



Senate

General Assembly

File No. 596

February Session, 2010

Substitute Senate Bill No. 27

Senate, April 20, 2010

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 AUTHORIZING SPECIAL TAX OBLIGATION BONDS OF THE STATE FOR IMPROVEMENTS TO SERVICE PLAZAS ON MAJOR HIGHWAYS.

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

1 Section 1. (*Effective July 1, 2010*) (a) The State Bond Commission shall
2 have power, in accordance with the provisions of this section, from
3 time to time to authorize the issuance of special tax obligation bonds of
4 the state in one or more series and in principal amounts in the
5 aggregate, not exceeding four million eight hundred twenty-five
6 thousand dollars.

7 (b) The proceeds of the sale of said bonds to the extent hereinafter
8 stated, shall be used for the purpose of payment of the transportation
9 costs, as defined in subdivision (6) of section 13b-75 of the general
10 statutes, with respect to the projects and uses hereinafter described,
11 which projects and uses are hereby found and determined to be in
12 furtherance of one or more of the authorized purposes for the issuance

13 of special tax obligation bonds set forth in section 13b-74 of the general
14 statutes. Any proceeds from the sale of said bonds shall be used by the
15 Department of Transportation for the environmental clean-up of
16 service plazas along Interstate 95, the Merritt and Wilbur Cross
17 Parkways, and Interstate 395.

18 (c) None of said bonds shall be authorized except upon a finding by
19 the State Bond Commission that there has been filed with it (1) a
20 request for such authorization, which is signed by the Secretary of the
21 Office of Policy and Management or by or on behalf of such state
22 officer, department or agency and stating such terms and conditions as
23 said commission, in its discretion, may require, and (2) any capital
24 development impact statement and any human services facility
25 colocation statement required to be filed with the Secretary of the
26 Office of Policy and Management pursuant to section 4b-23 of the
27 general statutes, any advisory report regarding the state conservation
28 and development policies plan required pursuant to section 16a-31 of
29 the general statutes, and any statement regarding farm land required
30 pursuant to subsection (g) of section 3-20 of the general statutes and
31 section 22-6 of the general statutes, provided the State Bond
32 Commission may authorize said bonds without a finding that the
33 reports and statements required by this subdivision have been filed
34 with it if said commission authorizes the secretary of said commission
35 to accept such reports and statements on its behalf. No funds derived
36 from the sale of bonds authorized by said commission without a
37 finding that the reports and statements required by this subdivision
38 have been filed with it shall be allotted by the Governor for any project
39 until the reports and statements required by this subdivision, with
40 respect to such project, have been filed with the secretary of said
41 commission.

42 (d) For the purposes of this section, each request filed as provided in
43 this section for an authorization of bonds shall identify the project for
44 which the proceeds of the sale of such bonds are to be used and
45 expended and, in addition to any terms and conditions required
46 pursuant to this section, include the recommendation of the person

47 signing such request as to the extent to which federal, private or other
48 moneys then available or thereafter to be made available for costs in
49 connection with any such project should be added to the state moneys
50 available or becoming available from the proceeds of bonds and
51 temporary notes issued in anticipation of the receipt of the proceeds of
52 bonds. If the request includes a recommendation that some amount of
53 such federal, private or other moneys should be added to such state
54 moneys, then, if and to the extent directed by the State Bond
55 Commission at the time of authorization of such bonds, said amount of
56 such federal, private or other moneys then available or thereafter to be
57 made available for costs in connection with such project shall be added
58 to such state moneys.

59 (e) Any balance of proceeds of the sale of said bonds authorized for
60 the projects or purposes of this section, in excess of the aggregate costs
61 of all the projects so authorized, shall be used in the manner set forth
62 in sections 13b-74 to 13b-77, inclusive, of the general statutes, and in
63 the proceedings of the State Bond Commission respecting the issuance
64 and sale of said bonds.

65 (f) Said bonds issued pursuant to this section shall be special
66 obligations of the state and shall not be payable from or charged upon
67 any funds other than revenues of the state pledged therefor in
68 subsection (b) of section 13b-61 of the general statutes and section 13b-
69 69 of the general statutes, or such other receipts, funds or moneys as
70 may be pledged therefor. Said bonds shall not be payable from or
71 charged upon any funds other than such pledged revenues or such
72 other receipts, funds or moneys as may be pledged therefor, nor shall
73 the state or any political subdivision thereof be subject to any liability
74 thereon, except to the extent of such pledged revenues or such other
75 receipts, funds or moneys as may be pledged therefor. Said bonds shall
76 be issued under and in accordance with the provisions of sections 13b-
77 74 to 13b-77, inclusive, of the general statutes.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2010	New section
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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 11 \$	FY 12 \$
Treasurer, Debt Serv.	TF - Cost	See Below	See Below

Note: TF=Transportation Fund

Municipal Impact: None

Explanation

The bill authorizes \$4.825 million in Special Tax Obligation (STO) bonds in FY 11. The total Special Transportation Fund debt service cost for principal and interest payments to issue this amount over 20 years assuming a 5.5% interest rate is \$8.1 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.

The Out Years

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

OLR Bill Analysis

sSB 27

AN ACT AUTHORIZING SPECIAL TAX OBLIGATION BONDS OF THE STATE FOR IMPROVEMENTS TO SERVICE PLAZAS ON MAJOR HIGHWAYS.

SUMMARY:

This bill authorizes \$4.825 million in special tax obligation (STO) bonds for the Department of Transportation to pay for environmental clean-up at service plazas along Interstate 95, the Merritt and Wilbur Cross parkways, and Interstate 395.

The bonds are subject to regular STO bond requirements and issuance procedures.

EFFECTIVE DATE: July 1, 2010

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 55 Nay 0 (04/05/2010)