



# Senate

General Assembly

**File No. 609**

February Session, 2022

Substitute Senate Bill No. 12

*Senate, April 25, 2022*

The Committee on Finance, Revenue and Bonding reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS AND OTHER PURPOSES AND CONCERNING THE CONNECTICUT BABY BOND TRUST PROGRAM AND GRANTS FOR CERTAIN LAW ENFORCEMENT EQUIPMENT AND HOMELESSNESS PREVENTION AND RESPONSE.***

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

1 Section 1. (*Effective July 1, 2022*) The State Bond Commission shall  
2 have power, in accordance with the provisions of this section and  
3 sections 2 to 7, inclusive, of this act, from time to time to authorize the  
4 issuance of bonds of the state in one or more series and in principal  
5 amounts in the aggregate not exceeding \$175,800,000.

6 Sec. 2. (*Effective July 1, 2022*) The proceeds of the sale of bonds  
7 described in sections 1 to 7, inclusive, of this act, to the extent hereinafter  
8 stated, shall be used for the purpose of acquiring, by purchase or  
9 condemnation, undertaking, constructing, reconstructing, improving or  
10 equipping, or purchasing land or buildings or improving sites for the  
11 projects hereinafter described, including payment of architectural,

12 engineering, demolition or related costs in connection therewith, or of  
13 payment of the cost of long-range capital programming and space  
14 utilization studies as hereinafter stated:

15 (a) For the Office of Policy and Management: State matching funds  
16 for projects and programs allowed under the Infrastructure Investment  
17 and Jobs Act, not exceeding \$75,000,000.

18 (b) For the Connecticut Agricultural Experiment Station: For  
19 renovations and improvements to greenhouses at the Jenkins  
20 Laboratory, not exceeding \$800,000.

21 (c) For the Department of Transportation:

22 (1) Assisting municipalities to modernize existing traffic signal  
23 equipment and operations, not exceeding \$75,000,000;

24 (2) Providing matching funds necessary for municipalities, school  
25 districts and school bus operators to submit federal grant applications  
26 in order to maximize federal funding for the purchase or lease of zero-  
27 emission electric school buses and electric vehicle charging  
28 infrastructure, not exceeding \$20,000,000;

29 (3) Construction, alteration, renovation and improvement of noise  
30 barriers, not exceeding \$5,000,000.

31 Sec. 3. (*Effective July 1, 2022*) All provisions of section 3-20 of the  
32 general statutes or the exercise of any right or power granted thereby  
33 which are not inconsistent with the provisions of sections 1 to 7,  
34 inclusive, of this act are hereby adopted and shall apply to all bonds  
35 authorized by the State Bond Commission pursuant to sections 1 to 7,  
36 inclusive, of this act, and temporary notes issued in anticipation of the  
37 money to be derived from the sale of any such bonds so authorized may  
38 be issued in accordance with said section 3-20 and from time to time  
39 renewed. Such bonds shall mature at such time or times not exceeding  
40 twenty years from their respective dates as may be provided in or  
41 pursuant to the resolution or resolutions of the State Bond Commission  
42 authorizing such bonds.

43       Sec. 4. (*Effective July 1, 2022*) None of the bonds described in sections  
44 1 to 7, inclusive, of this act, shall be authorized except upon a finding by  
45 the State Bond Commission that there has been filed with it a request for  
46 such authorization, which is signed by the Secretary of the Office of  
47 Policy and Management or by or on behalf of such state officer,  
48 department or agency and stating such terms and conditions as said  
49 commission, in its discretion, may require.

50       Sec. 5. (*Effective July 1, 2022*) For the purposes of sections 1 to 7,  
51 inclusive, of this act, "state moneys" means the proceeds of the sale of  
52 bonds authorized pursuant to said sections 1 to 7, inclusive, or of  
53 temporary notes issued in anticipation of the moneys to be derived from  
54 the sale of such bonds. Each request filed as provided in section 4 of this  
55 act for an authorization of bonds shall identify the project for which the  
56 proceeds of the sale of such bonds are to be used and expended and, in  
57 addition to any terms and conditions required pursuant to said section  
58 4, shall include the recommendation of the person signing such request  
59 as to the extent to which federal, private or other moneys then available  
60 or thereafter to be made available for costs in connection with any such  
61 project should be added to the state moneys available or becoming  
62 available hereunder for such project. If the request includes a  
63 recommendation that some amount of such federal, private or other  
64 moneys should be added to such state moneys, then, if and to the extent  
65 directed by the State Bond Commission at the time of authorization of  
66 such bonds, such amount of such federal, private or other moneys then  
67 available, or thereafter to be made available for costs in connection with  
68 such project, may be added to any state moneys available or becoming  
69 available hereunder for such project and shall be used for such project.  
70 Any other federal, private or other moneys then available or thereafter  
71 to be made available for costs in connection with such project shall,  
72 upon receipt, be used by the State Treasurer, in conformity with  
73 applicable federal and state law, to meet the principal of outstanding  
74 bonds issued pursuant to sections 1 to 7, inclusive, of this act, or to meet  
75 the principal of temporary notes issued in anticipation of the money to  
76 be derived from the sale of bonds theretofore authorized pursuant to  
77 said sections 1 to 7, inclusive, for the purpose of financing such costs,

78 either by purchase or redemption and cancellation of such bonds or  
79 notes or by payment thereof at maturity. Whenever any of the federal,  
80 private or other moneys so received with respect to such project are used  
81 to meet the principal of such temporary notes or whenever principal of  
82 any such temporary notes is retired by application of revenue receipts  
83 of the state, the amount of bonds theretofore authorized in anticipation  
84 of which such temporary notes were issued, and the aggregate amount  
85 of bonds which may be authorized pursuant to section 1 of this act, shall  
86 each be reduced by the amount of the principal so met or retired.  
87 Pending use of the federal, private or other moneys so received to meet  
88 principal as hereinabove directed, the amount thereof may be invested  
89 by the State Treasurer in bonds or obligations of, or guaranteed by, the  
90 state or the United States or agencies or instrumentalities of the United  
91 States, shall be deemed to be part of the debt retirement funds of the  
92 state, and net earnings on such investments shall be used in the same  
93 manner as the moneys so invested.

94       Sec. 6. (*Effective July 1, 2022*) Any balance of proceeds of the sale of  
95 said bonds authorized for any project described in section 2 of this act  
96 in excess of the cost of such project may be used to complete any other  
97 project described in said section 2, if the State Bond Commission shall  
98 so determine and direct. Any balance of proceeds of the sale of said  
99 bonds in excess of the costs of all the projects described in said section 2  
100 shall be deposited to the credit of the General Fund.

101       Sec. 7. (*Effective July 1, 2022*) The bonds issued pursuant to this section  
102 and sections 1 to 6, inclusive, of this act, shall be general obligations of  
103 the state and the full faith and credit of the state of Connecticut are  
104 pledged for the payment of the principal of and interest on said bonds  
105 as the same become due, and accordingly and as part of the contract of  
106 the state with the holders of said bonds, appropriation of all amounts  
107 necessary for punctual payment of such principal and interest is hereby  
108 made, and the State Treasurer shall pay such principal and interest as  
109 the same become due.

110       Sec. 8. (*Effective July 1, 2022*) The State Bond Commission shall have

111 power, in accordance with the provisions of this section and sections 9  
112 to 15, inclusive, of this act, from time to time to authorize the issuance  
113 of bonds of the state in one or more series and in principal amounts in  
114 the aggregate, not exceeding \$132,000,000.

115       Sec. 9. (*Effective July 1, 2022*) The proceeds of the sale of the bonds  
116 described in sections 8 to 15, inclusive, of this act shall be used for the  
117 purpose of providing grants-in-aid and other financing for the projects,  
118 programs and purposes hereinafter stated:

119       (a) For the Office of Policy and Management: Grants-in-aid to food  
120 resource organizations for capital improvements, not exceeding  
121 \$10,000,000;

122       (b) For the Department of Administrative Services: Grants-in-aid for  
123 school air quality improvements including, but not limited to, upgrades  
124 to, replacement of or installation of heating, ventilation and air  
125 conditioning equipment, not exceeding \$100,000,000;

126       (c) For the Department of Agriculture: Grants-in-aid for farmland  
127 restoration and climate resiliency, not exceeding \$7,000,000;

128       (d) For the Connecticut Higher Education Supplemental Loan  
129 Authority: Grants-in-aid to residents of the state who graduate from a  
130 state university or college for student loan reimbursement, not  
131 exceeding \$15,000,000.

