

## PART IV. CAPITAL BUDGET

### Summary

PA 22-118, the 2023 budget and bond revision increases General Obligation (GO) bond authorizations by a net \$237.5 million in FY 23. When combined with prior GO authorizations becoming effective in FY 23, total net effective GO bond authorizations are \$2.1 billion for FY 23.

The bond act authorizes an additional \$20 million of Special Tax Obligation (STO) bonds, backed by the Special Transportation Fund, in FY 23. When combined with prior STO authorizations becoming effective in FY 23, total net effective GO bond authorizations are \$949.6 million for FY 23.

**Table 1** FY 23 Changes to GO and STO Bond Authorizations  
In Millions of Dollars

Description	FY 23 \$
General Obligation (GO) Bonds	
New/Increased Authorizations	660.60
Reductions to Prior FY 23 Authorizations	-185.0
Reductions to Current Authorizations	-238.1
<b>NET NEW GO BONDS</b>	<b>237.5</b>
Prior Authorizations	1,901.2
<b>NET EFFECTIVE AUTHORIZATIONS</b>	<b>2,138.7</b>
Special Tax Obligation (STO) Bonds	
New Authorizations	20.0
Prior Authorizations	929.6
<b>NET TOTAL STO BONDS</b>	<b>949.6</b>

### Statutory Debt Limit

The state's level of General Fund indebtedness to start FY 23 was \$24.2 billion, as estimated by the Treasurer on July 1, 2022. Based on revenue estimates adopted by the Finance, Revenue and Bonding committee during the 2022 regular legislative session, the level of indebtedness, including the changes in the bond act is 75.31% of the statutory limit. This is approximately \$4,713.1 million below the 90% threshold.

If the 90% level is reached, a trigger provision in CGS Sec. 2-27b would require the Governor to review each bond authorization for which no obligations have yet been incurred and recommend priorities for repealing them to the Finance, Revenue and Bonding Committee. The committee would consider the recommendations and propose whatever legislation it concluded was necessary to repeal any of the authorizations.

The Certificate of State Indebtedness issued by the Office of the State Treasurer on July 1, 2022 indicated the following:

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**Table 2** Indebtedness After Adoption of Bond Act

In Dollars

Certificate of State Indebtedness	Amount
FY 23 limit on General Obligation bonds	32,075,200,000
FY 23 net General Obligation bond indebtedness	24,154,618,228
<b>FY 23 net indebtedness as a percent of debt limit</b>	<b>75.31%</b>
<b>Capacity remaining before 90% threshold</b>	<b>4,713,061,772</b>

The table below shows the level of state indebtedness between FY 01 and FY 21.

**Table 3** State Debt Limitation from FY 01 to FY 21

In Thousands of Dollars

Fiscal Year	Statutory Debt Limitation \$	Aggregate Indebtedness (Adjusted) \$	Debt Incurring Margin \$	Indebtedness as % of Debt Limitation
2002	14,006,720	11,599,614	2,407,106	82.8%
2003 <sup>1</sup>	13,116,000	11,805,771	1,310,229	90.0%
2004 <sup>1</sup>	13,116,000	11,796,826	1,319,174	89.9%
2005 <sup>2</sup>	15,105,760	12,868,871	2,236,889	85.2%
2006	16,728,640	13,230,649	3,497,991	79.1%
2007	17,411,520	13,919,490	3,492,030	79.9%
2008	19,925,120	14,702,079	5,223,041	73.8%
2009	20,753,760	15,384,452	5,369,308	74.1%
2010	17,484,160	15,574,796	1,909,364	89.1%
2011	17,477,440	15,108,155	2,369,285	86.4%
2012	22,430,560	15,736,430	6,694,130	70.2%
2013	23,408,800	17,314,059	6,094,741	74.0%
2014 <sup>2</sup>	22,934,400	18,969,159	3,965,241	82.7%
2015	23,865,440	20,692,332	3,173,108	86.7%
2016	25,138,504	21,520,230	3,618,274	85.6%
2017	24,831,840	21,866,033	2,945,806	88.1%
2018 <sup>3</sup>	24,879,040	21,908,851	2,970,188	88.1%
2019	25,379,680	22,671,401	2,708,278	89.3%
2020 <sup>4</sup>	27,253,440	21,654,201	5,599,239	79.5%
2021 <sup>5</sup>	27,850,720	23,386,790	4,463,930	84.0%
2022	28,615,560	23,743,796	4,871,764	83.0%

<sup>1</sup>The revenue estimates used in FY 03 and FY 04 were provided by the Office of Policy and Management because the legislature did not adopt revised FY 03 estimates.

