
OLR Bill Analysis

sSB 30

AN ACT CONCERNING THE BOARD OF REGENTS FOR HIGHER EDUCATION INFRASTRUCTURE ACT.

SUMMARY:

This bill authorizes \$103.5 million in new bonding under the Connecticut State University System (CSUS) 2020 infrastructure program (renamed by the bill as the Connecticut State Colleges and Universities (CSCU) 2020 program). It expands the program to include the regional community-technical colleges and Charter Oak State College and extends the program by one year (to FY 19).

The bill also allows the Board of Regents for Higher Education (BOR), which administers the program, to revise CSCU 2020 project amounts without legislative approval if the revision is due to reallocating unspent funds from a completed project. It requires BOR to report biannually to the legislature on how it allocated project funds among the state universities and community colleges.

Under current law, a program project includes, among other things, improvements, reconstruction, replacements, additions, and equipment acquired in connection with any facilities existing on July 1, 2008. The bill eliminates the requirement for these facilities to have been in existence on July 1, 2008. It also eliminates a requirement that BOR receive approval from the administrative services commissioner before acquiring or purchasing equipment, furniture, or personal property using funds from bond proceeds.

The bill also renames the board's biennial facilities plan as the facilities and academic plans and makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2014

CSCU 2020

The bill authorizes \$103.5 million in new bonding under the CSCU 2020 program. It adds new projects, replaces others, and adds, decreases, or cancels existing authorizations, as shown in Table 1. The table also indicates to which phase of the program the changes apply: Phase I (FY 09-FY 11), Phase II (FY 12-FY 14), and Phase III (FY 15-FY 18; extended by the bill to FY 19). The bill makes no net changes to phases I and II; it increases Phase III authorizations by \$103.5 million.

Table 1: Project Authorizations

<i>Project</i>	<i>Phase</i>	<i>Current Authorization</i>	<i>Proposed Authorization</i>	<i>Change</i>
Central				
Code Compliance/Infrastructure Improvements	I	\$18,146,445	\$16,418,636	(\$1,727,809)
	II	6,704,000	6,894,000	190,000
	III	5,000,000	0	(5,000,000)
New Classroom Office Building	I	33,978,000	29,478,000	(4,500,000)
East Campus Infrastructure Development (replaced by bill with Renovate Barnard Hall)	I	13,244,000	3,680,000	(9,564,000)
	III	0	18,320,000	18,320,000
Burritt Library Expansion (design/construction)(replaced by bill with New Engineering Building(design/construction and equipment))	I	0	9,900,000	9,900,000
	III	96,262,000	52,800,000	(43,462,000)
Burritt Library Renovation (design)(expanded by bill to include addition and equipment)	III	11,387,000	16,500,000	5,113,000
Renovate Kaiser Hall and Annex (new)	I	0	6,491,809	6,491,809
	II	0	210,000	210,000
	III	0	18,684,000	18,684,000
Eastern				
Code Compliance/ Infrastructure Improvements	I	8,255,113	8,938,849	683,736
	III	5,000,000	0	(5,000,000)
Outdoor Track-Phase II	I	1,816,000	1,506,396	(309,604)
New Warehouse	I	2,269,000	1,894,868	(374,132)
Southern				
Code Compliance/ Infrastructure Improvements	III	5,000,000	0	(5,000,000)
Western				
Code Compliance/ Infrastructure Improvements	III	7,212,000	0	(7,212,000)

Board of Regents (formerly CSUS System Office)				
New and Replacement Equipment (bill adds Smart Classroom Technology and Technology Upgrades)	III	31,844,000	61,844,000	30,000,000
Land and Property Acquisition	I	4,250,190	3,650,190	(600,000)
	II	3,000,000	2,600,000	(400,000)
Deferred Maintenance/Code Compliance Infrastructure Improvements	III	0	48,557,000	48,557,000
Strategic Master Plan of Academic Programs (new)	III	0	3,000,000	3,000,000
Consolidation and Upgrade of Student System and Financial Information technology Systems (new)	III	0	20,000,000	20,000,000
Advanced Manufacturing Center at Asnuntuck Community College (new)	III	0	25,500,000	25,500,000
TOTAL CHANGE				\$103,500,000

The bill reduces authorizations for the four state universities by an aggregate total of \$22.557 million and increases BOR authorizations by \$126.057 million, as shown in Table 2.

Table 2: Authorization Changes

Entity	Net Change
Central	(\$5,345,000)
Eastern	(5,000,000)
Southern	(5,000,000)
Western	(7,212,000)
BOR (formerly CSUS System Office)	126,057,000
Total	\$103,500,000

Annual Bond Limits

To conform to the increased bond authorizations, the bill (1) adjusts the annual bond limits for the CSCU 2020 program in FYs 15 and 16, (2) cancels the FY 10 authorization, and (3) extends the program to FY 19 (see Table 3). The FY 10 change is attributable to that year's allocation being disapproved by the governor in 2009.

Table 3: Annual Bond Limits

<i>FY</i>	<i>Current Limit (Millions)</i>	<i>Proposed Limit (Millions)</i>	<i>Change (Millions)</i>
2009	\$95.0	\$95.0	-
2010	95.0	0	(95.0)
2011	95.0	95.0	-
2012	95.0	95.0	-
2013	95.0	95.0	-
2014	95.0	95.0	-
2015	95.0	175.0	80.0
2016	95.0	118.5	23.5
2017	95.0	95.0	-
2018	95.0	95.0	-
2019	-	95.0	95.0

Under current law, any difference between the amount actually issued in any year and the cap can be carried forward to the next succeeding fiscal year. Financing transaction costs can be added to the caps. The bill allows funds to be carried forward to any subsequent fiscal year but specifies that they cannot be carried forward past FY 19.

By law, BOR must annually, by March 1, submit to the governor, state treasurer, and Office of Policy and Management secretary the amount of bonds required for the program for the ensuing fiscal year. The governor has 30 days to approve or disapprove the amount in whole or in part; if he does not act within 30 days of the submission, the whole amount is deemed approved. It is unclear whether BOR could submit (and the governor approve) a revised FY 15 request to account for the bill's additional bond authorizations.

PROJECT REVISIONS

Under current law, the following types of revisions in the CSCU 2020 plan require both formal approval by BOR and passage of a public or special act: (1) the addition or deletion of a project or (2) an increase or decrease in the original project cost by 10% or more for projects estimated to cost \$ 1 million or less, or 5% or more for projects estimated to cost more than \$ 1 million, unless the change in cost is due solely to changes in material costs. The bill eliminates the

requirement for a public or special act for revisions that are due to reallocating unspent funds from a completed project.

REPORTING REQUIREMENTS

By law, BOR must report, biannually to the governor and legislature, specified information on projects under the program (e.g., costs and timeliness). The bill additionally requires the board, biannually beginning July 1, 2015, to report to the Finance and Higher Education committees on how it allocated proceeds for each BOR project among each state university and regional community-technical college.

The bill also requires the new report to include any revisions to the BOR projects that were due to using unspent funds from a completed project. Under existing law, BOR must list project revisions in its report to the governor and legislature.

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute Change of Reference
Yea 16 Nay 2 (03/13/2014)

Finance, Revenue and Bonding Committee

Joint Favorable Substitute
Yea 47 Nay 3 (04/01/2014)