



General Assembly

January Session, 2023

Raised Bill No. 1227

LCO No. 5539



Referred to Committee on GOVERNMENT ADMINISTRATION
AND ELECTIONS

Introduced by:
(GAE)

***AN ACT CONCERNING THE BONDING AUTHORITY OF THE
CONNECTICUT MUNICIPAL REDEVELOPMENT AUTHORITY, THE
REPORTING OF MATERIAL FINANCIAL OBLIGATIONS BY STATE
AGENCIES, TAX-EXEMPT PROCEEDS FUND REFERENCES, AND
THE NOTIFICATION OF THE SALE OR LEASE OF PROJECTS
FINANCED WITH BOND PROCEEDS.***

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

1 Section 1. Section 8-169oo of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) The board of directors of the Connecticut Municipal
4 Redevelopment Authority is authorized from time to time to issue its
5 bonds, notes and other obligations in such principal amounts as in the
6 opinion of the board shall be necessary to provide sufficient funds for
7 carrying out the purposes set forth in section 8-169jj, as amended by this
8 act, including the payment, funding or refunding of the principal of, or
9 interest or redemption premiums on, any bonds, notes and other
10 obligations issued by it, whether the bonds, notes or other obligations
11 or interest to be funded or refunded have or have not become due, the

12 establishment of reserves to secure such bonds, notes and other
13 obligations, loans made by the authority and all other expenditures of
14 the authority incident to and necessary or convenient to carry out the
15 purposes set forth in section 8-169jj, as amended by this act.

16 (b) Every issue of bonds, notes or other obligations shall be a general
17 obligation of the authority payable out of any moneys or revenues of the
18 authority and subject only to any agreements with the holders of
19 particular bonds, notes or other obligations pledging any particular
20 moneys or revenues. Any such bonds, notes or other obligations may be
21 additionally secured by any grant or contributions from any
22 department, agency or instrumentality of the United States or person or
23 a pledge of any moneys, income or revenues of the authority from any
24 source whatsoever.

25 (c) Notwithstanding any other provision of any law, any bonds, notes
26 or other obligations issued by the authority pursuant to this section shall
27 be fully negotiable within the meaning and for all purposes of title 42a.
28 Any such bonds, notes or other obligations shall be legal investments
29 for all trust companies, banks, investment companies, savings banks,
30 building and loan associations, executors, administrators, guardians,
31 conservators, trustees and other fiduciaries and pension, profit-sharing
32 and retirement funds.

33 (d) Bonds, notes or other obligations of the authority shall be
34 authorized by resolution of the board of directors of the authority and
35 may be issued in one or more series and shall bear such date or dates,
36 mature at such time or times, in the case of any such note, or any renewal
37 thereof, not exceeding the term of years as the board shall determine
38 from the date of the original issue of such notes, and, in the case of
39 bonds, not exceeding thirty years from the date thereof, bear interest at
40 such rate or rates, be in such denomination or denominations, be in such
41 form, either coupon or registered, carry such conversion or registration
42 privileges, have such rank or priority, be executed in such manner, be
43 payable from such sources in such medium of payment at such place or
44 places within or without this state, and be subject to such terms of

45 redemption, with or without premium, as such resolution or resolutions
46 may provide.

47 (e) Bonds, notes or other obligations of the authority may be sold at
48 public or private sale at such price or prices as the board shall determine.

49 (f) Bonds, notes or other obligations of the authority may be refunded
50 and renewed from time to time as may be determined by resolution of
51 the board, provided any such refunding or renewal shall be in
52 conformity with any rights of the holders of such bonds, notes or other
53 obligations.

54 (g) [Except as provided in section 8-169qq, bonds] Bonds, notes or
55 other obligations of the authority issued under the provisions of this
56 section shall not be deemed to constitute a debt or liability of the state
57 or of any political subdivision thereof other than the authority, or a
58 pledge of the faith and credit of the state or of any such political
59 subdivision other than the authority, and shall not constitute bonds or
60 notes issued or guaranteed by the state within the meaning of section 3-
61 21, but shall be payable solely from the funds as provided in this section.
62 All such bonds, notes or other obligations shall contain on the face
63 thereof a statement to the effect that, unless otherwise provided by law,
64 neither the state of Connecticut nor any political subdivision thereof
65 other than the authority shall be obligated to pay the same or the interest
66 thereof except from revenues or other funds of the authority and that
67 neither the faith and credit nor the taxing power of the state of
68 Connecticut or of any political subdivision thereof other than the
69 authority is pledged to the payment of the principal of, or the interest
70 on, such bonds, notes or other obligations.

