



Connecticut General Assembly

Office of Fiscal Analysis  
Office of Legislative Research

TO: Members of the Finance, Revenue, and Bonding Committee

FROM: OFA & OLR Staff

RE: Items for April 3, 2012 Agenda

**BILLS FOR JF CONSIDERATION**

**1. S.B. No. 25 AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES. (JFS)**

**Fiscal Impact:**

***State Impact:***

The Finance, Revenue and Bonding (FRB) Committee's FY 13 revised capital budget: (1) authorizes an additional \$247.8 million in General Obligation (GO) bonds, which is \$73 million lower than the Governor's proposed capital budget revisions of \$320.8 and (2) authorizes an additional \$90 million in Special Tax Obligation (STO) bonds, which is the same as the Governor's proposed revision.

The total General Fund debt service cost for principal and interest payments to bond on \$247.8 million in GO bonds over 20 years at a 5.0% interest rate is \$377.8 million (comprised of \$130.0 million in interest and \$247.8 million in principal). The first year that the state will experience debt service costs associated with the bonds depends on when they are allocated through the State Bond Commission and when the funds are expended.

The total Transportation Fund debt service cost for principal and interest payments to bond on \$90.0 million over 20 years at a 5.5% interest rate is \$150.6 million (comprised of \$60.6 million in interest and \$90.0 million in principal).

The tables below show the statutory bond cap calculations for the Governor's proposed revisions to the FY 13 capital budget and the FRB Committee's

revisions. Table 1 calculates the cap based on the Governor's proposed tax package while Table 2 uses the January 2012 consensus revenue estimates for the calculation.

<b>Table 1: Statutory Bond Cap Calculation - Governor vs. FRB Committee</b>				
Revenue: Governor's Proposed Tax Package				
	<b>Governor's Revisions</b>		<b>FRB Revisions</b>	
	July 1, 2012		July 1, 2012	
	(\$ - Thousands)		(\$ - Thousands)	
Net Tax Revenues*	14,608,500		14,608,500	
Multiplier	1.6		1.6	
<b>Limit</b>	<b>23,373,600</b>		<b>23,373,600</b>	
Calculation of Bonds Subject to Limit:				
Revised Package (FY 13 changes)	320,758		247,758	
Net Indebtedness	16,705,301		16,705,301	
Total Net Indebtedness	<b>17,026,059</b>	<b>72.8%</b>	16,953,059	<b>72.5%</b>
Debt Incurring Margin to 100% Limit	6,347,541		6,420,541	
<b>90% Limit</b>	<b>21,036,240</b>		<b>21,036,240</b>	
<b>Debt Incurring Margin to 90% Limit</b>	<b>4,010,181</b>		<b>4,083,181</b>	

\*The net tax revenue figures include the Governor's tax proposals.

<b>Table 2: Statutory Bond Cap Calculation - Governor vs. FRB Committee</b>				
Revenue: January 2012 Consensus Revenue				
	<b>Governor's Revisions</b>		<b>FRB Revisions</b>	
	July 1, 2012		July 1, 2012	
	(\$ - Thousands)		(\$ - Thousands)	
Net Tax Revenues*	14,586,800		14,586,800	
Multiplier	1.6		1.6	
<b>Limit</b>	<b>23,338,880</b>		<b>23,338,880</b>	
Calculation of Bonds Subject to Limit:				
Revised Package (FY 13 changes)	320,758		247,758	
Net Indebtedness	16,705,301		16,705,301	
Total Net Indebtedness	<b>17,026,059</b>	<b>73.0%</b>	16,953,059	<b>72.6%</b>
Debt Incurring Margin to 100% Limit	6,312,821		6,385,821	
<b>90% Limit</b>	<b>21,004,992</b>		<b>21,004,992</b>	
<b>Debt Incurring Margin to 90% Limit</b>	<b>3,978,933</b>		<b>4,051,933</b>	

\*The net tax revenue figures are January 2012 consensus numbers for FY 13.

A table showing the FY 13 revisions for the GO and STO bond packages proposed by the Governor and the FRB Committee's changes appears at the end of this document.

