Bill No.: SB-1134
AN ACT RESTRUCTURING THE STATE BOND COMMISSION AND
ESTABLISHING A DEDICATED BONDING SECTION WITHIN THE
LEGISLATIVE OFFICE OF FISCAL ANALYSIS.
Vote Date: 5/1/2019
Vote Action: Joint Favorable
PH Date: 4/29/2019
File No.:

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members of the General Assembly, solely for purposes of information, summarization and
explanation and does not represent the intent of the General Assembly or either chamber
thereof for any purpose.

SPONSORS OF BILL:
Finance, Revenue and Bonding

REASONS FOR BILL:
This bill restructures the State Bond Commission by, among other things, eliminating the
executive branch members and replacing them with the six legislative leaders. Under the
existing law, the Finance, Revenue and Bonding chairpersons and ranking members serve
on the commission. Under the new law, the Senate President Pro Tempore and the House
Speaker serve as the commission’s co-chairpersons and must jointly prepare the agenda for
each commission meeting.

Before January 1, 2020, the bill requires (1) the Office of Policy and Management to transfer
to the Office of Fiscal Analysis (OFA) all staff members in its Budget and Financial
Management division who are responsible for evaluating or coordinating projects to be
presented for the commission’s consideration and (2) the OFA director to establish a
separate bonding section within the office and assign the transferred staff to that section.
The new bonding section is responsible for assisting with commission agenda preparation,
including researching projects for inclusion on the agenda.

RESPONSE FROM ADMINISTRATION/AGENCY:
Melissa McCaw, Secretary – Office of Policy and Management
Secretary McCaw testified in strong opposition to shifting executive responsibilities on this issue to the legislative branch. She feels it is an affront to decades of settled expectations and cooperation among and between the executive and legislative branches of state government. She stated that it sends a dubious message to our taxpayers, businesses, investors and the rating agency community at a critical time when we are trying to send signals of stability and progress. She stressed that we cannot afford to jeopardize the gains that have only recently been made and to continue with the positive and effective working partnership with this committee and legislators as we go about the serious work ahead of us relative to our capital infrastructure, bonding programs and financial condition.

**Treasurer Shawn T. Wooden**

Mr. Wooden testified in opposition of the bill because of the Constitutional issues that could delay the State's issuance of bonds – or put such issuance at risk altogether.

The issue presented by the bill rests on the separation of powers doctrine, as set forth in Article Second of the Connecticut Constitution: whether or not the Commission performs an executive branch function and whether having it comprised of exclusively legislative members violates the doctrine. The Connecticut Supreme Court has set forth a standard that a statute violates this doctrine if it: (1) confers on one branch of government the duties which belong exclusively to another branch; or (2) confers the duties of one branch of government on another branch, which duties significantly interfere with the orderly performance of the latter's essential functions.

Mr. Wooden stressed that while the question of constitutionality is considered by bond counsel (and whether or not the issue rises to the level of counsel being unable to render their opinions), the State’s ability to issue bonds may be significantly delayed and hampered. This could impact the State’s ability to issue debt and the ability to fund critical investments in capital projects, as well as Connecticut’s standing in the markets. He feels the consequences can be severe.

**NATURE AND SOURCES OF SUPPORT:**

None expressed

**NATURE AND SOURCES OF OPPOSITION:**

None expressed

Reported by:  Dawn Silveira                     Date: 5/7/19