



General Assembly

January Session, 2011

Governor's Bill No. 1006

LCO No. 3381

03381_____

Referred to Committee on Finance, Revenue and Bonding

Introduced by:

SEN. WILLIAMS, 29th Dist.

SEN. LOONEY, 11th Dist.

REP. DONOVAN, 84th Dist.

REP. SHARKEY, 88th Dist.

**AN ACT INCREASING CERTAIN BOND AUTHORIZATIONS FOR
CAPITAL IMPROVEMENTS.**

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2 statutes are repealed and the following is substituted in lieu thereof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, 2011*):

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 fifty-
8 nine million four hundred eighty-seven thousand five hundred forty-
9 four dollars] one billion two hundred thirty-nine million four hundred
10 eighty-seven thousand five hundred forty-four dollars, provided thirty
11 million dollars of said authorization shall be effective July 1, 2012. All
12 provisions of section 3-20, or the exercise of any right or power granted

13 thereby, which are not inconsistent with the provisions of this section,
14 are hereby adopted and shall apply to all bonds authorized by the
15 State Bond Commission pursuant to this section, and temporary notes
16 in anticipation of the money to be derived from the sale of any such
17 bonds so authorized may be issued in accordance with said section 3-
18 20 and from time to time renewed. Such bonds shall mature at such
19 time or times not exceeding twenty years from their respective dates as
20 may be provided in or pursuant to the resolution or resolutions of the
21 State Bond Commission authorizing such bonds. None of said bonds
22 shall be authorized except upon a finding by the State Bond
23 Commission that there has been filed with it a request for such
24 authorization, which is signed by or on behalf of the Secretary of the
25 Office of Policy and Management and states such terms and conditions
26 as said commission in its discretion may require. Said bonds issued
27 pursuant to this section shall be general obligations of the state and the
28 full faith and credit of the state of Connecticut are pledged for the
29 payment of the principal of and interest on said bonds as the same
30 become due, and accordingly as part of the contract of the state with
31 the holders of said bonds, appropriation of all amounts necessary for
32 punctual payment of such principal and interest is hereby made, and
33 the Treasurer shall pay such principal and interest as the same become
34 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 forty-four million eight
73 hundred thousand dollars] one billion one hundred twenty-four
74 million eight hundred thousand dollars, provided thirty million
75 dollars of said authorization shall be effective July 1, 2012.

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 (G) Three million dollars of the grants-in-aid authorized in
96 subparagraph (F)(ii) of subdivision (1) of this subsection shall be made
97 available for the acquisition of land and the development of
98 commercial or retail property in New Haven. (H) Seven hundred fifty
99 thousand dollars of the grants-in-aid authorized in subparagraph
100 (F)(ii) of subdivision (1) of this subsection shall be made available for
101 repairs and replacement of the fishing pier at Cummings Park in
102 Stamford.

103 Sec. 2. Subsection (a) of section 4a-10 of the general statutes is
104 repealed and the following is substituted in lieu thereof (*Effective July*
105 *1, 2011*):

106 (a) For the purposes described in subsection (b) of this section, the
107 State Bond Commission shall have the power, from time to time to
108 authorize the issuance of bonds of the state in one or more series and
109 in principal amounts not exceeding in the aggregate [three hundred
110 sixty-four million two hundred thousand dollars] three hundred
111 eighty-seven million one hundred thousand dollars, provided twenty-
112 two million nine hundred thousand dollars of said authorization shall
113 be effective July 1, 2012.

114 Sec. 3. Subsection (a) of section 7-538 of the general statutes is
115 repealed and the following is substituted in lieu thereof (*Effective July*
116 *1, 2011*):

117 (a) For the purposes described in subsection (b) of this section, the
118 State Bond Commission shall have the power, from time to time, to
119 authorize the issuance of bonds of the state in one or more series and
120 in principal amounts not exceeding in the aggregate [six hundred
121 forty-five million] seven hundred five million dollars, provided thirty
122 million dollars of said authorization shall be effective July 1, [2010]
123 2012.

