



General Assembly

February Session, 2024

Governor's Bill No. 10

LCO No. 294



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:

Request of the Governor Pursuant to Joint Rule 9

AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE.

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

1 Section 1. (*Effective July 1, 2024*) 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 \$99,100,000.

6 Sec. 2. (*Effective July 1, 2024*) 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 Department of Administrative Services:

16 (1) Reimbursement for environmental remediation at the former
17 Long Lane School in Middletown, in accordance with public act 99-26,
18 not exceeding \$14,100,000;

19 (2) Renovations and improvements for an opportunity center, not
20 exceeding \$1,000,000.

21 (b) For the Department of Labor: Alterations, renovations and
22 improvements to buildings and grounds, including utilities, mechanical
23 systems and energy conservation projects, not exceeding \$500,000.

24 (c) For The University of Connecticut:

25 (1) Deferred maintenance, code compliance and infrastructure
26 improvements, not exceeding \$25,000,000;

27 (2) Alterations, renovations and improvements to athletic and
28 recreation facilities, not exceeding \$8,500,000;

29 (3) Building Code repairs and renovations to the Gant Science
30 Complex at the Storrs campus, not exceeding \$20,000,000;

31 (4) Design and engineering of a new life science building at the Storrs
32 campus, not exceeding \$25,000,000.

33 (d) For the Department of Corrections: Alterations, renovations and
34 improvements to the Manson Youth Institution in Cheshire, not
35 exceeding \$5,000,000.

36 Sec. 3. (*Effective July 1, 2024*) All provisions of section 3-20 of the
37 general statutes or the exercise of any right or power granted thereby
38 which are not inconsistent with the provisions of sections 1 to 7,
39 inclusive, of this act are hereby adopted and shall apply to all bonds
40 authorized by the State Bond Commission pursuant to sections 1 to 7,
41 inclusive, of this act and temporary notes issued in anticipation of the
42 money to be derived from the sale of any such bonds so authorized may

43 be issued in accordance with said section 3-20 and from time to time
44 renewed. Such bonds shall mature at such time or times not exceeding
45 twenty years from their respective dates as may be provided in or
46 pursuant to the resolution or resolutions of the State Bond Commission
47 authorizing such bonds.

48 Sec. 4. (*Effective July 1, 2024*) None of the bonds described in sections
49 1 to 7, inclusive, of this act shall be authorized except upon a finding by
50 the State Bond Commission that there has been filed with it a request for
51 such authorization, which is signed by the Secretary of the Office of
52 Policy and Management or by or on behalf of such state officer,
53 department or agency and stating such terms and conditions as said
54 commission, in its discretion, may require.

55 Sec. 5. (*Effective July 1, 2024*) For the purposes of sections 1 to 7,
56 inclusive, of this act, "state moneys" means the proceeds of the sale of
57 bonds authorized pursuant to said sections 1 to 7, inclusive, or of
58 temporary notes issued in anticipation of the moneys to be derived from
59 the sale of such bonds. Each request filed as provided in section 4 of this
60 act for an authorization of bonds shall identify the project for which the
61 proceeds of the sale of such bonds are to be used and expended and, in
62 addition to any terms and conditions required pursuant to said section
63 4, shall include the recommendation of the person signing such request
64 as to the extent to which federal, private or other moneys then available
65 or thereafter to be made available for costs in connection with any such
66 project should be added to the state moneys available or becoming
67 available hereunder for such project. If the request includes a
68 recommendation that some amount of such federal, private or other
69 moneys should be added to such state moneys, then, if and to the extent
70 directed by the State Bond Commission at the time of authorization of
71 such bonds, such amount of such federal, private or other moneys then
72 available, or thereafter to be made available for costs in connection with
73 such project, may be added to any state moneys available or becoming
74 available hereunder for such project and shall be used for such project.
75 Any other federal, private or other moneys then available or thereafter
76 to be made available for costs in connection with such project shall,

