



General Assembly

January Session, 2013

Governor's Bill No. 849

LCO No. 2942



Referred to Committee on TRANSPORTATION

Introduced by:

SEN. WILLIAMS, 29th Dist.

SEN. LOONEY, 11th Dist.

REP. SHARKEY, 88th Dist.

REP. ARESIMOWICZ, 30th Dist.

***AN ACT CONCERNING LOCAL BRIDGE PROGRAM REFORM AND
ESTABLISHING A LOCAL TRANSPORTATION CAPITAL PROGRAM.***

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

- 1 Section 1. (NEW) (*Effective November 1, 2013*) (a) The Commissioner
2 of Transportation shall establish a local transportation capital program
3 to provide state funding, in lieu of specific federal funding available, to
4 any municipality or local planning agency for transportation
5 improvements to any state or locally maintained roadway or facility
6 that is deemed eligible for federal surface transportation urban
7 program funding.
- 8 (b) The commissioner may request the authorization of special tax
9 obligation bonds of the state to establish such state funding. Such
10 bonds shall mature at such time or times not exceeding twenty years
11 from their respective dates as may be provided in or pursuant to the

12 resolution or resolutions of the State Bond Commission authorizing
13 such bonds.

14 (c) The Department of Transportation shall accept applications for
15 such state funding from any eligible recipient through the appropriate
16 regional planning agency. Any such state funding shall be provided to
17 the recipient through guidelines developed by the Department of
18 Transportation.

19 (d) Any transportation improvement funded pursuant to the
20 program established in this section will have a service life of
21 approximately twenty years.

22 (e) Notwithstanding any other provision of the general statutes, this
23 program, when improvements are on a locally owned roadway or
24 facility, shall not be deemed to be a proposed state action, activity or
25 critical activity for the purposes of sections 25-68b to 25-68h, inclusive,
26 of the general statutes.

27 Sec. 2. Subsection (b) of section 13b-74 of the general statutes is
28 repealed and the following is substituted in lieu thereof (*Effective July*
29 *1, 2013*):

30 (b) The purposes for which special tax obligation bonds may be
31 issued pursuant to sections 13b-74 to 13b-77, inclusive, are as follows:

32 (1) Planning, acquisition, removal, construction, equipping,
33 reconstruction, repair, rehabilitation and improvement of, and
34 acquisition of easements and rights-of-way with respect to, state
35 highways and bridges;

36 (2) Payment of the state's share of the costs of planning, acquisition,
37 removal, construction, equipping, reconstruction, repair, rehabilitation
38 and improvement of, and acquisition of easements and rights-of-way
39 with respect to, (A) state highways, (B) projects on the interstate
40 highway system, (C) alternate highway projects in the interstate

41 highway substitution program, commonly referred to as the interstate
42 trade-in program, (D) state bridges, (E) mass transportation and transit
43 facilities, (F) aeronautic facilities, excluding Bradley International
44 Airport, and (G) waterway projects;

45 (3) Payment of the state's share of the costs of planning, acquisition,
46 removal, construction, equipping, reconstruction, repair, rehabilitation
47 and improvement of, and acquisition of easements and rights-of-way
48 with respect to, the local bridge program established under sections
49 13a-175p to 13a-175u, inclusive, as amended by this act, and payment
50 of state contributions to the Local Bridge Revolving Fund established
51 under section 13a-175r, as amended by this act;

52 (4) Planning, acquisition, removal, construction, equipping,
53 reconstruction, repair, rehabilitation and improvement of, and
54 acquisition of easements and rights-of-way with respect to, the
55 highway safety program, including the rail-highway crossing, hazard
56 elimination and other highway safety programs on the state highway
57 system;

58 (5) Planning, acquisition, removal, construction, equipping,
59 reconstruction, repair, rehabilitation and improvement of, and
60 acquisition of easements and rights-of-way with respect to, the
61 maintenance garages and administrative facilities of the Department of
62 Transportation;

63 (6) Planning, acquisition, removal, construction, equipping,
64 reconstruction, repair, rehabilitation and improvement of, and
65 acquisition of easements and rights-of-way with respect to, projects
66 and purposes included in section 13b-57h; [and]

67 (7) Payment of funds made available to towns, as provided in
68 sections 13a-175a to 13a-175e, inclusive, 13a-175i and 13a-175j, for the
69 purposes set forth in sections 13a-175a, 13a-175d and 13a-175j; and

70 (8) Payment of funds to any municipality or local planning agency

71 for transportation improvements pursuant to section 1 of this act.