71 (h) Any resolution or resolutions authorizing the issuance of bonds,
72 notes or other obligations may contain provisions, except as limited by
73 existing agreements with the holders of bonds, notes or other
74 obligations, which shall be a part of the contract with the holders
75 thereof, as to the following: (1) The pledging of all or any part of the
76 moneys received by the authority to secure the payment of the principal

77 of and interest on any bonds, notes or other obligations or of any issue
78 thereof; (2) the pledging of all or part of the assets of the authority to
79 secure the payment of the principal of and interest on any bonds, notes
80 or other obligations or of any issue thereof; (3) the establishment of
81 reserves or sinking funds, the making of charges and fees to provide for
82 the same, and the regulation and disposition thereof; (4) limitations on
83 the purpose to which the proceeds of sale of bonds, notes or other
84 obligations may be applied and pledging such proceeds to secure the
85 payment of the bonds, notes or other obligations, or of any issues
86 thereof; (5) limitations on the issuance of additional bonds, notes or
87 other obligations, the terms upon which additional bonds, bond
88 anticipation notes or other obligations may be issued and secured, the
89 refunding or purchase of outstanding bonds, notes or other obligations
90 of the authority; (6) the procedure, if any, by which the terms of any
91 contract with the holders of any bonds, notes or other obligations of the
92 authority may be amended or abrogated, the amount of bonds, notes or
93 other obligations the holders of which must consent thereto and the
94 manner in which such consent may be given; (7) limitations on the
95 amount of moneys to be expended by the authority for operating,
96 administrative or other expenses of the authority; (8) the vesting in a
97 trustee or trustees of such property, rights, powers and duties in trust as
98 the authority may determine, which may include any or all of the rights,
99 powers and duties of any trustee appointed by the holders of any bonds,
100 notes or other obligations and limiting or abrogating the right of the
101 holders of any bonds, notes or other obligations of the authority to
102 appoint a trustee or limiting the rights, powers and duties of such
103 trustee; (9) provision for a trust agreement by and between the authority
104 and a corporate trustee which may be any trust company or bank having
105 the powers of a trust company within or without the state, which
106 agreement may provide for the pledging or assigning of any assets or
107 income from assets to which or in which the authority has any rights or
108 interest, and may further provide for such other rights and remedies
109 exercisable by the trustee as may be proper for the protection of the
110 holders of any bonds, notes or other obligations of the authority and not
111 otherwise in violation of law. Such agreement may provide for the

112 restriction of the rights of any individual holder of bonds, notes or other
113 obligations of the authority. All expenses incurred in carrying out the
114 provisions of such trust agreement may be treated as a part of the cost
115 of operation of the authority. The trust agreement may contain any
116 further provisions which are reasonable to delineate further the
117 respective rights, duties, safeguards, responsibilities and liabilities of
118 the authority, individual and collective holders of bonds, notes and
119 other obligations of the authority and the trustees; (10) covenants to do
120 or refrain from doing such acts and things as may be necessary or
121 convenient or desirable in order to better secure any bonds, notes or
122 other obligations of the authority, or which, in the discretion of the
123 authority, will tend to make any bonds, notes or other obligations to be
124 issued more marketable, notwithstanding that such covenants, acts or
125 things may not be enumerated herein; and (11) any other matters of like
126 or different character, which in any way affect the security or protection
127 of the bonds, notes or other obligations.

128 (i) Any pledge made by the authority of income, revenues or other
129 property shall be valid and binding from the time the pledge is made.
130 The income, revenue, such state taxes as the authority shall be entitled
131 to receive or other property so pledged and thereafter received by the
132 authority shall immediately be subject to the lien of such pledge without
133 any physical delivery thereof or further act, and the lien of any such
134 pledge shall be valid and binding as against all parties having claims of
135 any kind in tort, contract or otherwise against the authority, irrespective
136 of whether such parties have notice thereof.

137 (j) The board of directors of the authority is authorized and
138 empowered to obtain from any department, agency or instrumentality
139 of the United States any insurance or guarantee as to, or of or for the
140 payment or repayment of, interest or principal or both, or any part
141 thereof, on any bonds, notes or other obligations issued by the authority
142 pursuant to the provisions of this section and, notwithstanding any
143 other provisions of sections 8-169ii to 8-169ss, inclusive, to enter into any
144 agreement, contract or any other instrument whatsoever with respect to
145 any such insurance or guarantee except to the extent that such action

146 would in any way impair or interfere with the authority's ability to
147 perform and fulfill the terms of any agreement made with the holders
148 of the bonds, bond anticipation notes or other obligations of the
149 authority.

150 [(k) Neither the members of the board of directors of the authority
151 nor any person executing bonds, notes or other obligations of the
152 authority issued pursuant to this section shall be liable personally on
153 such bonds, notes or other obligations or be subject to any personal
154 liability or accountability by reason of the issuance thereof, nor shall any
155 director, officer or employee of the authority be personally liable for
156 damage or injury caused in the performance of such director, officer or
157 employee's duties and within the scope of employment or appointment
158 as such director, officer or employee, provided the conduct of such
159 director, officer or employee was found not to have been wanton,
160 reckless, wilful or malicious. The authority shall protect, save harmless
161 and indemnify its directors, officers or employees from financial loss
162 and expense, including legal fees and costs, if any, arising out of any
163 claim, demand, suit or judgment by reason of alleged negligence or
164 alleged deprivation of any person's civil rights or any other act or
165 omission resulting in damage or injury, if the director, officer or
166 employee is found to have been acting in the discharge of his or her
167 duties or within the scope of his or her employment and such act or
168 omission is found not to have been wanton, reckless, wilful or
169 malicious.]

