



**Substitute Senate Bill No. 25**

**Public Act No. 12-189**

**AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES.**

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

Section 1. (*Effective July 1, 2012*) The State Bond Commission shall have power, in accordance with the provisions of sections 1 to 7, inclusive, of this act, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding \$100,032,985.

Sec. 2. (*Effective July 1, 2012*) The proceeds of the sale of bonds described in sections 1 to 7, inclusive, of this act, to the extent hereinafter stated, shall be used for the purpose of acquiring, by purchase or condemnation, undertaking, constructing, reconstructing, improving or equipping, or purchasing land or buildings or improving sites for the projects hereinafter described, including payment of architectural, engineering, demolition or related costs in connection therewith, or of payment of the cost of long-range capital programming and space utilization studies as hereinafter stated:

(a) For the Office of Policy and Management: An information technology capital investment program, not exceeding \$50,000,000.

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(b) For the Department of Construction Services:

(1) Removal or encapsulation of asbestos in state-owned buildings, not exceeding \$5,000,000;

(2) Capital construction, improvements, repairs, renovations and land acquisition at fire training schools, not exceeding \$28,200,000.

(c) For the Department of Emergency Services and Public Protection:

(1) Design and construction of an emergency services facility, including canine training and vehicle impound areas, and a fleet maintenance and administration facility, including acquisition of property and related costs, not exceeding \$5,256,985;

(2) Design and construction of a firearms training facility and vehicle operations training center, not exceeding \$6,576,000.

(d) For the Judicial Department: Development of a juvenile court building in Meriden or Middletown, not exceeding \$1,000,000.

(e) For the Department of Economic and Community Development: Implementation of a minority business enterprise assistance program to assist such businesses in obtaining surety bonds, including bid, performance and payment bonds, for capital construction projects, which program may be run by a nonprofit entity with which said department shall contract, not exceeding \$4,000,000, provided not more than \$2,000,000 shall be made available to a nonprofit entity that shall give priority to minority business enterprises located in the northern half of the state, and not more than \$2,000,000 shall be made available to a nonprofit entity that shall give priority to minority business enterprises located in the southern half of the state.

Sec. 3. (*Effective July 1, 2012*) All provisions of section 3-20 of the

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general statutes, or the exercise of any right or power granted thereby which are not inconsistent with the provisions of sections 1 to 7, inclusive, of this act, are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to said sections 1 to 7, inclusive, and temporary notes issued in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds.

Sec. 4. (*Effective July 1, 2012*) None of the bonds described in sections 1 to 7, inclusive, of this act shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by the Secretary of the Office of Policy and Management or by or on behalf of such state officer, department or agency and stating such terms and conditions as said commission, in its discretion, may require.

Sec. 5. (*Effective July 1, 2012*) For the purposes of sections 1 to 7, inclusive, of this act, "state moneys" means the proceeds of the sale of bonds authorized pursuant to said sections 1 to 7, inclusive, or of temporary notes issued in anticipation of the moneys to be derived from the sale of such bonds. Each request filed as provided in section 4 of this act for an authorization of bonds shall identify the project for which the proceeds of the sale of such bonds are to be used and expended and, in addition to any terms and conditions required pursuant to said section 4, shall include the recommendation of the person signing such request as to the extent to which federal, private or other moneys then available or thereafter to be made available for costs in connection with any such project should be added to the state moneys available or becoming available hereunder for such project. If

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the request includes a recommendation that some amount of such federal, private or other moneys should be added to such state moneys, then, if and to the extent directed by the State Bond Commission at the time of authorization of such bonds, said amount of such federal, private or other moneys then available, or thereafter to be made available for costs in connection with such project, may be added to any state moneys available or becoming available hereunder for such project and shall be used for such project. Any other federal, private or other moneys then available or thereafter to be made available for costs in connection with such project shall, upon receipt, be used by the State Treasurer, in conformity with applicable federal and state law, to meet the principal of outstanding bonds issued pursuant to sections 1 to 7, inclusive, of this act, or to meet the principal of temporary notes issued in anticipation of the money to be derived from the sale of bonds theretofore authorized pursuant to said sections 1 to 7, inclusive, for the purpose of financing such costs, either by purchase or redemption and cancellation of such bonds or notes or by payment thereof at maturity. Whenever any of the federal, private or other moneys so received with respect to such project are used to meet the principal of such temporary notes or whenever principal of any such temporary notes is retired by application of revenue receipts of the state, the amount of bonds theretofore authorized in anticipation of which such temporary notes were issued, and the aggregate amount of bonds which may be authorized pursuant to section 1 of this act, shall each be reduced by the amount of the principal so met or retired. Pending use of the federal, private or other moneys so received to meet principal as hereinabove directed, the amount thereof may be invested by the State Treasurer in bonds or obligations of, or guaranteed by, the state or the United States or agencies or instrumentalities of the United States, shall be deemed to be part of the debt retirement funds of the state, and net earnings on such investments shall be used in the same manner as the moneys so invested.