<sup>2</sup>The FY 05 figure is based on revised revenue estimates adopted by the Finance, Revenue and Bonding Committee on June 28, 2004. The FY 14 figure is based on revised revenue estimates adopted on June 21, 2013.

<sup>3</sup>The FY 18 figure is based on revenue estimates adopted on October 25, 2017.

<sup>4</sup>The FY 20 figures are based on authorizations adopted as of July 1, 2019. The FY 20 - FY 21 bond package was not adopted until March 2020.

<sup>5</sup>The revenue estimate used in FY 21 were adopted by the Finance, Revenue and Bonding Committee on June 3, 2019.

**Table 4** New General Obligation (GO) Bond Authorizations, by Agency  
In Dollars

PA 22-118 Sec.	Agency/Program	FY 23 \$
<b>Connecticut Agricultural Experiment Station</b>		
307(c)(1)	Renovations and improvements to greenhouses at the Jenkins Laboratory	800,000
307(c)(2)	Construction and equipment for additions and renovations to the Valley Laboratory in Windsor	8,000,000
<b>Capital Region Development Authority</b>		
314(h)	Grants-in-aid for the purpose of encouraging development as provided in section 32-602 of the general statutes	50,000,000
<b>Connecticut State Colleges and Universities</b>		
358	For the purpose of constructing, improving or equipping child care centers on or near college and university campuses, including, but not limited to, payment of associated costs for architectural, engineering or demolition services	10,000,000
<b>Department of Administrative Services</b>		
360	Grants-in-aid for school air quality improvements including, but not limited to, upgrades to, replacement of or installation of heating, ventilation and air conditioning equipment, provided not more than fifty million dollars of such proceeds may be used to provide reimbursements for such improvements that were completed not earlier than March 1, 2020, and not later than July 1, 2022	75,000,000
<b>Department of Agriculture</b>		
314(c)(1)	Grants-in-aid for farmland restoration and climate resiliency	7,000,000
314(c)(2)	Grants-in-aid to food resource organizations for capital improvements	10,000,000
<b>Department of Economic and Community Development</b>		
314(e)	Grants-in-aid to nonprofit organizations sponsoring cultural and historic sites, including the Naugatuck Railroad for the design and construction of a handicap-accessible platform at the Waterbury stop of the Naugatuck rail line	100,000
361	For the purposes of carrying out the duties of the Office of Community Economic Development Assistance under subsection (b) of this section and the grant program under subsection (c) of this section	50,000,000
<b>Department of Education</b>		
314(f)	Grants-in-aid to regional educational service centers for capital expenses at interdistrict magnet schools, not exceeding \$20,000,000, provided not more than \$10,000,000 shall be used for grants-in-aid to the Capital Region Education Council	20,000,000
<b>Department of Emergency Services and Public Protection</b>		
314(b)	Grant-in-aid to the North Branford Police Department	4,500,000
<b>Department of Energy and Environmental Protection</b>		
314(d)(1)	Grants-in-aid to provide matching funds necessary for municipalities, school districts and school bus operators to submit federal grant applications in order to maximize federal funding for the purchase or lease of zero-emission school buses and electric vehicle charging or fueling infrastructure	20,000,000
314(d)(2)	Grants-in-aid for landfills, including the Hartford landfill	5,000,000
<b>Department of Housing</b>		
359	For (1) the purpose of developing housing for health care workers, including, but not limited to, land acquisition, project design and costs of construction, in collaboration with the Chief Workforce Officer, and (2) costs associated with the provisions of subsection (d) of this section	20,000,000

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PA 22-118 Sec.	Agency/Program	FY 23 \$
<b>Office of Early Childhood</b>		
314(g)	Grants-in-aid for constructing, improving or equipping child care centers, including, but not limited to, payment of associated costs for architectural, engineering or demolition services related to infant and toddler pilot program	5,000,000
<b>Office of Legislative Management</b>		
307(a)	Alterations, renovations, improvements and technology upgrades at the State Capitol Complex	2,000,000
<b>Office of Policy and Management</b>		
307(b)	State matching funds for projects and programs allowed under the Infrastructure Investment and Jobs Act	75,000,000
314(a)(1)	Grants-in-aid for long-term acute care hospitals accredited by the Commission on Accreditation of Rehabilitation Facilities for electronic medical record systems	4,500,000
314(a)(2)	Grants-in-aid to acute care hospitals licensed under chapter 368v of the general statutes for construction of facilities for adult, inpatient psychiatric beds	5,000,000
<b>The University of Connecticut Health Center</b>		
307(d)	Deferred maintenance, code compliance and infrastructure improvements	40,000,000