170 [(l)] (k) The board of directors of the authority [shall have power to]
171 may purchase bonds, notes or other obligations of the authority out of
172 any funds available for such purpose. The authority may hold, cancel or
173 resell such bonds, notes or other obligations subject to and in accordance
174 with agreements with holders of its bonds, notes and other obligations.

175 [(m)] (l) All moneys received pursuant to the authority of this section,
176 whether as proceeds from the sale of bonds or as revenues, shall be
177 deemed to be trust funds to be held and applied solely as provided in
178 this section. Any officer with whom, or any bank or trust company with

179 which, such moneys shall be deposited shall act as trustee of such
180 moneys and shall hold and apply the same for the purposes of section
181 8-169jj, as amended by this act, and the resolution authorizing the bonds
182 of any issue or the trust agreement securing such bonds may provide.

183 [(n)] (m) Any holder of bonds, notes or other obligations issued under
184 the provisions of this section, and the trustee or trustees under any trust
185 agreement, except to the extent the rights herein given may be restricted
186 by any resolution authorizing the issuance of or any such trust
187 agreement securing such bonds, may, either at law or in equity, by suit,
188 action, mandamus or other proceeding, protect and enforce any and all
189 rights under the laws of the state or granted under this section or under
190 such resolution or trust agreement and may enforce and compel the
191 performance of all duties required by this section or by such resolution
192 or trust agreement to be performed by the authority or by any officer,
193 employee or agent of the authority, including the fixing, charging and
194 collecting of the rates, rents, fees and charges herein authorized and
195 required by the provisions of such resolution or trust agreement to be
196 fixed, established and collected.

197 [(o)] (n) The authority may make representations and agreements for
198 the benefit of the holders of any bonds, notes or other obligations of the
199 state which are necessary or appropriate to ensure the exclusion from
200 gross income for federal income tax purposes of interest on bonds, notes
201 or other obligations of the state from taxation under the Internal
202 Revenue Code of 1986 or any subsequent corresponding internal
203 revenue code of the United States, as amended from time to time,
204 including agreement to pay rebates to the federal government of
205 investment earnings derived from the investment of the proceeds of the
206 bonds, notes or other obligations of the authority. Any such agreement
207 may include: (1) A covenant to pay rebates to the federal government of
208 investment earnings derived from the investment of the proceeds of the
209 bonds, notes or other obligations of the authority; (2) a covenant that the
210 authority will not limit or alter its rebate obligations until its obligations
211 to the holders or owners of such bonds, notes or other obligations are
212 finally met and discharged; and (3) provisions to (A) establish trust and

213 other accounts which may be appropriate to carry out such
214 representations and agreements, (B) retain fiscal agents as depositories
215 for such funds and accounts, and (C) provide that such fiscal agents may
216 act as trustee of such funds and accounts.

217 Sec. 2. Section 8-169qq of the general statutes is repealed and the
218 following is substituted in lieu thereof (*Effective from passage*):

219 [(a) The state shall protect, save harmless and indemnify the
220 directors, officers and employees of the Connecticut Municipal
221 Redevelopment Authority from financial loss and expenses, including
222 legal fees and costs, if any, arising out of any claim, demand, suit or
223 judgment based upon any alleged act or omission of any such director,
224 officer or employee in connection with, or any other legal challenge to,
225 authority development projects within a Connecticut Municipal
226 Redevelopment Authority development district, provided any such
227 director, officer or employee is found to have been acting in the
228 discharge of such director, officer or employee's duties or within the
229 scope of such director, officer or employee's employment and any such
230 act or omission is found not to have been wanton, reckless, wilful or
231 malicious.

232 (b) In the event any bond, note or other obligation of the authority
233 cannot be paid by the authority, the state shall assume the liability of
234 and make payment on such debt.]

235 (a) For the purposes of this section, "required minimum capital
236 reserve" means the maximum amount permitted to be deposited in a
237 special capital reserve fund by the Internal Revenue Code of 1986, or
238 any subsequent corresponding internal revenue code of the United
239 States, as amended from time to time, to permit the interest on the bonds
240 of the Connecticut Municipal Redevelopment Authority secured by
241 such special capital reserve fund to be excluded from gross income for
242 federal tax purposes.