72 Sec. 3. Section 13a-175p of the general statutes is repealed and the
73 following is substituted in lieu thereof (*Effective July 1, 2013*):

74 The following terms, as used in sections 13a-175p to 13a-175u,
75 inclusive, shall have the following meanings unless the context clearly
76 indicates a different meaning or intent:

77 (1) "Commissioner" means the Commissioner of Transportation.

78 (2) "Eligible bridge" means a bridge located within one or more
79 municipalities in the state, the physical condition of which requires it
80 be removed, replaced, reconstructed, rehabilitated or improved as
81 determined by the commissioner.

82 (3) "Eligible bridge project" means the removal, replacement,
83 reconstruction, rehabilitation or improvement of an eligible bridge by
84 one or more municipalities.

85 (4) "Grant" means any grant made to a municipality pursuant to
86 section 13a-175s, as amended by this act.

87 ~~[(4)]~~ (5) "Grant percentage" means a percentage established by the
88 commissioner for each municipality by (A) ranking all municipalities
89 in descending order according to each such municipality's adjusted
90 equalized net grand list per capita as defined in section 10-261; and (B)
91 determining a percentage for each such municipality on a scale from
92 not less than ~~[ten]~~ fifteen per cent to not more than ~~[thirty-three]~~ fifty
93 per cent based upon such ranking. In any case where a municipality
94 does not have an adjusted equalized net grand list per capita such
95 municipality shall be deemed to have the adjusted equalized net grand
96 list per capita of the town in which it is located.

97 ~~[(5)]~~ (6) "Local bridge program" means the local bridge program
98 established pursuant to sections 13a-175p to 13a-175u, inclusive, as
99 amended by this act.

100 [(6)] (7) "Local Bridge Revolving Fund" means the Local Bridge
101 Revolving Fund created under section 13a-175r, as amended by this
102 act.

103 [(7)] (8) "Municipality" means any town, city, borough, consolidated
104 town and city, consolidated town and borough, district or other
105 political subdivision of the state, owning or having responsibility for
106 the maintenance of all or a portion of an eligible bridge.

107 [(8)] (9) "Physical condition" means the physical condition of a
108 bridge based on its structural deficiencies, sufficiency rating and load
109 capacity all as determined by the commissioner.

110 [(9)] (10) "Priority list of eligible bridge projects" means the priority
111 list of eligible bridge projects established by the commissioner in
112 accordance with the provisions of section 13a-175s, as amended by this
113 act.

114 [(10)] (11) "Project costs" means the total costs of a project
115 determined by the commissioner to be necessary and reasonable.

116 [(11) "Project loan" means a loan made to a municipality from the
117 Local Bridge Revolving Fund and evidenced by the municipality's
118 project loan obligation.

119 (12) "Project loan agreement" means a loan agreement with respect
120 to a project loan as provided for in subsection (c) of section 13a-175s.

121 (13) "Project loan obligation" means an obligation of a municipality
122 issued to evidence indebtedness under a project loan agreement and
123 payable to the state for the benefit of the Local Bridge Revolving Fund.

124 (14) "Project grant" means a grant-in-aid made to a municipality
125 pursuant to section 13a-175s.]

126 [(15)] (12) "Supplemental project obligation" means bonds or serial
127 notes issued by a municipality for the purpose of financing the portion

128 of the costs of an eligible bridge project not met from the proceeds of a
129 [project grant or project loan] grant.

