated when  
896 employed without regard to their race, color, religious creed, age,  
897 marital status, national origin, ancestry, sex, mental retardation, or  
898 physical disability, including, but not limited to, blindness, unless it is  
899 shown by such contractor that such disability prevents performance of  
900 the work involved; (2) the contractor agrees, in all solicitations or  
901 advertisements for employees placed by or on behalf of the contractor,  
902 to state that it is an "affirmative action-equal opportunity employer" in  
903 accordance with regulations adopted by the commission; (3) the  
904 contractor agrees to provide each labor union or representative of  
905 workers with which such contractor has a collective bargaining  
906 agreement or other contract or understanding and each vendor with  
907 which such contractor has a contract or understanding, a notice to be  
908 provided by the commission advising the labor union or workers'  
909 representative of the contractor's commitments under this section, and  
910 to post copies of the notice in conspicuous places available to  
911 employees and applicants for employment; (4) the contractor agrees to  
912 comply with each provision of this section and sections 46a-68e and  
913 46a-68f and with each regulation or relevant order issued by said  
914 commission pursuant to sections 46a-56, 46a-68e and 46a-68f; and (5)  
915 the contractor agrees to provide the Commission on Human Rights

916 and Opportunities with such information requested by the  
917 commission, and permit access to pertinent books, records and  
918 accounts, concerning the employment practices and procedures of the  
919 contractor as relate to the provisions of this section and section 46a-56.  
920 If the contract is a public works contract, the contractor agrees and  
921 warrants that he will make good faith efforts to employ minority  
922 business enterprises as subcontractors and suppliers of materials on  
923 such public works project. Prior to entering into the contract, the  
924 contractor shall provide the state or such political subdivision of the  
925 state with documentation in the form of a company or corporate policy  
926 adopted by resolution of the board of directors, shareholders,  
927 managers, members or other governing body of such contractor to  
928 support the nondiscrimination agreement and warranty under  
929 subdivision (1) of this subsection. For the purposes of this section,  
930 "contract" includes any extension or modification of the contract, and  
931 "contractor" includes any successors or assigns of the contractor.

932 (b) For the purposes of this section, "minority business enterprise"  
933 means any small contractor or supplier of materials fifty-one per cent  
934 or more of the capital stock, if any, or assets of which is owned by a  
935 person or persons: (1) Who are active in the daily affairs of the  
936 enterprise, (2) who have the power to direct the management and  
937 policies of the enterprise, and (3) who are members of a minority, as  
938 such term is defined in subsection (a) of section 32-9n; and "good faith"  
939 means that degree of diligence which a reasonable person would  
940 exercise in the performance of legal duties and obligations. "Good faith  
941 efforts" shall include, but not be limited to, those reasonable initial  
942 efforts necessary to comply with statutory or regulatory requirements  
943 and additional or substituted efforts when it is determined that such  
944 initial efforts will not be sufficient to comply with such requirements.

945 (c) Determination of the contractor's good faith efforts shall include  
946 but shall not be limited to the following factors: The contractor's  
947 employment and subcontracting policies, patterns and practices;  
948 affirmative advertising, recruitment and training; technical assistance  
949 activities and such other reasonable activities or efforts as the

950 commission may prescribe that are designed to ensure the  
951 participation of minority business enterprises in public works projects.

952 (d) The contractor shall develop and maintain adequate  
953 documentation, in a manner prescribed by the commission, of its good  
954 faith efforts.

955 (e) The contractor shall include the provisions of subsection (a) of  
956 this section in every subcontract or purchase order entered into in  
957 order to fulfill any obligation of a contract with the state and such  
958 provisions shall be binding on a subcontractor, vendor or  
959 manufacturer unless exempted by regulations or orders of the  
960 commission. The contractor shall take such action with respect to any  
961 such subcontract or purchase order as the commission may direct as a  
962 means of enforcing such provisions including sanctions for  
963 noncompliance in accordance with section 46a-56; provided, if such  
964 contractor becomes involved in, or is threatened with, litigation with a  
965 subcontractor or vendor as a result of such direction by the  
966 commission, the contractor may request the state of Connecticut to  
967 enter into any such litigation or negotiation prior thereto to protect the  
968 interests of the state and the state may so enter.