77 upon receipt, be used by the State Treasurer, in conformity with
78 applicable federal and state law, to meet the principal of outstanding
79 bonds issued pursuant to sections 1 to 7, inclusive, of this act, or to meet
80 the principal of temporary notes issued in anticipation of the money to
81 be derived from the sale of bonds theretofore authorized pursuant to
82 said sections 1 to 7, inclusive, for the purpose of financing such costs,
83 either by purchase or redemption and cancellation of such bonds or
84 notes or by payment thereof at maturity. Whenever any of the federal,
85 private or other moneys so received with respect to such project are used
86 to meet the principal of such temporary notes or whenever principal of
87 any such temporary notes is retired by application of revenue receipts
88 of the state, the amount of bonds theretofore authorized in anticipation
89 of which such temporary notes were issued, and the aggregate amount
90 of bonds which may be authorized pursuant to section 1 of this act, shall
91 each be reduced by the amount of the principal so met or retired.
92 Pending use of the federal, private or other moneys so received to meet
93 principal as hereinabove directed, the amount thereof may be invested
94 by the State Treasurer in bonds or obligations of, or guaranteed by, the
95 state or the United States or agencies or instrumentalities of the United
96 States, shall be deemed to be part of the debt retirement funds of the
97 state, and net earnings on such investments shall be used in the same
98 manner as the moneys so invested.

99 Sec. 6. (*Effective July 1, 2024*) Any balance of proceeds of the sale of
100 said bonds authorized for any project described in section 2 of this act
101 in excess of the cost of such project may be used to complete any other
102 project described in said section 2, if the State Bond Commission shall
103 so determine and direct. Any balance of proceeds of the sale of said
104 bonds in excess of the costs of all the projects described in said section 2
105 shall be deposited to the credit of the General Fund.

106 Sec. 7. (*Effective July 1, 2024*) The bonds issued pursuant to this section
107 and sections 1 to 6, inclusive, of this act shall be general obligations of
108 the state and the full faith and credit of the state of Connecticut are
109 pledged for the payment of the principal of and interest on said bonds
110 as the same become due, and accordingly and as part of the contract of

111 the state with the holders of said bonds, appropriation of all amounts
112 necessary for punctual payment of such principal and interest is hereby
113 made, and the State Treasurer shall pay such principal and interest as
114 the same become due.

115 Sec. 8. Subsection (a) of section 10a-109d of the 2024 supplement to
116 the general statutes is repealed and the following is substituted in lieu
117 thereof (*Effective from passage*):

118 (a) In order for the university to construct and issue securities for
119 UConn 2000 and to otherwise carry out its responsibilities and
120 requirements under sections 10a-109a to 10a-109y, inclusive, the
121 university shall have the following powers, which powers shall be
122 independent of and in addition to any other powers of the university
123 under state law:

124 (1) To have perpetual succession as a body politic and corporate and
125 an instrumentality and agency of the state pursuant to section 10a-109v;

126 (2) To adopt and have an official seal and alter it at pleasure;

127 (3) To contract and be contracted with, sue, be indemnified, insure its
128 assets, activities or actions or be a self-insurer and institute, prosecute,
129 maintain and defend any action or proceeding in any court or before
130 any agency or tribunal of competent jurisdiction;

131 (4) To indemnify and be sued, solely pursuant to subsection (a) of
132 section 10a-109o;

133 (5) To retain by contract or employ architects, accountants, engineers,
134 legal and securities counsel in accordance with the provisions of
135 subparagraph (F) of subdivision (4) of subsection (e) of section 10a-109n,
136 and other professional and technical consultants and advisers; provided
137 the university shall continue to be subject to audit, including its
138 operations under sections 10a-109a to 10a-109y, inclusive, pursuant to
139 section 2-90, and provided further, financial advisers, underwriters,
140 counsel, trustee, if any, and other financial consultants retained in

141 connection with the offering and sale of securities shall be selected in
142 consultation with the university, in the same manner as for state general
143 obligation bonds;

