



Senate

General Assembly

File No. 573

February Session, 2012

Substitute Senate Bill No. 25

Senate, April 23, 2012

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT AUTHORIZING 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:

1 Section 1. (*Effective July 1, 2012*) The State Bond Commission shall
2 have power, in accordance with the provisions of sections 1 to 7,
3 inclusive, of this act, from time to time to authorize the issuance of
4 bonds of the state in one or more series and in principal amounts in the
5 aggregate, not exceeding \$97,032,985.

6 Sec. 2. (*Effective July 1, 2012*) The proceeds of the sale of bonds
7 described in sections 1 to 7, inclusive, of this act, to the extent
8 hereinafter stated, shall be used for the purpose of acquiring, by
9 purchase or condemnation, undertaking, constructing, reconstructing,
10 improving or equipping, or purchasing land or buildings or improving
11 sites for the projects hereinafter described, including payment of
12 architectural, engineering, demolition or related costs in connection

13 therewith, or of payment of the cost of long-range capital
14 programming and space utilization studies as hereinafter stated:

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

17 (b) For the Department of Administrative Services:

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

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

22 (3) Planning and development to convert state-owned buildings on
23 Trinity, Elm and Wadsworth Streets in Hartford to residential
24 buildings, not exceeding \$1,000,000.

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

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

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

33 (d) For the Judicial Department: Development of a juvenile court
34 building on state-owned property in Meriden, not exceeding
35 \$1,000,000.

36 Sec. 3. (*Effective July 1, 2012*) All provisions of section 3-20 of the
37 general statutes, or the exercise of any right or power granted thereby
38 which are not inconsistent with the provisions of sections 1 to 7,
39 inclusive, of this act, are hereby adopted and shall apply to all bonds
40 authorized by the State Bond Commission pursuant to said sections 1
41 to 7, inclusive, and temporary notes issued in anticipation of the

42 money to be derived from the sale of any such bonds so authorized
43 may be issued in accordance with said section 3-20 and from time to
44 time renewed. Such bonds shall mature at such time or times not
45 exceeding twenty years from their respective dates as may be provided
46 in or pursuant to the resolution or resolutions of the State Bond
47 Commission authorizing such bonds.

48 Sec. 4. (*Effective July 1, 2012*) None of the bonds described in sections
49 1 to 7, inclusive, of this act shall be authorized except upon a finding
50 by the State Bond Commission that there has been filed with it a
51 request for such authorization, which is signed by the Secretary of the
52 Office of Policy and Management or by or on behalf of such state
53 officer, department or agency and stating such terms and conditions as
54 said commission, in its discretion, may require.

55 Sec. 5. (*Effective July 1, 2012*) For the purposes of sections 1 to 7,
56 inclusive, of this act, "state moneys" means the proceeds of the sale of
57 bonds authorized pursuant to said sections 1 to 7, inclusive, or of
58 temporary notes issued in anticipation of the moneys to be derived
59 from the sale of such bonds. Each request filed as provided in section 4
60 of this act for an authorization of bonds shall identify the project for
61 which the proceeds of the sale of such bonds are to be used and
62 expended and, in addition to any terms and conditions required
63 pursuant to said section 4, shall include the recommendation of the
64 person signing such request as to the extent to which federal, private
65 or other moneys then available or thereafter to be made available for
66 costs in connection with any such project should be added to the state
67 moneys available or becoming available hereunder for such project. If
68 the request includes a recommendation that some amount of such
69 federal, private or other moneys should be added to such state
70 moneys, then, if and to the extent directed by the State Bond
71 Commission at the time of authorization of such bonds, said amount of
72 such federal, private or other moneys then available, or thereafter to be
73 made available for costs in connection with such project, may be added
74 to any state moneys available or becoming available hereunder for
75 such project and shall be used for such project. Any other federal,

76 private or other moneys then available or thereafter to be made
77 available for costs in connection with such project shall, upon receipt,
78 be used by the State Treasurer, in conformity with applicable federal
79 and state law, to meet the principal of outstanding bonds issued
80 pursuant to sections 1 to 7, inclusive, of this act, or to meet the
81 principal of temporary notes issued in anticipation of the money to be
82 derived from the sale of bonds theretofore authorized pursuant to said
83 sections 1 to 7, inclusive, for the purpose of financing such costs, either
84 by purchase or redemption and cancellation of such bonds or notes or
85 by payment thereof at maturity. Whenever any of the federal, private
86 or other moneys so received with respect to such project are used to
87 meet the principal of such temporary notes or whenever principal of
88 any such temporary notes is retired by application of revenue receipts
89 of the state, the amount of bonds theretofore authorized in anticipation
90 of which such temporary notes were issued, and the aggregate amount
91 of bonds which may be authorized pursuant to section 1 of this act,
92 shall each be reduced by the amount of the principal so met or retired.
93 Pending use of the federal, private or other moneys so received to meet
94 principal as hereinabove directed, the amount thereof may be invested
95 by the State Treasurer in bonds or obligations of, or guaranteed by, the
96 state or the United States or agencies or instrumentalities of the United
97 States, shall be deemed to be part of the debt retirement funds of the
98 state, and net earnings on such investments shall be used in the same
99 manner as the moneys so invested.

100 Sec. 6. (*Effective July 1, 2012*) Any balance of proceeds of the sale of
101 said bonds authorized for any project described in section 2 of this act
102 in excess of the cost of such project may be used to complete any other
103 project described in said section 2, if the State Bond Commission shall
104 so determine and direct. Any balance of proceeds of the sale of said
105 bonds in excess of the costs of all the projects described in said section
106 2 shall be deposited to the credit of the General Fund.

107 Sec. 7. (*Effective July 1, 2012*) The bonds issued pursuant to sections 1
108 to 7, inclusive, of this act shall be general obligations of the state and
109 the full faith and credit of the state of Connecticut are pledged for the

110 payment of the principal of and interest on said bonds as the same
111 become due, and accordingly and as part of the contract of the state
112 with the holders of said bonds, appropriation of all amounts necessary
113 for punctual payment of such principal and interest is hereby made
114 and the State Treasurer shall pay such principal and interest as the
115 same become due.

116 Sec. 8. (*Effective July 1, 2012*) The State Bond Commission shall have
117 power, in accordance with the provisions of sections 8 to 15, inclusive,
118 of this act, from time to time to authorize the issuance of bonds of the
119 state in one or more series and in principal amounts in the aggregate,
120 not exceeding \$102,183,500.

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

125 (a) For the Office of Policy and Management: Grants-in-aid to
126 municipalities for development of a computer-assisted mass appraisal
127 system in accordance with section 12-62f of the general statutes, not
128 exceeding \$38,500.

