



General Assembly

February Session, 2014

Raised Bill No. 5406

LCO No. 1736



Referred to Committee on COMMERCE

Introduced by:
(CE)

AN ACT AUTHORIZING BONDS OF THE STATE FOR COMMERCIAL RAIL FREIGHT LINE IMPROVEMENTS.

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

1 Section 1. Section 13b-236 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2014*):

3 (a) For the purposes described in subsection (b) of this section, the
4 State Bond Commission shall have the power, from time to time, to
5 authorize the issuance of bonds of the state in one or more series and
6 in principal amounts not exceeding in the aggregate [seven million five
7 hundred thousand] thirty million dollars.

8 (b) The proceeds of the sale of said bonds, to the extent of the
9 amount stated in subsection (a) of this section, shall be used by the
10 Department of Transportation for a program of competitive grants for
11 commercial rail freight lines operating in the state for improvements
12 and repairs to, and the modernization of, existing rail, rail beds and
13 related facilities. Such program shall include the following: (1) (A)
14 Grants of one hundred per cent of the amount necessary to improve,

15 repair or modernize state-owned rights of way, and (B) grants of
16 seventy per cent of the amount necessary to improve, repair or
17 modernize privately owned rail lines, provided the commissioner may
18 waive the requirement for a thirty per cent matching grant if such
19 improvement, repair or modernization demonstrably increases rail
20 freight traffic; and (2) preference for grants shall be given to (A)
21 proposals that are on the Department of Transportation's list of freight
22 rail projects eligible to receive funds pursuant to P.L. 111-5, the
23 American Recovery and Reinvestment Act, (B) freight rail projects that
24 improve at-grade rail crossings to eliminate hazards or increase safety,
25 [and] (C) freight rail projects that provide connection to major freight
26 generators, (D) projects that further the goals and objectives of the
27 Department of Transportation's Connecticut State Rail Plan, and (E)
28 freight rail projects that improve freight rail infrastructure by
29 increasing the capacity for rail freight traffic.

30 (c) All provisions of section 3-20, or the exercise of any right or
31 power granted thereby, which are not inconsistent with the provisions
32 of this section are hereby adopted and shall apply to all bonds
33 authorized by the State Bond Commission pursuant to this section, and
34 temporary notes in anticipation of the money to be derived from the
35 sale of any such bonds so authorized may be issued in accordance with
36 said section 3-20 and from time to time renewed. Such bonds shall
37 mature at such time or times not exceeding twenty years from their
38 respective dates as may be provided in or pursuant to the resolution or
39 resolutions of the State Bond Commission authorizing such bonds.
40 None of said bonds shall be authorized except upon a finding by the
41 State Bond Commission that there has been filed with it a request for
42 such authorization which is signed by or on behalf of the Secretary of
43 the Office of Policy and Management and states such terms and
44 conditions as said commission, in its discretion, may require. Said
45 bonds issued pursuant to this section shall be general obligations of the
46 state and the full faith and credit of the state of Connecticut are
47 pledged for the payment of the principal of and interest on said bonds

48 as the same become due, and accordingly and as part of the contract of
49 the state with the holders of said bonds, appropriation of all amounts
50 necessary for punctual payment of such principal and interest is
51 hereby made, and the State Treasurer shall pay such principal and
52 interest as the same become due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2014</i>	13b-236

Statement of Purpose:

To increase the amount of bond funds available for grants for commercial rail line improvements and add certain preferences for the award of such grants.

[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.]