**2. H.B. No. 5358 (RAISED) AN ACT AN ACT CONCERNING  
AUTHORIZATION OF STATE GRANT COMMITMENTS FOR SCHOOL  
BUILDING PROJECTS. (ED)**

**Fiscal Impact:**

**State Impact:**

Agency Affected	Fund - Effect	FY 12 and beyond \$
Department of Construction Services	GOBonds - Cost	353.3 million
Treasurer, Debt Serv.	GF - Cost	185.5 million

Note: GOBonds=General Obligation Bonds; GF=General Fund

**Municipal Impact:**

Agency Affected	Effect	FY 12 and beyond \$
Various Municipalities	Revenue Gain	353.3 million

**Explanation**

**Section 1** of the bill approves state grant commitments for school construction projects on the education commissioner's project priority list. This authorizes \$344.5 million in state grant commitments for 20 new school construction projects of various types. It also reauthorizes a total of three previously authorized projects. These projects have changed substantially (more than 10%) in cost or scope. The reauthorizations increase state grant commitments by a net \$8.8 million from the amounts previously authorized for these projects. The total cost of the state's share of the priority list is anticipated to be approximately \$538.8 million; this includes \$353.3 million in principal payments, and \$185.5 million in interest payments. The state cost of \$353.3 million in GO bonds represents a revenue gain to various municipalities whose projects are included on the priority list.

**The Out Years**

The priority list is one-time in nature. However, the construction and reimbursement of the various projects will take place over a number of years, as the entire cost and revenue gain will not be completely realized in FY 13, but over the course of several years, depending on the construction schedule and progress of the various projects.

**Summary:**

The bill authorizes \$344.5 million in grant commitments for 20 local school construction, vocational agriculture (vo-ag), and interdistrict magnet school projects. It also reauthorizes and changes grant commitments for three

previously authorized projects with significant changes in cost and scope. Of the three reauthorizations, two are reauthorized at reduced, and one at increased, cost. The total net increase in grant commitments for the reauthorizations is \$8.82 million. See Attachment A for the list of projects in the bill.

EFFECTIVE DATE: Upon passage

**3. S.B. No. 26 AN ACT CONCERNING DEADLINES FOR CONSENSUS REVENUE ESTIMATES. (JFS)**

**Fiscal Impact:** None

There is no fiscal impact to alter the schedule for submitting consensus revenue estimates.

**Summary:**

The bill extends the deadline for submitting the consensus revenue estimate for the current biennium and the three following fiscal years from October 15 to November 10 annually. It also extends the deadline, from October 25 to November 20, for the comptroller to issue the estimate if the OPM secretary and the OFA director so not agree on a joint estimate. Finally, it extends the deadlines for submitting all consensus revenue estimates or revisions to the next business day when any statutory deadline falls on a weekend or holiday.

EFFECTIVE DATE: Upon passage

**4. S.B. No. 354 (RAISED) AN ACT CONCERNING THE ENHANCED EMERGENCY 9-1-1 PROGRAM**

**Fiscal Impact:**

Agency Affected	Fund	Effect	FY 13 \$	FY 14 \$
Department of Emergency Services and Public Protection	E911 Telecommunications Fund	Revenue Gain	\$192,824	\$505,647
Department of Revenue Services	General Fund	Cost	\$120,000	None

The bill supplants the monthly surcharge levied on prepaid wireless subscribers with a fee paid at the point of sale from a retailer. The change is anticipated to result in a revenue gain to the Department of Emergency Services and Public Protection E911 Telecommunications Fund of approximately

\$192,000<sup>1</sup> in FY 13 and \$505,000 in FY 14. Currently, prepaid wireless phones generate roughly \$101,000 in revenue monthly. Revenue under the bill is anticipated to be roughly \$143,000.

Additionally, the bill results in a one-time set-up and programming cost of \$120,000 in FY 13 to the Department of Revenue Services (DRS) related to updates to the taxpayer service center (TSC) and form creation. This cost is based on equivalent costs for the creation of new tax types. The bill allows DRS to make a one-time deduction of up to \$120,000 from the E911 Telecommunications Fund for any direct costs of administering the collection and remittance of the fees.

**Summary:**

Current law requires the Public Utilities Regulatory Authority (PURA) to determine, and telecommunications service providers to assess, a monthly fee (currently 50 cents) on subscribers of telecommunications services. The fees pay for the Enhanced 9-1-1 (E 9-1-1) program.