129 (b) For the Department of Emergency Services and Public
130 Protection: Buy-out program for homeowners and businesses that
131 receive Federal Emergency Management Agency funding related to
132 property damage due to weather events in 2011 and subsequent years,
133 not exceeding \$2,000,000.

134 (c) For the Department of Energy and Environmental Protection:

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

141 (2) Buy-out program for homeowners and businesses that receive
142 Federal Emergency Management Agency funding related to property
143 damage due to weather events in 2011 and subsequent years, not
144 exceeding \$2,000,000.

145 (d) For the Department of Economic and Community Development:

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

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

152 (e) For the Department of Public Health: Grants-in-aid to
153 community health centers and primary care organizations for the
154 purchase of equipment, renovations, improvements and expansion of
155 facilities, including acquisition of land or buildings, not exceeding
156 \$20,000,000.

157 (f) For the Department of Education:

158 (1) Grants-in-aid for the purpose of capital start-up costs related to
159 the development of new interdistrict magnet school programs to assist
160 the state in meeting the goals of the 2008 stipulation and order for Milo
161 Sheff, et al. v. William A. O'Neill, et al., for the purpose of purchasing a
162 building or portable classrooms, subject to the reversion provisions in
163 subdivision (1) of subsection (c) of section 10-264h of the general
164 statutes, leasing space, renovating space and purchasing equipment,
165 including, but not limited to, computers and classroom furniture, not
166 exceeding \$9,145,000;

167 (2) Grants-in-aid for alterations, repairs, improvements, technology,
168 equipment and capital start-up costs, including acquisition costs, to
169 expand the availability of high-quality school models, not exceeding
170 \$25,000,000;

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

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

181 (g) For the Department of Children and Families: Grants-in-aid to
182 private, nonprofit mental health clinics for children, for fire, safety and
183 environmental improvements, including expansion, not exceeding
184 \$1,000,000.

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

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

204 Sec. 12. (*Effective July 1, 2012*) For the purposes of sections 8 to 15,
205 inclusive, of this act, "state moneys" means the proceeds of the sale of
206 bonds authorized pursuant to said sections 8 to 15, inclusive, or of
207 temporary notes issued in anticipation of the moneys to be derived
208 from the sale of such bonds. Each request filed as provided in section
209 11 of this act for an authorization of bonds shall identify the project for
210 which the proceeds of the sale of such bonds are to be used and
211 expended and, in addition to any terms and conditions required
212 pursuant to said section 11, include the recommendation of the person
213 signing such request as to the extent to which federal, private or other
214 moneys then available or thereafter to be made available for costs in
215 connection with any such project should be added to the state moneys
216 available or becoming available under said sections 8 to 15, inclusive,
217 for such project. If the request includes a recommendation that some
218 amount of such federal, private or other moneys should be added to
219 such state moneys, then, if and to the extent directed by the State Bond
220 Commission at the time of authorization of such bonds, said amount of
221 such federal, private or other moneys then available or thereafter to be
222 made available for costs in connection with such project may be added
223 to any state moneys available or becoming available hereunder for
224 such project and be used for such project. Any other federal, private or
225 other moneys then available or thereafter to be made available for
226 costs in connection with such project upon receipt shall, in conformity
227 with applicable federal and state law, be used by the State Treasurer to
228 meet the principal of outstanding bonds issued pursuant to said
229 sections 8 to 15, inclusive, or to meet the principal of temporary notes
230 issued in anticipation of the money to be derived from the sale of
231 bonds theretofore authorized pursuant to said sections 8 to 15,
232 inclusive, for the purpose of financing such costs, either by purchase or
233 redemption and cancellation of such bonds or notes or by payment
234 thereof at maturity. Whenever any of the federal, private or other
235 moneys so received with respect to such project are used to meet the
236 principal of such temporary notes or whenever the principal of any
237 such temporary notes is retired by application of revenue receipts of
238 the state, the amount of bonds theretofore authorized in anticipation of

239 which such temporary notes were issued, and the aggregate amount of
240 bonds which may be authorized pursuant to section 12 of this act shall
241 each be reduced by the amount of the principal so met or retired.
242 Pending use of the federal, private or other moneys so received to meet
243 the principal as directed in this section, the amount thereof may be
244 invested by the State Treasurer in bonds or obligations of, or
245 guaranteed by, the state or the United States or agencies or
246 instrumentalities of the United States, shall be deemed to be part of the
247 debt retirement funds of the state, and net earnings on such
248 investments shall be used in the same manner as the moneys so
249 invested.

250 Sec. 13. (*Effective July 1, 2012*) The bonds issued pursuant to sections
251 8 to 15, inclusive, of this act shall be general obligations of the state,
252 and the full faith and credit of the state of Connecticut are pledged for
253 the payment of the principal of and interest on said bonds as the same
254 become due, and accordingly and as part of the contract of the state
255 with the holders of said bonds, appropriation of all amounts necessary
256 for punctual payment of such principal and interest is hereby made,
257 and the State Treasurer shall pay such principal and interest as the
258 same become due.

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

270 Sec. 15. (*Effective July 1, 2012*) In the case of any grant-in-aid made
271 pursuant to section 9 of this act which is made to any entity which is

272 not a political subdivision of the state, the contract entered into
273 pursuant to section 14 of this act shall provide that if the premises for
274 which such grant-in-aid was made ceases, within ten years of the date
275 of such grant, to be used as a facility for which such grant was made,
276 an amount equal to the amount of such grant, minus ten per cent per
277 year for each full year which has elapsed since the date of such grant,
278 shall be repaid to the state and that a lien shall be placed on such
279 premises in favor of the state to ensure that such amount will be repaid
280 in the event of such change in use, provided, if the premises for which
281 such grant-in-aid was made are owned by the state, a municipality or a
282 housing authority, no lien need be placed.

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

288 The State Bond Commission shall have power, in accordance with
289 the provisions of sections 1 to 7, inclusive, of public act 99-242, from
290 time to time to authorize the issuance of bonds of the state in one or
291 more series and in principal amounts in the aggregate, not exceeding
292 [~~\$291,959,989~~] \$286,703,004.

293 Sec. 17. Subdivision (1) of subsection (c) of section 2 of public act 99-
294 242 is repealed. (*Effective July 1, 2012*)

295 Sec. 18. Subsection (c) of section 2 of special act 02-1 of the May 9
296 special session, as amended by section 76 of public act 11-57, is
297 amended to read as follows (*Effective July 1, 2012*):

298 For the Department of [Construction Services] Administrative
299 Services: Various security improvements, not exceeding \$3,000,000.