132       Sec. 10. (*Effective July 1, 2022*) All provisions of section 3-20 of the  
133 general statutes or the exercise of any right or power granted thereby  
134 which are not inconsistent with the provisions of sections 8 to 15,  
135 inclusive, of this act are hereby adopted and shall apply to all bonds  
136 authorized by the State Bond Commission pursuant to sections 8 to 15,  
137 inclusive, of this act, and temporary notes issued in anticipation of the  
138 money to be derived from the sale of any such bonds so authorized may  
139 be issued in accordance with said sections 8 to 15, inclusive, and from  
140 time to time renewed. Such bonds shall mature at such time or times not  
141 exceeding twenty years from their respective dates as may be provided

142 in or pursuant to the resolution or resolutions of the State Bond  
143 Commission authorizing such bonds.

144       Sec. 11. (*Effective July 1, 2022*) None of the bonds described in sections  
145 8 to 15, inclusive, of this act shall be authorized except upon a finding  
146 by the State Bond Commission that there has been filed with it a request  
147 for such authorization, which is signed by the Secretary of the Office of  
148 Policy and Management or by or on behalf of such state officer,  
149 department or agency and stating such terms and conditions as said  
150 commission, in its discretion, may require.

151       Sec. 12. (*Effective July 1, 2022*) For the purposes of sections 8 to 15,  
152 inclusive, of this act, "state moneys" means the proceeds of the sale of  
153 bonds authorized pursuant to said sections 8 to 15, inclusive, or of  
154 temporary notes issued in anticipation of the moneys to be derived from  
155 the sale of such bonds. Each request filed as provided in section 11 of  
156 this act for an authorization of bonds shall identify the project for which  
157 the proceeds of the sale of such bonds are to be used and expended and,  
158 in addition to any terms and conditions required pursuant to said  
159 section 11, include the recommendation of the person signing such  
160 request as to the extent to which federal, private or other moneys then  
161 available or thereafter to be made available for costs in connection with  
162 any such project should be added to the state moneys available or  
163 becoming available under said sections 8 to 15, inclusive, for such  
164 project. If the request includes a recommendation that some amount of  
165 such federal, private or other moneys should be added to such state  
166 moneys, then, if and to the extent directed by the State Bond  
167 Commission at the time of authorization of such bonds, such amount of  
168 such federal, private or other moneys then available or thereafter to be  
169 made available for costs in connection with such project may be added  
170 to any state moneys available or becoming available hereunder for such  
171 project and be used for such project. Any other federal, private or other  
172 moneys then available or thereafter to be made available for costs in  
173 connection with such project upon receipt shall, in conformity with  
174 applicable federal and state law, be used by the State Treasurer to meet  
175 the principal of outstanding bonds issued pursuant to said sections 8 to

176 15, inclusive, or to meet the principal of temporary notes issued in  
177 anticipation of the money to be derived from the sale of bonds  
178 theretofore authorized pursuant to said sections 8 to 15, inclusive, for  
179 the purpose of financing such costs, either by purchase or redemption  
180 and cancellation of such bonds or notes or by payment thereof at  
181 maturity. Whenever any of the federal, private or other moneys so  
182 received with respect to such project are used to meet the principal of  
183 such temporary notes or whenever the principal of any such temporary  
184 notes is retired by application of revenue receipts of the state, the  
185 amount of bonds theretofore authorized in anticipation of which such  
186 temporary notes were issued, and the aggregate amount of bonds which  
187 may be authorized pursuant to section 8 of this act shall each be reduced  
188 by the amount of the principal so met or retired. Pending use of the  
189 federal, private or other moneys so received to meet the principal as  
190 directed in this section, the amount thereof may be invested by the State  
191 Treasurer in bonds or obligations of, or guaranteed by, the state or the  
192 United States or agencies or instrumentalities of the United States, shall  
193 be deemed to be part of the debt retirement funds of the state, and net  
194 earnings on such investments shall be used in the same manner as the  
195 moneys so invested.

196       Sec. 13. (*Effective July 1, 2022*) The bonds issued pursuant to sections  
197 8 to 15, inclusive, of this act shall be general obligations of the state and  
198 the full faith and credit of the state of Connecticut are pledged for the  
199 payment of the principal of and interest on said bonds as the same  
200 become due, and accordingly and as part of the contract of the state with  
201 the holders of said bonds, appropriation of all amounts necessary for  
202 punctual payment of such principal and interest is hereby made, and  
203 the State Treasurer shall pay such principal and interest as the same  
204 become due.

205       Sec. 14. (*Effective July 1, 2022*) In accordance with section 9 of this act,  
206 the state, through the state agencies specified in said section 9, may  
207 provide grants-in-aid and other financings to or for the agencies for the  
208 purposes and projects as described in said section 9. All financing shall  
209 be made in accordance with the terms of a contract at such time or times

210 as shall be determined within authorization of funds by the State Bond  
211 Commission.

212 Sec. 15. (*Effective July 1, 2022*) In the case of any grant-in-aid made  
213 pursuant to subsection (a), (b) or (c) of section 9 of this act that is made  
214 to any entity which is not a political subdivision of the state, the contract  
215 entered into pursuant to section 9 of this act shall provide that if the  
216 premises for which such grant-in-aid was made ceases, within ten years  
217 of the date of such grant, to be used as a facility for which such grant  
218 was made, an amount equal to the amount of such grant, minus ten per  
219 cent per year for each full year which has elapsed since the date of such  
220 grant, shall be repaid to the state and that a lien shall be placed on such  
221 land in favor of the state to ensure that such amount shall be repaid in  
222 the event of such change in use, provided if the premises for which such  
223 grant-in-aid was made are owned by the state, a municipality or a  
224 housing authority, no lien need be placed.

225 Sec. 16. Section 3-36b of the 2022 supplement to the general statutes  
226 is repealed and the following is substituted in lieu thereof (*Effective from*  
227 *passage*):

228 (a) There is established the Connecticut Baby Bond Trust. The trust  
229 shall constitute an instrumentality of the state and shall perform  
230 essential governmental functions as provided in sections 3-36a to 3-36h,  
231 inclusive, as amended by this act. The trust shall receive and hold all  
232 payments and deposits or contributions intended for the trust, as well  
233 as gifts, bequests, endowments or federal, state or local grants and any  
234 other funds from any public or private source and all earnings until  
235 disbursed in accordance with section 3-36c, as amended by this act, 3-  
236 36d or 3-36g, as amended by this act.

237 (b) The amounts on deposit in the trust shall not constitute property  
238 of the state and the trust shall not be construed to be a department,  
239 institution or agency of the state. Amounts on deposit in the trust shall  
240 not be commingled with state funds and the state shall have no claim to  
241 or against, or interest in, such funds. Any contract entered into by or any  
242 obligation of the trust shall not constitute a debt or obligation of the state



243 and the state shall have no obligation to any designated beneficiary or  
244 any other person on account of the trust and all amounts obligated to be  
245 paid from the trust shall be limited to amounts available for such  
246 obligation on deposit in the trust. The amounts on deposit in the trust  
247 may only be disbursed in accordance with the provisions of section 3-  
248 36c, as amended by this act, 3-36d or 3-36g, as amended by this act. The  
249 trust shall continue in existence as long as it holds any deposits or has  
250 any obligations and until its existence is terminated by law and upon  
251 termination any unclaimed assets shall return to the state. Property of  
252 the trust shall not be governed by section 3-61a.

253 (c) The Treasurer shall be responsible for the receipt, maintenance,  
254 administration, investing and disbursements of amounts from the trust.  
255 The trust shall not receive deposits in any form other than cash.