144 (6) To plan, design, acquire, construct, build, enlarge, alter,
145 reconstruct, renovate, improve, equip, own, operate, maintain, dispose
146 of and demolish any project or projects, or any combination of projects,
147 including without limitation any contract in furtherance of UConn 2000,
148 notwithstanding the provisions of subsections (b) and (c) of section 10a-
149 105 or any other provisions of the general statutes regarding the powers
150 of the university to undertake capital projects and purchase personal
151 property;

152 (7) To acquire by purchase, contract, lease, long-term lease or gift, and
153 hold or dispose of, real or personal property or rights or interests in any
154 such property and to hold, sell, assign, lease, rent, encumber, other than
155 by mortgage, or otherwise dispose of any real or personal property, or
156 any interest therein, owned by the university or in its control, custody
157 or possession in accordance with section 10a-109n;

158 (8) To receive and accept grants, subsidies or loans of money from the
159 federal government or a federal agency or instrumentality, the state or
160 others, upon such terms and conditions as may be imposed, and to
161 pledge the proceeds of grants, subsidies or loans of money received or
162 to be received from the federal government or any federal agency or
163 instrumentality, the state or others, pursuant to agreements entered into
164 between the university and the federal government or any federal
165 agency or instrumentality, the state or others, provided (A) such
166 property shall be deemed property of the state for purposes of sections
167 4a-19 and 4a-20, and (B) the university may insure its property
168 independent of the state;

169 (9) Notwithstanding the provisions of section 10a-150, to receive and
170 accept aid or contributions, from any source, of money, property, labor
171 or other things of value, to be held, used and applied to carry out the
172 purposes of sections 10a-109a to 10a-109y, inclusive, subject to the

173 conditions upon which such aid or contributions may be made,
174 including, but not limited to, gifts or grants from any department or
175 agency of the United States or the state for any purpose consistent with
176 said sections;

177 (10) To borrow money and issue securities to finance the acquisition,
178 construction, reconstruction, improvement or equipping of any one
179 project, or more than one, or any combination of projects, or to refund
180 securities issued after June 7, 1995, or to refund any such refunding
181 securities or for any one, or more than one, or all of those purposes, or
182 any combination of those purposes, and to provide for the security and
183 payment of those securities and for the rights of the holders of them,
184 except that the amount of any such borrowing, the special debt service
185 requirements for which are secured by the state debt service
186 commitment, exclusive of the amount of borrowing to refund securities,
187 or to fund issuance costs or necessary reserves, may not exceed the
188 aggregate principal amount of (A) for the fiscal years ending June 30,
189 1996, to June 30, 2005, inclusive, one billion thirty million dollars, (B) for
190 the fiscal years ending June 30, 2006, to June 30, 2027, inclusive, [~~three~~
191 billion two hundred eighty-three million] three billion two hundred
192 ninety-five million nine hundred thousand dollars, and (C) such
193 additional amount or amounts: (i) Required from time to time to fund
194 any special capital reserve fund or other debt service reserve fund in
195 accordance with the financing transaction proceedings, and (ii) to pay
196 or provide for the costs of issuance and capitalized interest, if any; the
197 aggregate amounts of subparagraphs (A), (B) and (C) of this subdivision
198 are established as the authorized funding amount, and no borrowing
199 within the authorized funding amount for a project or projects may be
200 effected unless the project or projects are included in accordance with
201 subsection (a) of section 10a-109e;

202 (11) To make, enter into, execute, deliver and amend any and all
203 contracts, including, but not limited to, total cost basis contracts,
204 agreements, leases, instruments and documents and perform all acts
205 and do all things necessary or convenient to plan, design, acquire,
206 construct, build, enlarge, alter, reconstruct, renovate, improve, equip,

207 finance, maintain and operate projects and to carry out the powers
208 granted by sections 10a-109a to 10a-109y, inclusive, or reasonably
209 implied from those powers;