300 Sec. 19. Section 1 of public act 07-7 of the June special session, as
301 amended by section 211 of public act 10-44 and section 86 of public act
302 11-57, is amended to read as follows (*Effective July 1, 2012*):

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

308 Sec. 20. Subsection (g) of section 2 of public act 07-7 of the June
309 special session, as amended by sections 218 and 219 of public act 10-44
310 and section 79 of public act 11-57, is amended to read as follows
311 (*Effective July 1, 2012*):

312 For the Department of [Construction Services] Administrative
313 Services:

314 (1) Infrastructure repairs and improvements, including fire, safety
315 and compliance with the Americans with Disabilities Act,
316 improvements to state-owned buildings and grounds, energy
317 conservation and off-site improvements, and preservation of
318 unoccupied buildings and grounds, including office development,
319 acquisition, renovations for additional parking and security
320 improvements, not exceeding \$8,000,000;

321 (2) Capital construction, improvements, repairs, renovations and
322 land acquisition at fire training schools, not exceeding \$8,000,000;

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

325 (4) Repealed by P.A. 10-44, S. 219.

326 Sec. 21. Subdivision (3) of subsection (h) of section 2 of public act 07-
327 7 of the June special session is repealed. (*Effective July 1, 2012*)

328 Sec. 22. Subdivision (7) of subsection (h) of section 2 of public act 07-
329 7 of the June special session is amended to read as follows (*Effective*
330 *July 1, 2012*):

331 Improvements to the department shooting range, [in Simsbury,] not

332 exceeding \$1,750,000.

333 Sec. 23. Section 20 of public act 07-7 of the June special session, as
334 amended by section 314 of public act 10-44, is amended to read as
335 follows (*Effective July 1, 2012*):

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

341 Sec. 24. Subsection (e) of section 21 of public act 07-7 of the June
342 special session, as amended by section 316 of public act 10-44 and
343 section 81 of public act 11-57, is amended to read as follows (*Effective*
344 *July 1, 2012*):

345 For the Department of [~~Construction Services~~] Administrative
346 Services:

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

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

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

358 Sec. 25. Subdivision (3) of subsection (f) of section 21 of public act
359 07-7 of the June special session is repealed. (*Effective July 1, 2012*)

360 Sec. 26. Subsection (f) of section 2 of public act 11-57 is amended to

361 read as follows (*Effective July 1, 2012*):

362 For the Department of [Construction Services] Administrative
363 Services:

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

366 (2) Infrastructure repairs and improvements, including fire, safety
367 and compliance with the Americans with Disabilities Act
368 improvements, improvements to state-owned buildings and grounds,
369 including energy conservation and off-site improvements, and
370 preservation of unoccupied buildings and grounds, including office
371 development, acquisition, renovations for additional parking and
372 security improvements, not exceeding \$2,500,000.

373 Sec. 27. Section 20 of public act 11-57 is amended to read as follows
374 (*Effective July 1, 2012*):

375 The State Bond Commission shall have power, in accordance with
376 the provisions of sections 20 to 26, inclusive, of [this act] public act 11-
377 57, from time to time to authorize the issuance of bonds of the state in
378 one or more series and in principal amounts in the aggregate, not
379 exceeding [\$202,440,135] \$198,315,135.

380 Sec. 28. Subsection (d) of section 21 of public act 11-57 is amended to
381 read as follows (*Effective July 1, 2012*):

382 For the Department of Administrative Services:

383 (1) Exterior renovations and improvements, including installation of
384 air conditioning, to the State Office Building in Hartford, not exceeding
385 [\$21,500,000] \$24,000,000;

386 (2) Infrastructure repairs and improvements, including fire, safety
387 and compliance with the Americans with Disabilities Act
388 improvements, improvements to state-owned buildings and grounds,
389 including energy conservation and off-site improvements, and

390 preservation of unoccupied buildings and grounds, including office
391 development, acquisition, renovations for additional parking and
392 security improvements, not exceeding [~~\$12,500,000~~] \$15,000,000.

393 Sec. 29. Subsection (e) of section 21 of public act 11-57 is repealed.
394 (*Effective July 1, 2012*)

395 Sec. 30. Subsection (f) of section 21 of public act 11-57 is amended to
396 read as follows (*Effective July 1, 2012*):

397 For the Department of [Public Safety] Emergency Services and
398 Public Protection: Alterations and improvements to buildings and
399 grounds, including utilities, mechanical systems and energy
400 conservation projects, not exceeding [~~\$2,212,000~~] \$3,587,000.

401 Sec. 31. Subdivision (1) of subsection (n) of section 21 of public act
402 11-57 is amended to read as follows (*Effective July 1, 2012*):

403 Alterations, renovations and improvements to buildings and
404 grounds at state-owned and maintained facilities, not exceeding
405 [~~\$5,000,000~~] \$4,000,000;

406 Sec. 32. Section 27 of public act 11-57 is amended to read as follows
407 (*Effective July 1, 2012*):

408 The State Bond Commission shall have power, in accordance with
409 the provisions of sections 27 to 30, inclusive, of [this act] public act 11-
410 57, from time to time to authorize the issuance of bonds of the state in
411 one or more series and in principal amounts in the aggregate, not
412 exceeding [~~\$25,000,000~~] \$87,500,000.

413 Sec. 33. Section 28 of public act 11-57 is amended to read as follows
414 (*Effective July 1, 2012*):

415 The proceeds of the sale of said bonds shall be used by the
416 Department of Economic and Community Development for the
417 purposes hereinafter stated: Housing development and rehabilitation,
418 including moderate cost housing, moderate rental, congregate and

419 elderly housing, urban homesteading, community housing
420 development corporations, housing purchase and rehabilitation,
421 housing for the homeless, housing for low income persons, limited
422 equity cooperatives and mutual housing projects, abatement of
423 hazardous material including asbestos and lead-based paint in
424 residential structures, emergency repair assistance for senior citizens,
425 housing land bank and land trust, housing and community
426 development, predevelopment grants and loans, reimbursement for
427 state and federal surplus property, private rental investment mortgage
428 and equity program, housing infrastructure, demolition, renovation or
429 redevelopment of vacant buildings or related infrastructure, septic
430 system repair loan program, acquisition and related rehabilitation
431 including loan guarantees for private developers of rental housing for
432 the elderly, projects under the program established in section 8-37pp of
433 the general statutes, and participation in federal programs, including
434 administrative expenses associated with those programs eligible under
435 the general statutes, not exceeding [~~\$25,000,000~~] \$87,500,000, provided
436 not more than \$12,500,000 shall be used for development of congregate
437 housing, not more than \$1,000,000 shall be used for grants-in-aid for
438 accessibility modifications for persons transitioning from institutions
439 to homes under the Money Follows the Person program established
440 pursuant to section 17b-369 of the general statutes, and not more than
441 \$30,000,000 shall be used for revitalization of state moderate rental
442 housing units on the Connecticut Housing Finance Authority's State
443 Housing Portfolio.