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Sec. 6. (*Effective July 1, 2012*) Any balance of proceeds of the sale of said bonds authorized for any project described in section 2 of this act in excess of the cost of such project may be used to complete any other project described in said section 2, if the State Bond Commission shall so determine and direct. Any balance of proceeds of the sale of said bonds in excess of the costs of all the projects described in said section 2 shall be deposited to the credit of the General Fund.

Sec. 7. (*Effective July 1, 2012*) The bonds issued pursuant to sections 1 to 7, inclusive, of this act shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 8. (*Effective July 1, 2012*) The State Bond Commission shall have power, in accordance with the provisions of sections 8 to 15, inclusive, of this act, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding \$199,683,500.

Sec. 9. (*Effective July 1, 2012*) The proceeds of the sale of the bonds described in sections 8 to 15, inclusive, of this act shall be used for the purpose of providing grants-in-aid and other financing for the projects, programs and purposes hereinafter stated:

(a) For the Office of Policy and Management:

(1) Grants-in-aid to municipalities for development of a computer-assisted mass appraisal system in accordance with section 12-62f of the general statutes, not exceeding \$38,500;

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(2) Grants-in-aid to municipalities for the incentive housing zone program established pursuant to chapter 124b of the general statutes, not exceeding \$2,000,000.

(b) For the Department of Energy and Environmental Protection:

(1) Study and assess feasible alternatives to plan, design, acquire and construct, as may be necessary, structural and nonstructural improvements to mitigate flooding conditions that caused property damage due to weather events in 2011, which shall include, but need not be limited to, a cost benefit analysis and an analysis of the environmental impact of such alternatives, not exceeding \$2,000,000;

(2) For a program to establish energy microgrids to support critical municipal infrastructure, not exceeding \$25,000,000.

(c) For the Department of Economic and Community Development:

(1) Grants-in-aid to nursing homes for alterations, renovations and improvements for conversion to other uses in support of right-sizing, not exceeding \$10,000,000;

(2) Grants-in-aid to municipalities and nonprofit organizations, including museums, for cultural and entertainment-related economic development projects, not exceeding \$5,000,000;

(3) Grant-in-aid to the Connecticut Housing Finance Authority for the purposes of sections 8-265cc to 8-265kk, inclusive, of the general statutes, not exceeding \$60,000,000.

(d) For the Department of Public Health: Grants-in-aid to community health centers and primary care organizations for the purchase of equipment, renovations, improvements and expansion of facilities, including acquisition of land or buildings, not exceeding \$30,000,000, provided up to \$15,000,000 shall be made available to

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member centers affiliated with the Community Health Center Association of Connecticut, and up to \$15,000,000 shall be made available to Community Health Center, Incorporated.

(e) For the Department of Education:

(1) Grants-in-aid for the purpose of capital start-up costs related to the development of new interdistrict magnet school programs to assist the state in meeting the goals of the 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al., for the purpose of purchasing a building or portable classrooms, subject to the reversion provisions in subdivision (1) of subsection (c) of section 10-264h of the general statutes, leasing space, renovating space and purchasing equipment, including, but not limited to, computers and classroom furniture, not exceeding \$13,645,000;

(2) Grants-in-aid for alterations, repairs, improvements, technology, equipment and capital start-up costs, including acquisition costs, to expand the availability of high-quality school models, not exceeding \$25,000,000;

(3) Grants-in-aid to assist targeted local and regional school districts for alterations, repairs, improvements, technology and equipment in low-performing schools, not exceeding \$16,000,000;

(4) Grants-in-aid to municipalities and organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, for facility improvements and minor capital repairs to that portion of facilities that house school readiness programs and state-funded day care centers operated by such municipalities and organizations, not exceeding \$10,000,000.