The bill eliminates the monthly fee for subscribers of prepaid wireless telephone services and, instead, levies a 50-cent fee (prepaid wireless E 9-1-1 fee) on each purchase of prepaid wireless telecommunications services from a retailer. For the bill's purposes, if a consumer purchase includes multiple prepaid services, each such individual service constitutes a retail transaction.

The bill requires retailers to collect the prepaid wireless E 9-1-1 fee, and consumers are liable for paying it. It allows retailers to keep 1% of the amount collected and requires them to remit the balance to the Department of Revenue Services, which must forward it to the State Treasurer's Office for deposit in the E 9-1-1 Telecommunications Fund.

The bill extends to telecommunications service providers, wireless telecommunications service providers, and prepaid wireless telecommunications service providers, and their agents, the immunity that currently applies to telephone companies and their agents who release 9-1-1 subscriber information as required by law.

EFFECTIVE DATE: January 1, 2013

**5. S.B. No. 355 (RAISED) AN ACT CONCERNING A TECHNICAL CHANGE TO UPDATE A REFERENCE (JFS new bill title and content)**

**Fiscal Impact:**

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<sup>1</sup> Please note this amount is net of the \$120,000 allowed one-time deduction for DRS' costs of administering the program.

Agency Affected	Fund	Effect	FY 13 \$	FY 14 \$
Department of Revenue Services	General Fund	Potential Revenue Loss	See Below	See Below
Department of Energy and Environmental Protection	Underground Storage Tank (Clean Up) Account	Potential Revenue Gain	See Below	See Below
Department of Transportation	Special Transportation Fund	Revenue Loss	\$11.2 million	\$43.0 million
Department of Transportation	Special Transportation Fund – Rail Cars/Yard Account	Revenue Gain	\$11.2 million	\$43.0 million

The bill diverts from the General Fund to the underground storage tank clean-up program any revenue from the petroleum products gross earnings tax that is in excess of the budgeted amount. Using FY 11 budgeted estimates and actuals as an illustrative example, and accounting for the recently-passed \$3.00 cap, the amount of revenue in excess of FY 11 budgeted was \$59.1 million. However, to the extent that actual revenue is less than or equal to anticipated, there would be no revenue loss.

The bill restricts a portion of the Special Transportation Fund revenue from the petroleum products gross earnings tax by dedicating it to the funding of debt service costs for rail cars and the New Haven rail yard. By law, the STF is to receive the following amounts from the petroleum gross earnings tax: \$199.4 million in FY 13; \$ 222.7 million in FY 14; \$226.8 million in FY 15; and \$231.4 million in FY 16. By restricting funds to a dedicated purpose, the bill makes these funds unavailable for other STF uses.

The table below shows the projected debt service cost to the Special Transportation Fund (STF) between FY 13 and FY 16 for Special Tax Obligation (STO) bonds used to support: (1) construction costs at the New Haven Rail Yard and (2) the purchase of M-8 rail cars for the New Haven Line. The STF debt service cost between FY 17 and FY 33 are in the range of \$100 million per year.

FY 13 - FY 16 STF Debt Service Cost for New Haven Rail Yard Improvements and M-8 Rail Cars	
Fiscal Year	Debt Service Cost (\$-millions)
FY 13	11.2

FY 14	43.0
FY 15	70.8
FY 16	91.8

The STF debt service estimates are based on the following assumptions:

- Completion of the rail yard construction in June 2017 and receipt of the remaining M-8 rail cars by June 2015;
- STO bonds are issued once per fiscal year, on or before December 31, at a 5.5% interest rate for a term of 20 years; and
- In the first year of issuance, the STF makes one interest-only debt service payment on the bonds. In subsequent years, the STF makes one interest-only payment and one payment of both principal and interest.

**Summary:**

The bill:

1. allocates any petroleum products gross earnings tax revenue that exceeds anticipated amounts to the underground storage tank cleanup program; and
2. establishes a separate account within the Special Transportation Fund and allocates to that account sufficient revenue from the tax to pay the annual budgeted debt service on bonds for New Haven Rail Yard improvements and purchase of new Metro North rail cars.

The underground storage tank cleanup program reimburses responsible parties for certain expenses related to cleaning up leaking nonresidential underground storage tanks.