444 Sec. 34. Subsection (g) of section 32 of public act 11-57 is amended to
445 read as follows (*Effective July 1, 2012*):

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

451 Sec. 35. Section 55 of public act 11-57 is amended to read as follows

452 (*Effective July 1, 2012*):

453 The State Bond Commission shall have power, in accordance with
454 the provisions of sections 55 to 60, inclusive, of [this act] public act 11-
455 57, from time to time to authorize the issuance of special tax obligation
456 bonds of the state in one or more series and in principal amounts in the
457 aggregate not exceeding [\$515,239,168] \$605,239,168.

458 Sec. 36. Subdivision (5) of subsection (a) of section 56 of public act
459 11-57 is amended to read as follows (*Effective July 1, 2012*):

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

462 Sec. 37. Subsection (a) of section 4a-10 of the 2012 supplement to the
463 general statutes is repealed and the following is substituted in lieu
464 thereof (*Effective July 1, 2012*):

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

473 Sec. 38. Section 10-287d of the 2012 supplement to the general
474 statutes is repealed and the following is substituted in lieu thereof
475 (*Effective July 1, 2012*):

476 For the purposes of funding (1) grants to projects that have received
477 approval of the Department of [Construction Services] Administrative
478 Services pursuant to sections 10-287 and 10-287a, subsection (a) of
479 section 10-65 and section 10-76e, (2) grants to assist school building
480 projects to remedy safety and health violations and damage from fire
481 and catastrophe, and (3) regional vocational-technical school projects
482 pursuant to section 10-283b, the State Treasurer is authorized and

483 directed, subject to and in accordance with the provisions of section 3-
484 20, to issue bonds of the state from time to time in one or more series in
485 an aggregate amount not exceeding nine billion one hundred forty-five
486 million nine hundred sixty thousand dollars, provided five hundred
487 eighty-four million dollars of said authorization shall be effective July
488 1, 2012. Bonds of each series shall bear such date or dates and mature
489 at such time or times not exceeding thirty years from their respective
490 dates and be subject to such redemption privileges, with or without
491 premium, as may be fixed by the State Bond Commission. They shall
492 be sold at not less than par and accrued interest and the full faith and
493 credit of the state is pledged for the payment of the interest thereon
494 and the principal thereof as the same shall become due, and
495 accordingly and as part of the contract of the state with the holders of
496 said bonds, appropriation of all amounts necessary for punctual
497 payment of such principal and interest is hereby made, and the State
498 Treasurer shall pay such principal and interest as the same become
499 due. The State Treasurer is authorized to invest temporarily in direct
500 obligations of the United States, United States agency obligations,
501 certificates of deposit, commercial paper or bank acceptances such
502 portion of the proceeds of such bonds or of any notes issued in
503 anticipation thereof as may be deemed available for such purpose.

504 Sec. 39. Subsection (b) of section 13b-78p of the general statutes is
505 repealed and the following is substituted in lieu thereof (*Effective July*
506 *1, 2012*):

507 (b) The proceeds of the sale of such bonds, to the extent hereinafter
508 stated, shall be used for the purpose of payment of the transportation
509 costs, as defined in subdivision (6) of section 13b-75, with respect to the
510 projects and uses hereinafter described, which projects and uses are
511 hereby found and determined to be in furtherance of one or more of
512 the authorized purposes for the issuance of special tax obligation
513 bonds set forth in section 13b-74. Any proceeds from the sale of the
514 bonds may be used by the Department of Transportation for the
515 Bureau of Public Transportation for rail rolling stock and maintenance
516 facilities, including rights-of-way, other property acquisition and

517 related projects. [, not exceeding \$485,650,000.]

518 Sec. 40. Section 16-245aa of the general statutes is repealed and the
519 following is substituted in lieu thereof (*Effective July 1, 2012*):

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

532 (b) [Connecticut Innovations, Incorporated, in consultation with the
533 Public Utilities Regulatory Authority, the Department of Education
534 and the Department of Emergency Services and Public Protection] The
535 Clean Energy Finance and Investment Authority, in consultation with
536 the Department of Energy and Environmental Protection, the
537 Department of Economic and Community Development and the State
538 Treasurer, shall establish a [municipal] renewable energy and efficient
539 energy [generation grant] finance program. [Connecticut Innovations,
540 Incorporated, shall make grants] Said authority shall make grants,
541 investments, loans or other forms of financial assistance under said
542 program to [municipalities] projects for the purchase and installation
543 of (1) renewable energy sources, including solar energy, geothermal
544 energy and fuel cells or other energy-efficient hydrogen-fueled energy,
545 or (2) energy-efficient generation sources, including units providing
546 combined heat-and-power operations with greater than sixty-five per
547 cent efficiency or such higher efficiency level as [Connecticut
548 Innovations, Incorporated, may prescribe, for municipal buildings.
549 Connecticut Innovations, Incorporated, shall give priority to

550 applications for grants for disaster relief centers and high schools. Each
551 grant shall be in an amount that makes the cost of purchasing and
552 operating the renewable energy or energy-efficient generation source
553 competitive with the municipality's current electricity expenses] said
554 authority may prescribe. Said authority may make grants under said
555 program of up to two and one-half per cent of the balance in the
556 account to support workforce development initiatives in connection
557 with deployment of the projects. Said authority shall give priority to
558 applications for grants, investments, loans or other forms of financial
559 assistance to projects that use major system components manufactured
560 or assembled in Connecticut. Each grant, investment, loan or other
561 form of financial assistance shall be in an amount that makes the cost
562 of purchasing, installing and operating the renewable energy or
563 energy-efficient generation source competitive with the grid's or other
564 end users' current electricity expenses.

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

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

584 grants-in-aid during a fiscal year shall be carried forward for the fiscal
585 year next succeeding for such grants-in-aid.]