969 (f) The provisions of subsections (a) to (e), inclusive, of this section  
970 shall not apply to any contract between the state and the United States  
971 Department of the Navy or the United States Department of Defense.

972 Sec. 23. Section 4a-60a of the general statutes is repealed and the  
973 following is substituted in lieu thereof (*Effective from passage*):

974 (a) Every contract to which the state or any political subdivision of  
975 the state other than a municipality is a party shall contain the  
976 following provisions: (1) The contractor agrees and warrants that in  
977 the performance of the contract such contractor will not discriminate  
978 or permit discrimination against any person or group of persons on the  
979 grounds of sexual orientation, in any manner prohibited by the laws of  
980 the United States or of the state of Connecticut, and that employees are  
981 treated when employed without regard to their sexual orientation; (2)

982 the contractor agrees to provide each labor union or representative of  
983 workers with which such contractor has a collective bargaining  
984 agreement or other contract or understanding and each vendor with  
985 which such contractor has a contract or understanding, a notice to be  
986 provided by the Commission on Human Rights and Opportunities  
987 advising the labor union or workers' representative of the contractor's  
988 commitments under this section, and to post copies of the notice in  
989 conspicuous places available to employees and applicants for  
990 employment; (3) the contractor agrees to comply with each provision  
991 of this section and with each regulation or relevant order issued by  
992 said commission pursuant to section 46a-56; and (4) the contractor  
993 agrees to provide the Commission on Human Rights and  
994 Opportunities with such information requested by the commission,  
995 and permit access to pertinent books, records and accounts, concerning  
996 the employment practices and procedures of the contractor which  
997 relate to the provisions of this section and section 46a-56. Prior to  
998 entering into the contract, the contractor shall provide the state or such  
999 political subdivision of the state with documentation in the form of a  
1000 company or corporate policy adopted by resolution of the board of  
1001 directors, shareholders, managers, members or other governing body  
1002 of such contractor to support the nondiscrimination agreement and  
1003 warranty under subdivision (1) of this subsection. For the purposes of  
1004 this section, "contract" includes any extension or modification of the  
1005 contract, and "contractor" includes any successors or assigns of the  
1006 contractor.

1007 (b) The contractor shall include the provisions of subsection (a) of  
1008 this section in every subcontract or purchase order entered into in  
1009 order to fulfill any obligation of a contract with the state and such  
1010 provisions shall be binding on a subcontractor, vendor or  
1011 manufacturer unless exempted by regulations or orders of the  
1012 commission. The contractor shall take such action with respect to any  
1013 such subcontract or purchase order as the commission may direct as a  
1014 means of enforcing such provisions including sanctions for  
1015 noncompliance in accordance with section 46a-56; provided, if such  
1016 contractor becomes involved in, or is threatened with, litigation with a

1017 subcontractor or vendor as a result of such direction by the  
 1018 commission, the contractor may request the state of Connecticut to  
 1019 enter into any such litigation or negotiation prior thereto to protect the  
 1020 interests of the state and the state may so enter.

1021 (c) The provisions of subsections (a) and (b) of this section shall not  
 1022 apply to any contract between the state and the United States  
 1023 Department of the Navy or the United States Department of Defense.