256 Sec. 17. Section 3-36c of the 2022 supplement to the general statutes is  
257 repealed and the following is substituted in lieu thereof (*Effective from*  
258 *passage*):

259 The Treasurer, on behalf of the trust and for purposes of the trust,  
260 may:

261 (1) Receive and invest moneys in the trust in any instruments,  
262 obligations, securities or property in accordance with section 3-36d;

263 (2) Enter into one or more contractual agreements, including  
264 contracts for legal, actuarial, accounting, custodial, advisory,  
265 management, administrative, advertising, marketing and consulting  
266 services for the trust and pay for such services from the assets of the  
267 trust;

268 (3) Procure insurance in connection with the trust's property, assets,  
269 activities or deposits to the trust;

270 (4) Apply for, accept and expend gifts, grants or donations from  
271 public or private sources to enable the trust to carry out its objectives;

272 (5) Adopt regulations in accordance with chapter 54 for purposes of

273 [public act 21-111] sections 3-36b to 3-36i, inclusive, as amended by this  
274 act;

275 (6) Sue and be sued;

276 (7) Establish one or more funds within the trust; and

277 (8) Take any other action necessary to carry out the purposes of  
278 [public act 21-111] sections 3-36b to 3-36i, inclusive, as amended by this  
279 act, and incidental to the duties imposed on the Treasurer pursuant to  
280 [public act 21-111] said sections.

281 Sec. 18. Section 3-36e of the 2022 supplement to the general statutes  
282 is repealed and the following is substituted in lieu thereof (*Effective from*  
283 *passage*):

284 [The property of the trust and the earnings on] Disbursements from  
285 the trust shall be exempt from all taxation by the state and all political  
286 subdivisions of the state.

287 Sec. 19. Section 3-36f of the 2022 supplement to the general statutes is  
288 repealed and the following is substituted in lieu thereof (*Effective from*  
289 *passage*):

290 (a) Notwithstanding any provision of the general statutes, to the  
291 extent permitted by federal law, no [moneys invested in] disbursements  
292 from the Connecticut Baby Bond Trust shall be considered to be an asset  
293 or income for purposes of determining an individual's eligibility for  
294 assistance under any program administered by the [Department of  
295 Social Services] state.

296 (b) Notwithstanding any provision of the general statutes, no  
297 [moneys invested in] disbursements from the trust shall be considered  
298 to be an asset for purposes of determining an individual's eligibility for  
299 need-based, institutional aid grants offered to an individual at the  
300 public eligible educational institutions in the state.

301 Sec. 20. Section 3-36g of the 2022 supplement to the general statutes

302 is repealed and the following is substituted in lieu thereof (*Effective from*  
303 *passage*):

304 [(a) The Treasurer shall establish in the Connecticut Baby Bond Trust  
305 an accounting for each designated beneficiary. Each such accounting  
306 shall include the amount transferred to the trust pursuant to section 3-  
307 36h, plus the designated beneficiary's pro rata share of total net earnings  
308 from investments of sums held in the trust.]

309 [(b)] (a) Upon a designated beneficiary's eighteenth birthday and  
310 completion of a financial literacy requirement as prescribed by the  
311 Treasurer, such beneficiary shall become eligible to [receive] request an  
312 amount, to be used for payment of an eligible expenditure, of up to the  
313 total sum of the [accounting under subsection (a) of this section to be  
314 used for an eligible expenditure. The Treasurer may adopt regulations,  
315 in accordance with the provisions of chapter 54, to carry out the  
316 purposes of this section] amount transferred on behalf of the designated  
317 beneficiary pursuant to section 3-36h, as amended by this act, and  
318 adjusted, if applicable, in accordance with said section, plus the  
319 designated beneficiary's pro rata share of total net earnings from  
320 investments of sums held in the trust at the time of disbursement.

321 [(c)] (b) A designated beneficiary may submit a claim [for such  
322 accounting] pursuant to subsection (a) of this section, in such form and  
323 manner as prescribed by the Treasurer, until his or her thirtieth  
324 birthday, [as prescribed by the Treasurer,] provided such designated  
325 beneficiary is a resident of the state at the time of such claim. If a  
326 designated beneficiary (1) is deceased before submitting a valid claim,  
327 or (2) fails to submit a valid claim, as determined by the Treasurer,  
328 before his or her thirtieth birthday, [such accounting] the sum such  
329 designated beneficiary was eligible to claim shall be [credited back to  
330 the assets of] retained by the trust to credit to designated beneficiaries  
331 born in subsequent years.

332 [(d)] (c) Subject to obtaining adequate consent authorizing the  
333 disclosure of confidential information related to designated  
334 beneficiaries in accordance with all applicable state or federal laws, the

335 Treasurer and the Department of Social Services shall enter into a  
336 memorandum of understanding to establish information sharing  
337 practices in order to carry out the purposes of [public act 21-111] sections  
338 3-36b to 3-36h, inclusive, as amended by this act.

339 Sec. 21. Section 3-36h of the 2022 supplement to the general statutes  
340 is repealed and the following is substituted in lieu thereof (*Effective from*  
341 *passage*):

342 [Upon] After the birth of a designated beneficiary, the Treasurer may  
343 transfer up to three thousand two hundred dollars [from the bond  
344 proceeds issued pursuant to section 3-36i] to the trust, [to be credited  
345 toward the accounting of such designated beneficiary as described in  
346 section 3-36g.] For any year in which the funds [made available]  
347 authorized pursuant to section 3-36i, as amended by this act, [is] are  
348 insufficient to provide such amount per designated beneficiary, the  
349 amount so transferred shall be reduced pro rata and the Treasurer shall  
350 adjust the shares of each designated beneficiary accordingly. For any  
351 year in which such funds are in excess of the amount sufficient to  
352 provide such amount per designated beneficiary, the excess funds shall  
353 be retained by the trust to credit to designated beneficiaries born in  
354 subsequent years.

355 Sec. 22. Section 3-36i of the 2022 supplement to the general statutes is  
356 repealed and the following is substituted in lieu thereof (*Effective from*  
357 *passage*):

358 (a) The State Bond Commission may authorize the issuance of bonds  
359 of the state, in accordance with the provisions of section 3-20, in  
360 principal amounts not exceeding in the aggregate six hundred million  
361 dollars. The proceeds of the sale of bonds described in this section shall  
362 be used for the purpose of funding the transfers provided for under  
363 section 3-36h, as amended by this act. The amount authorized for the  
364 issuance and sale of such bonds in each of the following fiscal years shall  
365 not exceed the following corresponding amount for each such fiscal  
366 year, except that, to the extent the State Bond Commission does not  
367 provide for the use of all or a portion of such amount in any such fiscal

368 year, such amount not provided for shall be carried forward and added  
 369 to the authorized amount for the next two succeeding fiscal years, and  
 370 provided further, the costs of issuance, including expenses of  
 371 implementing the provisions of sections 3-36b to 3-36h, inclusive, as  
 372 amended by this act, and capitalized interest, if any, may be added to  
 373 the capped amount in each fiscal year, and each of the authorized  
 374 amounts shall be effective on July first of the fiscal year indicated as  
 375 follows:

T1	Fiscal Year Ending	Amount
T2	June Thirtieth	
T3	2023	[\$50,000,000] <u>\$100,000,000</u>
T4	2024	\$50,000,000
T5	2025	\$50,000,000
T6	2026	\$50,000,000
T7	2027	\$50,000,000
T8	2028	\$50,000,000
T9	2029	\$50,000,000
T10	2030	\$50,000,000
T11	2031	\$50,000,000
T12	2032	\$50,000,000
T13	2033	\$50,000,000
T14	[2034	\$50,000,000]

376 (b) [On or before the first day of September in each year, commencing  
 377 September 1, 2022] Commencing with the fiscal year ending June 30,  
 378 2023, not later than the first day of September of each fiscal year, the  
 379 Department of Social Services shall inform the Treasurer of the number  
 380 of designated beneficiaries born in the prior fiscal year. Promptly  
 381 thereafter, the Treasurer shall submit to the Governor and the Secretary  
 382 of the Office of Policy and Management, by certified mail, a report of

383 and a calculation of the total amount required to [deposit] be transferred  
384 to the trust [for crediting] to credit three thousand two hundred dollars  
385 [for the account of] to each such designated beneficiary born in the prior  
386 fiscal year. [as described in section 3-36g.]