(f) For the Department of Children and Families: Grants-in-aid to private, nonprofit mental health clinics for children, for fire, safety and

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environmental improvements, including expansion, not exceeding \$1,000,000.

Sec. 10. (*Effective July 1, 2012*) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby which are not inconsistent with the provisions of sections 8 to 15, inclusive, of this act, are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to said sections 8 to 15, inclusive, and temporary notes issued in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said sections 8 to 15, inclusive, and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds.

Sec. 11. (*Effective July 1, 2012*) None of the bonds described in sections 8 to 15, inclusive, of this act shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by the Secretary of the Office of Policy and Management or by or on behalf of such state officer, department or agency and stating such terms and conditions as said commission, in its discretion, may require.

Sec. 12. (*Effective July 1, 2012*) For the purposes of sections 8 to 15, inclusive, of this act, "state moneys" means the proceeds of the sale of bonds authorized pursuant to said sections 8 to 15, inclusive, or of temporary notes issued in anticipation of the moneys to be derived from the sale of such bonds. Each request filed as provided in section 11 of this act for an authorization of bonds shall identify the project for which the proceeds of the sale of such bonds are to be used and expended and, in addition to any terms and conditions required pursuant to said section 11, include the recommendation of the person signing such request as to the extent to which federal, private or other

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moneys then available or thereafter to be made available for costs in connection with any such project should be added to the state moneys available or becoming available under said sections 8 to 15, inclusive, for such project. If the request includes a recommendation that some amount of such federal, private or other moneys should be added to such state moneys, then, if and to the extent directed by the State Bond Commission at the time of authorization of such bonds, said amount of such federal, private or other moneys then available or thereafter to be made available for costs in connection with such project may be added to any state moneys available or becoming available hereunder for such project and be used for such project. Any other federal, private or other moneys then available or thereafter to be made available for costs in connection with such project upon receipt shall, in conformity with applicable federal and state law, be used by the State Treasurer to meet the principal of outstanding bonds issued pursuant to said sections 8 to 15, inclusive, or to meet the principal of temporary notes issued in anticipation of the money to be derived from the sale of bonds theretofore authorized pursuant to said sections 8 to 15, inclusive, for the purpose of financing such costs, either by purchase or redemption and cancellation of such bonds or notes or by payment thereof at maturity. Whenever any of the federal, private or other moneys so received with respect to such project are used to meet the principal of such temporary notes or whenever the principal of any such temporary notes is retired by application of revenue receipts of the state, the amount of bonds theretofore authorized in anticipation of which such temporary notes were issued, and the aggregate amount of bonds which may be authorized pursuant to section 12 of this act shall each be reduced by the amount of the principal so met or retired. Pending use of the federal, private or other moneys so received to meet the principal as directed in this section, the amount thereof may be invested by the State Treasurer in bonds or obligations of, or guaranteed by, the state or the United States or agencies or instrumentalities of the United States, shall be deemed to be part of the

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debt retirement funds of the state, and net earnings on such investments shall be used in the same manner as the moneys so invested.

Sec. 13. (*Effective July 1, 2012*) The bonds issued pursuant to sections 8 to 15, inclusive, of this act shall be general obligations of the state, and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 14. (*Effective July 1, 2012*) In accordance with section 9 of this act, the state, through the Office of Policy and Management, the Department of Energy and Environmental Protection, the Department of Economic and Community Development, the Department of Education and the Department of Children and Families, may provide grants-in-aid and other financings to or for the agencies for the purposes and projects as described in said section 9. All financing shall be made in accordance with the terms of a contract at such time or times as shall be determined within authorization of funds by the State Bond Commission.

Sec. 15. (*Effective July 1, 2012*) In the case of any grant-in-aid made pursuant to section 9 of this act which is made to any entity which is not a political subdivision of the state, the contract entered into pursuant to section 14 of this act shall provide that if the premises for which such grant-in-aid was made ceases, within ten years of the date of such grant, to be used as a facility for which such grant was made, an amount equal to the amount of such grant, minus ten per cent per year for each full year which has elapsed since the date of such grant, shall be repaid to the state and that a lien shall be placed on such

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premises in favor of the state to ensure that such amount will be repaid in the event of such change in use, provided, if the premises for which such grant-in-aid was made are owned by the state, a municipality or a housing authority, no lien need be placed.