130 Sec. 4. Section 13a-175q of the general statutes is repealed and the
131 following is substituted in lieu thereof (*Effective July 1, 2013*):

132 The establishment of a program for the removal, replacement,
133 reconstruction, rehabilitation or improvement of local bridges is a
134 matter of state-wide concern affecting the health, safety and welfare of
135 the inhabitants of the state and of persons traveling within the state. It
136 is the policy of the state to establish a timely and efficient method for
137 municipalities to participate in this program and in furtherance
138 thereof, sections 13a-175p to 13a-175u, inclusive, are intended to
139 provide authority for municipalities to approve local bridge projects,
140 and, in connection therewith, to authorize project [loan] agreements,
141 and the issuance of [project loan obligations and] supplemental project
142 obligations. For the purpose of ensuring and encouraging participation
143 by municipalities in the benefits of the local bridge program, the
144 powers of municipalities are expressly enlarged and expanded to
145 include the power to do all things necessary and incident to their
146 participation in the local bridge program under sections 13a-175p to
147 13a-175u, inclusive, as amended by this act.

148 Sec. 5. Section 13a-175r of the general statutes is repealed and the
149 following is substituted in lieu thereof (*Effective July 1, 2013*):

150 There is established and created a fund to be known as the "Local
151 Bridge Revolving Fund". The state shall deposit in said fund (1) all
152 proceeds of bonds issued by the state for the purpose of making
153 [project loans and project] grants to municipalities, including proceeds
154 of any special tax obligation bonds which are issued for the purpose of
155 funding the local bridge program, [through project loans and grants,]
156 (2) any and all [payments] repayments of grants or loans made by
157 municipalities, [in respect of project loans including loan interest,] (3)
158 all appropriations for the purpose of making [project loans and project]

159 grants, and (4) any additional moneys from any other source available
160 for deposit into said fund. Moneys deposited in said fund shall be held
161 by the Treasurer separate and apart from all other moneys, funds and
162 accounts. Investment earnings credited to the assets of said fund shall
163 become part of the assets of said fund. Any balance remaining in said
164 fund at the end of any fiscal year shall be carried forward in said fund
165 for the fiscal year next succeeding. Amounts in the Local Bridge
166 Revolving Fund shall be expended only for the purpose of funding
167 [project loans and project] grants or for the purchase or redemption of
168 special tax obligation bonds issued pursuant to sections 13b-74 to 13b-
169 77, inclusive.

170 Sec. 6. Section 13a-175s of the general statutes is repealed and the
171 following is substituted in lieu thereof (*Effective July 1, 2013*):

172 (a) The commissioner shall maintain a list of eligible bridges and
173 shall establish a priority list of eligible bridge projects for each fiscal
174 year. In establishing such priority list, the commissioner shall consider
175 the physical condition of each eligible bridge.

176 [(b) In each fiscal year the commissioner may make project loans to
177 municipalities in the order of the priority list of eligible bridge projects
178 to the extent of moneys available therefor in the Local Bridge
179 Revolving Fund. Each municipality undertaking an eligible bridge
180 project may apply for and receive a project loan or loans. The
181 aggregate amount of project loans made to a municipality with respect
182 to any project shall be equal to the amount requested by the
183 municipality up to an amount not to exceed fifty per cent of the project
184 costs allocable therefor to such municipality.

185 (c) Each project loan shall be made pursuant to a project loan
186 agreement between the state, acting by and through the commissioner,
187 and the borrowing municipality and shall be evidenced by a project
188 loan obligation of the borrowing municipality issued in accordance
189 with section 13a-175t. Each project loan agreement shall be in the form

190 prescribed by the commissioner, provided that each project loan
191 agreement shall provide for a project loan obligation bearing interest at
192 the rate of six per cent per annum payable quarterly and maturing no
193 later than ten years from the date of such obligation.]

194 [(d)] (b) In each fiscal year the commissioner may make [project]
195 grants to municipalities in the order of the priority list of eligible
196 bridge projects to the extent moneys are available therefor. Each
197 municipality undertaking an eligible bridge project may apply for and
198 receive a [project] grant equal to its grant percentage multiplied by the
199 project costs allocable to such municipality. Notwithstanding the
200 provisions of this section, in order to protect the public health and
201 safety, the commissioner may make any grant to a municipality for an
202 eligible bridge project without regard to the priority list if, in the
203 opinion of the commissioner, an emergency exists making the removal,
204 replacement, reconstruction, rehabilitation or improvement of an
205 eligible bridge more urgent than any other eligible bridge project with
206 a higher priority on such list.