387 (c) All provisions of section 3-20, or the exercise of any right or power  
388 granted thereby which are not inconsistent with the provisions of this  
389 section, are hereby adopted and shall apply to all bonds authorized by  
390 the State Bond Commission pursuant to this section, and temporary  
391 notes in anticipation of the money to be derived from the sale of any  
392 such bonds so authorized may be issued in accordance with section 3-  
393 20 and from time to time renewed. Such bonds shall mature at such time  
394 or times not exceeding twenty years from their respective dates as may  
395 be provided in or pursuant to the resolution or resolutions of the State  
396 Bond Commission authorizing such bonds. All such bonds, notes or  
397 other obligations shall be general obligations of the state and the full  
398 faith and credit of the state of Connecticut are pledged for the payment  
399 of the principal of and interest on such bonds, notes or other obligations  
400 as the same shall become due, and accordingly and as part of the  
401 contract of the state with the holders of such bonds, notes or other  
402 obligations, appropriation of all amounts necessary for punctual  
403 payment of such principal and interest is hereby made, and the  
404 Treasurer shall pay such principal and interest as the same become due.  
405 [All such bonds, notes or other obligations shall be sold at not less than  
406 par and accrued interest in such manner and on such terms as the  
407 Treasurer may determine is in the best interest of the state, and shall be  
408 signed in the name of the state and on its behalf by the Treasurer. All  
409 such bonds, notes or other obligations shall mature at such time or times  
410 not later than twenty years after their respective issuance, in such  
411 principal amounts and at such times, bear such date or dates, be payable  
412 at such place or places, bear interest at such rate or different or varying  
413 rates, payable at such time or times, be in such denominations, be in  
414 such form with or without interest coupons attached, carry such  
415 registration and transfer privileges, be payable in such medium of  
416 payment, be subject to such terms of redemption with or without  
417 premium and have such additional security, covenant or contract

418 provisions, as appropriate or necessary to improve their marketability,  
419 as the Treasurer shall determine prior to their issuance. In connection  
420 with such bonds, notes or other obligations, the Treasurer may enter  
421 into such paying agent agreements, indentures of trust, escrow  
422 agreements or other agreements, with such parties and with such  
423 provisions as the Treasurer determines are appropriate or necessary.

424 (d) The Treasurer may obtain from a commercial bank or insurance  
425 company authorized to do business within or without this state a letter  
426 of credit, line of credit or other liquidity facility or credit facility for the  
427 purpose of providing funds for the payments in respect of bonds, notes  
428 or other obligations required by the holder thereof to be redeemed or  
429 repurchased prior to maturity or for providing additional security for  
430 such bonds, notes or other obligations. In connection with any such  
431 liquidity facility or credit facility, the Treasurer may enter into any  
432 reimbursement agreements, remarketing agreements, standby purchase  
433 agreements or any other necessary or appropriate agreements on behalf  
434 of the state in connection with securing, insuring or remarketing such  
435 bonds, notes or other obligations, on such terms and conditions as the  
436 Treasurer determines to be in the best interest of the state. The Treasurer  
437 is authorized to pledge the full faith and credit of the state to the state's  
438 payment obligations under any such agreement and the Treasurer is  
439 authorized to include such pledge in any such agreement as part of the  
440 contract with the provider of such liquidity facility or credit facility. The  
441 Treasurer shall apply any appropriation for the payment of such bonds,  
442 notes or other obligations to such reimbursement repayment if such  
443 liquidity facility or credit facility is drawn upon. As part of the contract  
444 of the state with the other parties to any agreement entered into  
445 pursuant to this subsection for which the full faith and credit of the state  
446 is pledged to the state's payment obligations under such agreement,  
447 appropriation of all amounts necessary for the punctual payment of the  
448 obligations of the state under any such agreement is hereby made and  
449 the Treasurer shall pay such amounts as the same become due.

450 (e) In connection with or incidental to the carrying of such bonds,  
451 notes or other obligations, or in connection with or incidental to the sale

452 and issuance of such bonds, notes or other obligations, the Treasurer  
453 may enter into such contracts as the Treasurer may determine to be  
454 necessary or appropriate to place the obligation of the state, as  
455 represented by the bonds, notes or other obligations, in whole or in part,  
456 on such interest rate or cash flow basis as the Treasurer may determine,  
457 including without limitation, interest rate swap agreements, insurance  
458 agreements, forward payment conversion agreements, futures  
459 contracts, contracts providing for payments based on levels of, or  
460 changes in, interest rates or market indices, contracts to manage interest  
461 rate risk, including without limitation, interest rate floors or caps,  
462 options, puts, calls and similar arrangements. Such contracts shall  
463 contain such payment, security, default, remedy and other terms and  
464 conditions as the Treasurer may deem appropriate and shall be entered  
465 into with such party or parties as the Treasurer may select, after giving  
466 due consideration, where applicable, for the creditworthiness of the  
467 counter party or counter parties, including any rating by a nationally  
468 recognized rating agency, the impact on any rating on outstanding  
469 bonds, notes or other obligations or any other criteria as the Treasurer  
470 may deem appropriate, provided the unsecured long-term obligations  
471 of the counter party or counter parties are rated the same or higher than  
472 the underlying rating of the state on the applicable bonds, notes or other  
473 obligations by at least one nationally recognized rating agency. The  
474 Treasurer is authorized to pledge the full faith and credit of the state to  
475 the state's payment obligations under any contract entered into  
476 pursuant to this subsection. As part of the contract of the state with the  
477 other parties to any agreement entered into pursuant to this subsection  
478 for which the full faith and credit of the state is pledged to the state's  
479 payment obligations under such agreement, appropriation of all  
480 amounts necessary for the punctual payment of the obligations of the  
481 state under any such agreement is hereby made and the Treasurer shall  
482 pay such amounts as the same become due.

483 (f) The Superior Court shall have jurisdiction to enter judgment  
484 against the state founded (1) upon any express contract between the  
485 state and the purchasers and subsequent owners and transferees of any  
486 bonds, notes or other obligations issued or contracted to be issued by



487 the state pursuant to this section, and (2) upon any agreement entered  
488 into pursuant to subsection (c) or (d) of this section. Any action brought  
489 under this subsection shall be brought in the superior court for the  
490 judicial district of Hartford. The jurisdiction conferred upon the  
491 Superior Court by this subsection includes any set-off, claim or demand  
492 on the part of the state against any plaintiff commencing an action under  
493 this subsection. Such action shall be tried to the court without a jury. All  
494 legal defenses, except governmental immunity, shall be reserved to the  
495 state. Any action brought under this subsection shall be privileged in  
496 respect to assignment for trial upon motion of either party.

497 (g) Any expense incurred in connection with the issuance or renewal  
498 of the bonds, notes or other obligations issued pursuant to this section  
499 shall be paid from the accrued interest and premiums on such bonds,  
500 notes or other obligations, from the proceeds of the sale of such bonds,  
501 notes or other obligations or otherwise from the General Fund. The  
502 Treasurer is authorized to issue such bonds, notes or other obligations  
503 in such form and manner that the interest on such bonds, notes or other  
504 obligations may be includable or excludable under the Internal Revenue  
505 Code of 1986, or any subsequent corresponding internal revenue code  
506 of the United States, as amended from time to time, in the gross income  
507 of the holders or owners of such bonds, notes or other obligations. The  
508 Treasurer may make representations and agreements for the benefit of  
509 the holders or owners of any such bonds, notes or other obligations  
510 which are necessary or appropriate to ensure the inclusion or exclusion  
511 of interest on such bonds, notes or other obligations of the state from  
512 taxation under the Internal Revenue Code of 1986 or any subsequent  
513 corresponding internal revenue code of the United States, as amended  
514 from time to time, including agreements to pay rebates to the federal  
515 government of investment earnings derived from the investment of the  
516 proceeds of bonds, notes or other obligations. The Treasurer may make  
517 representations and agreements for the benefit of the holders or owners  
518 of such bonds, notes or other obligations on behalf of the state to provide  
519 secondary market disclosure information. Any such agreement may  
520 include: (1) Covenants to provide secondary market disclosure  
521 information, (2) arrangements for such information to be provided with

522 the assistance of a paying agent, trustee or other agent, and (3) remedies  
523 for breach of such agreement, which remedies may be limited to specific  
524 performance. The state shall protect and save harmless any official or  
525 former official of the state from financial loss and expense, including  
526 legal fees and costs, if any, arising out of any claim, demand, suit or  
527 judgment by reason of alleged negligence on the part of such official,  
528 while acting in the discharge of his or her official duties, in providing  
529 secondary market disclosure information or performing any other  
530 duties set forth in any agreement to provide secondary market  
531 disclosure information. Nothing in this section shall be construed to  
532 preclude the defense of governmental immunity to any such claim,  
533 demand or suit. For purposes of this subsection "official" means any  
534 person elected or appointed to office or any state employee. This  
535 indemnity provision shall not apply to cases of wilful and wanton fraud.

