

PART IV. CAPITAL BUDGET

Bond Package Absent

No bond package was enacted during the 2019 regular session for the 2020-2021 biennium. The table below shows authorizations from prior legislative actions that are effective in FY 20 and FY 21, absent legislative change.

According to the Treasurer's debt certification, net indebtedness as of July 1, 2019 is at 79.45% of the debt limit, \$2,874 million below the 90% threshold. This net indebtedness figure reflects revenue estimates adopted by the Finance, Revenue and Bonding committee, previously authorized and outstanding debt, and the prior authorizations noted above, effective on July 1.

The **statutory debt limit**, established in C.G.S. 3-21, caps the aggregate amount of indebtedness that is supported by the General Fund and is set based on net tax revenues times a constant figure (1.6). When aggregate indebtedness reaches 90% of the limit, the Governor must recommend cancellation or reduction of authorized bonds.

Table 5.1 Bond Authorizations First Effective in FY 20
In Millions of Dollars

Program	FY 20	FY 21
UConn 2000*	291.6	186.2
Connecticut Bioscience Innovation Fund	25.0	25.0
Connecticut State University System 2020*	126.0	-
Bioscience Collaboration Program - Jackson Labs	10.6	10.6
Connecticut Strategic Defense Investment Act - Sikorsky	9.1	9.4
Smart Start Competitive Grant program	10.0	10.0
Crumbling Foundations	20.0	20.0
TOTAL	492.3	261.2

*A modified schedule that did not change the overall amount of authorization was proposed for both the UConn 2000 and CSUS 2020 programs.

Absent legislative action to authorize new bonds, the State Bond Commission can continue to approve bond spending by allocating from the existing pool of bond authorizations that have not yet been allocated (i.e., unallocated bonds). The following table shows unallocated bond balances by bond type as of July 1, 2019.

Table 5.2 Unallocated Bond Balances
In Millions of Dollars

Bond Type	Amount
Clean Water Fund Revenue Bonds	92.7
General Obligation Bonds	1,670.6
Special Tax Obligation Bonds	1,944.1