243 (b) The authority may, in connection with the issuance of bonds, the
244 refunding of bonds previously issued by the authority or the issuance

245 of bonds to effect a refinancing or other restructuring with respect to one
246 or more projects, establish one or more special capital reserve funds. The
247 authority may pay into such special capital reserve funds (1) any
248 moneys appropriated and made available by the state for the purposes
249 of such special capital reserve funds, (2) any proceeds of the sale of
250 bonds or notes of the authority, to the extent provided in the resolution
251 of said authority authorizing the issuance of such bonds or notes, and
252 (3) any moneys made available to the authority from any other source
253 for the purposes of such special capital reserve funds. The amount of
254 bonds of the authority secured by special capital reserve funds shall not
255 exceed fifty million dollars in the aggregate.

256 (c) (1) Except as otherwise provided in this section, the moneys held
257 in or credited to any special capital reserve fund established under this
258 section shall be used for:

259 (A) The payment of the principal and interest as such payments
260 become due, whether due at maturity or by mandatory sinking fund
261 installments, on bonds of the authority secured by such special capital
262 reserve fund; or

263 (B) The purchase of such bonds and the payment of any redemption
264 premium required to be paid when such bonds are redeemed prior to
265 maturity, including reimbursement of a provider of bond insurance or
266 of a credit or liquidity facility that has paid such redemption premium.

267 (2) The authority may prohibit, except for the purpose of paying the
268 principal of and interest and redemption premium on bonds of the
269 authority secured by a special capital reserve fund for which other
270 moneys of the authority are not available, the withdrawal of moneys in
271 any special capital reserve fund in an amount that would result in the
272 balance of such special capital reserve fund being less than (A) the
273 maximum amount of principal and interest becoming due by reason of
274 maturity or a required sinking fund installment on the bonds of the
275 authority outstanding in the then current or any succeeding calendar
276 year, or (B) the required minimum capital reserve.

277 (3) The authority may provide at any time that it shall not issue bonds
278 secured by a special capital reserve fund if the required minimum
279 capital reserve on the bonds outstanding and the bonds to be issued and
280 secured by the same special capital reserve fund at the time of issuance
281 exceeds the moneys in the special capital reserve fund, unless the
282 authority deposits proceeds from the bonds to be issued or moneys from
283 other sources into such special capital reserve fund, in an amount that,
284 together with the amount then in such special capital reserve fund, will
285 be not less than the required minimum capital reserve.

286 (d) (1) (A) Prior to December first, annually, the authority shall
287 deposit, for any special capital reserve fund for which the balance is
288 below the required minimum capital reserve, the full amount required
289 to meet the required minimum capital reserve for such special capital
290 reserve fund. Such deposit shall be made from any resources available
291 to the authority not otherwise pledged or dedicated to another purpose.

292 (B) On or prior to December first, annually, but after the authority has
293 made any deposits required under subparagraph (A) of this
294 subdivision, there shall be deemed appropriated from the General Fund
295 any sums necessary to restore the balance of each such special capital
296 reserve fund to the required minimum capital reserve amount. The
297 amount of any such sum shall be allotted and paid to the authority upon
298 the certification of such sum by the chairperson or vice-chairperson of
299 the authority to the Secretary of the Office of Policy and Management,
300 the Treasurer and the joint standing committees of the General
301 Assembly having cognizance of matters relating to planning and
302 development and finance, revenue and bonding.

303 (C) For the purposes of this subdivision, obligations acquired as an
304 investment for any special capital reserve fund shall be valued at
305 amortized cost.

306 (2) Subject to any agreement or agreements with holders of
307 outstanding bonds or notes of the authority, any amount allotted and
308 paid to the authority pursuant to subdivision (1) of this subsection shall

309 be repaid to the state from moneys of the authority, at such time as such
310 moneys are not required for any other corporate purposes of the
311 authority. Such repayment shall occur not later than one year after the
312 date the following liabilities are met and fully discharged by the
313 authority: (A) All bonds and notes of the authority that were issued
314 before, on or after the date such allotted amount was paid to the
315 authority; (B) all interest on such bonds and notes and on any unpaid
316 installments of interest; and (C) all costs and expenses incurred in
317 connection with any action or proceeding by or on behalf of the holders
318 of such bonds or notes.

319 (e) (1) The authority shall not issue bonds secured by a special capital
320 reserve fund until and unless:

321 (A) The authority has determined, and has provided such
322 determination to the Secretary of the Office of Policy and Management
323 or the secretary's deputy and to the Treasurer or the Deputy Treasurer,
324 that the revenues from the project shall be sufficient to (i) pay the
325 principal of and interest on the bonds issued to finance the project, (ii)
326 establish, increase and maintain any reserves deemed advisable by the
327 authority to secure the payment of the principal of and interest on such
328 bonds, (iii) pay the cost of maintaining the project in good repair and
329 properly insured, and (iv) pay such other costs of the project as may be
330 required;

331 (B) The issuance has been approved by the Secretary of the Office of
332 Policy and Management or the secretary's deputy; and

333 (C) The authority has provided the documentation required under
334 subsection (a) of section 1-124 to the Treasurer or the Deputy Treasurer
335 and the issuance has been approved by the Treasurer or the Deputy
336 Treasurer pursuant to said subsection.