EFFECTIVE DATE: July 1, 2012

**6. S.B. No. 356 (RAISED) AN ACT EXPANDING THE NEIGHBORHOOD ASSISTANCE ACT. (JFS)**

**Fiscal Impact:**

Agency Affected	Fund	Effect	FY 13 \$	FY 14 \$
Department of Revenue Services	General Fund	Revenue Impact	See Below	See Below
Department of Revenue Services	General Fund	Cost	\$63,000-\$65,000	None

The bill makes a technical change allowing Neighborhood Assistance Act (NAA) tax credits to be taken against the business entity tax, and establishes eligibility for the credits to be taken against the personal income tax.

It is anticipated that these changes will result in NAA credits being fully utilized up to the statutory \$5.0 million annual cap under the program. This impact was incorporated into the June 24, 2012 Finance, Revenue, and Bonding Committee Revenue Estimates for FY 12 (\$1.9 million revenue loss) and FY 13 (\$2.6 million revenue loss). Consequently, the bill does not result in any additional revenue loss.

The bill also results in a one-time cost to the Department of Revenue Services (DRS) of approximately \$63,000-\$65,000 in FY 13. This includes a cost of \$60,000 associated with changes to the taxpayer service center (TSC) and form alteration for the business entity tax, including establishing a carryback mechanism for the credit.<sup>2</sup> There is also a \$3,000-\$5,000 cost for form alteration and changes to the TSC associated with the personal income tax.

**Summary:**

This bill allows companies to apply Neighborhood Assistance Act (NAA) tax credits against the personal income and business entity taxes. The credits currently apply against the corporation; insurance premium; and air carrier, railroad, cable and satellite television, and utility and public service company taxes.

The NAA provides business tax credits to companies that invest at least \$250 in certain municipally approved community activities and programs. Credits are generally 60% of the investment, although certain energy conservation investments are eligible for a 100% credit. The annual limits on NAA credits are \$150,000 per business (\$50,000 for child care facility investments) and \$5 million for all businesses.

EFFECTIVE DATE: Upon passage and applicable to tax years starting on or after January 1, 2012, except for the provision extending NAA tax credit eligibility to companies subject to the personal income tax, which is effective July 1, 2012.

**7. S.B. No. 357 (RAISED) AN ACT CONCERNING VARIOUS STATUTES PERTAINING TO THE DEPARTMENT OF REVENUE SERVICES. (JFS)**

**Fiscal Impact:**

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<sup>2</sup> Currently, there are no credits allowed against the business entity tax, for which approximately 140,000 taxpayers file.



Agency Affected	Fund	Effect	FY 13 \$	FY 14 \$
Department of Revenue Services	General Fund	Revenue Gain	Less than \$1.0 million	Less than \$1.0 million

The bill requires retailers with certain cigarette-rolling machines to obtain a manufacturer's license from the Department of Revenue Services. This results in a revenue gain of less than \$1.0 million annually from license fees and the cigarette tax.

The license fee for a cigarette manufacturer's license is currently \$5,250 payable annually. It is estimated there are currently fewer than 15 commercial locations within the state with applicable cigarette-rolling machines.

The remaining provisions of the bill do not result in any fiscal impact to the state or municipalities.

**Summary:**

The bill makes anyone who has or allows someone to use a cigarette rolling machine at his or her retail or commercial premises a cigarette manufacturer and requires him or her to get a manufacturer's license from the Department of Revenue Services (DRS). If the person fails to get and maintain a manufacturer's license, the bill allows DRS to suspend or revoke the person's cigarette dealer or distributor's license and seller's permit.

The bill also:

1. allows the DRS commissioner to disclose certain tax information in connection with personnel proceedings involving a current or former DRS employee;
2. increases, from \$500 to \$1,000, the threshold for tax penalty waivers requiring Penalty Review Committee review and approval;
3. changes the date by which captive insurance companies must remit premium taxes on their assumed reinsurance premiums to DRS; and
4. makes a technical change.

**EFFECTIVE DATE:** The cigarette rolling machine provisions are effective on passage. The remainder of the bill is effective July 1, 2012, except the technical change applies to calendar years starting on or after January 1, 2012.