Sec. 16. Section 1 of public act 99-242, as amended by section 42 of public act 00-167, section 54 of special act 02-1 of the May 9 special session, section 75 of special act 04-2 of the May special session and section 67 of public act 10-44, is amended to read as follows (*Effective July 1, 2012*):

The State Bond Commission shall have power, in accordance with the provisions of sections 1 to 7, inclusive, of public act 99-242, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [~~\$291,959,989~~] \$286,703,004.

Sec. 17. Subdivision (1) of subsection (c) of section 2 of public act 99-242 is repealed. (*Effective July 1, 2012*)

Sec. 18. Section 1 of public act 07-7 of the June special session, as amended by section 211 of public act 10-44 and section 86 of public act 11-57, is amended to read as follows (*Effective July 1, 2012*):

The State Bond Commission shall have power, in accordance with the provisions of sections 1 to 7, inclusive, of public act 07-7 of the June special session, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [~~\$333,613,150~~] \$332,863,150.

Sec. 19. Subdivision (3) of subsection (h) of section 2 of public act 07-7 of the June special session is repealed. (*Effective July 1, 2012*)

Sec. 20. Subdivision (7) of subsection (h) of section 2 of public act 07-7 of the June special session is amended to read as follows (*Effective*

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*July 1, 2012):*

Improvements to the department shooting range, [in Simsbury,] not exceeding \$1,750,000.

Sec. 21. Section 20 of public act 07-7 of the June special session, as amended by section 314 of public act 10-44, is amended to read as follows (*Effective July 1, 2012*):

The State Bond Commission shall have power, in accordance with the provisions of sections 20 to 26, inclusive, of public act 07-7 of the June special session, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [~~\$242,495,361~~] \$236,669,181.

Sec. 22. Subsection (e) of section 21 of public act 07-7 of the June special session, as amended by section 316 of public act 10-44 and section 81 of public act 11-57, is amended to read as follows (*Effective July 1, 2012*):

For the Department of Construction Services:

(1) Removal or encapsulation of asbestos in state-owned buildings, not exceeding \$5,000,000;

(2) Infrastructure repairs and improvements, including fire, safety and compliance with the Americans with Disabilities Act improvements, improvements to state-owned buildings and grounds, including energy conservation and off-site improvements, and preservation of unoccupied buildings and grounds, including office development, acquisition, renovations for additional parking and security improvements, not exceeding [~~\$5,000,000~~] \$4,999,820;

(3) Capital construction, improvements, repairs, renovations and land acquisition at fire training schools, not exceeding \$8,000,000.

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Sec. 23. Subdivision (3) of subsection (f) of section 21 of public act 07-7 of the June special session is repealed. (*Effective July 1, 2012*)

Sec. 24. Section 20 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

The State Bond Commission shall have power, in accordance with the provisions of sections 20 to 26, inclusive, of [this act] public act 11-57, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [~~\$202,440,135~~] \$375,815,135.

Sec. 25. Subsection (d) of section 21 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

For the Department of Administrative Services:

(1) Exterior renovations and improvements, including installation of air conditioning, to the State Office Building in Hartford, not exceeding [~~\$21,500,000~~] \$24,000,000;

(2) Infrastructure repairs and improvements, including fire, safety and compliance with the Americans with Disabilities Act improvements, improvements to state-owned buildings and grounds, including energy conservation and off-site improvements, and preservation of unoccupied buildings and grounds, including office development, acquisition, renovations for additional parking and security improvements, not exceeding [~~\$12,500,000~~] \$192,500,000.

Sec. 26. Subsection (e) of section 21 of public act 11-57 is repealed. (*Effective July 1, 2012*)

Sec. 27. Subsection (f) of section 21 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

For the Department of [Public Safety] Emergency Services and

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Public Protection: Alterations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation projects, not exceeding [~~\$2,212,000~~] \$3,587,000.

Sec. 28. Subdivision (1) of subsection (n) of section 21 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

Alterations, renovations and improvements to buildings and grounds at state-owned and maintained facilities, not exceeding [~~\$5,000,000~~] \$4,000,000;

Sec. 29. Section 27 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

The State Bond Commission shall have power, in accordance with the provisions of sections 27 to 30, inclusive, of [~~this act~~] public act 11-57, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [~~\$25,000,000~~] \$87,500,000.

