
OLR Bill Analysis

sSB 1008

AN ACT AUTHORIZING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS AND OTHER PURPOSES.

SUMMARY:

This bill authorizes up to \$421.15 million in state general obligation (GO) bonding for FY 12 and up to \$341.44 million for FY 13 for state facilities, infrastructure, and programs; development and rehabilitation for housing projects and supportive housing; and grants to nonprofit organizations, municipalities, and other eligible entities. The bonds are subject to standard issuance procedures and have a maximum term of 20 years. The bill includes a standard provision requiring private entities receiving bond-funded grants for facilities to repay a portion of the grant if a facility ceases to be used for the grant's purpose within 10 years of the entity receiving it.

The bill also validates bonds issued by the city of Norwich for a sewer project and allows certain bonds issued by the town of Canaan to mature in up to 40 years, instead of the statutorily required limit of 20 years.

EFFECTIVE DATE: FY 12 authorizations are effective July 1, 2011, FY 13 authorizations are effective July 1, 2012, and provisions relating to Norwich and Canaan bonds are effective on passage.

BOND AUTHORIZATIONS FOR FY 12 AND FY 13

Table 1 lists the purpose and amounts of the bill's GO bond authorizations for FY 12 and FY 13.

TABLE 1: PROPOSED GO BOND AUTHORIZATIONS

<i>§§</i>	<i>AGENCY</i>	<i>FOR</i>	<i>FY 12</i>	<i>FY 13</i>
<i>State Projects</i>				

2 (a), 21 (a)	Secretary of the State	Development, implementation and upgrade of information technology systems	\$3,000,000	\$2,000,000
2 (b), 21 (b)	Comptroller	CORE financial system, enhancements and upgrades	15,000,000	7,000,000
2 (c), 21 (c)	Office of Policy and Management	Criminal Justice Information System, design and implementation	7,700,000	4,720,000
		State and local benchmarking systems, design and implementation, including technology development	4,000,000	2,000,000
2 (d)	Veterans' Affairs	Power plant upgrades, Rocky Hill	1,750,000	0
		Boiler repairs and improvements, Rocky Hill	250,000	0
2 (e), 21 (d)	Administrative Services	Development of a new data center, including design, construction, and demolition	21,000,000	0
		State Office Building, Hartford: Exterior renovations and improvements, including installation of air conditioning	1,500,000	21,500,000
		State buildings and grounds: Infrastructure repairs and improvements	12,500,000	12,500,000
2 (f), 21 (e)	Construction Services (formerly Public Works – see BACKGROUND)	Removal and encapsulation of asbestos in state-owned buildings	5,000,000	5,000,000
		State buildings and grounds: Infrastructure repairs and improvements	2,500,000	2,500,000
		Land acquisition, construction, improvements, repairs, and renovations at fire training schools (overriding authority of the Department of Public Works)	0	2,000,000
2 (g), 21 (f)	Public Safety	Buildings and grounds: Alterations and improvements including utilities, mechanical systems, and energy conservation projects	5,000,000	2,212,000
		Programmatic study of state police troops and districts and development of a design prototype for troop facilities	1,000,000	0
2 (h), 21 (g)	Military	State matching funds for anticipated federal reimbursable projects	2,000,000	2,000,000

		Buildings and grounds: alterations and improvements, including utilities, mechanical systems, and energy conservation projects	1,000,000	1,000,000
		Construction of a readiness center for the Connecticut Army National Guard Civil Support Team in Windsor Locks	1,250,000	0
		Construction of a combined support maintenance shop for Connecticut National Guard equipment in Winsor Locks	4,000,000	0
		National Guard Armory, New London & Stones ranch storage facility, East Lyme: alterations, renovations, and improvements for the 250 th Engineering Company	0	2,000,000
2 (i), 21 (h)	Energy and Environmental Protection (formerly Environmental Protection – see BACKGROUND)	Dam repairs, including state-owned dams	4,000,000	4,000,000
		Alterations, renovations, and new construction at state parks and other recreational facilities, including Americans with Disabilities Act (ADA) improvements	45,000,000	15,000,000
2 (j), 21 (i)	Developmental Services	Regional facilities: fire, safety, and environmental improvements for client and staff needs	5,000,000	5,000,000
2 (k), 21 (j)	Mental Health & Addiction Services	Regional facilities: Fire safety and environmental improvements	3,000,000	5,000,000
2 (l), 21 (k)	Education	Regional vocational-technical school system: Building alterations and improvements, including new and replacement equipment, tools, and supplies needed to update curricula, vehicles, and technology upgrades at all schools	28,000,000	28,000,000
2 (m), 21 (l)	Community College System	All colleges: Facilities alterations and improvements, including fire, safety, energy conservation and code compliance	4,000,000	5,000,000