337 (2) The approval by the Secretary of the Office of Policy and
338 Management or the secretary's deputy may provide for the waiver or
339 modification of the requirements of this section as the secretary deems
340 necessary or appropriate to effectuate such issuance, subject to any

341 applicable tax covenants of the authority and the state.

342 (f) Nothing in this section shall preclude the authority from
343 establishing other debt service reserve funds that are not special capital
344 reserve funds in connection with the issuance of bonds or notes of the
345 authority.

346 Sec. 3. (NEW) (*Effective from passage*) (a) As used in this section, (1)
347 "person" means any (A) state officer, (B) state agency, department, board
348 or commission, or (C) state employee, or any agent thereof. "Person"
349 includes The University of Connecticut Health Care Finance
350 Corporation, and (2) "financial obligation" has the same meaning as
351 provided in 17 CFR 240.15c2-12, as amended from time to time.

352 (b) (1) Before any person incurs any financial obligation of the state
353 or enters into any agreement to covenants, events of default, remedies,
354 priority rights or other similar terms in connection with a financial
355 obligation of the state, where such financial obligation (A) is in excess of
356 one million dollars, or (B) encumbers property or rights of the state
357 material to the operations of the state, such person shall notify the
358 Treasurer of such proposed financial obligation or agreement and
359 submit any documents pursuant to which such financial obligation is to
360 be incurred or such agreement is to be entered into. No such person shall
361 incur any such financial obligation or enter into any such agreement
362 until such person has received a written acknowledgment pursuant to
363 subdivision (2) of this subsection.

364 (2) Upon receipt of such notification and documents, the Treasurer
365 shall determine whether the information provided is adequate for the
366 Treasurer to timely meet required disclosure obligations under federal
367 securities law. The Treasurer may request additional information the
368 Treasurer deems necessary to make such determination. Upon the
369 Treasurer's satisfaction that adequate information has been provided for
370 the Treasurer to timely meet required disclosure obligations under
371 federal securities law, the Treasurer or the Treasurer's designee shall
372 provide written acknowledgment to the person seeking to incur such

373 financial obligation or enter into such agreement. The Treasurer may
374 establish, and revise from time to time, exemptions from such
375 notification and submission requirements as the Treasurer determines
376 are consistent with the state's disclosure obligations under federal
377 securities law.

378 Sec. 4. Subsection (x) of section 3-20 of the general statutes is repealed
379 and the following is substituted in lieu thereof (*Effective July 1, 2023*):

380 (x) Notwithstanding any provision of the general statutes, public acts
381 or special acts, [upon] any sale, lease or other disposition to or use by a
382 nongovernmental entity of all or a portion of any project financed with
383 proceeds of bonds of the state the interest on which is not included in
384 gross income pursuant to Section 103 of the Internal Revenue Code of
385 1986, or any subsequent corresponding internal revenue code of the
386 United States, as amended from time to time, [amended,] that would
387 otherwise cause such bonds to be treated as private activity bonds
388 within the meaning of Section 141 of said internal revenue code [, the]
389 shall be subject to the prior approval of the Treasurer. The Treasurer is
390 authorized to transfer all or a portion of the proceeds received with
391 respect to and at the time of such disposition or use, in an amount not
392 less than the amount required by said internal revenue code to preserve
393 the exclusion from gross income of interest on such bonds, (1) to the
394 General Fund to pay debt service on, including redemption, defeasance
395 or purchase of, outstanding bonds of the state the interest on which is
396 not included in gross income pursuant to Section 103 of said internal
397 revenue code, (2) with the approval of the State Bond Commission, in
398 lieu of the issuance of bonds, to the appropriate account or fund for any
399 projects or purposes authorized by the State Bond Commission
400 pursuant to a bond act and with the same force and effect as bond
401 proceeds, thereby reducing the authority to issue bonds by such dollar
402 amount, provided in any event that any such transfer does not cause the
403 interest on the subject bonds to become included in gross income
404 pursuant to Section 103 of said internal revenue code.

405 Sec. 5. Subsection (a) of section 3-37 of the general statutes is repealed

406 and the following is substituted in lieu thereof (*Effective July 1, 2023*):