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

591 Sec. 41. Subsection (b) of section 16-245bb of the general statutes is
592 repealed and the following is substituted in lieu thereof (*Effective July*
593 *1, 2012*):

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

601 Sec. 42. Subsection (b) of section 32-235 of the 2012 supplement to
602 the general statutes is repealed and the following is substituted in lieu
603 thereof (*Effective July 1, 2012*):

604 (b) The proceeds of the sale of said bonds, to the extent of the
605 amount stated in subsection (a) of this section, shall be used by the
606 Department of Economic and Community Development (1) for the
607 purposes of sections 32-220 to 32-234, inclusive, including economic
608 cluster-related programs and activities, and for the Connecticut job
609 training finance demonstration program pursuant to sections 32-23uu
610 and 32-23vv, provided (A) three million dollars shall be used by said
611 department solely for the purposes of section 32-23uu and not more
612 than five million two hundred fifty thousand dollars of the amount
613 stated in said subsection (a) may be used by said department for the
614 purposes of section 31-3u, (B) not less than one million dollars shall be
615 used for an educational technology grant to the deployment center

616 program and the nonprofit business consortium deployment center
617 approved pursuant to section 32-41l, (C) not less than two million
618 dollars shall be used by said department for the establishment of a
619 pilot program to make grants to businesses in designated areas of the
620 state for construction, renovation or improvement of small
621 manufacturing facilities, provided such grants are matched by the
622 business, a municipality or another financing entity. The
623 Commissioner of Economic and Community Development shall
624 designate areas of the state where manufacturing is a substantial part
625 of the local economy and shall make grants under such pilot program
626 which are likely to produce a significant economic development
627 benefit for the designated area, (D) five million dollars may be used by
628 said department for the manufacturing competitiveness grants
629 program, (E) one million dollars shall be used by said department for
630 the purpose of a grant to the Connecticut Center for Advanced
631 Technology, for the purposes of subdivision (5) of subsection (a) of
632 section 32-7f, (F) fifty million dollars shall be used by said department
633 for the purpose of grants to the United States Department of the Navy,
634 the United States Department of Defense or eligible applicants for
635 projects related to the enhancement of infrastructure for long-term, on-
636 going naval operations at the United States Naval Submarine Base-
637 New London, located in Groton, which will increase the military value
638 of said base. Such projects shall not be subject to the provisions of
639 sections 4a-60 and 4a-60a, (G) two million dollars shall be used by said
640 department for the purpose of a grant to the Connecticut Center for
641 Advanced Technology, Inc., for manufacturing initiatives, including
642 aerospace and defense, and (H) [two] four million dollars shall be used
643 by said department for the purpose of a grant to companies adversely
644 impacted by the construction at the Quinnipiac Bridge, where such
645 grant may be used to offset the increase in costs of commercial
646 overland transportation of goods or materials brought to the port of
647 New Haven by ship or vessel, and (2) for the purposes of the small
648 business assistance program established pursuant to section 32-9yy,
649 provided fifteen million dollars shall be deposited in the small
650 business assistance account established pursuant to said section 32-

651 9yy. The provisions of sections 32-220 to 32-234, inclusive, shall not
 652 apply to such funds authorized pursuant to this subdivision.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2012	New section
Sec. 2	July 1, 2012	New section
Sec. 3	July 1, 2012	New section
Sec. 4	July 1, 2012	New section
Sec. 5	July 1, 2012	New section
Sec. 6	July 1, 2012	New section
Sec. 7	July 1, 2012	New section
Sec. 8	July 1, 2012	New section
Sec. 9	July 1, 2012	New section
Sec. 10	July 1, 2012	New section
Sec. 11	July 1, 2012	New section
Sec. 12	July 1, 2012	New section
Sec. 13	July 1, 2012	New section
Sec. 14	July 1, 2012	New section
Sec. 15	July 1, 2012	New section
Sec. 16	July 1, 2012	PA 99-242, Sec. 1
Sec. 17	July 1, 2012	Repealer section
Sec. 18	July 1, 2012	SA 02-1 of the May 9 Sp. Sess., Sec. 2(c)
Sec. 19	July 1, 2012	PA 07-7 of the June Sp. Sess., Sec. 1
Sec. 20	July 1, 2012	PA 07-7 of the June Sp. Sess., Sec. 2(g)
Sec. 21	July 1, 2012	Repealer section
Sec. 22	July 1, 2012	PA 07-7 of the June Sp. Sess., Sec. 2(h)
Sec. 23	July 1, 2012	PA 07-7 of the June Sp. Sess., Sec. 20
Sec. 24	July 1, 2012	PA 07-7 of the June Sp. Sess., Sec. 21(e)
Sec. 25	July 1, 2012	Repealer section
Sec. 26	July 1, 2012	PA 11-57, Sec. 2(f)
Sec. 27	July 1, 2012	PA 11-57, Sec. 20
Sec. 28	July 1, 2012	PA 11-57, Sec. 21(d)
Sec. 29	July 1, 2012	Repealer section

Sec. 30	<i>July 1, 2012</i>	PA 11-57, Sec. 21(f)
Sec. 31	<i>July 1, 2012</i>	PA 11-57, Sec. 21(n)(1)
Sec. 32	<i>July 1, 2012</i>	PA 11-57, Sec. 27
Sec. 33	<i>July 1, 2012</i>	PA 11-57, Sec. 28
Sec. 34	<i>July 1, 2012</i>	PA 11-57, Sec. 32(g)
Sec. 35	<i>July 1, 2012</i>	PA 11-57, Sec. 55
Sec. 36	<i>July 1, 2012</i>	PA 11-57, Sec. 56(a)(5)
Sec. 37	<i>July 1, 2012</i>	4a-10(a)
Sec. 38	<i>July 1, 2012</i>	10-287d
Sec. 39	<i>July 1, 2012</i>	13b-78p(b)
Sec. 40	<i>July 1, 2012</i>	16-245aa
Sec. 41	<i>July 1, 2012</i>	16-245bb(b)
Sec. 42	<i>July 1, 2012</i>	32-235(b)

FIN *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 13 \$	FY 14 \$
Treasurer, Debt Serv.	GF - Cost	See Below	See Below
Treasurer, Debt Serv.	TF - Cost	See Below	See Below

Note: GF=General Fund; TF=Transportation Fund

Municipal Impact:

Municipalities	Effect	FY 13 \$	FY 14 \$
Various Municipalities	Revenue Gain	See Below	See Below

Explanation

The bill does the following in FY 13:

- (1) it authorizes \$270.1 million in new General Obligation (GO) bonds,
- (2) it cancels \$22.3 million in GO bonds
- (3) it authorizes \$90.0 million in new Special Tax Obligation (STO) bonds, and
- (4) it makes a variety of language changes to existing bond authorizations.

The authorization amounts and the associated General Fund and Special Transportation Fund debt service costs¹ are shown in the table below.

¹ The first year that the state will experience costs associated with the bonds depends on when they are allocated through the State Bond Commission and when the funds are expended.