1024 Sec. 24. Sections 13b-236, 16-245bb, 16a-38m, 16a-38o and 16a-38p of  
 1025 the general statutes are repealed. (*Effective July 1, 2009*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009</i>	4-66c(a) and (b)
Sec. 2	<i>July 1, 2009</i>	4-66g(a)
Sec. 3	<i>July 1, 2009</i>	4a-10(a)
Sec. 4	<i>July 1, 2009</i>	7-374b
Sec. 5	<i>July 1, 2009</i>	7-538(a)
Sec. 6	<i>July 1, 2009</i>	8-336n(a)
Sec. 7	<i>July 1, 2009</i>	10-66jj(a)
Sec. 8	<i>July 1, 2009</i>	10-287d
Sec. 9	<i>July 1, 2009</i>	10-292k
Sec. 10	<i>July 1, 2009</i>	17a-225(a)
Sec. 11	<i>July 1, 2009</i>	22-26hh
Sec. 12	<i>July 1, 2009</i>	22a-483(a)
Sec. 13	<i>July 1, 2009</i>	22a-483(d)
Sec. 14	<i>July 1, 2009</i>	23-103(a)
Sec. 15	<i>July 1, 2009</i>	32-616(a) and (b)
Sec. 16	<i>July 1, 2009</i>	New section
Sec. 17	<i>July 1, 2009</i>	New section
Sec. 18	<i>from passage</i>	32-235
Sec. 19	<i>from passage</i>	32-223(a)
Sec. 20	<i>from passage</i>	32-223(c)
Sec. 21	<i>from passage</i>	9-612(g)
Sec. 22	<i>from passage</i>	4a-60
Sec. 23	<i>from passage</i>	4a-60a
Sec. 24	<i>July 1, 2009</i>	Repealer section

**FIN**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**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:**

Municipalities	Effect	FY 10 \$	FY 11 \$
Various Municipalities	Revenue Gain	See Below	See Below
Various Municipalities	Cost	See Below	See Below

**Explanation**

The bill: (1) authorizes \$768.3 million and cancels \$290.7 million in General Obligation (GO) bonds in FY 10 (a net increase of \$477.6 million) and (2) authorizes \$743.6 million in GO bonds in FY 11. The total General Fund debt service cost for principal and interest payments to bond \$768.3 million over 20 years assuming a 5.0% interest rate, is \$1.17 billion. The debt service cost to bond \$743.6 million over 20 years assuming a 5.0% interest rate, is \$1.13 billion. 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 bill also authorizes \$80 million in Clean Water Fund revenue bonds in each of FY 10 and FY 11. For each fiscal year, the principal and interest cost to bond \$80 million over a 20 year term, assuming a 5% interest rate, is \$122.0 million. The debt service cost for these bonds is paid primarily with revenue from: (1) investment earnings on the reserves and assets held in the reserve fund required by statute, and (2) loan payments from towns who receive Clean Water Fund low-interest loans. This reduces the debt service cost for the General Fund to a

minimal amount.

There will be a municipal revenue gain from the bond authorizations for the Small Town Economic Assistance Program (STEAP), the Local Capital Improvement Program (LoCIP), school construction grants-in-aid, and the Clean Water Fund Program.

The bill permits municipalities to extend from 15 to 20 years the maximum allowable term for municipal borrowing needed to pay a court judgment or establish a reserve for property and casualty losses. This will increase total debt service cost due over the life of the bonds for municipalities that choose this option. However, it will also reduce the size of the annual debt service payments that such municipalities must make on the bonds.

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

The fiscal impact identified above for the General Fund would continue into the future for the term of issuance of the bonds.

*Sources: Office of the State Treasurer*

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**OLR Bill Analysis****sSB 836*****AN ACT INCREASING CERTAIN BOND AUTHORIZATIONS FOR CAPITAL IMPROVEMENTS AND CONCERNING INFRASTRUCTURE IMPROVEMENTS AT THE UNITED STATES NAVAL SUBMARINE BASE-NEW LONDON.*****SUMMARY:**

This bill authorizes a total of up to \$768.3 million in state general obligation (GO) bonding in FY 10 and \$743.6 million in FY 11 for various programs and purposes, including local school construction projects, economic and community development projects, clean water project grants, and the Local Capital Improvement Program (LOCIP). The bill also authorizes up to \$80 million in revenue bonds in each year for Clean Water Fund loans for water pollution control projects.