210 (12) Notwithstanding any provision of the general statutes to the
211 contrary, including without limitation subsection (a) of section 10a-105,
212 to fix and collect fees, tuition, charges, rentals and other charges for
213 enrollment and attendance at the university and for the use of projects
214 or any part thereof, provided that no tuition or student fee revenue shall
215 be used for repairs performed solely to correct code violations that were
216 applicable at the time of project completion and were for named projects
217 pursuant to section 10a-109e completed prior to January 1, 2007; to
218 provide for the promulgation of such reasonable and proper policies
219 and procedures as may be necessary to assure the maximum use of the
220 facilities of any projects at all times; and

221 (13) Notwithstanding the provisions of subsection (b) of section 10a-
222 105, to provide for or confirm the establishment of various funds and
223 accounts respecting university operations, bond proceeds and special
224 debt service requirements for securities issued, renewal and
225 replacement and insurance, special capital reserve and operating
226 reserve, special external gifts, pending receipts, assured revenues,
227 project revenues to the extent not otherwise pledged and securing
228 outstanding general obligation bonds of the state or other revenues and
229 other funds or accounts as may be more particularly required under this
230 subdivision and the indentures of trust or resolutions authorizing
231 securities and to provide, subject to section 10a-109q and the provisions
232 of such indentures or resolutions for the following to be deposited
233 therein, as follows:

234 (A) All proceeds received from the sale of all securities;

235 (B) All fees, tuition, rentals and other charges from students, faculty,
236 staff members and others using or being served by, or having the right
237 to use or the right to be served by the university or any project;

238 (C) All fees for student activities, student services and all other fees,

239 tuition and charges collected from students matriculated, registered or
240 otherwise enrolled at and attending the university, pledged under the
241 terms of financing transaction proceedings;

242 (D) All rentals from any facility or building leased to the federal
243 government or any other third party;

244 (E) Federal and state grants, gifts, state appropriations and special
245 external gift funds;

246 (F) All other assured revenues; and

247 (G) Project revenues.

248 Sec. 9. Subsection (a) of section 10a-109g of the 2024 supplement to
249 the general statutes is repealed and the following is substituted in lieu
250 thereof (*Effective from passage*):

251 (a) (1) The university is authorized to provide by resolution, at one
252 time or from time to time, for the issuance and sale of securities, in its
253 own name on behalf of the state, pursuant to section 10a-109f. The board
254 of trustees of the university is hereby authorized by such resolution to
255 delegate to its finance committee such matters as it may determine
256 appropriate other than the authorization and maximum amount of the
257 securities to be issued, the nature of the obligation of the securities as
258 established pursuant to subsection (c) of this section and the projects for
259 which the proceeds are to be used. The finance committee may act on
260 such matters unless and until the board of trustees elects to reassume
261 the same. The amount of securities the special debt service requirements
262 of which are secured by the state debt service commitment that the
263 board of trustees is authorized to provide for the issuance and sale in
264 accordance with this subsection shall be capped in each fiscal year in the
265 following amounts, provided, to the extent the board of trustees does
266 not provide for the issuance of all or a portion of such amount in a fiscal
267 year, all or such portion, as the case may be, may be carried forward to
268 any succeeding fiscal year and provided further, the actual amount for
269 funding, paying or providing for the items described in subparagraph

270 (C) of subdivision (10) of subsection (a) of section 10a-109d, as amended
 271 by this act, may be added to the capped amount in each fiscal year:

| T1 | Fiscal Year | Amount |
|-----|-------------|--------------------------------|
| T2 | | |
| T3 | 1996 | \$112,542,000 |
| T4 | 1997 | 112,001,000 |
| T5 | 1998 | 93,146,000 |
| T6 | 1999 | 64,311,000 |
| T7 | 2000 | 130,000,000 |
| T8 | 2001 | 100,000,000 |
| T9 | 2002 | 100,000,000 |
| T10 | 2003 | 100,000,000 |
| T11 | 2004 | 100,000,000 |
| T12 | 2005 | 100,000,000 |
| T13 | 2006 | 79,000,000 |
| T14 | 2007 | 89,000,000 |
| T15 | 2008 | 115,000,000 |
| T16 | 2009 | 140,000,000 |
| T17 | 2010 | 0 |
| T18 | 2011 | 138,800,000 |
| T19 | 2012 | 157,200,000 |
| T20 | 2013 | 143,000,000 |
| T21 | 2014 | 204,400,000 |
| T22 | 2015 | 315,500,000 |
| T23 | 2016 | 312,100,000 |
| T24 | 2017 | 240,400,000 |
| T25 | 2018 | 200,000,000 |
| T26 | 2019 | 200,000,000 |
| T27 | 2020 | 197,200,000 |
| T28 | 2021 | 260,000,000 |
| T29 | 2022 | 215,500,000 |
| T30 | 2023 | 125,100,000 |
| T31 | 2024 | 84,700,000 |
| T32 | 2025 | [44,000,000] <u>56,000,000</u> |

| | | |
|-----|------|------------|
| T33 | 2026 | 14,000,000 |
| T34 | 2027 | 9,000,000 |

272 (2) Subject to amount limitations of such capping provisions in
273 subdivision (1) of this subsection and following approval of such
274 resolution as provided in subsection (b) of section 10a-109f, the principal
275 amount of the securities authorized therein for such project or projects
276 shall be deemed to be an appropriation and allocation of such amount
277 for such project or projects, respectively, and such approval by the
278 Governor of such resolution shall be deemed the allotment by the
279 Governor of such capital outlays within the meaning of section 4-85 and
280 the university (A) may award a contract or contracts and incur an
281 obligation or obligations with respect to each such project or projects
282 authorized pursuant to and within the amount authorized in such
283 resolution, notwithstanding that such contract or obligation may at any
284 particular time exceed the amount of the proceeds from the sale of
285 securities theretofore received by the university, and (B) may issue and
286 sell securities respecting such contracts or obligations referred to in
287 subparagraph (A) only at such time or times as shall be needed to have
288 the proceeds thereof available to pay requisitions expected thereunder
289 within the year following issuance of such securities and to provide for
290 costs of UConn 2000 of not more than twenty per cent in excess and
291 regardless of such anticipated cash expenditure requirements but
292 subject to section 10a-109q, provided the amount needed for funding,
293 paying or providing for the items described in subparagraph (B) of
294 subdivision (10) of subsection (a) of section 10a-109d, as amended by
295 this act, may be added to the amount of securities so issued.

296 Sec. 10. Subsection (b) of section 17a-250 of the 2024 supplement to
297 the general statutes is repealed and the following is substituted in lieu
298 thereof (*Effective from passage*):

299 (b) The proceeds of the sale of such bonds, to the extent of the amount
300 stated in subsection (a) of this section, shall be used by the
301 Commissioner of [Developmental Services] Housing for the grant-in-
302 aid program established pursuant to section 17a-249, for supportive

303 housing for persons with an intellectual disability or other
304 developmental disabilities, including, but not limited to, autism
305 spectrum disorder.

306 Sec. 11. Subsection (c) of section 397 of public act 17-2 of the June
307 special session is amended to read as follows (*Effective from passage*):

308 (c) For the Military Department: Acquisition of property for
309 development of readiness centers, [in Litchfield county,] not exceeding
310 \$2,000,000.

311 Sec. 12. Subdivision (4) of subsection (a) of section 13 of public act 23-
312 205 is amended to read as follows (*Effective from passage*):

313 (4) Grants-in-aid for the development of an advanced manufacturing
314 facility in the Hartford region, not exceeding \$15,000,000;

315 Sec. 13. Section 20 of public act 23-205 is amended to read as follows
316 (*Effective July 1, 2024*):

317 The State Bond Commission shall have power, in accordance with the
318 provisions of this section and sections 21 to 26, inclusive, of [this act]
319 public act 23-205, from time to time to authorize the issuance of bonds
320 of the state in one or more series and in principal amounts in the
321 aggregate not exceeding [\$520,345,000] \$535,345,000.