**8. S.B. 399 (RAISED) AN ACT CONCERNING ANNUAL ADJUSTMENTS TO ASSESSMENT RATES ADOPTED FOR APARTMENT AND RESIDENTIAL PROPERTIES. (JFS)**

**Fiscal Impact:**

Municipalities	Effect	FY 13 \$	FY 14 \$
Hartford	See Below	See Below	See Below

The bill, which makes various changes to the property tax assessment system for the City of Hartford, has no fiscal impact to the state or municipalities. It is anticipated the property tax burden will shift from commercial/industrial property, personal property and motor vehicles to residential/apartment property as a result of these changes.

**Summary:**

This bill modifies the annual residential and apartment property assessment ratios established by PA 11-212 for the city of Hartford. Among other things, the bill adjusts the assessment ratios for the 2011 assessment year (which began October 1, 2011) for residential and apartment property to 30% and 60%, respectively, of fair market value. It allows (1) Hartford's assessor to issue assessment increase notices within 15 days after signing the revised 2011 grand list, (2) property owners to appeal the revised assessments to Hartford's board of assessment appeals within 28 days after the assessor signs the grand list, and (3) property owners aggrieved by the board's action to appeal to Superior Court.

PA 11-212 requires an additional adjustment to residential property assessments, beginning with the 2012 assessment year, to reflect the growth in property taxes levied over the previous fiscal year, adjusted for inflation. The adjustments range from 0% to 5%, depending on the growth in the tax levy. This bill modifies the annual adjustment schedule. The bill also specifies that residential property includes common interest communities and residential condominiums.

PA 11-212 allows voters in Hartford to petition for a referendum on any budget that increases the tax levy by more than 2.6% over that for the prior fiscal year. This bill (1) changes the trigger for the referendum to an increase in the tax levy of at least \$6 million; (2) clarifies that the referendum is on the budget proposed for the following fiscal year, rather than the budget for the fiscal year already in progress; and (3) specifies how the budget must be revised if it is voted down.

**EFFECTIVE DATE:** Upon passage, and applicable to assessment years beginning on or after October 1, 2011.

**9. S.B. No. 413 (RAISED) AN ACT CONCERNING BONDING AUTHORITY FOR THE CONNECTICUT CLEAN ENERGY AUTHORITY. (JFS)**

**Fiscal Impact:** See Below

Sections 3-8 permit Clean Energy Finance and Investment Authority (CEFIA) to issue up to \$100 million in bonds backed by a special capital reserve fund (SCRF) account. If the CEFIA was unable to maintain the SCRF at its minimum capital reserve level, the bill requires that the SCRF be refilled from General Fund resources. This would result in: (1) a negative impact on General Fund cash flow and (2) a loss of short-term interest on the amount transferred to the SCRF. The SCRF level for \$100 million is the lesser of: (1) one year's principal and interest on the bonds or (2) ten percent of the issue (\$10 million).

The table below shows the amount of outstanding debt backed by SCRF accounts as of February 1, 2011. The minimum capital reserve is: (1) the amount that must be maintained in the SCRF and (2) the maximum annual General Fund liability for the SCRF if no funds were available from the issuing authority to pay debt service.

SCRF bonds are a contingent liability of the state, which do not count against the state's statutory limit on General Obligation (GO) bonds in CGS Sec. 3-21<sup>3</sup>.

<b>Amount of Debt Backed by Special Capital Reserve Funds and Minimum Capital Reserve Requirements as of February 1, 2011</b> (\$-millions)		
<b>Issuing Authority</b>	<b>Outstanding SCRF-backed Debt</b>	<b>Minimum Capital Reserve Required for SCRF</b>
Connecticut Development Authority (CDA)	4.6	1.5
Connecticut Health and Educational Facilities Authority (CHEFA)	265.3	28.4
Connecticut Higher Education Supplemental Loan Authority (CHESLA)	189.2	19.4
Connecticut Housing Finance Authority (CHFA)	3795.5	286.2
Connecticut Resource Recovery Authority (CRRA)	35.8	10.9
City of Waterbury Special Capital Reserve	35.3	6.8

<sup>3</sup> CGS Sec. 3-21 imposes a ceiling on the amount of General Fund-supported debt that the Legislature may authorize that is equal to 1.6 times net General Fund tax receipts projected by the Finance, Revenue and Bonding Committee for the fiscal year in which the bonds are authorized.