New FY 13 Bond Authorizations and Estimated Debt Service Cost (\$-millions)				
Fiscal Year	Authorization Amount	Total Debt Service Cost*	Interest	Principal
General Obligation (GO) Bonds - General Fund				
FY 13	270.1	411.9	141.8	270.1
*The figures assume that the GO bonds are issued at 5.0% for a term of 20 years.				
Special Tax Obligation (STO) Bonds - Special Transportation Fund				
FY 13	90.0	150.6	60.6	90.0
*The figures assume that STO bonds are issued at 5.5% for a term of 20 years.				

The bill will result in a revenue gain for grants-in-aid to various municipalities related to: (1) computer-assisted mass appraisal, and (2) capital expenditures for education programs.

Further Explanation

The table below provides a list of the provisions in the bill organized by agency.

Bonding Provisions in sSB 25		
Bill Section	Agency/Description	Amount (\$)
General Obligation Bonds		
<u>Office of Policy and Management</u>		
Sec. 37	Capital Equipment Purchase Fund	2,000,000
Sec. 9(a)	Grants-in-aid to municipalities for development of a computer-assisted mass appraisal in accordance with section 12-62f of the general statutes	38,500
Sec. 2(a)	Information Technology Capital Investment Program	50,000,000
<u>Department of Administrative Services</u>		
Sec. 28	<i>Transfer to DAS:</i> Exterior renovations and improvements, including installation of air conditioning, to the State Office Building in Hartford. PA 11-57 Sec. 21(d)(1)	2,500,000
Sec. 28	<i>Transfer to DAS:</i> 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	2,500,000

Bonding Provisions in sSB 25		
Bill Section	Agency/Description	Amount (\$)
	parking and security improvements. PA 11-57 Sec. 21(d)(2)	
Sec. 2(b)(3)	Planning and development to convert state-owned buildings on Trinity, Elm and Wadsworth Streets in Hartford to residential housing	1,000,000
Sec. 2(b)(1)	Removal or encapsulation of asbestos in state-owned buildings	5,000,000
Sec. 26	<i>Transfer to DAS:</i> 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. PA 11-57 Sec. 2(f)(2)	0
Sec. 26	<i>Transfer to DAS:</i> Removal or encapsulation of asbestos in state-owned buildings. PA 11-57, Sec. 2(f)(1)	0
Sec. 18	<i>Transfer to DAS:</i> Various security improvements. SA 02-1, (M9 SS), Sec. 2(c)	0
Sec. 38	<i>Transfer to DAS:</i> School construction grants-in-aid - progress payments. CGS Sec. 10-287d	0
Sec. 24	<i>Transfer to DAS:</i> Capital construction, improvements, repairs, renovations and land acquisition at Fire Training Schools. PA 07-7, (JSS), Sec. 21(e)(3)	0
Sec. 20	<i>Transfer to DAS:</i> Capital construction, improvements, repairs, renovations and land acquisition at Fire Training Schools. PA 07-7, (JSS) Sec. 2(g)(2)	0
Sec. 2(b)(2)	Capital construction, improvements, repairs, renovations and land acquisition at fire training schools	28,200,000
<u>Dept of Construction Services</u>		

Bonding Provisions in sSB 25		
Bill Section	Agency/Description	Amount (\$)
Sec. 24	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. PA 07-7, (JSS), Sec. 21(e)(2)	(180)
Sec. 29	Removal or encapsulation of asbestos in state-owned buildings. PA 11-57, Sec. 21(e)(1)	(5,000,000)
Sec. 29	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. PA 11-57, Sec. 21(e)(2)	(2,500,000)
Sec. 29	Notwithstanding the provisions of section 4b-1 of the general statutes, land acquisition, construction, improvements, repairs and renovations at fire training schools. PA 11-57, Sec. 21(e)(3)	(2,000,000)
Department of Emergency Services and Public Protection		
Sec. 30	Alterations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation projects. PA 11-57 Sec. 21(f)	1,375,000
Sec. 2(c)(1)	Design and construction of alterations, renovations and improvements for an emergency services facility, including canine training and vehicle impoundment area and a fleet maintenance and administration facility, including acquisition of property and related costs	5,256,985
Sec. 2(c)(2)	Design and construction of alterations, renovations and improvements for a firearms training facility and vehicle operations training center	6,576,000
Sec. 17	Emergency services facility, including canine training and vehicle impound area, in Cheshire. PA 99-242, Sec. 2(c)(1)	(5,256,985)
Sec. 21	Alterations, renovations and improvements to Building 5 at Mulcahy Complex in Meriden. PA 07-7, (JSS), Sec. 2(h)(3)	(750,000)

Bonding Provisions in sSB 25		
Bill Section	Agency/Description	Amount (\$)
Sec. 22	<i>Language change:</i> Improvements to the department shooting range [in Simsbury]. PA 07-7, (JSS), Sec. 2(h)(7)	0
Sec. 25	Alterations, renovations and improvements to Building 5 at the Mulcahy Complex in Meriden. PA 07-7, (JSS), Sec. 21(f)(3)	(5,826,000)
Sec. 9(b)	Buy-out program for homeowners and businesses who receive FEMA funding related to property damage due to weather events in 2011 and subsequent years	2,000,000
<u>Department of Energy and Environmental Protection</u>		
Sec. 9(c)(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	2,000,000
Sec. 9(c)(2)	Buy-out program for homeowners and businesses that receive Federal Emergency Management Agency funding related to property damage due to weather events in 2011 and subsequent years	2,000,000
<u>Department of Economic and Community Development</u>		
Sec. 33	Housing development and rehabilitation programs PA 11-57 Sec. 28	62,500,000
Sec. 9(d)(1)	Grants-in-aid to nursing facilities for alterations, renovations and improvements for conversion to other uses in support of right-sizing	10,000,000
Sec. 9(d)(2)	Grants-in-aid to municipalities and nonprofit organizations for cultural and entertainment-related economic development projects, including museums.	5,000,000
Sec. 42	<i>Amend Manufacturing Assistance Act (CGS Sec. 32-235(b)(8)):</i> [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.	0
<u>Connecticut Innovations, Incorporated</u>		
Secs. 40	Transfer bonds to the Clean Energy Finance and Investment	0

Bonding Provisions in sSB 25		
Bill Section	Agency/Description	Amount (\$)
& 41	Authority and repurposed them for a new program	
<u>Department of Public Health</u>		
Sec. 9(e)	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 and/or buildings.	20,000,000
<u>Department of Social Services</u>		
Sec. 34	<i>Language change:</i> 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] <u>and related facilities PA 11-57, Sec. 32(g)</u>	0
<u>Department of Education</u>		
Sec. 9(f)(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	9,145,000
Sec. 9(f)(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	25,000,000
Sec. 9(f)(3)	Grants-in-aid to targeted local and regional school districts for alterations, repairs, improvements, technology, and equipment in low-performing schools	16,000,000
Sec. 9(f)(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 licensed school readiness programs and state-funded day care centers operated by such municipalities and organizations	10,000,000
<u>Department of Children and Families</u>		