**Table 5** Prior and Amended FY 23 GO Bond Authorizations  
In Dollars

PA 21-111*	PA 22-118	Agency/Program	FY 23 \$	Change \$	Net FY 23 \$
<b>Connecticut Port Authority</b>					
102		Grants-in-aid for improvements to ports, harbors and marinas, including dredging and navigational improvements	5,000,000	-	5,000,000
<b>Connecticut State Colleges and Universities</b>					
21(i)(3)		Advanced manufacturing and emerging technology programs	3,075,000	-	3,075,000
21(i)(1)		All state colleges and universities: New and replacement of instruction, research and laboratory equipment	22,000,000	-	22,000,000
21(i)(4)		Deferred maintenance, code compliance and infrastructure improvements - Community Colleges	20,000,000	-	20,000,000
21(i)(5)		Deferred maintenance, code compliance and infrastructure improvements - Universities	20,000,000	-	20,000,000
21(i)(7)		Manufacturing Education Fund	2,500,000	-	2,500,000
21(i)(6)		Security improvements	2,500,000	-	2,500,000
21(i)(2)		System telecommunications infrastructure upgrades, improvements and expansions	9,000,000	-	9,000,000
<b>Connecticut Innovations, Inc.</b>					
Prior		Connecticut Bioscience Innovation Fund	25,000,000	-	25,000,000

PA 21-111*	PA 22-118	Agency/Program	FY 23 \$	Change \$	Net FY 23 \$
<b>CT Next</b>					
92		CT Next - sSB 1094, Plus Economic Feasibility Study	13,500,000	-	13,500,000
<b>Department of Administrative Services</b>					
21(b)(2)		Asbestos Removal Program - Removal or encapsulation of asbestos in state-owned buildings	10,000,000	-	10,000,000
21(b)(3)		Capital construction, improvements, repairs, renovations and land acquisition at Fire Training Schools	5,000,000	-	5,000,000
21(b)(1)		Infrastructure repairs and improvements at state-occupied facilities	5,000,000	-	5,000,000
57*	334	School building projects	550,000,000	(100,000,000)	450,000,000
<b>Department of Correction</b>					
21(j)	354	Alterations, renovations and improvements to existing state- owned buildings for inmate housing, programming and staff training space and additional inmate capacity, and for support facilities and off-site improvements	10,000,000	60,000,000	70,000,000
<b>Department of Developmental Services</b>					
21(f)		Fire, safety and environmental improvements to regional facilities for client and staff needs at all state-owned facilities	2,000,000	-	2,000,000
<b>Department of Economic and Community Development</b>					
32(c)(1)		Brownfield remediation and revitalization program projects	25,000,000	-	25,000,000
112		Community Investment Fund 2030	175,000,000	-	175,000,000
32(c)(3)		Connecticut Manufacturing Fund established by section 32-7o of the general statutes	10,000,000	-	10,000,000
32(c)(4)		For CareerConneCT workforce training programs	20,000,000	-	20,000,000
32(c)(5)		Grants-in-aid to nonprofit organizations sponsoring cultural and historic sites	5,000,000	-	5,000,000
32(c)(2)		Small Business Express Program	25,000,000	-	25,000,000
Prior		Connecticut Strategic Defense Investment Act	9,796,428	-	9,796,428
<b>Department of Education</b>					
32(e)		Low-performing schools - Grants-in-aid to targeted local and regional school districts for alterations, repairs, improvements, technology, and equipment in low-performing schools	5,000,000	-	5,000,000
21(h)		Technical Education and Career System: Alterations and improvements to buildings and grounds, including new and replacement equipment, tools and supplies necessary to implement updated curricula, vehicles and technology at all Regional Vocational-Technical Schools	14,100,000	-	14,100,000