207 [(e)] (c) All applications for [project loans and project] grants for the
208 fiscal year ending June 30, 1985, shall be filed with the commissioner
209 no later than October 1, 1984, and for each succeeding fiscal year all
210 such applications shall be filed with the commissioner no later than
211 [March] May first of the preceding fiscal year. [next preceding.] The
212 commissioner may for good cause extend the period of time in which
213 any such application may be filed.

214 (d) The terms and conditions of each such grant made by the state,
215 acting by and through the commissioner, may be prescribed by the
216 commissioner. Any such grant made by the commissioner shall not be
217 deemed to be a public works contract, as defined in section 46a-68b,
218 and the requirements for public works contracts provided in chapters
219 58 and 814c shall not apply to such grant.

220 [(f) A project grant or project loan] (e) A grant shall not be made to a

221 municipality with respect to an eligible bridge project unless: (1) Each
222 municipality undertaking such project has available to it, or has made
223 arrangements satisfactory to the commissioner to obtain, funds to pay
224 that portion of the project costs for which it is legally obligated and
225 which are not met by [project loans or project] grants; (2) each
226 municipality undertaking such project provides assurances satisfactory
227 to the commissioner that it will undertake and complete such project
228 with due diligence and that it will operate and maintain the eligible
229 bridge properly after completion of such project; (3) each municipality
230 undertaking such project and seeking a [project loan or a project] grant
231 has filed with the commissioner all applications and other documents
232 prescribed by the commissioner; (4) each municipality undertaking
233 such project and seeking a [project loan or a project] grant has
234 established separate accounts for the receipt and disbursement of the
235 [proceeds of project loans and project] grants; and (5) in any case in
236 which an eligible bridge is owned or maintained by more than one
237 municipality, evidence satisfactory to the commissioner that all such
238 municipalities are legally bound to complete their respective portions
239 of such project. Notwithstanding any provisions of this subsection, the
240 commissioner may make an advance grant to a municipality for the
241 purpose of funding the engineering cost of an eligible bridge project.
242 Such grant shall equal the municipality's grant percentage multiplied
243 by the engineering cost, [which cost shall not exceed fifteen per cent of
244 the construction cost of the project,] provided the amount of such
245 advance shall be deducted from the total grant for the project.

246 [(g) Notwithstanding the provisions of subsections (b) and (d) of
247 this section, the commissioner may make project grants and project
248 loans with respect to an eligible bridge project without regard to the
249 priority list of eligible bridge projects if a public emergency exists
250 requiring the immediate removal, replacement, reconstruction,
251 rehabilitation or improvement of the eligible bridge of such project to
252 protect the public health and safety.]

253 (f) No grant for an eligible bridge project made pursuant to this

254 section shall be deemed to be a proposed state action, activity or
255 critical activity, as such terms are defined in section 25-68b, for the
256 purposes of sections 25-68b to 25-68h, inclusive.

257 Sec. 7. Section 13a-175t of the general statutes is repealed and the
258 following is substituted in lieu thereof (*Effective July 1, 2013*):

259 (a) A municipality may authorize [(1) the execution and delivery of
260 project loan agreements; (2) the issuance and sale of project loan
261 obligations to finance its obligations under a project loan agreement;
262 and (3)] the issuance and sale of its supplemental project obligations, in
263 accordance with such statutory and other legal requirements as govern
264 the issuance of obligations and the making of contracts by the
265 municipality. Supplemental project obligations shall be general
266 obligations of the issuing municipality and each such obligation shall
267 recite that the full faith and credit of the issuing municipality are
268 pledged for the payment of the principal thereof and interest thereon.
269 Obligations authorized under this section shall be subject to the debt
270 limitation provisions of section 7-374.

271 [(b) The legislative body of a municipality shall hold at least one
272 public hearing on an eligible bridge project, including the
273 authorization of project loan obligations and supplemental project
274 obligations with respect thereto, prior to its vote on the approval or
275 disapproval of the eligible bridge project and the authorization of
276 financing therefor. Notice of the time, place and purpose of the hearing
277 shall be published in a newspaper having general circulation in the
278 municipality not less than five days prior to the day on which such
279 hearing is to be held. For the purposes of this subsection, such five-day
280 period shall include the day upon which such notice is first published,
281 and shall include any Saturday, Sunday or legal holiday which may
282 intervene between such publication and the day on which such
283 hearing is held, but shall not include the day upon which such hearing
284 is held.