Fund		
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Section 4 allows CEFIA to qualify for an allocation of private activity bonds, which has no state fiscal impact because these bonds are not a financial obligation of the state.

**Background**

The state permits quasi-public authorities to issue SCRF-backed bonds because the SCRF provides a higher level of repayment security, which results in a lower rate of interest on the bond issuance.

A SCRF is a debt service reserve fund that is set up at the time the bonds are issued, in an amount equal to the lesser of either one year's principal and interest on the bonds or ten percent of the issue. If the borrower makes the scheduled debt service payments, the interest earnings on the reserve fund will pay the interest on the bonds that created it and the principal will go to retire the final maturity of the bond issue. If the borrower is unable to pay all or part of the scheduled debt service payments, the reserve may be drawn upon to pay debt service. The reserve provides up to a year's adjustment time to deal with a revenue shortfall. When the SCRF has been drawn down in part or completely, a draw on the General Fund is authorized and the reserve is fully restored. The draw on the General Fund is deemed to be appropriated and is not subject to the constitutional or statutory appropriations cap. All that is required is a certification by the issuing authority of the amount required. If draws on a SCRF continue, the annual draws on the General Fund required to refill it also continue.

**Summary:**

This bill renames the Clean Energy Finance and Investment Authority (CEFIA) the Connecticut Clean Energy Authority (CCEA) and designates CCEA as a successor agency to CEFIA and Connecticut Innovations, Inc. (CII) for the purposes of administering the Clean Energy Fund.

The bill authorizes CCEA to issue:

1. bonds backed in whole or part by the Clean Energy Fund, including the existing renewable energy surcharge on electric bills;
2. up to \$100 million in bonds that are backed by one or more special capital reserve funds (SCRFs);
3. revenue bonds with terms of up to 30 years; and

- 4. federal tax-exempt bonds subject to the private activity bond cap.

The bill also makes changes to laws governing quasi-public agencies, which conform to provisions in PA 11-80 that designated the authority a quasi-public agency.

EFFECTIVE DATE: Upon passage, except for the provisions concerning bonding and quasi-public agencies, which are effective July 1, 2012.

**10.H.B. No. 5421 (RAISED) AN ACT CONCERNING “ZAPPERS.” (JFS)**

**Fiscal Impact:**

Agency Affected	Fund	Effect	FY 13 \$	FY 14 \$
Department of Revenue Services	General Fund	Potential Revenue Gain	See Below	See Below
Various Municipalities		Potential Revenue Gain	See Below	See Below

The bill makes it illegal for anyone to willfully and knowingly possess or use a “zapper” or “phantom-ware” both of which allows the user to falsify sales records. This results in a potential revenue gain, to the extent that 1) retailers in the state utilize “zappers” or “phantom-ware,” and 2) the Department of Revenue Services detects that retailer is doing so.

For illustrative purposes, if 1.0% of all retail sales were falsified by either “zappers” or “phantom-ware,” the associated revenue loss is estimated to be approximately \$16.5 million annually. Of the \$16.5 million, \$2.6 million of the municipal revenue share would be lost to municipalities. Under the bill, if DRS identified the entire \$16.5 million in audits, the state would see a revenue gain of the \$16.5 million plus any resulting penalties or interest. Municipalities would see a revenue gain from their proportion of the sales tax.

**Summary:**

This bill (1) makes it illegal for anyone to willfully and knowingly sell, purchase, install, transfer, or possess an automated sales suppression device (i.e., a “zapper”) or phantom-ware and (2) subjects violators to a fine of up to \$100,000 or one to five years in prison, or both.

Under the bill, a “zapper” is a software program that falsifies electronic cash register and other point-of-sale system records, including transaction data and reports. It can be carried on a memory stick or removable compact disc or accessed through an internet link or other means. “Phantom-ware” is a hidden programming option embedded in or hardwired into an electronic cash register

that may be used to create a virtual second till or eliminate or manipulate sales records.

Violators also (1) are liable for all taxes, penalties, and interest due as result of the crime and (2) forfeit all profits associated with the sale or use of the zapper or phantom-ware. The bill makes zappers and phantom-ware, and any device on which they are installed, contraband and allows DRS to confiscate them.