The bill cancels \$290.7 million in unallocated balances from prior GO bond authorizations. The cancellations include authorizations for the Housing Trust Fund, Manufacturing Assistance Act, farmland preservation, charter school capital expenses, farmland preservation, and municipal and state energy projects.

The bill also:

1. extends the maximum allowable term for municipal borrowing needed to pay a court judgment or establish a reserve for property and casualty losses,
2. establishes a nonprofit collaboration incentive grant program to help nonprofit organizations cover infrastructure costs arising from a program or service consolidation between two or more such organizations, and
3. exempts the U.S. Navy and Defense departments and their

eligible contractors from various state requirements when they use state financial assistance for infrastructure projects for ongoing naval operations at the U.S. Naval Submarine Base–New London.

EFFECTIVE DATE: July 1, 2009, except for the provisions concerning the sub base infrastructure projects, which take effect on passage.

### NEW BOND AUTHORIZATIONS

The bill authorizes additional bonds for various purposes for FY 10 and FY 11 as shown in Table 1. It authorizes up to \$768.3 million in GO bonds for FY 10 and up to \$743.6 million for FY 11. It also authorizes \$80 million in revenue bonds for each year for Clean Water Fund loans.

**Table 1: New Authorizations**

<b>§</b>	<b>Agency</b>	<b>Purpose/Fund</b>	<b>FY 10</b>	<b>FY 11</b>
2	Office of Policy & Management	Small Town Economic Assistance Program (STEAP) economic and community development project grants	\$10,000,000	\$10,000,000
5	Office of Policy & Management	Local Capital Improvement Program (LOCIP)	0	50,000,000
8	Education	School construction projects	675,700,000	630,400,000
9	Education	School construction interest subsidy grants	11,600,000	11,200,000
10	Developmental Services	Community Residential Facility Revolving Loan Fund	1,000,000	0
12	Environmental Protection	Clean Water Fund grants	65,000,000	40,000,000
13	Environmental Protection	Clean Water Fund loans (revenue bonds)	80,000,000	80,000,000
16	Environmental Protection	Face of Connecticut account	2,000,000	2,000,000
17	Office of Policy & Management	Nonprofit collaboration incentive grant program (see explanation below)	3,000,000	0

### BOND CANCELLATIONS

The bill cancels \$290,706,078 in authorized but unallocated GO bonds as shown in Table 2.

**Table 2: Bond Authorizations Cancelled**

<b>§</b>	<b>Agency</b>	<b>Purpose/Fund</b>	<b>Amount</b>
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			<b>Cancelled</b>
1	Office of Policy & Management/ Economic & Community Development	Economic and community development project grants (Urban Act)	\$20,060,000
3	Office of Policy & Management	Capital Equipment Purchase Fund	13,650,790
6	Economic & Community Development	Housing Trust Fund	50,000,000
7	Education	Charter school capital expenses	5,000,000
11	Agriculture	Farmland preservation	2,575,288
14	Environmental Protection	Connecticut bikeway grant program	9,000,000
15 (a) (2)	Economic & Community Development	Capital City Economic Development Authority - riverfront infrastructure development and improvement project	5,120,000
15 (a) (5)	Economic & Community Development	Capital City Economic Development Authority - parking projects	3,000,000
18	Economic & Community Development	Manufacturing Assistance Act	12,300,000
24	Transportation	Competitive matching grants for commercial rail freight lines operating in the state for improvements, repairs, and modernization of existing rail, rail beds, and related facilities (§ 13b-236)	10,000,000
24	Connecticut Innovations, Inc.	Municipal grants for renewable energy and energy efficiency projects (§ 16-245bb)	50,000,000
24	Public Works	Energy efficiency projects in state buildings (§ 16a-38m)	30,000,000
24	Public Utility Control	Grant program for distributed (on-site) generation projects in state and business-owned buildings (§ 16a-38o)	50,000,000
24	Connecticut Innovations, Inc.	Renewable energy or combined heat and power projects in state buildings (§ 16a-38p)	30,000,000

#### **§ 4 — MAXIMUM TERM FOR MUNICIPAL BONDS TO COVER JUDGMENTS**

By law, municipalities and regional school districts may issue bonds, notes, or other obligations to pay a judgment, compromised or settled claim, or meet any other court-ordered payment, other than an award arising from an employment contract, if the payment exceeds 5% of its total annual tax revenue or \$250,000, whichever is less. Such borrowing may also be used to fund a reserve for property or casualty losses. The bill extends the maximum term of such borrowing from 15 to 20 years.