536 (h) All such bonds, notes or other obligations, their transfer and the  
537 income therefrom, including any profit on the sale or transfer thereof,  
538 shall at all times be exempt from all taxation by the state or under its  
539 authority, except for estate or succession taxes, but the interest on such  
540 bonds, notes or other obligations shall be included in the computation  
541 of any excise or franchise tax. Such bonds, notes or other obligations are  
542 hereby made and declared to be (1) legal investments for savings banks  
543 and trustees unless otherwise provided in the instrument creating the  
544 trust, (2) securities in which all public officers and bodies, all insurance  
545 companies and associations and persons carrying on an insurance  
546 business, all banks, bankers, trust companies, savings banks and savings  
547 associations, including savings and loan associations, building and loan  
548 associations, investment companies and persons carrying on a banking  
549 or investment business, all administrators, guardians, executors,  
550 trustees and other fiduciaries and all persons who are or may be  
551 authorized to invest in bonds, notes or other obligations of the state,  
552 may properly and legally invest funds, including capital in their control  
553 or belonging to them, and (3) securities that may be deposited with and  
554 shall be received by all public officers and bodies for any purpose for  
555 which the deposit of bonds, notes or other obligations of the state is or  
556 may be authorized.]

557 Sec. 23. Section 3-13c of the 2022 supplement to the general statutes is  
558 repealed and the following is substituted in lieu thereof (*Effective from*  
559 *passage*):

560 [Trust funds as] As used in sections 3-13 to 3-13e, inclusive, and 3-  
561 31b<sub>2</sub>, [shall be construed to include] "trust funds" includes the  
562 Connecticut Municipal Employees' Retirement Fund A, the Connecticut  
563 Municipal Employees' Retirement Fund B, the Soldiers, Sailors and  
564 Marines Fund, the Family and Medical Leave Insurance Trust Fund, the  
565 State's Attorneys' Retirement Fund, the Teachers' Annuity Fund, the  
566 Teachers' Pension Fund, the Teachers' Survivorship and Dependency  
567 Fund, the School Fund, the State Employees Retirement Fund, the  
568 Hospital Insurance Fund, the Policemen and Firemen Survivor's Benefit  
569 Fund, any trust fund described in subdivision (1) of subsection (b) of  
570 section 7-450 that is administered, held or invested by the State  
571 Treasurer, the Connecticut Baby Bond Trust and all other trust funds  
572 administered, held or invested by the State Treasurer.

573 Sec. 24. Subsection (a) of section 4a-10 of the 2022 supplement to the  
574 general statutes is repealed and the following is substituted in lieu  
575 thereof (*Effective July 1, 2022*):

576 (a) For the purposes described in subsection (b) of this section, the  
577 State Bond Commission shall have the power, from time to time to  
578 authorize the issuance of bonds of the state in one or more series and in  
579 principal amounts not exceeding in the aggregate [five hundred forty-  
580 six million one hundred thousand dollars, provided ten million dollars  
581 of said authorization shall be effective July 1, 2022] five hundred sixty-  
582 one million one hundred thousand dollars.

583 Sec. 25. Subsection (c) of section 7-277c of the general statutes is  
584 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
585 *2022*):

586 (c) The Office of Policy and Management shall distribute grants-in-  
587 aid pursuant to this section during the fiscal years ending June 30, 2021,  
588 [and] June 30, 2022, and June 30, 2023. Any such grant-in-aid shall be for

589 up to fifty per cent of the cost of such purchase of body-worn recording  
590 equipment, digital data storage devices or services or dashboard  
591 cameras with a remote recorder if the municipality is a distressed  
592 municipality, as defined in section 32-9p, or up to thirty per cent of the  
593 cost of such purchase if the municipality is not a distressed municipality,  
594 provided the costs of such digital data storage services covered by a  
595 grant-in-aid shall not be for a period of service that is longer than one  
596 year.

597 Sec. 26. Subsection (b) of section 8-37mm of the general statutes is  
598 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
599 *2022*):

600 (b) The proceeds of the sale of said bonds, to the extent of the amount  
601 stated in subsection (a) of this section shall be used by the Department  
602 of Housing for the purposes of a homelessness prevention and response  
603 fund to provide [forgivable loans or] grants to [(1) landlords to renovate  
604 multifamily homes, including performing building code compliance  
605 work and other major improvements, in exchange for the landlord's  
606 participation in a rapid rehousing program. A landlord's participation  
607 in such program would include, but not be limited to, waiving security  
608 deposits and abatement of rent for a designated period; and (2)  
609 landlords to renovate multifamily homes, including performing  
610 building code compliance work and other major improvements, fund  
611 ongoing maintenance and repair, or] capitalize operating and  
612 replacement reserves in [exchange for the abatement of rent by a  
613 landlord for scattered site] supportive housing units.

614 Sec. 27. Section 10-287d of the 2022 supplement to the general statutes  
615 is repealed and the following is substituted in lieu thereof (*Effective July*  
616 *1, 2022*):

617 For the purposes of funding (1) grants to projects that have received  
618 approval of the Department of Administrative Services pursuant to  
619 sections 10-287 and 10-287a, subsection (a) of section 10-65 and section  
620 10-76e, (2) grants to assist school building projects to remedy safety and  
621 health violations and damage from fire and catastrophe, and (3)

622 technical education and career school projects pursuant to section 10-  
623 283b, the State Treasurer is authorized and directed, subject to and in  
624 accordance with the provisions of section 3-20, to issue bonds of the state  
625 from time to time in one or more series in an aggregate amount not  
626 exceeding thirteen billion [seven] six hundred twelve million one  
627 hundred sixty thousand dollars. [, provided five hundred fifty million  
628 dollars of said authorization shall be effective July 1, 2022.] Bonds of  
629 each series shall bear such date or dates and mature at such time or times  
630 not exceeding thirty years from their respective dates and be subject to  
631 such redemption privileges, with or without premium, as may be fixed  
632 by the State Bond Commission. They shall be sold at not less than par  
633 and accrued interest and the full faith and credit of the state is pledged  
634 for the payment of the interest thereon and the principal thereof as the  
635 same shall become due, and accordingly and as part of the contract of  
636 the state with the holders of said bonds, appropriation of all amounts  
637 necessary for punctual payment of such principal and interest is hereby  
638 made, and the State Treasurer shall pay such principal and interest as  
639 the same become due. The State Treasurer is authorized to invest  
640 temporarily in direct obligations of the United States, United States  
641 agency obligations, certificates of deposit, commercial paper or bank  
642 acceptances such portion of the proceeds of such bonds or of any notes  
643 issued in anticipation thereof as may be deemed available for such  
644 purpose.

645 Sec. 28. Subsection (a) of section 23-103 of the 2022 supplement to the  
646 general statutes is repealed and the following is substituted in lieu  
647 thereof (*Effective July 1, 2022*):

648 (a) For the purposes described in subsection (b) of this section, the  
649 State Bond Commission shall have the power, from time to time to  
650 authorize the issuance of bonds of the state in one or more series and in  
651 principal amounts not exceeding in the aggregate [nineteen] twenty-two  
652 million dollars. [, provided three million dollars of said authorization  
653 shall be effective July 1, 2022.]