322 Sec. 14. Subsection (a) of section 21 of public act 23-205 is amended to
323 read as follows (*Effective July 1, 2024*):

324 (a) For the Office of Policy and Management: For an information
325 technology capital investment program, not exceeding [\$65,000,000]
326 \$80,000,000.

327 Sec. 15. Section 31 of public act 23-205 is amended to read as follows
328 (*Effective July 1, 2024*):

329 The State Bond Commission shall have power, in accordance with the
330 provisions of this section and sections 32 to 38, inclusive, of [this act]

331 public act 23-205, from time to time to authorize the issuance of bonds
332 of the state in one or more series and in principal amounts in the
333 aggregate, not exceeding ~~[\$306,000,000]~~ \$311,000,000.

334 Sec. 16. Subdivision (6) of subsection (b) of section 32 of public act 23-
335 205 is amended to read as follows (*Effective July 1, 2024*):

336 (6) Microgrid and resilience grant and loan pilot program, not
337 exceeding ~~[\$25,000,000]~~ \$30,000,000;

338 Sec. 17. Section 45 of public act 23-205 is amended to read as follows
339 (*Effective July 1, 2024*):

340 The State Bond Commission shall have power, in accordance with the
341 provisions of this section and sections 46 to 50, inclusive, of ~~[this act]~~
342 public act 23-205, from time to time to authorize the issuance of special
343 tax obligation bonds of the state in one or more series and in principal
344 amounts in the aggregate, not exceeding ~~[\$1,530,772,000]~~ \$1,632,272,000.

345 Sec. 18. Subdivision (4) of subsection (a) of section 46 of public act 23-
346 205 is amended to read as follows (*Effective July 1, 2024*):

347 (4) Environmental compliance, soil and groundwater remediation,
348 hazardous materials abatement, demolition, salt shed construction and
349 renovation, storage tank replacement and environmental emergency
350 response at or in the vicinity of state-owned properties or related to
351 Department of Transportation operations, not exceeding ~~[\$17,065,000]~~
352 \$18,565,000;

353 Sec. 19. Subdivision (7) of subsection (a) of section 46 of public act 23-
354 205 is amended to read as follows (*Effective July 1, 2024*):

355 (7) Fix-it-First program to repair the state's bridges, not exceeding
356 ~~[\$62,250,000]~~ \$162,250,000;

| | | |
|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2024</i> | New section |

| | | |
|---------|---------------------|--|
| Sec. 2 | <i>July 1, 2024</i> | New section |
| Sec. 3 | <i>July 1, 2024</i> | New section |
| Sec. 4 | <i>July 1, 2024</i> | New section |
| Sec. 5 | <i>July 1, 2024</i> | New section |
| Sec. 6 | <i>July 1, 2024</i> | New section |
| Sec. 7 | <i>July 1, 2024</i> | New section |
| Sec. 8 | <i>from passage</i> | 10a-109d(a) |
| Sec. 9 | <i>from passage</i> | 10a-109g(a) |
| Sec. 10 | <i>from passage</i> | 17a-250(b) |
| Sec. 11 | <i>from passage</i> | PA 17-2 of the June Sp. Sess., Sec. 397(c) |
| Sec. 12 | <i>from passage</i> | PA 23-205, Sec. 13(a)(4) |
| Sec. 13 | <i>July 1, 2024</i> | PA 23-205, Sec. 20 |
| Sec. 14 | <i>July 1, 2024</i> | PA 23-205, Sec. 21(a) |
| Sec. 15 | <i>July 1, 2024</i> | PA 23-205, Sec. 31 |
| Sec. 16 | <i>July 1, 2024</i> | PA 23-205, Sec. 32(b)(6) |
| Sec. 17 | <i>July 1, 2024</i> | PA 23-205, Sec. 45 |
| Sec. 18 | <i>July 1, 2024</i> | PA 23-205, Sec. 46(a)(4) |
| Sec. 19 | <i>July 1, 2024</i> | PA 23-205, Sec. 46(a)(7) |

Statement of Purpose:

To implement the Governor's budget recommendations.

[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.]