124 Sec. 4. Section 10-287d of the general statutes is repealed and the
125 following is substituted in lieu thereof (*Effective July 1, 2011*):

126 For the purposes of funding (1) grants to projects that have received
127 approval of the [State Board of Education] Department of Construction
128 Services pursuant to sections 10-287 and 10-287a, subsection (a) of
129 section 10-65 and section 10-76e, (2) grants to assist school building
130 projects to remedy safety and health violations and damage from fire
131 and catastrophe, and (3) regional vocational-technical school projects
132 pursuant to section 10-283b, the State Treasurer is authorized and
133 directed, subject to and in accordance with the provisions of section 3-
134 20, to issue bonds of the state from time to time in one or more series in
135 an aggregate amount not exceeding [eight billion thirty-eight million
136 nine hundred sixty thousand] nine billion one hundred forty-five
137 million nine hundred sixty thousand dollars, provided [six hundred
138 thirty million four hundred thousand] five hundred eighty-four
139 million dollars of said authorization shall be effective July 1, [2010]
140 2012. Bonds of each series shall bear such date or dates and mature at
141 such time or times not exceeding thirty years from their respective
142 dates and be subject to such redemption privileges, with or without
143 premium, as may be fixed by the State Bond Commission. They shall
144 be sold at not less than par and accrued interest and the full faith and
145 credit of the state is pledged for the payment of the interest thereon

146 and the principal thereof as the same shall become due, and
147 accordingly and as part of the contract of the state with the holders of
148 said bonds, appropriation of all amounts necessary for punctual
149 payment of such principal and interest is hereby made, and the State
150 Treasurer shall pay such principal and interest as the same become
151 due. The State Treasurer is authorized to invest temporarily in direct
152 obligations of the United States, United States agency obligations,
153 certificates of deposit, commercial paper or bank acceptances such
154 portion of the proceeds of such bonds or of any notes issued in
155 anticipation thereof as may be deemed available for such purpose.

156 Sec. 5. Section 10-292k of the general statutes is repealed and the
157 following is substituted in lieu thereof (*Effective July 1, 2011*):

158 For purposes of funding interest subsidy grants, except for interest
159 subsidy grants made pursuant to subsection (b) of section 10-292m, the
160 State Treasurer is authorized and directed, subject to and in
161 accordance with the provisions of section 3-20, to issue bonds of the
162 state from time to time in one or more series in an aggregate amount
163 not exceeding [three hundred thirty-four million seven hundred
164 thousand] three hundred fifty-six million four hundred thousand
165 dollars, provided [eleven million two hundred thousand] eight million
166 three hundred thousand dollars of said authorization shall be effective
167 July 1, [2010] 2012. Bonds of each series shall bear such date or dates
168 and mature at such time or times not exceeding thirty years from their
169 respective dates and be subject to such redemption privileges, with or
170 without premium, as may be fixed by the State Bond Commission.
171 They shall be sold at not less than par and accrued interest and the full
172 faith and credit of the state is pledged for the payment of the interest
173 thereon and the principal thereof as the same shall become due, and
174 accordingly and as part of the contract of the state with the holders of
175 said bonds, appropriation of all amounts necessary for punctual
176 payment of such principal and interest is hereby made, and the State
177 Treasurer shall pay such principal and interest as the same become
178 due. The State Treasurer is authorized to invest temporarily in direct

179 obligations of the United States, United States agency obligations,
180 certificates of deposit, commercial paper or bank acceptances, such
181 portion of the proceeds of such bonds or of any notes issued in
182 anticipation thereof as may be deemed available for such purpose.

183 Sec. 6. Subsection (b) of section 16a-38m of the general statutes is
184 repealed and the following is substituted in lieu thereof (*Effective July*
185 *1, 2011*):

186 (b) The proceeds of the sale of said bonds, to the extent of the
187 amount stated in subsection (a) of this section, shall be used by the
188 Department of [Public Works] Energy and Environmental Protection
189 for the purpose of funding [the net project costs, or the balance of any
190 projects after applying any public or private financial incentives
191 available, for] any energy services project that results in increased
192 efficiency measures in state buildings pursuant to section 16a-38l, or
193 for any renewable energy or combined heat and power project in state
194 buildings.

195 Sec. 7. Subsection (b) of section 16a-38p of the general statutes is
196 repealed and the following is substituted in lieu thereof (*Effective July*
197 *1, 2011*):

198 (b) The proceeds of the sale of said bonds, to the extent of the
199 amount stated in subsection (a) of this section, shall be used by
200 [Connecticut Innovations, Incorporated] the Department of Energy
201 and Environmental Protection, for the purpose of funding [the net
202 project costs, or the balance of any projects after applying any public or
203 private financial incentives available, for any renewable energy or
204 combined heat and power projects in state buildings. The funds shall
205 be made available through the Renewable Energy Investment Fund,
206 established pursuant to section 16-245n. Eligible state buildings shall
207 be Leadership in Energy and Environmental Design (LEED) certified
208 or in the process of becoming LEED certified or in the process of
209 becoming LEED silver rating certified or receive a two-globe rating in
210 the green Globes USA design program or in the process of receiving a

211 two-globe rating in the Green Globes USA design program] any
212 energy services project that results in increased efficiency measures in
213 state buildings pursuant to section 16a-38l, or for any renewable
214 energy or combined heat and power project in state buildings.