654 Sec. 29. Section 8 of public act 14-98, as amended by section 189 of

655 public act 16-4 of the May special session, section 517 of public act 17-2  
656 of the June special session, section 28 of public act 18-178 and section 68  
657 of public act 21-111, is amended to read as follows (*Effective July 1, 2022*):

658 The State Bond Commission shall have power, in accordance with the  
659 provisions of this section and sections 9 to 15, inclusive, of public act 14-  
660 98, from time to time to authorize the issuance of bonds of the state in  
661 one or more series and in principal amounts in the aggregate, not  
662 exceeding ~~[\$172,765,800]~~ \$182,765,800.

663 Sec. 30. Subdivision (4) of subsection (e) of section 9 of public act 14-  
664 98, as amended by section 69 of public act 21-111, is amended to read as  
665 follows (*Effective July 1, 2022*):

666 (4) Grants-in-aid to nonprofit organizations sponsoring children's  
667 museums, aquariums and science-related programs, not exceeding  
668 ~~[\$27,100,000]~~ \$37,100,000, provided not more than ~~[\$10,500,000]~~  
669 \$20,500,000 shall be used as a grant-in-aid to the Connecticut Science  
670 Center, not more than \$6,600,000 shall be used as a grant-in-aid to the  
671 Maritime Aquarium in Norwalk and not more than \$10,000,000 shall be  
672 used as a grant-in-aid to the Children's Museum in West Hartford;

673 Sec. 31. Section 1 of public act 21-111 is amended to read as follows  
674 (*Effective July 1, 2022*):

675 The State Bond Commission shall have power, in accordance with the  
676 provisions of this section and sections 2 to 7, inclusive, of ~~[this act]~~ public  
677 act 21-111, from time to time to authorize the issuance of bonds of the  
678 state in one or more series and in principal amounts in the aggregate not  
679 exceeding ~~[\$334,558,500]~~ \$334,058,500.

680 Sec. 32. Subsection (e) of section 2 of public act 21-111 is repealed.  
681 (*Effective July 1, 2022*)

682 Sec. 33. Section 20 of public act 21-111, as amended by section 472 of  
683 public act 21-2 of the June special session, is amended to read as follows  
684 (*Effective July 1, 2022*):

685 The State Bond Commission shall have power, in accordance with the  
686 provisions of this section and sections 21 to 26, inclusive, of public act  
687 21-111, from time to time to authorize the issuance of bonds of the state  
688 in one or more series and in principal amounts in the aggregate not  
689 exceeding [~~\$241,565,000~~] \$286,565,000.

690 Sec. 34. Subdivision (1) of subsection (e) of section 21 of public act 21-  
691 111 is amended to read as follows (*Effective July 1, 2022*):

692 (1) Alterations, renovations and new construction at state parks and  
693 other recreation facilities, including Americans with Disabilities Act  
694 improvements, not exceeding [~~\$15,000,000~~] \$30,000,000;

695 Sec. 35. Subsection (j) of section 21 of public act 21-111 is amended to  
696 read as follows (*Effective July 1, 2022*):

697 (j) For the Department of Correction: Alterations, renovations, and  
698 improvements to existing state-owned buildings for inmate housing,  
699 programming and staff training space and additional inmate capacity,  
700 and for support facilities and off-site improvements, not exceeding  
701 [~~\$10,000,000~~] \$40,000,000.

702 Sec. 36. Section 31 of public act 21-111, as amended by section 474 of  
703 public act 21-2 of the June special session, is amended to read as follows  
704 (*Effective July 1, 2022*):

705 The State Bond Commission shall have power, in accordance with the  
706 provisions of this section and sections 32 to 38, inclusive, of public act  
707 21-111, from time to time to authorize the issuance of bonds of the state  
708 in one or more series and in principal amounts in the aggregate, not  
709 exceeding [~~\$198,550,000~~] \$203,550,000.

710 Sec. 37. Subdivision (1) of subsection (b) of section 32 of public act 21-  
711 111 is amended to read as follows (*Effective July 1, 2022*):

712 (1) Grants-in-aid to municipalities for open space land acquisition  
713 and development for conservation or recreational purposes, not  
714 exceeding [~~\$10,000,000~~] \$15,000,000;

715       Sec. 38. (*Effective July 1, 2022*) (a) For the purposes described in  
716 subsection (b) of this section, the State Bond Commission shall have the  
717 power from time to time to authorize the issuance of bonds of the state  
718 in one or more series and in principal amounts not exceeding in the  
719 aggregate ten million dollars.

720       (b) The proceeds of the sale of said bonds, to the extent of the amount  
721 stated in subsection (a) of this section, shall be used by the Connecticut  
722 State Colleges and Universities for the purpose of constructing,  
723 improving or equipping child care centers on or near college and  
724 university campuses, including, but not limited to, payment of  
725 associated costs for architectural, engineering or demolition services.

726       (c) All provisions of section 3-20 of the general statutes, or the exercise  
727 of any right or power granted thereby, which are not inconsistent with  
728 the provisions of this section are hereby adopted and shall apply to all  
729 bonds authorized by the State Bond Commission pursuant to this  
730 section, and temporary notes in anticipation of the money to be derived  
731 from the sale of any such bonds so authorized may be issued in  
732 accordance with said section 3-20 and from time to time renewed. Such  
733 bonds shall mature at such time or times not exceeding twenty years  
734 from their respective dates as may be provided in or pursuant to the  
735 resolution or resolutions of the State Bond Commission authorizing  
736 such bonds. None of said bonds shall be authorized except upon a  
737 finding by the State Bond Commission that there has been filed with it  
738 a request for such authorization which is signed by or on behalf of the  
739 Secretary of the Office of Policy and Management and states such terms  
740 and conditions as said commission, in its discretion, may require. Said  
741 bonds issued pursuant to this section shall be general obligations of the  
742 state and the full faith and credit of the state of Connecticut are pledged  
743 for the payment of the principal of and interest on said bonds as the  
744 same become due, and accordingly and as part of the contract of the  
745 state with the holders of said bonds, appropriation of all amounts  
746 necessary for punctual payment of such principal and interest is hereby  
747 made, and the State Treasurer shall pay such principal and interest as  
748 the same become due.



749       Sec. 39. (*Effective July 1, 2022*) (a) For the purposes described in  
750 subsection (b) of this section, the State Bond Commission shall have the  
751 power from time to time to authorize the issuance of bonds of the state  
752 in one or more series and in principal amounts not exceeding in the  
753 aggregate twenty million dollars.

754       (b) The proceeds of the sale of said bonds, to the extent of the amount  
755 stated in subsection (a) of this section, shall be used by the Department  
756 of Housing for the purpose of developing housing for health care  
757 workers, in collaboration with the Chief Workforce Officer.