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PA 21-111*	PA 22-118	Agency/Program	FY 23 \$	Change \$	Net FY 23 \$
<b>Department of Emergency Services and Public Protection</b>					
21(c)		Alterations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation	28,200,000	-	28,200,000
91		Grants-in-aid for Nonprofit Security Projects	5,000,000	-	5,000,000
62		School Security	10,000,000	-	10,000,000
<b>Department of Energy and Environmental Protection</b>					
32(b)(3)		A program to establish energy microgrids to support critical municipal infrastructure	5,000,000	-	5,000,000
21(e)(1)	353	Alterations, renovations and new construction at state parks and other recreation facilities including Americans with Disabilities Act improvements	15,000,000	15,000,000	30,000,000
59		Clean Water Fund GO - Grants-in-aid to towns	100,000,000	-	100,000,000
61	335	Connecticut bikeway, pedestrian walkway, recreational trail and greenway grant program	3,000,000	3,000,000	6,000,000
21(e)(2)		For the purpose of funding any energy services project that results in increased efficiency measures in state buildings pursuant to section 16a-38l of the general statutes, or for any renewable energy or combined heat and power project in state buildings	10,000,000	-	10,000,000
32(b)(5)		Grants-in-aid for containment, removal or mitigation of identified hazardous waste disposal sites	5,000,000	-	5,000,000
32(b)(4)		Grants-in-aid for identification, investigation, containment, removal or mitigation of contaminated industrial sites in urban areas	10,500,000	-	10,500,000
32(b)(2)		Grants-in-aid to municipalities for improvements to incinerators and landfills, including but not limited to bulky waste landfills	2,900,000	-	2,900,000
32(b)(1)	357	Grants-in-aid to municipalities for open space land acquisition and development for conservation or recreational purposes	10,000,000	5,000,000	15,000,000
32(b)(6)		PFAS - Grants-in-aid to municipalities for the purpose of providing potable water and for assessment and remedial action to address pollution from perfluoroalkyl and polyfluoroalkyl containing substances	1,150,000	-	1,150,000
<b>Department of Housing</b>					
28		Flexible Housing Program	100,000,000	-	100,000,000
56		Housing Trust Fund	50,000,000	-	50,000,000
Prior		Crumbling Foundations Assistance Fund	25,000,000	-	25,000,000
<b>Department of Mental Health and Addiction Services</b>					
21(g)(2)		Design and installation of sprinkler systems in direct care patient buildings	3,740,000	-	3,740,000

PA 21-111*	PA 22-118	Agency/Program	FY 23 \$	Change \$	Net FY 23 \$
21(g)(1)		Fire, safety and environmental improvements including improvements in compliance with current codes, site improvements, repair and replacement of roofs and other exterior and interior building renovations and demolition	5,000,000	-	5,000,000
<b>Department of Transportation</b>					
32(d)		DOT - Town Aid Road (TAR) Program - GO Bonds	30,000,000	-	30,000,000
<b>Judicial Department</b>					
21(k)(3)		Alterations and improvements in compliance with the Americans with Disabilities Act	2,000,000	-	2,000,000
21(k)(1)		Alterations, renovations and improvements to buildings and grounds at state-owned and maintained facilities	5,000,000	-	5,000,000
21(k)(2)		Implement Technology Strategic Plan Project	2,000,000	-	2,000,000
21(k)(4)		Security improvements at various state-owned and maintained facilities	2,000,000	-	2,000,000
<b>Military Department</b>					
21(d)(2)		Alterations, renovations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation	200,000	-	200,000
21(d)(1)		State matching funds for anticipated federal reimbursable projects	3,250,000	-	3,250,000
<b>Office of Early Childhood</b>					
Prior		Smart Start Competitive Grant Program	10,000,000	-	10,000,000
<b>Office of Policy and Management</b>					
53	331	Capital Equipment Purchase Fund (CEPF)	10,000,000	15,000,000	25,000,000
89		Commission on Gun Violence Prevention and Intervention	7,000,000	-	7,000,000
32(a)(1)		Distressed Municipalities	7,000,000	-	7,000,000
55		Grants-in-aid for municipal purposes	91,000,000	-	91,000,000
32(a)(4)	356	Grants-in-aid for regional and local improvements and development	35,000,000	(35,000,000)	-
32(a)(2)		Grants-in-aid to municipalities for the purchase of on-body cameras for local law enforcement officers	2,000,000	-	2,000,000
21(a)*		Information Technology Capital Investment Program	40,000,000	-	40,000,000
54		Local Capital Improvement Fund (LOCIP)	30,000,000	-	30,000,000
52		Small Town Economic Assistance Program (STEAP)	15,000,000	-	15,000,000
51	330	Urban Act - Grants-in-aid for urban development projects	40,000,000	120,000,000	160,000,000
<b>Office of the State Treasurer</b>					
102	329	Baby Bonds	50,000,000	(50,000,000)	-
<b>University of Connecticut</b>					
100		Research Faculty	11,729,200	-	11,729,200