285 (c) Each project loan obligation issued pursuant to this section shall
286 bear interest at the rate of six per cent per annum payable quarterly,
287 shall mature in such amounts and at such time or times not later than
288 ten years from the date thereof and shall contain such other terms and
289 provisions as the project loan agreement under which it is issued
290 provides.

291 (d) Project loan obligations and supplemental project obligations
292 shall be general obligations of the issuing municipality and each such
293 obligation shall recite that the full faith and credit of the issuing
294 municipality are pledged for the payment of the principal thereof and
295 interest thereon.]

296 [(e)] (b) Whenever a municipality has authorized the issuance of
297 [project loan obligations or] supplemental project obligations, it may
298 authorize the issuance of temporary notes in anticipation of the receipt
299 of the proceeds from the issuance of its [project loan obligations or]
300 supplemental project obligations. Such temporary notes may be
301 renewed from time to time by the issuance of other notes, provided
302 that any such renewals shall conform to all legal requirements and
303 limitations applicable thereto, including the requirements and
304 limitations set forth in sections 7-378 and 7-378a.

305 [(f)] (c) Except as otherwise provided in this section, [project loan
306 obligations,] supplemental project obligations and temporary notes
307 issued in anticipation of the receipt of the proceeds thereof shall be
308 issued by a municipality in accordance with such statutory and other
309 legal requirements as govern the issuance of such obligations generally
310 by such municipality, including, where applicable, the provisions of
311 chapter 109.

312 Sec. 8. Section 13a-175v of the general statutes is repealed and the
313 following is substituted in lieu thereof (*Effective July 1, 2013*):

314 If an eligible bridge is owned or maintained by more than one
315 municipality, the municipalities owning or maintaining such eligible

316 bridge may enter into an interlocal agreement concerning such eligible
 317 bridge. Such interlocal agreement may provide, among other things,
 318 that one municipality shall be responsible for undertaking and
 319 completing an eligible bridge project, maintaining such eligible bridge
 320 project, applying for a [project loan or a project grant, or both,] grant
 321 for such eligible bridge project and [repaying a project loan] the
 322 apportionment of costs for such eligible bridge project. A municipality
 323 is authorized to enter into such an interlocal agreement by vote of its
 324 legislative body and the provisions of sections 7-339a to 7-339l,
 325 inclusive, shall not be applicable to such interlocal agreement. Any
 326 such interlocal agreement entered into prior to May 27, 1987, is
 327 validated.

328 Sec. 9. Section 13a-175w of the general statutes is repealed and the
 329 following is substituted in lieu thereof (*Effective July 1, 2013*):

330 In any case in which an eligible bridge is owned or maintained by
 331 more than one municipality and such municipalities enter into or have
 332 entered into an interlocal agreement authorized by section 13a-175v, as
 333 amended by this act, the commissioner may deem the municipality
 334 which has agreed pursuant to such interlocal agreement to undertake,
 335 complete and maintain an eligible bridge project to be the only
 336 municipality eligible for a [project grant or a project loan, or both,]
 337 grant concerning such eligible bridge project and the commissioner
 338 may make a [project loan or a project grant, or both,] grant to such
 339 municipality without regard to the ownership or other interests of any
 340 other municipality in such eligible bridge.

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|---|-------------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>November 1, 2013</i> | New section |
| Sec. 2 | <i>July 1, 2013</i> | 13b-74(b) |
| Sec. 3 | <i>July 1, 2013</i> | 13a-175p |
| Sec. 4 | <i>July 1, 2013</i> | 13a-175q |
| Sec. 5 | <i>July 1, 2013</i> | 13a-175r |

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| Sec. 6 | July 1, 2013 | 13a-175s |
| Sec. 7 | July 1, 2013 | 13a-175t |
| Sec. 8 | July 1, 2013 | 13a-175v |
| Sec. 9 | July 1, 2013 | 13a-175w |

Statement of Purpose:

To implement the Governor's budget recommendations.

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