#### **§ 17 — NONPROFIT COLLABORATION INCENTIVE GRANT PROGRAM**

The bill establishes a nonprofit collaboration incentive grant program and authorizes \$3 million in GO bonding to fund it. It requires the Office of Policy and Management (OPM) secretary to use the funds to provide grants to nonprofit organizations for infrastructure costs arising from any collaboration between two or more organizations to consolidate programs and services. Organizations can use the grants to:

1. buy and improve facilities;
2. refinance facility loans;
3. buy equipment;
4. fund energy conservation, transportation, and technology projects;
5. pay planning and administrative costs related to the above activities; and
6. engage in other activities authorized under the program guidelines.

By October 1, 2009, the bill requires the OPM secretary to consult with the Human Services Committee chairpersons and representatives of nonprofit organizations receiving state funding to develop guidelines for (1) administering the grant program, (2) grant eligibility criteria, (3) spending grant funds, and (4) prioritizing grant awards.

Starting by November 1, 2009, the secretary must publish an annual notice that the grant is available and solicit proposals. Eligible organizations must submit funding applications when and how the secretary prescribes. The secretary must use the program guidelines to review applications and determine the projects and amounts to be funded.

## **§§ 18-22 — INFRASTRUCTURE CONTRACTS FOR THE NEW LONDON SUBMARINE BASE**

The state has authorized \$50 million in GO bonds to the Department of Economic and Community Development (DECD) under the Manufacturing Assistance Act (MAA) to provide grants to enhance infrastructure for ongoing naval operations at the U.S. Naval Submarine Base-New London. The bill adds the Department of Defense to the entities that may receive the grants. Under current law, grant recipients are the U.S. Navy and other eligible applicants. The bill also corrects the reference to the Navy by specifying that grants go to the Department of the Navy.

The bill exempts the sub base infrastructure project grants and contracts, as well as the Navy and Defense departments and other eligible contractors, from certain requirements applicable to state contracts, contractors, and applicants for state financial assistance. It:

1. exempts the Navy and Defense departments from any requirement to be in compliance with any executive order of the governor;
2. waives, for the Navy and Defense departments and other eligible applicants, the requirement to apply for financial assistance to the DECD commissioner;
3. exempts any state contractor working on the sub base project under a contract between the state and the Navy or Defense departments from restrictions on state contractors' political contributions to candidates for state office; and
4. exempts contracts between the state and either department from the state requirement that state contractors and their subcontractors comply with state antidiscrimination laws and affirmative action requirements, as well as from minority and small business set-aside requirements for state contracts.

The bill also allows DECD to provide financial assistance for 100% of the total cost of sub base infrastructure enhancement project. With some exceptions, current law limits DECD's financial assistance to 50%

of the total cost of a project receiving aid under the MAA.

**BACKGROUND**

***Related Bills***

sSB 834, favorably reported by the Finance, Revenue and Bonding Committee, authorizes \$10 million in special tax obligation bonds for FY 10 for competitive matching grants for commercial rail freight lines operating in the state for improvements, repairs, and modernization of existing rail, rail beds, and related facilities.

sHB 6609, Files 203 and 867, requires OPM, within available appropriations, to establish a grant program to help state-funded nonprofit organizations consolidate their programs and services. That bill also requires the OPM secretary, in collaboration with the Appropriations Committee and representatives of the nonprofits that receive state funds, to develop guidelines for administering and distributing the grants.

**COMMITTEE ACTION**

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 55 Nay 0 (04/16/2009)