215 Sec. 8. Section 22-26hh of the general statutes is repealed and the
216 following is substituted in lieu thereof (*Effective July 1, 2011*):

217 The State Bond Commission shall have power, from time to time, to
218 authorize the issuance of bonds of the state in one or more series and
219 in principal amounts not exceeding in the aggregate [one hundred
220 thirty million two hundred fifty thousand] one hundred fifty million
221 two hundred fifty thousand dollars, the proceeds of which shall be
222 used for the purposes of section 22-26cc, provided not more than ten
223 million dollars of said authorization shall be effective July 1, [2010]
224 2012, and further provided not more than two million dollars shall be
225 used for the purposes of section 22-26jj. All provisions of section 3-20,
226 or the exercise of any right or power granted thereby which are not
227 inconsistent with the provisions of this section are hereby adopted and
228 shall apply to all bonds authorized by the State Bond Commission
229 pursuant to this section, and temporary notes in anticipation of the
230 money to be derived from the sale of any such bonds so authorized
231 may be issued in accordance with said section 3-20 and from time to
232 time renewed. Such bonds shall mature at such time or times not
233 exceeding twenty years from their respective dates as may be provided
234 in or pursuant to the resolution or resolutions of the State Bond
235 Commission authorizing such bonds. None of said bonds shall be
236 authorized except upon a finding by the State Bond Commission that
237 there has been filed with it a request for such authorization, which is
238 signed by or on behalf of the Secretary of the Office of Policy and
239 Management and states such terms and conditions as said commission,
240 in its discretion, may require. Said bonds issued pursuant to this
241 section shall be general obligations of the state and the full faith and
242 credit of the state of Connecticut are pledged for the payment of the
243 principal of and interest on said bonds as the same become due, and

244 accordingly and as part of the contract of the state with the holders of
245 said bonds, appropriation of all amounts necessary for punctual
246 payment of such principal and interest is hereby made, and the
247 Treasurer shall pay such principal and interest as the same become
248 due.

249 Sec. 9. Subsection (a) of section 22a-483 of the general statutes is
250 repealed and the following is substituted in lieu thereof (*Effective July*
251 *1, 2011*):

252 (a) For the purposes of sections 22a-475 to 22a-483, inclusive, the
253 State Bond Commission shall have the power, from time to time to
254 authorize the issuance of bonds of the state in one or more series and
255 in principal amounts, not exceeding in the aggregate [one billion forty-
256 one million twenty-five thousand nine hundred seventy-six dollars]
257 one billion two hundred twenty-seven million six hundred twenty-five
258 thousand nine hundred seventy-six dollars, provided ninety-four
259 million dollars of said authorization shall be effective July 1, 2012.

260 Sec. 10. Subsection (d) of section 22a-483 of the general statutes is
261 repealed and the following is substituted in lieu thereof (*Effective July*
262 *1, 2011*):

263 (d) Notwithstanding the foregoing, nothing herein shall preclude
264 the State Bond Commission from authorizing the issuance of revenue
265 bonds, in principal amounts not exceeding in the aggregate [one billion
266 nine hundred fifty-three million four hundred thousand] two billion
267 four hundred twenty-five million one hundred eighty thousand
268 dollars, provided [one hundred twenty million] two hundred thirty-
269 eight million three hundred sixty thousand dollars of said
270 authorization shall be effective July 1, [2010] 2012, that are not general
271 obligations of the state of Connecticut to which the full faith and credit
272 of the state of Connecticut are pledged for the payment of the principal
273 and interest. Such revenue bonds shall mature at such time or times
274 not exceeding thirty years from their respective dates as may be
275 provided in or pursuant to the resolution or resolutions of the State

