



General Assembly

Amendment

January Session, 2011

LCO No. 8318

SB0076408318HDO

Offered by:

REP. O'BRIEN T., 24th Dist.

To: Subst. Senate Bill No. 764

File No. 503

Cal. No.

(As Amended by Senate Amendment Schedule "A")

"AN ACT CONCERNING THE MATTABASSETT DISTRICT."

1 Strike section 3 in its entirety and insert the following in lieu thereof:

2 "Sec. 3. Section 16 of number 134 of the special acts of 1963 is
3 amended to read as follows (*Effective from passage*):

4 Whenever the district has authorized the acquisition or construction
5 of all or any part of a sewerage system, it may issue bonds or notes
6 which are secured as to both principal and interest by (a) the full faith
7 and credit of the district and of each of the constituent municipalities,
8 or by (b) a pledge of and lien upon all or any portion of the revenues
9 and proceeds to be derived from sewerage system service charges,
10 connection charges, benefit assessments, amounts paid in lieu of
11 service charges by the constituent municipalities, payments due to the
12 district from the constituent municipalities, contributions from the
13 federal government, the state or any of the constituent municipalities,
14 or from any one or more of such sources, all of which sources are

15 hereafter in this section and sections 18, 20, 22, 24 and 26 of number
16 134 of the special acts of 1963 referred to as "sewer revenues," or by (c)
17 a pledge of and lien upon all or any portion of sewer revenues, and
18 also by the full faith and credit of the district and of each of the
19 constituent municipalities. Any such pledge pursuant to this section
20 shall be valid and binding from the time the pledge is made. The sewer
21 revenues so pledged by the district shall immediately be subject to the
22 lien of such pledge without any physical delivery thereof or further
23 act, and the lien of any such pledge shall be valid and binding against
24 all parties having claims of any kind in tort, contract or otherwise
25 against the district, irrespective of whether such parties have notice
26 thereof. Such lien shall be on a parity with any prior pledge of revenue
27 to pay debt service on bonds issued by said Mattabassett District and
28 shall have priority over all other liens, including, without limitation,
29 the lien of any person who in the ordinary course of business furnishes
30 services or materials to the district. Notwithstanding any provision of
31 the Uniform Commercial Code, neither the bond resolution nor any
32 financing statement, continuation statement or other instrument by
33 which a pledge or security interest is created or by which the district's
34 interest in sewer revenues is assigned need be filed in any public
35 records in order to perfect the security interest or lien thereof as
36 against third parties. Bonds of the district shall not be issued unless
37 such issue shall have been approved by a two-thirds vote of the entire
38 membership of the district board. [Bonds of the district which are
39 secured by a pledge of the full faith and credit of the constituent
40 municipalities shall not be issued unless such issue] Notwithstanding
41 the provisions of the general statutes or of any special act or charter,
42 said Mattabassett District shall not issue any bond or incur any debt
43 unless such issue or other debt shall have been approved by each
44 constituent municipality by vote of its electors and citizens qualified to
45 vote at a regular or special meeting called for such purpose. The
46 district board [shall determine the amount of each issue of bonds or
47 notes and] may determine or may authorize an officer or a committee
48 to determine the amount of each issue of bonds or notes, the manner of
49 sale of such bonds or notes, the form of such bonds or notes, their date,

50 the dates of principal and interest payments, the manner of issuing
51 such bonds or notes, [and] by whom such bonds or notes shall be
52 signed or countersigned, [and, except as otherwise provided herein, all
53 other particulars thereof. Such board may determine] the rate or rates
54 of interest for each issue of bonds or notes, and all other particulars
55 thereof. [or may provide that the rate or rates of interest shall be
56 determined by an officer or a committee upon the receipt of bids to
57 purchase such bonds or notes but such rate shall not exceed six per
58 cent per annum. Bonds may be coupon or registered bonds. If coupon
59 bonds, they may be registerable as to principal only or as to both
60 principal and interest. Notes which mature not later than one year
61 from their date may be sold at discount and the amount of the
62 discount shall be treated as interest paid in advance. Any premium
63 received for sale of bonds or notes, less the cost of preparing, issuing
64 and marketing them, shall be applied to the payment of the principal
65 of the first bonds or notes of that particular issue to mature, and
66 contributions from other sources for payment of such bonds or notes
67 shall be reduced correspondingly.]"