407 (a) The Treasurer shall, annually, on or before December thirty-first,
408 submit a final audited report to the Governor and a copy of such report
409 to the Investment Advisory Council, which shall include the following
410 information concerning the activities of the office of the State Treasurer
411 for the immediately preceding fiscal year ending June thirtieth: (1)
412 Complete financial statements and accompanying footnotes for the
413 combined investment funds prepared in accordance with generally
414 accepted accounting principles, which financial statements shall be
415 audited in accordance with generally accepted auditing standards and
416 supplementary schedules depicting the interests of the component
417 retirement plans and trust funds; (2) complete financial statements and
418 accompanying footnotes for the Short Term Investment Fund prepared
419 in accordance with generally accepted accounting principles and
420 supplementary schedules listing all assets held by the Short Term
421 Investment Fund; (3) a discussion and review of the performance of the
422 combined investment funds and Short Term Investment Fund for such
423 fiscal year in accordance with recognized and appropriate performance
424 presentation and disclosure, including an analysis of the return earned
425 by the portfolio and each combined investment fund as well as the risk
426 profile of the portfolio and each combined investment fund according
427 to investment industry standards; (4) the activities and transactions in
428 such reasonable detail as is appropriate of the cash management
429 division including information on the state's cash receipts and
430 disbursements for the fiscal year, and the debt management division;
431 [including the financial statements of the tax-exempt proceeds fund
432 prepared in accordance with generally accepted accounting principles;]
433 (5) financial statements and accompanying footnotes as well as a
434 summary of operating results for the Second Injury Fund for such fiscal
435 year; (6) a financial summary and report on the activities of the state's
436 unclaimed property program for such fiscal year; (7) a listing of the
437 companies from which state funds were divested based upon such
438 companies' business in Sudan, pursuant to the provisions of section 3-
439 21e, and any companies identified by the Treasurer as companies from

440 which investment of state funds has been declared impermissible by the
441 Treasurer, pursuant to the provisions of section 3-21e; and (8) such other
442 information as the Treasurer deems of interest to the public.

443 Sec. 6. Subsection (q) of section 3-62h of the general statutes is
444 repealed and the following is substituted in lieu thereof (*Effective July 1,*
445 *2023*):

446 (q) Any moneys held by the Treasurer or by a trustee pursuant to an
447 indenture of trust with respect to abandoned property fund bonds
448 including pledged revenues, other pledged receipts, funds or moneys
449 and proceeds from the sale of such abandoned property fund bonds,
450 may, pending the use or application of the proceeds thereof for an
451 authorized purpose, be (1) invested and reinvested in such obligations,
452 securities and investments as are set forth in subsection (f) of section 3-
453 20 [J] and in participation certificates in the Short Term Investment
454 Funds created under sections 3-27a and 3-27f, [and in participation
455 certificates or securities of the Tax-Exempt Proceeds Fund created under
456 section 3-24a] or (2) deposited or redeposited in such bank or banks as
457 shall be provided in the proceedings. Unless the proceedings provide
458 otherwise, proceeds from investments authorized by this subsection,
459 less amounts required under the proceedings authorizing the issuance
460 of abandoned property fund bonds for the payment of Special
461 Abandoned Property Fund financing costs relating to such abandoned
462 property fund bonds, shall be credited to the Special Abandoned
463 Property Fund.

464 Sec. 7. Subsection (d) of section 7-406n of the general statutes is
465 repealed and the following is substituted in lieu thereof (*Effective July 1,*
466 *2023*):

467 (d) Any moneys held by the Treasurer or by a trustee pursuant to an
468 indenture of trust with respect to municipal pension solvency account
469 bonds including pledged revenues, other pledged receipts, funds or
470 moneys and proceeds from the sale of such municipal pension solvency
471 account bonds, may, pending the use or application of such proceeds

472 for an authorized purpose, be (1) invested and reinvested in such
473 obligations, securities and investments as are set forth in subsection (f)
474 of section 3-20 [] and in participation certificates in the Short Term
475 Investment Funds created under sections 3-27a and 3-27f, [and in
476 participation certificates or securities of the Tax-Exempt Proceeds Fund
477 created under section 3-24a,] or (2) deposited or redeposited in such
478 bank or banks as shall be provided in the proceedings authorizing the
479 issuance of municipal pension solvency account bonds. Unless the
480 proceedings provide otherwise, proceeds from investments authorized
481 by this subsection, less amounts required under the proceedings for the
482 payment of municipal pension solvency loan costs relating to such
483 municipal pension solvency account bonds, shall be credited to the
484 municipal pension solvency account.

485 Sec. 8. Subdivision (9) of subsection (b) of section 8-169jj of the general
486 statutes is repealed and the following is substituted in lieu thereof
487 (*Effective July 1, 2023*):

488 (9) Invest any funds not needed for immediate use or disbursement
489 in obligations issued or guaranteed by the United States or the state,
490 including the Short Term Investment Fund, [and the Tax-Exempt
491 Proceeds Fund,] and in other obligations that are legal investments for
492 savings banks in this state, and in-time deposits or certificates of deposit
493 or other similar banking arrangements secured in such manner as the
494 authority determines;

495 Sec. 9. Subsection (b) of section 8-336o of the general statutes is
496 repealed and the following is substituted in lieu thereof (*Effective July 1,*
497 *2023*):

498 (b) Any moneys held in the Housing Trust Fund may, pending the
499 use or application of the proceeds thereof for an authorized purpose, be
500 (1) invested and reinvested in such obligations, securities and
501 investments as are set forth in subsection (f) of section 3-20, in
502 participation certificates in the Short Term Investment Fund created
503 under sections 3-27a and 3-27f, [and in participation certificates or

504 securities of the Tax-Exempt Proceeds Fund created under section 3-
505 24a,] (2) deposited or redeposited in such bank or banks at the direction
506 of the Treasurer, or (3) invested in participation units in the combined
507 investment funds, as defined in section 3-31b. Unless otherwise
508 provided pursuant to subsection (c) of this section, proceeds from
509 investments authorized by this subsection shall be credited to the
510 Housing Trust Fund.