Bonding Provisions in sSB 25		
Bill Section	Agency/Description	Amount (\$)
Sec. 9(g)	Grants-in-aid to private nonprofit mental health clinics for children for fire, safety and environmental improvements, including expansion	1,000,000
	Judicial Department	
Sec. 31	Alterations, renovations and improvements to buildings and grounds at state-owned and maintained facilities	(1,000,000)
Sec. 2(d)	Development of a juvenile court building on state-owned property in Meriden	1,000,000
	Total GO Bonds	247,758,320
	Special Tax Obligation Bonds	
Sec. 36	State bridge improvement, rehabilitation and replacement projects PA 11-57, Sec. 35	90,000,000
Sec. 39	Technical change to correct drafting error	0

The Out Years

The fiscal impact for debt service identified above for the General Fund and the Transportation Fund would continue into the future for the term of issuance of the bonds.

OLR Bill Analysis**sSB 25*****AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES.*****SUMMARY:**

This bill authorizes up to \$199.2 million in new state general obligation (GO) bonds for FY 13 for state capital projects and grant programs, including (1) improvements to state facilities and information technology infrastructure and (2) grants to towns, schools, and nonprofit entities. It authorizes up to \$90 million in additional special tax obligation (STO) bonds for state bridge repairs and improvements.

It also changes the amounts of certain FY 13 bond authorizations enacted in 2011, including adding \$62.5 million for housing development and rehabilitation, for a net increase of \$69.875 million. It repeals \$9.5 million in authorizations for FY 13 and cancels \$11.8 million in bond authorizations for past years.

The bill transfers from the Department of Construction Services (DCS) to the Department of Administrative Services (DAS) responsibility for existing bond authorizations for school construction and various state capital projects (see COMMENT).

Finally, the bill eliminates a municipal grant program for renewable energy and energy efficient generation sources and replaces it with a financial assistance program for any entities undertaking these types of projects.

EFFECTIVE DATE: July 1, 2012

§§ 1-15—BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS AND GRANTS

The bill authorizes \$199,216,485 in GO bonds for FY 13 for state capital projects and grants programs. Table 1 lists the purpose and amounts of these bond authorizations. 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.

Table 1: GO Bond Authorizations for FY 13

§§	AGENCY	FOR	FY 13
State Projects			
2 (a)	Office of Policy and Management (OPM)	Information technology capital investment program	\$50,000,000
2 (b)	DAS	Removal or encapsulation of asbestos in state-owned buildings (see §§ 20, 24, 26)	5,000,000
		Construction, improvements, repairs, renovations, and land acquisition at fire training schools (see §§ 20 & 24)	28,200,000
		Planning and development to convert state-owned buildings on Trinity, Elm, and Wadsworth Streets in Hartford to residential buildings	1,000,000
2 (c)	Department of Emergency Services and Public Protection (DESPP)	Design and construction of an emergency services facility, including canine training, vehicle impound areas, and a fleet maintenance and administration facility (cancels existing authorization for emergency facility in Cheshire (see Table 3))	5,256,985
		Design and construction of a firearms training facility and vehicle operations training center (Cancels existing authorization for Mulcahy Complex in Meriden (see Table 3))	6,576,000

2 (d)	Judicial Department	Development of juvenile court building on state-owned property in Meriden	1,000,000
Grants			
9 (a)	OPM	Grants to municipalities for computer-assisted mass appraisal systems	\$38,500
9 (b)	DESPP	Buy-out program for homeowners and businesses receiving Federal Emergency Management (FEMA) funds related to property damage due to 2011 weather events and subsequent events	2,000,000
9 (c)	Department of Energy and Environmental Protection (DEEP)	Study and assess feasible alternatives to plan, design, acquire, and construct structural and nonstructural improvements to mitigate flooding conditions that caused property damage due to 2011 weather events, including a cost benefit and environmental impact analysis of the alternatives	2,000,000
		Buy-out program for homeowners and businesses receiving FEMA funds related to property damage due to 2011 weather events and subsequent years	2,000,000
9 (d)	Department of Economic and Community Development (DECD)	Grants to nursing homes for alterations, renovations, and improvements to convert to other uses ("right-sizing")	10,000,000
		Grants to municipalities and nonprofits, including museums, for cultural and entertainment-related economic development projects	5,000,000
9 (e)	Department of Public Health	Grants to community health centers and primary care organizations: Renovations, improvements, and expansion of facilities, including land or building acquisition, and purchasing equipment	20,000,000
9 (f)	Department of Education (SDE)	Grants for <i>Sheff</i> magnet school program start-up costs: Purchasing a building or portable classrooms, leasing space, and purchasing equipment, including computers and classroom furniture, provided that title to any such building that ceases to be used as an interdistrict magnet school may revert to the state as the education commissioner determines.	9,145,000

		Grants for expanding the availability of high-quality school models: Alterations, repairs, improvements, technology, equipment, acquisition, and capital start-up costs	25,000,000
		Grants for low-performing schools in targeted local and regional school districts: Alterations, repairs, improvements, technology, and equipment	16,000,000
		Grants to towns and tax-exempt organizations for facility improvements and minor capital repairs to licensed school readiness programs and state-funded day care centers operated by such towns and organizations	10,000,000
9 (g)	Department of Children and Families (DCF)	Grants to private nonprofit mental health clinics for children: Expansion and fire, safety, and environmental improvements	1,000,000

§§ 27-37—CHANGES TO FY 13 BOND AUTHORIZATIONS IN PA 11-57

Changes to FY 13 Authorizations

The bill changes certain FY 13 bond authorizations enacted in PA 11-57, as listed in Table 2.

Table 2: Changes to FY 13 Bond Authorizations in PA 11-57

§	AGENCY	FOR	PA 11-57 AUTH. FOR FY 13	CHANGE	TOTAL AUTH. FOR FY 13
28	DAS	State Office Building, Hartford: Exterior renovations and improvements, including installation of air conditioning	\$21,500,000	\$2,500,000	\$24,000,000
		State-owned buildings and grounds: Infrastructure repairs and improvements	12,500,000	2,500,000	15,000,000

30	DPS (transfers to DESPP)	Buildings and grounds: Alterations and improvements, including utilities, mechanical systems, and energy conservation projects	2,212,000	1,375,000	3,587,000
31	Judicial	State-owned and maintained facilities and grounds: Alterations, renovations, and improvements	5,000,000	(1,000,000)	4,000,000
33	DECD	Housing development and rehabilitation	25,000,000	62,500,000	87,500,000
37	OPM	Capital Equipment Purchase Fund	22,900,000	2,000,000	24,900,000

§ 29—Repeal of FY 13 Authorizations for DCS

The bill repeals the following FY 13 authorizations for DCS:

1. \$5 million for the removal or encapsulation of asbestos in state buildings;
2. \$2.5 million for infrastructure repairs and improvements to state-owned buildings and grounds; and
3. \$2 million for land acquisition, construction, improvements, repairs, and renovations at fire training schools.