Sec. 30. Section 28 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

The proceeds of the sale of said bonds shall be used by the Department of Economic and Community Development for the purposes hereinafter stated: Housing development and rehabilitation, including moderate cost housing, moderate rental, congregate and elderly housing, urban homesteading, community housing development corporations, housing purchase and rehabilitation, housing for the homeless, housing for low income persons, limited equity cooperatives and mutual housing projects, abatement of hazardous material including asbestos and lead-based paint in residential structures, emergency repair assistance for senior citizens, housing land bank and land trust, housing and community development, predevelopment grants and loans, reimbursement for

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state and federal surplus property, private rental investment mortgage and equity program, housing infrastructure, demolition, renovation or redevelopment of vacant buildings or related infrastructure, septic system repair loan program, acquisition and related rehabilitation including loan guarantees for private developers of rental housing for the elderly, projects under the program established in section 8-37pp of the general statutes, and participation in federal programs, including administrative expenses associated with those programs eligible under the general statutes, not exceeding ~~[\$25,000,000]~~ \$87,500,000, provided not more than \$12,500,000 shall be used for development of congregate housing, not more than \$1,000,000 shall be used for grants-in-aid for accessibility modifications for persons transitioning from institutions to homes under the Money Follows the Person program established pursuant to section 17b-369 of the general statutes, not more than \$500,000 shall be used to purchase upgrades to the homeless management information systems and software to update said systems, and not more than \$30,000,000 shall be used for revitalization of state low and moderate income housing units on the Connecticut Housing Finance Authority's state housing loan portfolio transferred in accordance with section 8-37uu of the general statutes.

Sec. 31. Subsection (g) of section 32 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

For the Department of Social Services: Grants-in-aid for neighborhood facilities, [child day care projects,] elderly centers, multipurpose human resource centers [, shelter facilities for victims of domestic violence and food distribution facilities] and related facilities, not exceeding \$10,000,000.

Sec. 32. Section 55 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

The State Bond Commission shall have power, in accordance with

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the provisions of sections 55 to 60, inclusive, of [this act] public act 11-57, from time to time to authorize the issuance of special tax obligation bonds of the state in one or more series and in principal amounts in the aggregate not exceeding [~~\$515,239,168~~] \$605,239,168.

Sec. 33. Subdivision (5) of subsection (a) of section 56 of public act 11-57 is amended to read as follows (*Effective July 1, 2012*):

State bridge improvement, rehabilitation and replacement projects, not exceeding [~~\$33,000,000~~] \$123,000,000;

Sec. 34. Subsection (a) of section 4a-10 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

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

Sec. 35. Subsection (b) of section 13b-78p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(b) The proceeds of the sale of such bonds, to the extent hereinafter stated, shall be used for the purpose of payment of the transportation costs, as defined in subdivision (6) of section 13b-75, with respect to the projects and uses hereinafter described, which projects and uses are hereby found and determined to be in furtherance of one or more of the authorized purposes for the issuance of special tax obligation bonds set forth in section 13b-74. Any proceeds from the sale of the

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bonds may be used by the Department of Transportation for the Bureau of Public Transportation for rail rolling stock and maintenance facilities, including rights-of-way, other property acquisition and related projects. [, not exceeding \$485,650,000.]

Sec. 36. Section 16-245aa of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(a) There is established an account to be known as the ["municipal renewable] "renewable energy and efficient energy [grant] finance account", which shall be a separate, nonlapsing account within the Clean Energy Fund, established pursuant to section 16-245n. The account shall contain any moneys required or permitted by law to be deposited in the account and any funds received from any public or private contributions, gifts, grants, donations, bequests or devises to the [fund] account. [Connecticut Innovations, Incorporated,] The Clean Energy Finance and Investment Authority may make [grants-in-aid from the fund] grants, investments, loans or other forms of financial assistance from the account in accordance with the provisions of subsection (b) of this section.

(b) [Connecticut Innovations, Incorporated, in consultation with the Public Utilities Regulatory Authority, the Department of Education and the Department of Emergency Services and Public Protection] The Clean Energy Finance and Investment Authority, in consultation with the Department of Energy and Environmental Protection, the Department of Economic and Community Development and the State Treasurer, shall establish a [municipal] renewable energy and efficient energy [generation grant] finance program. [Connecticut Innovations, Incorporated, shall make grants] Said authority shall make grants, investments, loans or other forms of financial assistance under said program to [municipalities] projects for the purchase and installation of (1) renewable energy sources, including solar energy, geothermal energy and fuel cells or other energy-efficient hydrogen-fueled energy,