		All colleges: New and replacement instruction, research, or lab equipment	9,000,000	9,000,000
		All colleges: System Technology Initiative	5,000,000	5,000,000
		Northwestern: Site remediation, design and construction for Joyner Building replacement	24,650,786	0
		Housatonic: Implement phase III of master plan for renovations and additions to Lafayette Hall	4,669,770	0
		Norwalk: Implement phase III of master plan	0	3,720,936
		Naugatuck Valley: Founders Hall alterations, improvements, and renovations	0	39,008,382
		Tunxis: Implement phase III of master plan	0	4,993,817
2 (n), 21 (m)	Children and Families	Buildings and grounds: Alterations, renovations, and improvements	1,751,000	1,285,000
2 (o) 21(n)	Judicial	State-owned and maintained buildings and grounds: Alterations, renovations, and improvements	5,000,000	5,000,000
		Security improvements at state-owned and maintained facilities	1,000,000	1,000,000
		Implementation of the Technology Strategic Plan Project	5,000,000	5,000,000
2 (p)	Attorney General	Electronic document software and hardware, enhancements and upgrades	2,125,000	0
2 (q)	Legislative Management	Capital equipment, information technology systems upgrades, and infrastructure repair and improvement projects	9,000,000	0
2 (r)	Agricultural Experiment Station	Jenkins Building, renovations and construction	3,500,000	0
2 (s)	University of Connecticut	Planning, design, and development of a technology park	18,000,000	0
Housing Projects				
9, 28	Economic & Community Development	Housing development and rehabilitation	50,000,000	50,000,000
		Supportive housing initiatives	30,000,000	0

Grants				
13 (a) 31 (a)	Energy and Environmental Protection	Grants for containment, removal, or mitigation of identified hazardous waste disposal sites	10,000,000	10,000,000
		Grants to municipalities for open space land acquisition and development for conservation or recreational purposes	5,000,000	5,000,000
13 (b) 31 (b)	Economic and Community Development	Regional Brownfield Redevelopment Loan Fund	25,000,000	25,000,000
13 (c) 31 (c)	Public Health	Grants to community health centers, primary care organizations, and municipalities for equipment purchases and facility renovation, improvement, and expansion	2,000,000	2,000,000
13 (d) 31 (d)	Developmental Services	Grants to private nonprofit organizations for alterations and improvements to nonresidential facilities	2,000,000	2,000,000
13 (e) 31 (e)	Mental Health and Addiction Services	Grants to private nonprofit organizations for community-based residential and outpatient facilities: Purchases, repairs, alterations, and improvements	5,000,000	5,000,000
13 (f) 31 (f)	Transportation	Grants for improvements to ports and marinas, including dredging and navigational direction. FY 12 authorization reserves \$1 million for a study of the strategy for economic development in the New Haven, New London, and Bridgeport ports.	6,000,000	25,000,000
13 (g) 31 (g)	Social Services	Grants for neighborhood facilities, child day care projects, elderly centers, multipurpose resource centers, shelter facilities for domestic violence victims, and food distribution facilities	10,000,000	10,000,000
13 (h)	Education	<i>Sheff</i> magnet school program start-up costs: Purchasing a building or portable classrooms, leasing space,	5,000,000	0

		purchasing equipment, including computers and classroom furniture		
13 (i) 31 (h)	Children and Families	Grants for residential facilities, group homes, shelters, and permanent family residences for construction, alteration, repairs, and improvements	5,000,000	5,000,000
		TOTAL	\$421,145,556	\$341,440,135

§ 39 — NORWICH SEWER PROJECT BONDS

The bill validates an ordinance approved by the Norwich City Council on October 19, 2009 authorizing \$1.6 million in revenue bonds and \$800,000 in GO bonds to finance the Newton Street Area sewer project. It authorizes Norwich to issue and sell the bonds and makes them valid obligations of the city and its Department of Utilities. It also validates any proceedings or acts taken or omitted in adopting the ordinance, approving the project, and issuing the bonds.

§ 40 — CANAAN BONDS

By law, municipal bonds must mature, and the final sinking fund payment for such bonds must occur, no more than 20 years after the bonds are issued. This bill supersedes the statute to double the maximum term to 40 years for bonds issued by the town of Canaan to evidence a loan from the U.S. Department of Agriculture for the cost of designing, building, and equipping a fire station housing emergency equipment.

BACKGROUND

Related Bills

sSB 1227 (File 736), authorizes up to \$1.5 million in GO bonds to the Department of Economic and Community Development for the following grants:

1. \$500,000 to the Metropolitan Economic Commission for elderly housing;
2. \$500,000 to the John E. Rogers African American Cultural Center for converting the former Northwest-Jones School to a

cultural center; and

3. \$500,000 to Catholic Charities in Hartford for affordable, supportive housing.

sSB 1010 (File 739), dissolves the Department of Public Works (DPW) and establishes a Department of Construction Services (DCS) for purposes of construction, construction management, and security management. It makes the DCS commissioner, rather than the DPW commissioner, responsible for constructing and developing state-owned buildings and real estate.

sHB 6386 (File 394), creates the Department of Energy and Environmental Protection (DEEP) by merging the departments of Environmental Protection (DEP) and Public Utility Control (DPUC). It also transfers various energy-related responsibilities and powers from the Office of Policy and Management (OPM) to DEEP.

Related Act

SB 1239, An Act Concerning the Budget for the Biennium Ending June 30, 2013, assumes (1) the transfer of authority over state construction projects from DPW to a new DCS and (2) the consolidation of DEP and DPUC into a new Department of Energy and Environmental Protection. SB 1239 was passed by both houses and signed by the governor on May 4, 2011.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 52 Nay 0 (04/21/2011)