§§ 32-33—DECD Housing Development and Rehabilitation Bonds

The bill increases an existing bond authorization for DECD for housing development and rehabilitation by \$62,500,000, from \$25 million to \$87.5 million (see Table 2). Of these funds, it designates up to:

1. \$30 million to revitalize state moderate rental housing units in the Connecticut Housing Finance Authority's State Housing Portfolio,

2. \$12.5 million for congregate housing development, and
3. \$1 million for grants for accessibility modifications for those transitioning from institutions to homes under the Money Follows the Person program.

§ 34—DSS Grants for Community Programs

The bill limits a \$10 million bond authorization to the Department of Social Services (DSS) for community program grants by eliminating child day care projects, domestic violence shelters, and food distribution facilities from the permissible uses. As under current law, DSS may use the bond funds for grants to neighborhood facilities, elderly centers, multipurpose human resource centers, and any related facilities.

STO Bond Authorization for State Bridges (§§ 35-36)

The bill increases by \$90 million, from \$33 million to \$123 million, a STO bond authorization for the Department of Transportation (DOT) for state bridge improvement, rehabilitation, and replacement.

§§ 16-26, 38-39 & 42—BOND CANCELLATIONS AND CHANGES TO EXISTING AUTHORIZATIONS

Cancellations

The bill cancels all or part of existing bond authorizations for the state agency capital projects listed in Table 3.

Table 3: Bond Cancellations

§	Agency	For	Existing Authorization	Amount Cancelled
17	DPS (now DESPP)	Emergency services facility in Cheshire, including a canine training and vehicle impound area (§ 2(c) reauthorizes the project and eliminates requirement that the facility be located in Cheshire)	\$5,256,985	\$5,256,985

21,25	DPS (now DESPP)	Alterations, renovations, and improvements to Building 5 at the Mulcahy Complex in Meriden (§ 2(c) reauthorizes the project without specifying that it be located at the Mulcahy Complex in Meriden)	6,576,000	6,576,000
24	DAS (transfers to DCS)	Infrastructure repairs and improvements	5,000,000	180

§§ 18, 20, 24, 26, 38—Authorizations Transferred from DCS to DAS

The bill transfers from DCS to DAS responsibility for existing bond authorizations for school construction projects and the following capital projects related to state buildings and property:

1. various security improvements;
2. infrastructure repairs and improvements, improvements to state-owned buildings and grounds, and preservation of unoccupied buildings and grounds;
3. capital construction, improvements, repairs, renovations, and land acquisition at fire training schools; and
4. removal or encapsulation of asbestos in state buildings.

§ 22—DESPP Shooting Range

The bill eliminates a restriction that DESPP use an existing \$1.75 million authorization for improvements to its shooting range in Simsbury, thus allowing it to use the bond funds at any DESPP shooting range.

§ 39—Correction in Prior Authorization for DOT

The bill makes a technical correction in a prior \$625.65 million authorization for DOT for rail rolling stock and maintenance facilities, rights-of-way, other property acquisition, and related projects.

§ 42—Manufacturing Assistance Act (MAA) Reserved Amount

The bill increases, from \$2 million to \$4 million, the amount of previously authorized MAA bond funds reserved for a DECD grant to companies affected by Quinnipiac Bridge construction. As under current law, the companies may use the grants to offset the increased costs for commercial overland transport of goods or materials brought by ships or vessels to the port of New Haven.

§§ 40-41—RENEWABLE ENERGY AND EFFICIENT ENERGY FINANCE PROGRAM

Current law requires Connecticut Innovations, Inc. (CII) to establish a municipal renewable energy and efficient energy generation grant program for municipalities to purchase and operate, for municipal buildings, (1) renewable energy sources and (2) energy-efficient generation sources. The bill eliminates this program and requires the Clean Energy Finance and Investment Authority (CEFIA) to establish a renewable energy and efficient energy finance program for any entities, not just municipalities, undertaking these types of projects (see BACKGROUND).

It transfers an existing \$18 million bond authorization for the municipal grant program, which the Bond Commission never allocated, to CEFIA for the financing program. The bonds are subject to standard statutory issuance and repayment requirements and their proceeds go into a separate account within the Clean Energy Fund.

Program Administration

The bill requires CEFIA to establish the program in consultation with DEEP, DECD, and the State Treasurer. Current law requires CII to establish the municipal program in consultation with the Public Utilities Regulatory Authority, SDE, and DESPP.

CEFIA must develop an application form for the program by November 1, 2012, and can receive applications starting on this date. As under current law, applications must include a complete description of the proposed generation source.

Type of Assistance and Eligible Projects

Under current law, the grants are for municipalities to purchase and operate (1) renewable energy sources, including solar energy, geothermal energy, and fuel cells or other energy-efficient hydrogen-fueled energy or (2) energy-efficient generation sources, including cogeneration units that are at least 65% efficient, for municipal buildings. Under the bill, the program includes grants, loans, or other types of financial assistance for any entities purchasing, installing, and operating these types of projects.

Under current law, CII must give priority to applications for grants for disaster relief centers and high schools. Each grant must make the cost of purchasing and operating the generation source competitive with the municipality's current electricity expenses.

The bill instead requires CEFIA to give priority to applications for projects that use major system components manufactured or assembled in Connecticut. The financial assistance must make the cost of purchasing, installing, and operating the generation source competitive with the grid's or other end users' current electricity expenses.

Reporting Requirement

By January 1, annually, starting in 2013, CEFIA, instead of CII, must report on the program's effectiveness to the Energy and Technology Committee.

Workforce Development Grants

The bill allows CEFIA to use up to 2.5% of the program funds to make grants to support workforce development initiatives in connection with the projects.

BACKGROUND***CEFIA***

PA 11-80 created CEFIA, a quasi-public authority, to administer the Clean Energy Fund, rather than CII. CEFIA also replaced the

Renewable Energy Investments Board that was responsible for developing the plan for spending money in the fund and related functions.

COMMENT

Authorizations Transferred from DCS to DAS

The bill transfers from DCS to DAS responsibility for existing bond authorizations for school construction and various state capital projects, but DCS retains authority regarding the construction of these projects.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 49 Nay 1 (04/03/2012)