



# Senate

General Assembly

**File No. 319**

January Session, 2021

Senate Bill No. 967

*Senate, April 7, 2021*

The Committee on Planning and Development reported through SEN. CASSANO of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT AUTHORIZING THE BOROUGH OF NAUGATUCK TO ISSUE PENSION DEFICIT FUNDING BONDS.***

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

1 Section 1. (*Effective from passage*) Notwithstanding any provision of  
2 the general statutes or special act, municipal charter or ordinance, the  
3 borough of Naugatuck is authorized to issue a series of pension deficit  
4 funding bonds to fund the unfunded past benefit obligations of the  
5 borough's pension fund for fire employees and pension fund for  
6 borough employees, in an aggregate amount not to exceed such  
7 unfunded past benefit obligations, as determined by an actuarial  
8 valuation and the payment of costs related to the issuance of such bonds.  
9 Such bonds shall be issued in accordance with the requirements of  
10 subsection (c) of section 7-374c of the general statutes.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
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**PD**      *Joint Favorable*

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*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.*

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### **OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** See Below

### **Explanation**

The bill allows the Borough of Naugatuck to issue pension deficit bonds (POBs). The impact to the borough will depend on the outcome of the bond issuance, including the costs of issuance, interest on the POBs, and repayment terms, compared to current amortization payments for the pension system.

As the borough is an autonomous public entity, this bill has no impact on the City of Naugatuck or the State.

### **The Out Years**

**State Impact:** None

**Municipal Impact:** See Above



**OLR Bill Analysis**

**SB 967**

***AN ACT AUTHORIZING THE BOROUGH OF NAUGATUCK TO  
ISSUE PENSION DEFICIT FUNDING BONDS.***

**SUMMARY**

The Office of Legislative Research does not analyze Special Acts.

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable

Yea 26 Nay 0 (03/21/2021)