511 Sec. 10. Subsection (b) of section 32-7o of the general statutes is
512 repealed and the following is substituted in lieu thereof (*Effective July 1,*
513 *2023*):

514 (b) Any moneys held in the Connecticut Manufacturing Innovation
515 Fund may, pending the use or application of the proceeds thereof for an
516 authorized purpose, be (1) invested and reinvested in such obligations,
517 securities and investments as are set forth in subsection (f) of section 3-
518 20 [.] and in participation certificates in the Short Term Investment Fund
519 created under sections 3-27a and 3-27f, [and in participation certificates
520 or securities of the Tax-Exempt Proceeds Fund created under section 3-
521 24a,] (2) deposited or redeposited in any bank or banks, at the direction
522 of the Treasurer, or (3) invested in participation units in the combined
523 investment funds, as defined in section 3-31b. Proceeds from
524 investments authorized by this subsection shall be credited to the
525 Connecticut Manufacturing Innovation Fund.

526 Sec. 11. Subdivision (6) of subsection (b) of section 32-602 of the
527 general statutes is repealed and the following is substituted in lieu
528 thereof (*Effective July 1, 2023*):

529 (6) To invest any funds not needed for immediate use or
530 disbursement in obligations issued or guaranteed by the United States
531 of America or the state of Connecticut, including the Short Term
532 Investment Fund, [and the Tax-Exempt Proceeds Fund,] and in other
533 obligations which are legal investments for savings banks in this state
534 and in time deposits or certificates of deposit or other similar banking
535 arrangements secured in such manner as the authority determines;

536 Sec. 12. Section 10-63b of the general statutes is repealed and the
537 following is substituted in lieu thereof (*Effective from passage*):

538 Within thirty days of receipt of an application pursuant to section 10-
539 63a the regional board of education shall call for the appointment of a
540 committee to study issues relating to withdrawal or dissolution. The
541 committee shall consist of the following: One member of the board of
542 education of each town within the district, to be selected by each such
543 board, if any, or if none, an elector to be elected by the legislative body
544 in such town; one member of the board of finance or comparable fiscal
545 body of each town within the district to be selected by each such board
546 or body; two members of the regional board of education, to be selected
547 by such board, no more than one of whom may be a resident of a town
548 making the application for the appointment of the committee; one
549 member to be appointed by the Commissioner of Education, who shall
550 not be a resident of any town within the district; [the State Treasurer or
551 the Treasurer's designee,] and one member to be appointed by the
552 regional board of education, who [shall be] is an expert in municipal
553 bonding and financing and who shall not be a resident of any town
554 within the district. The members shall receive no compensation for their
555 services, but their expenses and those incurred by the regional board in
556 connection with withdrawal or dissolution procedures shall be paid by
557 the towns applying for withdrawal or dissolution. The appointee of the
558 Commissioner of Education shall call the first meeting of the committee,
559 and the committee shall organize and function in accordance with
560 section 10-41.

561 Sec. 13. Subdivision (3) of subsection (a) of section 10-283 of the
562 general statutes is repealed and the following is substituted in lieu
563 thereof (*Effective July 1, 2023*):

564 (3) (A) All final calculations completed by the Department of
565 Administrative Services for school building projects shall include a
566 computation of the state grant for the school building project amortized
567 on a straight line basis over a twenty-year period for school building
568 projects with costs equal to or greater than two million dollars and over

569 a ten-year period for school building projects with costs less than two
570 million dollars. Any town or regional school district which abandons,
571 sells, leases, demolishes or otherwise redirects the use of such a school
572 building project to other than a public school use during such
573 amortization period shall refund to the state the unamortized balance of
574 the state grant remaining as of the date the abandonment, sale, lease,
575 demolition or redirection occurs. The amortization period for a project
576 shall begin on the date the project was accepted as complete by the local
577 or regional board of education. A town or regional school district
578 required to make a refund to the state pursuant to this subdivision may
579 request forgiveness of such refund if the building is redirected for public
580 use. The Department of Administrative Services shall include as an
581 addendum to the annual school construction priority list all those towns
582 requesting forgiveness. General Assembly approval of the priority list
583 containing such request shall constitute approval of such request. This
584 subdivision shall not apply to projects to correct safety, health and other
585 code violations or to remedy certified school indoor air quality
586 emergencies approved pursuant to subsection (b) of this section or
587 projects subject to the provisions of section 10-285c.