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or (2) energy-efficient generation sources, including units providing combined heat-and-power operations with greater than sixty-five per cent efficiency or such higher efficiency level as [Connecticut Innovations, Incorporated, may prescribe, for municipal buildings. Connecticut Innovations, Incorporated, shall give priority to applications for grants for disaster relief centers and high schools. Each grant shall be in an amount that makes the cost of purchasing and operating the renewable energy or energy-efficient generation source competitive with the municipality's current electricity expenses] said authority may prescribe. Said authority may make grants under said program of up to two and one-half per cent of the balance in the account to support workforce development initiatives in connection with deployment of the projects. Said authority shall give priority to applications for grants, investments, loans or other forms of financial assistance to projects that use major system components manufactured or assembled in Connecticut. Each grant, investment, loan or other form of financial assistance shall be in an amount that makes the cost of purchasing, installing and operating the renewable energy or energy-efficient generation source competitive with the grid's or other end users' current electricity expenses.

(c) On or before [October 1, 2007, Connecticut Innovations, Incorporated, shall develop an application for grants-in-aid] November 1, 2012, the Clean Energy Finance Investment Authority shall develop an application for grants, investments, loans or other forms of financial assistance under this section for the purpose of purchasing, installing and operating renewable energy or energy-efficient generation sources and may receive applications [from municipalities for such grants-in-aid on and after said date] for such grants, investments, loans or other forms of financial assistance on and after the date the application is developed. Applications shall include, but not be limited to, a complete description of the proposed renewable energy or energy-efficient generation source.

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[(d) Commencing with the fiscal year ending June 30, 2008, and for each of the five consecutive fiscal years thereafter, until the fiscal year ending June 30, 2012, not less than ten million dollars shall be available from the municipal renewable energy and efficient energy generation grant account for grants-in-aid to municipalities for the purpose of purchasing and operating renewable energy or energy-efficient generation sources. Any balance of such amount not used for such grants-in-aid during a fiscal year shall be carried forward for the fiscal year next succeeding for such grants-in-aid.]

[(e)] (d) On or before January 1, [2009] 2013, and annually thereafter, [Connecticut Innovations, Incorporated,] the Clean Energy Finance and Investment Authority shall report on the effectiveness of said program to the joint standing committee of the General Assembly having cognizance of matters relating to energy.

Sec. 37. Subsection (b) of section 16-245bb of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by [Connecticut Innovations, Incorporated, for the purpose of providing grants-in-aid] the Clean Energy Finance and Investment Authority for the purpose of providing grants, investments, loans or other forms of financial assistance pursuant to section 16-245aa, as amended by this act.

Sec. 38. Subsection (b) of section 32-235 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the

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Department of Economic and Community Development (1) for the purposes of sections 32-220 to 32-234, inclusive, including economic cluster-related programs and activities, and for the Connecticut job training finance demonstration program pursuant to sections 32-23uu and 32-23vv, provided (A) three million dollars shall be used by said department solely for the purposes of section 32-23uu and not more than five million two hundred fifty thousand dollars of the amount stated in said subsection (a) may be used by said department for the purposes of section 31-3u, (B) not less than one million dollars shall be used for an educational technology grant to the deployment center program and the nonprofit business consortium deployment center approved pursuant to section 32-41l, (C) not less than two million dollars shall be used by said department for the establishment of a pilot program to make grants to businesses in designated areas of the state for construction, renovation or improvement of small manufacturing facilities, provided such grants are matched by the business, a municipality or another financing entity. The Commissioner of Economic and Community Development shall designate areas of the state where manufacturing is a substantial part of the local economy and shall make grants under such pilot program which are likely to produce a significant economic development benefit for the designated area, (D) five million dollars may be used by said department for the manufacturing competitiveness grants program, (E) one million dollars shall be used by said department for the purpose of a grant to the Connecticut Center for Advanced Technology, for the purposes of subdivision (5) of subsection (a) of section 32-7f, (F) fifty million dollars shall be used by said department for the purpose of grants to the United States Department of the Navy, the United States Department of Defense or eligible applicants for projects related to the enhancement of infrastructure for long-term, ongoing naval operations at the United States Naval Submarine Base-New London, located in Groton, which will increase the military value of said base. Such projects shall not be subject to the provisions of