276 Bond Commission authorizing such revenue bonds. The revenue
277 bonds, revenue state bond anticipation notes and revenue state grant
278 anticipation notes authorized to be issued under sections 22a-475 to
279 22a-483, inclusive, shall be special obligations of the state and shall not
280 be payable from nor charged upon any funds other than the revenues
281 or other receipts, funds or moneys pledged therefor as provided in
282 said sections 22a-475 to 22a-483, inclusive, including the repayment of
283 municipal loan obligations; nor shall the state or any political
284 subdivision thereof be subject to any liability thereon except to the
285 extent of such pledged revenues or the receipts, funds or moneys
286 pledged therefor as provided in said sections 22a-475 to 22a-483,
287 inclusive. The issuance of revenue bonds, revenue state bond
288 anticipation notes and revenue state grant anticipation notes under the
289 provisions of said sections 22a-475 to 22a-483, inclusive, shall not
290 directly or indirectly or contingently obligate the state or any political
291 subdivision thereof to levy or to pledge any form of taxation whatever
292 therefor or to make any appropriation for their payment. The revenue
293 bonds, revenue state bond anticipation notes and revenue state grant
294 anticipation notes shall not constitute a charge, lien or encumbrance,
295 legal or equitable, upon any property of the state or of any political
296 subdivision thereof, except the property mortgaged or otherwise
297 encumbered under the provisions and for the purposes of said sections
298 22a-475 to 22a-483, inclusive. The substance of such limitation shall be
299 plainly stated on the face of each revenue bond, revenue state bond
300 anticipation note and revenue state grant anticipation note issued
301 pursuant to said sections 22a-475 to 22a-483, inclusive, shall not be
302 subject to any statutory limitation on the indebtedness of the state and
303 such revenue bonds, revenue state bond anticipation notes and
304 revenue state grant anticipation notes, when issued, shall not be
305 included in computing the aggregate indebtedness of the state in
306 respect to and to the extent of any such limitation. As part of the
307 contract of the state with the owners of such revenue bonds, revenue
308 state bond anticipation notes and revenue state grant anticipation
309 notes, all amounts necessary for the punctual payment of the debt

310 service requirements with respect to such revenue bonds, revenue
311 state bond anticipation notes and revenue state grant anticipation
312 notes shall be deemed appropriated, but only from the sources
313 pledged pursuant to said sections 22a-475 to 22a-483, inclusive. The
314 proceeds of such revenue bonds or notes may be deposited in the
315 Clean Water Fund for use in accordance with the permitted uses of
316 such fund. Any expense incurred in connection with the carrying out
317 of the provisions of this section, including the costs of issuance of
318 revenue bonds, revenue state bond anticipation notes and revenue
319 state grant anticipation notes may be paid from the accrued interest
320 and premiums or from any other proceeds of the sale of such revenue
321 bonds, revenue state bond anticipation notes or revenue state grant
322 anticipation notes and in the same manner as other obligations of the
323 state. All provisions of subsections (g), (k), (l), (s) and (u) of section
324 3-20 or the exercise of any right or power granted thereby which are
325 not inconsistent with the provisions of said sections 22a-475 to 22a-483,
326 inclusive, are hereby adopted and shall apply to all revenue bonds,
327 state revenue bond anticipation notes and state revenue grant
328 anticipation notes authorized by the State Bond Commission pursuant
329 to said sections 22a-475 to 22a-483, inclusive. For the purposes of
330 subsection (o) of section 3-20, "bond act" shall be construed to include
331 said sections 22a-475 to 22a-483, inclusive.

332 Sec. 11. Subsection (a) of section 32-235 of the general statutes is
333 repealed and the following is substituted in lieu thereof (*Effective July*
334 *1, 2011*):

335 (a) For the purposes described in subsection (b) of this section, the
336 State Bond Commission shall have the power, from time to time to
337 authorize the issuance of bonds of the state in one or more series and
338 in principal amounts not exceeding in the aggregate [five hundred
339 ninety-five million three hundred thousand] six hundred seventy-five
340 million three hundred thousand dollars, provided [forty-five million]
341 forty million dollars of said authorization shall be effective July 1,
342 [2008] 2012.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	4-66c(a) and (b)
Sec. 2	<i>July 1, 2011</i>	4a-10(a)
Sec. 3	<i>July 1, 2011</i>	7-538(a)
Sec. 4	<i>July 1, 2011</i>	10-287d
Sec. 5	<i>July 1, 2011</i>	10-292k
Sec. 6	<i>July 1, 2011</i>	16a-38m(b)
Sec. 7	<i>July 1, 2011</i>	16a-38p(b)
Sec. 8	<i>July 1, 2011</i>	22-26hh
Sec. 9	<i>July 1, 2011</i>	22a-483(a)
Sec. 10	<i>July 1, 2011</i>	22a-483(d)
Sec. 11	<i>July 1, 2011</i>	32-235(a)

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]