588 (B) If the board of governors for an independent institution of higher
589 education, as defined in subsection (a) of section 10a-173, or the
590 equivalent of such a board, on behalf of the independent institution of
591 higher education, that operates an interdistrict magnet school makes
592 private use of any portion of a school building in which such operator
593 received a school building project grant pursuant to this chapter, such
594 operator shall annually submit a report to the Commissioner of
595 Education that demonstrates that such operator provides an equal to or
596 greater than in-kind or supplemental benefit of such institution's
597 facilities to students enrolled in such interdistrict magnet school that
598 outweighs the private use of such school building. If the commissioner
599 finds that the private use of such school building exceeds the in-kind or
600 supplemental benefit to magnet school students, the commissioner may
601 require such institution to refund to the state the unamortized balance
602 of the state grant.

603 [(C) Any moneys refunded to the state pursuant to subparagraphs
604 (A) and (B) of this subdivision shall be deposited in the state's tax-
605 exempt proceeds fund and used not later than sixty days after
606 repayment to pay debt service on, including redemption, defeasance or
607 purchase of, outstanding bonds of the state the interest on which is not
608 included in gross income pursuant to Section 103 of the Internal
609 Revenue Code of 1986, or any subsequent corresponding internal
610 revenue code of the United States, as from time to time amended.]

611 Sec. 14. Subsection (b) of section 22a-260a of the general statutes is
612 repealed and the following is substituted in lieu thereof (*Effective July 1,*
613 *2023*):

614 (b) Wherever the words "Connecticut Resources Recovery Authority"
615 are used in any public or special act of 2014 or in the following sections
616 of the general statutes, the words "Materials Innovation and Recycling
617 Authority" shall be substituted in lieu thereof: 1-79, 1-120, 1-124, 1-125,
618 [3-24d, 3-24f,] 7-329a, 12-412, 12-459, 16-1, 16-245, 16-245b, 22a-208a, 22a-
619 208v, 22a-209h, 22a-219b, 22a-220, 22a-241, 22a-260, 22a-261, 22a-263a,
620 22a-263b, 22a-268a, 22a-268b, 22a-270a, 22a-272a, 22a-282, 22a-283, 22a-
621 284, 32-1e and 32-658.

622 Sec. 15. Subdivision (1) of subsection (a) of section 32-11f of the
623 general statutes is repealed and the following is substituted in lieu
624 thereof (*Effective July 1, 2023*):

625 (a) (1) Wherever the term "Connecticut Development Authority" is
626 used in the following sections of the general statutes, the term
627 "Connecticut Innovations, Incorporated" shall be substituted in lieu
628 thereof: [3-24d, 3-24f,] 3-99d, 8-134, 8-134a, 8-192, 8-192a, 8-240m, 13b-
629 79w, 16-243v, 22a-134, 22a-173, 22a-259, 22a-264, 25-33a, 32-1l, 32-3, 32-
630 4l, 32-6j, 32-9c, 32-9n, 32-9qq, 32-22b, 32-23l, 32-23o, 32-23q, 32-23r, 32-
631 23s, 32-23t, 32-23v, 32-23x, 32-23z, 32-23aa, 32-23qq, 32-23ss, 32-23tt, 32-
632 31a, 32-61, 32-68a, 32-141, 32-222, 32-223, 32-227, 32-244, 32-244a, 32-262,
633 32-263, 32-265, 32-266, 32-285, 32-341, 32-477, 32-500, 32-503, 32-609, 32-
634 761, 32-763 and 32-768.

635 Sec. 16. Sections 3-24a to 3-24h, inclusive, of the general statutes are
 636 repealed. (*Effective July 1, 2023*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	8-169oo
Sec. 2	<i>from passage</i>	8-169qq
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>July 1, 2023</i>	3-20(x)
Sec. 5	<i>July 1, 2023</i>	3-37(a)
Sec. 6	<i>July 1, 2023</i>	3-62h(q)
Sec. 7	<i>July 1, 2023</i>	7-406n(d)
Sec. 8	<i>July 1, 2023</i>	8-169jj(b)(9)
Sec. 9	<i>July 1, 2023</i>	8-336o(b)
Sec. 10	<i>July 1, 2023</i>	32-7o(b)
Sec. 11	<i>July 1, 2023</i>	32-602(b)(6)
Sec. 12	<i>from passage</i>	10-63b
Sec. 13	<i>July 1, 2023</i>	10-283(a)(3)
Sec. 14	<i>July 1, 2023</i>	22a-260a(b)
Sec. 15	<i>July 1, 2023</i>	32-11f(a)(1)
Sec. 16	<i>July 1, 2023</i>	Repealer section

Statement of Purpose:

To (1) amend provisions concerning the bonding authority and liability of the Connecticut Municipal Redevelopment Authority, (2) require state actors to notify the Treasurer of reportable financial obligations and agreements, (3) require the prior approval of the Treasurer for certain transactions, and (4) delete provisions concerning the Tax-Exempt Proceeds Funds.

[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.]