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sections 4a-60 and 4a-60a, (G) two million dollars shall be used by said department for the purpose of a grant to the Connecticut Center for Advanced Technology, Inc., for manufacturing initiatives, including aerospace and defense, and (H) [two] four million dollars shall be used by said department for the purpose of a grant to companies adversely impacted by the construction at the Quinnipiac Bridge, where such grant may be used to offset the increase in costs of commercial overland transportation of goods or materials brought to the port of New Haven by ship or vessel, and (2) for the purposes of the small business assistance program established pursuant to section 32-9yy, provided fifteen million dollars shall be deposited in the small business assistance account established pursuant to said section 32-9yy. The provisions of sections 32-220 to 32-234, inclusive, shall not apply to such funds authorized pursuant to this subdivision.

Sec. 39. (NEW) (*Effective July 1, 2012*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate two million dollars.

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Energy and Environmental Protection for the purpose of implementing a buy-out program for homeowners or businesses that receive funding from the Federal Emergency Management Agency for flood hazard mitigation or property damage due to weather events in the calendar year 2011 and subsequent years. To be eligible for funding from said department, homeowners or businesses shall (1) qualify for funding under a Federal Emergency Management Agency mitigation grant program designed to provide disaster assistance to homeowners or businesses, and (2) meet any eligibility criteria established by said department. No grant to an individual homeowner

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or business under this section shall be in excess of fifty thousand dollars, or the limit set by the applicable Federal Emergency Management Agency program, whichever is less. Priority shall be given to eligible applicants with property damage that occurred during a natural disaster declared by the President of the United States.

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

Sec. 40. (NEW) (*Effective July 1, 2012*) (a) For the purposes described

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in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate two million dollars.

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Emergency Services and Public Protection for the purpose of implementing a buy-out program for homeowners or businesses that receive funding from the Federal Emergency Management Agency for flood hazard mitigation or property damage due to weather events in the calendar year 2011 and subsequent years. To be eligible for funding from said department, homeowners or businesses shall (1) qualify for funding under a Federal Emergency Management Agency mitigation grant program designed to provide disaster assistance to homeowners or businesses, and (2) meet any eligibility criteria established by said department. No grant to an individual homeowner or business under this section shall be in excess of fifty thousand dollars, or the limit set by the applicable Federal Emergency Management Agency program, whichever is less. Priority shall be given to eligible applicants with property damage that occurred during a natural disaster declared by the President of the United States.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided

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in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 41. (*Effective from passage*) Notwithstanding the provisions of section 19 of public act 11-57, grants-in-aid for capital start-up costs paid to the Capitol Region Education Council, in accordance with subsection (h) of section 13 of public act 11-57, and used pursuant to said subsection shall not be subject to lien or repayment.

Sec. 42. (*Effective from passage*) Notwithstanding the provisions of section 15 of this act, grants-in-aid for capital start-up costs paid to the Capitol Region Education Council, in accordance with subdivision (1) of subsection (f) of section 9 of this act, and used pursuant to said subdivision shall not be subject to lien or repayment.

Sec. 43. (NEW) (*Effective July 1, 2012*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate sixty million dollars.

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(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Capital Region Development Authority for the purpose of providing grants or loans to encourage residential housing development, as provided in section 32-602 of the general statutes.

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

Sec. 44. (*Effective from passage*) Section 7 of substitute senate bill 1 of the current session shall take effect July 1, 2012.

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Sec. 45. Subsection (a) of section 7 of substitute senate bill 1 of the current session is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power, from time to time, to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate ten million dollars. [, provided five million dollars of said authorization shall be effective July 1, 2013.]

Sec. 46. Section 3-20 of the general statutes is amended by adding subsection (y) as follows (*Effective from passage*):

(NEW) (y) For the purposes of this subsection, "state moneys" means the proceeds of the sale of bonds authorized pursuant to this section, or of temporary notes issued in anticipation of the moneys to be derived from the sale of such bonds. Each request filed for an authorization of bonds shall identify the project for which the proceeds of the sale of such bonds are to be used and, in addition to any terms and conditions required pursuant to this section, shall include the recommendation of the person signing such request as to the extent to which federal, private or other moneys then available or thereafter to be made available for costs in connection with any such project should be added to the state moneys available or becoming available for such project. If the request includes a recommendation that some amount of such federal, private or other moneys should be added to such state moneys, then, if and to the extent directed by the State Bond Commission at the time of authorization of such bonds, such amount of such federal, private or other moneys then available, or thereafter to be made available for costs in connection with such project, may be added to any state moneys available or becoming available for such project and shall be used for such project. Any other federal, private or other moneys then available or to be made available for costs in