758       (c) All provisions of section 3-20 of the general statutes, or the exercise  
759 of any right or power granted thereby, which are not inconsistent with  
760 the provisions of this section are hereby adopted and shall apply to all  
761 bonds authorized by the State Bond Commission pursuant to this  
762 section, and temporary notes in anticipation of the money to be derived  
763 from the sale of any such bonds so authorized may be issued in  
764 accordance with said section 3-20 and from time to time renewed. Such  
765 bonds shall mature at such time or times not exceeding twenty years  
766 from their respective dates as may be provided in or pursuant to the  
767 resolution or resolutions of the State Bond Commission authorizing  
768 such bonds. None of said bonds shall be authorized except upon a  
769 finding by the State Bond Commission that there has been filed with it  
770 a request for such authorization which is signed by or on behalf of the  
771 Secretary of the Office of Policy and Management and states such terms  
772 and conditions as said commission, in its discretion, may require. Said  
773 bonds issued pursuant to this section shall be general obligations of the  
774 state and the full faith and credit of the state of Connecticut are pledged  
775 for the payment of the principal of and interest on said bonds as the  
776 same become due, and accordingly and as part of the contract of the  
777 state with the holders of said bonds, appropriation of all amounts  
778 necessary for punctual payment of such principal and interest is hereby  
779 made, and the State Treasurer shall pay such principal and interest as  
780 the same become due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2022</i>	New section
Sec. 2	<i>July 1, 2022</i>	New section
Sec. 3	<i>July 1, 2022</i>	New section
Sec. 4	<i>July 1, 2022</i>	New section
Sec. 5	<i>July 1, 2022</i>	New section
Sec. 6	<i>July 1, 2022</i>	New section
Sec. 7	<i>July 1, 2022</i>	New section
Sec. 8	<i>July 1, 2022</i>	New section
Sec. 9	<i>July 1, 2022</i>	New section
Sec. 10	<i>July 1, 2022</i>	New section
Sec. 11	<i>July 1, 2022</i>	New section
Sec. 12	<i>July 1, 2022</i>	New section
Sec. 13	<i>July 1, 2022</i>	New section
Sec. 14	<i>July 1, 2022</i>	New section
Sec. 15	<i>July 1, 2022</i>	New section
Sec. 16	<i>from passage</i>	3-36b
Sec. 17	<i>from passage</i>	3-36c
Sec. 18	<i>from passage</i>	3-36e
Sec. 19	<i>from passage</i>	3-36f
Sec. 20	<i>from passage</i>	3-36g
Sec. 21	<i>from passage</i>	3-36h
Sec. 22	<i>from passage</i>	3-36i
Sec. 23	<i>from passage</i>	3-13c
Sec. 24	<i>July 1, 2022</i>	4a-10(a)
Sec. 25	<i>July 1, 2022</i>	7-277c(c)
Sec. 26	<i>July 1, 2022</i>	8-37mm(b)
Sec. 27	<i>July 1, 2022</i>	10-287d
Sec. 28	<i>July 1, 2022</i>	23-103(a)
Sec. 29	<i>July 1, 2022</i>	PA 14-98, Sec. 8
Sec. 30	<i>July 1, 2022</i>	PA 14-98, Sec. 9(e)(4)
Sec. 31	<i>July 1, 2022</i>	PA 21-111, Sec. 1
Sec. 32	<i>July 1, 2022</i>	PA 21-111, Sec. 2(e)
Sec. 33	<i>July 1, 2022</i>	PA 21-111, Sec. 20
Sec. 34	<i>July 1, 2022</i>	PA 21-111, Sec. 21(e)(1)
Sec. 35	<i>July 1, 2022</i>	PA 21-111, Sec. 21(j)
Sec. 36	<i>July 1, 2022</i>	PA 21-111, Sec. 31
Sec. 37	<i>July 1, 2022</i>	PA 21-111, Sec. 32(b)(1)
Sec. 38	<i>July 1, 2022</i>	New section

Sec. 39	July 1, 2022	New section
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**FIN**      *Joint Favorable Subst.*

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.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 23 \$
Treasurer, Debt Serv.	GF - Cost	See Below
Resources of the General Fund	GF - Precludes Revenue Gain	See Below

Note: GF=General Fund

**Municipal Impact:**

Municipalities	Effect	FY 23 \$
Various Municipalities	Potential Revenue Gain	See Below

**Explanation**

**BONDING**

Table 1 below summarizes the increases and reductions made to General Obligation (GO) bonds in FY 23.<sup>1</sup>

**Table 1: FY 22 and FY 23 Increases and Reductions to GO, STO, and CWF Bond Authorizations (in millions)**

Description	FY 23 \$
<b>General Obligation (GO) Bonds</b>	
New Authorizations	337.8
Changes to Prior Authorizations	128.0

<sup>1</sup> The fiscal impact is limited to just those bond authorizations changed in the bill and does not reflect the overall amount of bond authorizations effective under current law in FY 23.

Reductions to Current Authorizations	(100.5)
<b>NET TOTAL GO BONDS</b>	<b>365.3</b>

Table 2 indicates the eventual total General Fund fiscal impact of the bill, through debt service, if all bonds authorized by the bill are allocated by the State Bond Commission and issued by the Office of the State Treasurer. If new authorizations are fully allocated when effective, there would be a cost to the General Fund for debt service of approximately \$18.3 million in FY 24. The remaining debt service costs identified in Table 2 would be repaid after FY 24.

**Table 2: Net GO Bond Authorizations and Estimated Total Debt Service Cost (in millions)**

<b>Fiscal Year Authorized</b>	<b>Authorization Amount \$</b>	<b>Total Estimated Debt Service Cost<sup>1</sup> \$</b>
2023	365.3	522.6
<sup>1</sup> Debt service estimates based on market rates and repaid over 20 year terms.		

**Municipal Impact of Bonding Provisions**

To the extent authorized bonds are allocated by the State Bond Commission, new authorizations for multiple bond programs, including programs regarding municipal traffic signals, municipal purchase of electric buses, school HVAC construction, open space conservation, and clean water programs, will result in potential revenue gain to various municipalities.

**Baby Bonds Program Changes**

Besides the \$50 million increase in GO bonds for the Baby Bonds program reflected in the totals provided above, the bill eliminates the FY 34 authorization for the program of \$50 million. The bill also alters technical and administrative aspects of the program. Future General Fund debt service costs may be incurred sooner under the bill to the degree that it causes future authorized GO bond funds to be available, expended, or to be expended more rapidly than they otherwise would

have been.

The bill also exempts disbursements from the fund from state and local taxes, which precludes a potential revenue gain to the state beginning in FY 40.

***The Out Years***

To the extent that bonds are allocated and issued, debt service payments may extend up to 20 years from the time, and under of the terms, of issuance.

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**OLR Bill Analysis****sSB 12*****AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS AND OTHER PURPOSES AND CONCERNING THE CONNECTICUT BABY BOND TRUST PROGRAM AND GRANTS FOR CERTAIN LAW ENFORCEMENT EQUIPMENT AND HOMELESSNESS PREVENTION AND RESPONSE.*****SUMMARY**

This bill authorizes \$465.8 million in new general obligation (GO) bonds for FY 23 for state projects and grant programs. This includes grants for school air quality improvements (\$100 million), traffic signal modernization (\$75 million), and matching funds for federal Infrastructure Investment and Jobs Act projects and programs (\$75 million). It also cancels \$100.5 million in existing GO bond authorizations.

The bill also does the following:

1. makes various changes to the Connecticut Baby Bond Trust program, including modifying the program's bond authorization schedule and exempting the trust's disbursements, rather than its property and earnings, from all state and local taxes;
2. extends, to FY 23, the Office of Policy and Management (OPM) municipal grant program for costs associated with purchasing eligible police body cameras, digital data storage devices or services, and dashboard cameras; and
3. changes the purposes for which the Department of Housing (DOH) may use the bond-funded homelessness prevention and response fund.

EFFECTIVE DATE: July 1, 2022, except the Baby Bond program

changes are effective upon passage.

### §§ 1-15 & 38-39 — NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS

The bill authorizes state GO bonds in FY 23 for the state projects and grant programs listed in the table below. The bonds are subject to standard issuance procedures and have a maximum term of 20 years.

The bill includes a standard provision requiring, as a condition of bond authorizations for grants to private entities, each granting agency to include repayment provisions in its grant contract if the facility for which the grant is made ceases to be used for the grant purposes within 10 years of receipt. (It exempts the Connecticut Higher Education Supplemental Loan Authority (CHESLA) grants from this requirement.) The required repayment is reduced by 10% for each full year that the facility is used for the grant purpose.