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PA 21-111*	PA 22-118	Agency/Program	FY 23 \$	Change \$	Net FY 23 \$
Prior		UConn 2000	125,100,000	-	125,100,000

*\*Indicates modification of section in PA 21-2 JSS, the budget implementer.*



**Table 6** Changes to Other General Obligation Bond Authorizations

In Dollars

PA 22-118	Amending	Program	Prior Authorization	Change	Net Authorization
337	PA 14-98 9(e)(4)	Grants-in-aid to nonprofit organizations sponsoring children's museums, aquariums, and science-related programs, including CT Science Center in an amount not exceeding \$21.2 million, the Maritime Aquarium at Norwalk not exceeding \$6.6 million, and the Children's Museum in West Hartford not exceeding \$10 million	27,100,000	10,700,000	37,800,000
340	PA 20-1 2(i)	For construction, repair or maintenance of highways, roads, bridges or bus and rail facilities and equipment	200,000,000	(200,000,000)	-
342	PA 20-1 13(a)(1)	Nonprofit health and human service organization grants-in-aid	25,000,000	(5,000,000)	20,000,000
344	PA 20-1 21(g)	For construction, repair or maintenance of highways, roads, bridges, noise barriers or bus and rail facilities and equipment, not exceeding [ <del>\$200,000,000</del> ] <u>\$180,000,000</u> , <u>provided not more than \$75,000,000 shall be used for a matching grant program to assist municipalities to modernize existing traffic signal equipment and operations</u>	200,000,000	(20,000,000)	180,000,000
346	PA 21-111 2(e)	Development of a master plan for department facilities	500,000	(500,000)	-
348	PA 21-111 13(a)(4)	Nonprofit health and human service organization grants-in-aid	10,000,000	(10,000,000)	-
349	PA 21-111 13(a)(5)	Grant-in-aid for a Sandy Hook memorial	2,600,000	(2,600,000)	-
351	PA 21-111 13(d)*	Grants-in-aid for improvements to deep water ports, including dredging	70,000,000	20,000,000	90,000,000

**Table 7** New Special Tax Obligation (STO) Bond Authorizations, by Agency

In Dollars

PA 21-111	PA 22-118	Agency/Program	FY 23 \$	Change	Net Authorization
<b>Department of Transportation</b>					
46(b)	-	Bus and rail facilities and equipment, including rights-of-way, other property acquisition and related projects	270,800,000	-	270,800,000
46(a)(6)	-	Capital resurfacing and related reconstruction	107,500,000	-	107,500,000
46(a)(13)	-	Community Connectivity and alternative mobility program	12,000,000	-	12,000,000
46(c)	-	Department facilities	43,425,000	-	43,425,000
46(a)(4)	-	Environmental compliance at or in the vicinity of state-owned properties	15,300,000	-	15,300,000
46(a)(7)	-	Fix-it-First program to repair the state's bridges	155,000,000	-	155,000,000
46(a)(8)	-	Fix-it-First program to repair the state's roads	64,783,000	-	64,783,000
46(a)(12)	-	Highway and bridge renewal equipment	19,000,000	-	19,000,000

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PA 21-111	PA 22-118	Agency/Program	FY 23 \$	Change	Net Authorization
46(a)(1)	-	Interstate Highway Program	13,000,000	-	13,000,000
46(a)(3)	-	Intrastate Highway Programs	72,000,000	-	72,000,000
46(a)(11)	-	Local Bridge Program	10,000,000	-	10,000,000
46(a)(9)	-	Local Transportation Capital Improvement Program	67,000,000	-	67,000,000
46(a)(5)	-	State bridge improvement, rehabilitation and replacement projects	33,000,000	-	33,000,000
46(a)(10)	-	Town Aid Road (TAR) Program - STO Bonds	30,000,000	-	30,000,000
46(a)(2)	-	Urban Systems Projects	16,750,000	-	16,750,000
-	322	For the purchase and installation of advanced wrong-way driving technology	-	20,000,000	20,000,000

**Table 8** New Clean Water Fund (CWF) Revenue Bond Authorizations

(No change in PA 22-118)

In Dollars

PA 21-111 Sec.	Agency/Program	FY 23 \$
<b>Department of Energy and Environmental Protection</b>		
60	Clean Water Fund Revenue - Low-interest loans to towns	237,000,000
<b>Agency Subtotal</b>		<b>237,000,000</b>
<b>Clean Water Fund Revenues Bonds Total</b>		<b>237,000,000</b>