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connection with such project shall, upon receipt, be used by the State Treasurer, in conformity with applicable federal and state law, to meet the principal of outstanding bonds issued pursuant to this section, or to meet the principal of temporary notes issued in anticipation of the money to be derived from the sale of bonds authorized pursuant to this section, for the purpose of financing such costs, either by purchase or redemption and cancellation of such bonds or notes, or by payment of such notes at maturity. Whenever any of the federal, private or other moneys so received with respect to such project are used to meet the principal of such temporary notes or whenever principal of any such temporary notes is retired by application of such federal, private or other moneys, the amounts of bonds authorized in anticipation of which such temporary notes were issued, and the aggregate amount of bonds which may be authorized, shall each be reduced by the amount of the principal so met or retired. Pending use of the federal, private or other moneys so received to meet principal as directed in this subsection, the amount of such moneys may be invested by the State Treasurer in bonds or obligation of, or guaranteed by, the state or the United States or agencies or instrumentalities of the United States, shall be deemed to be part of the debt retirement funds of the state, and net earnings on such investments shall be used in the same manner as the moneys so invested.

Sec. 47. (*Effective July 1, 2012*) (a) The State Bond Commission shall have power, in accordance with the provisions of this section, from time to time to authorize the issuance of special tax obligation bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding thirty million dollars.

(b) The proceeds of the sale of said bonds to the extent hereinafter stated, shall be used for the purpose of payment of the transportation costs, as defined in subdivision (6) of section 13b-75 of the general statutes, with respect to the projects and uses hereinafter described,

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which projects and uses are hereby found and determined to be in furtherance of one or more of the authorized purposes for the issuance of special tax obligation bonds set forth in section 13b-74 of the general statutes. Any proceeds from the sale of said bonds shall be used by the Department of Transportation, in consultation with the Secretary of the Office of Policy and Management, for payment of funds made available to towns, as provided in sections 13a-175a to 13a-175e, inclusive, 13a-175i and 13a-175j of the general statutes, for the purposes set forth in sections 13a-175a, 13a-175d and 13a-175j of the general statutes.

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

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respect to such project, have been filed with the secretary of said commission.

(d) For the purposes of this section, each request filed as provided in this section for an authorization of bonds shall identify the project for which the proceeds of the sale of such bonds are to be used and expended and, in addition to any terms and conditions required pursuant to this section, include the recommendation of the person signing such request as to the extent to which federal, private or other moneys then available or thereafter to be made available for costs in connection with any such project should be added to the state moneys available or becoming available from the proceeds of bonds and temporary notes issued in anticipation of the receipt of the proceeds of bonds. If the request includes a recommendation that some amount of such federal, private or other moneys should be added to such state moneys, then, if and to the extent directed by the State Bond Commission at the time of authorization of such bonds, said amount of such federal, private or other moneys then available or thereafter to be made available for costs in connection with such project shall be added to such state moneys.

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

(f) Said bonds issued pursuant to this section shall be special obligations of the state and shall not be payable from or charged upon any funds other than revenues of the state pledged therefor in subsection (b) of section 13b-61 of the general statutes and section 13b-69 of the general statutes, or such other receipts, funds or moneys as may be pledged therefor. Said bonds shall not be payable from or

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charged upon any funds other than such pledged revenues or such other receipts, funds or moneys as may be pledged therefor, nor shall the state or any political subdivision thereof be subject to any liability thereon, except to the extent of such pledged revenues or such other receipts, funds or moneys as may be pledged therefor. Said bonds shall be issued under and in accordance with the provisions of sections 13b-74 to 13b-77, inclusive, of the general statutes.

Sec. 48. (NEW) (*Effective July 1, 2012*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate thirty-six million dollars, provided (1) nine million dollars shall be effective July 1, 2013, (2) nine million dollars shall be effective July 1, 2014, and (3) nine million dollars shall be effective July 1, 2015.

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Energy and Environmental Protection for the purpose of providing payment or reimbursement ordered by the Commissioner of Energy and Environmental Protection pursuant to the underground storage tank petroleum clean-up program.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond

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Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 49. Section 5 of substitute senate bill 360 of the current session is repealed. (*Effective from passage*)

Approved June 15, 2012