**Table 1: GO Bond Authorizations for State Projects and Grant Programs (FY 23)**

§	Agency	For	Amount
<b>STATE PROJECTS</b>			
2(a)	OPM	State matching funds for projects and programs allowed under the federal Infrastructure Investment and Jobs Act	\$75,000,000
2(b)	Agricultural Experiment Station	Renovations and improvements to Jenkins Laboratory greenhouses	800,000
2(c)	Department of Transportation	Assisting municipalities to modernize existing traffic signal equipment and operations	75,000,000
		Matching funds necessary for municipalities, school districts, and school bus operators to submit federal grant applications in order to maximize federal funding for purchasing or leasing zero-emission electric school buses and electric vehicle charging infrastructure	20,000,000
		Constructing, altering, renovating, and improving noise barriers	5,000,000
38	Connecticut State Colleges and Universities	Constructing, improving, or equipping child care centers on or near college and university campuses, including paying associated architectural, engineering, or demolition service costs	10,000,000



<b>§</b>	<b>Agency</b>	<b>For</b>	<b>Amount</b>
39	DOH	Developing housing for health care workers in collaboration with the chief workforce officer	20,000,000
<b>GRANTS</b>			
9(a)	OPM	Grants to food resource organizations for capital improvements	10,000,000
9(b)	Department of Administrative Services (DAS)	Grants for school air quality improvements, including upgrading, replacing, or installing heating, ventilation, and air conditioning equipment	100,000,000
9(c)	Department of Agriculture	Grants for farmland restoration and climate resiliency	7,000,000
9(d)	CHESLA	Grants to state residents who graduate from a state university or college for student loan reimbursement	15,000,000

### **§§ 16-23 — CONNECTICUT BABY BOND TRUST PROGRAM**

The Connecticut Baby Bond Trust program, administered by the state treasurer, authorizes up to \$600 million in bonds to provide designated beneficiaries (i.e., babies born on or after July 1, 2021, whose births were covered under HUSKY) up to \$3,200 in a state trust. Once they reach age 18, designated beneficiaries that meet the program’s eligibility requirements may receive the funds, including any investment earnings, to be used for an eligible expenditure (e.g., education, buying a home or investing in a business in Connecticut, and personal financial investments).

The bill makes various changes to the program, as described below, including minor, technical, and conforming changes and corrections.

#### ***Amounts Transferred for Designated Beneficiaries***

Under current law, the state treasurer must establish an accounting for each designated beneficiary and may transfer up to \$3,200 from the program’s bond proceeds to the trust to be credited to the beneficiary’s accounting at birth. The bill eliminates the requirement that (1) each designated beneficiary have an accounting and (2) the transferred funds come from these bond proceeds (see *Bond Authorization* below). It also allows the transfer to be made after the designated beneficiary’s birth, rather than at birth.

Under current law, if a designated beneficiary fails to submit a valid claim before his or her 30th birthday or dies before doing so, the amount of his or her accounting is credited back to the trust's assets. The bill instead requires that this amount be retained by the trust to credit to designated beneficiaries born in subsequent years.

Existing law requires the treasurer to proportionately reduce the transfer amount for any year in which the bond funds are insufficient to provide the \$3,200 transfer to each beneficiary. The bill also requires, for any year in which these funds exceed the amount required to provide the transfer, that any excess be kept by the trust to credit to designated beneficiaries born in later years. It also makes technical and conforming changes.

### ***Bond Authorization***

Current law authorizes the treasurer to issue up to \$600 million in state general obligation bonds for the program, in amounts of up to \$50 million per year from FYs 23-34. The bill increases the FY 23 authorization to \$100 million and eliminates the \$50 million authorization for FY 34. It also authorizes the program's implementation expenses to be added to the capped amount of bonds authorized for each year of the program.

Current law requires the Baby Bonds program to be funded with bonds from a specific bond issuance and incorporates certain provisions relating to this issuance, including the treasurer's powers in connection with the bond sale and certain legal actions related to the bonds. The bill instead subjects the bonds authorized under the program to standard statutory bond procedures and repayment requirements.

### ***State and Local Tax Exemption***

The bill exempts disbursements from the trust, rather than the trust's property and earnings, from all state and local taxes.

### ***Treasurer Oversight***

The bill explicitly subjects the treasurer's trust investments to the same oversight and requirements that the law establishes for other treasurer-administered funds, such as the Teachers' Pension Fund, the

State Employee Retirement Fund, and the Connecticut Municipal Employees' Retirement Fund (e.g., investment review by the Investment Advisory Council).

### ***Abandoned Property***

The bill exempts the trust's property from the law for determining when property held by a fiduciary is presumed abandoned.

### ***Impact on Assistance Programs and Need-Based Aid***

The bill prohibits disbursements from the trust from being considered assets or income when determining an individual's eligibility for (1) state-administered assistance programs, to the extent allowed by federal law, or (2) need-based, institutional aid grants offered at the state's public eligible educational institutions. In doing so, it eliminates similar provisions in current law that applied to funds invested in the trust.

## **§§ 24 & 27-37 — CHANGES TO EXISTING AUTHORIZATIONS**

### **§§ 24, 28-30, 33 & 34 — *Increases to Existing Authorizations***

The bill increases the amounts authorized for the existing bond authorizations, as shown in Table 2.

**Table 2: Increases to Existing Authorizations**

<b>§</b>	<b>Agency</b>	<b>Purpose/Fund</b>	<b>Current Authorization</b>	<b>Bill's Authorization</b>	<b>Increase</b>
24	OPM	Capital Equipment Purchase Fund	\$10,000,000	\$25,000,000	\$15,000,000
28	Department of Energy and Environmental Protection (DEEP)	Connecticut bikeway, pedestrian walkway, recreational trail, and greenway grant program	3,000,000	6,000,000	3,000,000
30	Department of Economic and Community Development	Grant to the Connecticut Science Center	10,500,000	20,500,000	10,000,000
34	DEEP	Alterations, renovations, and new construction	15,000,000	30,000,000	15,000,000

§	Agency	Purpose/Fund	Current Authorization	Bill's Authorization	Increase
		at state parks and other recreation facilities, including Americans with Disabilities Act improvements			
35	Department of Correction	Alterations, renovations, and improvements to existing state-owned buildings for inmate housing, programming and staff training space, additional inmate capacity, support facilities, and off-site improvements	10,000,000	40,000,000	30,000,000
37	DEEP	Grants to municipalities for open space acquisition and development for conservation or recreational purposes	10,000,000	15,000,000	5,000,000

### §§ 27 & 31-32 — Cancellations and Reductions

The bill cancels or reduces the authorizations shown in Table 3.

**Table 3: Bond Cancellations and Reductions**

§	Agency	Purpose/Fund	Current Authorization	Amount Cancelled
27	DAS	School construction projects	\$550,000,000	\$100,000,000
32	Department of Motor Vehicles	Development of a master plan for department facilities	500,000	500,000

### § 25 — GRANT PROGRAM FOR PURCHASING ELIGIBLE BODY AND DASHBOARD CAMERAS AND RELATED EQUIPMENT AND SERVICES

The bill extends, to FY 23, the OPM-administered municipal grant program for costs associated with purchasing eligible police body cameras, digital data storage devices or services, and certain dashboard cameras. By law, the grants are for up to 50% of the associated costs for distressed municipalities and 30% for all other municipalities.

## **§ 26 — HOMELESS PREVENTION AND RESPONSE FUND**

Existing law authorizes up to \$30 million to DOH for a homelessness prevention and response fund. Under current law, the fund is to provide forgivable loans and grants to landlords (1) participating in a rapid rehousing program (e.g., waiving security deposits or abating rent for a designated period) and (2) abating rent for scattered supportive housing units, by among other things, capitalizing operating and replacement reserves for these units. The bill limits the fund's purposes to providing grants to capitalize operating and replacement reserves in supportive housing units.

### **BACKGROUND**

#### ***Related Bills***

sSB 384, favorably reported by the Finance, Revenue and Bonding Committee, contains the same changes to the Baby Bond program.

sSB 4 (File 406), favorably reported by the Transportation and Finance, Revenue and Bonding committees, authorizes (1) \$75 million in GO bonds to assist municipalities with modernizing existing traffic signals and (2) \$20 million in GO bonds for DEEP to provide matching funds necessary to maximize federal funding for buying or leasing zero-emission school buses.

sSB 428 (File 449), favorably reported by the Education Committee, requires the DAS to administer a reimbursement grant program beginning in FY 23 for the cost of school indoor air quality improvements, including the installation, replacement, or upgrading of heating, ventilation, and air-conditioning systems.

### **COMMITTEE ACTION**

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 49 Nay 2 (04/06/2022)