EFFECTIVE DATE: July 1, 2012

### **11.H.B. No. 5422 (RAISED) AN ACT CONCERNING THE CONNECTICUT HIGHER EDUCATION TRUST. (JFS)**

**Fiscal Impact:** None

The bill: (1) changes the due date for a report submitted by the Office of the State Treasurer and (2) makes a technical change that updates statutory language. These provisions have no fiscal impact.

#### **Summary:**

The Connecticut Higher Education Trust (CHET) is the state's tax-deferred college savings plan. This bill:

1. adds the chairs and ranking members of the Higher Education Committee or their designees to the CHET advisory committee (the chairs and ranking members of the Education and Finance committees or their designees are already members);
2. requires the state treasurer and the Board of Regents for Higher Education (BOR) to submit an evaluation of CHET and any recommendations for improving the program to specified legislative committees by December 31 annually instead of within six months of CHET's annual report; and
3. requires the treasurer and the BOR to submit their annual CHET evaluation and recommendations to the Higher Education, as well as the Education and Finance, committees.

It also updates the statutory definition of an "investment professional" for purposes of an exemption from the statutory ban on paying or receiving "finder's fees" in connection with investment transactions involving the state, a quasi-public agency, or a municipality.

By law, fees paid to qualifying investment professionals engaged in the ongoing business of representing investment services providers are not subject to the ban. Under current law, one way for a broker-dealer to qualify for the

exemption is to be registered with the National Association of Securities Dealers (NASD). This bill changes that to a requirement to be registered with the Financial Industry Regulatory Authority (FINRA) or its successor organization. FINRA is the NASD's successor, having been formed in 2007 by a merger between NASD and NYSE Regulation, Inc., the New York Stock Exchange's regulatory and enforcement arm.

EFFECTIVE DATE: July 1, 2012 for the updated definition; October 1, 2012 for the CHET provisions.

**12.H.B. No. 5424 (RAISED) AN ACT CONCERNING DELAYS IN REVALUATION FOR CERTAIN TOWNS. (JFS)**

**Fiscal Impact:**

Municipalities	Effect	FY 13 \$	FY 14 \$
Various Municipalities	See Below	See Below	See Below

The bill allows Norwich, Farmington, Windham, Stamford and New Britain to delay the next scheduled revaluation date to the 2013 assessment year. This will have the effect of delaying changes to the town's grand list that occur as a result of the revaluation, therefore, precluding a shift of tax burden between classes (personal, residential and commercial). There is no fiscal impact to the state.

**Summary:**

This bill allows Farmington, New Britain, Windham, and Stamford to delay their next required property revaluations by one year, to the October 1, 2013 assessment year, with the approval of their respective legislative bodies. It also allows Norwich to delay its revaluation to the October 1, 2013 assessment year, but current law already requires it to do so.

These municipalities may continue taxing property based on its value as of the date of the decision to delay, after which each must revalue the property. The subsequent revaluation must re-commence at the point in the schedule that the municipality was following prior to the delay. In the event of a delayed revaluation, the bill allows the person or entity authorized by law to prepare rate bills in these five municipalities to prepare new rate bills based on the delay, notwithstanding any law, or municipal charter, special act, or home rule ordinance to the contrary.

EFFECTIVE DATE: Upon passage

**13.H.B. No. 5425 (RAISED) AN ACT CONCERNING THE APPLICABILITY OF THE USE TAX TO VESSEL STORAGE MAINTENANCE AND REPAIR. (JFS)**

**Fiscal Impact:**

Agency Affected	Fund	Effect	FY 13 \$	FY 14 \$
Department of Revenue Services	General Fund	Revenue Loss	Up to \$290,000	Up to \$300,000

The bill results in a revenue loss of up to \$300,000 annually by expanding the sales tax exemption for winter storage of vessels by two months and the use tax exemption to vessel storage, maintenance, or repair by one month. The actual revenue loss may vary depending upon the number of boats that remain in storage during the additional time allotted.

**Summary:**

This bill expands (1) the sales tax exemption for winter storage of noncommercial vessels and (2) the use tax exemption for winter storage, maintenance, and repair of vessels brought into the state exclusively for those purposes. Under current law, the sales tax exemption applies from November 1 to April 30 and the use tax exemption from October 1 to April 30. The bill makes both exemptions apply from October 1 to May 31.

EFFECTIVE DATE: Upon passage

**14.H.B. No. 5472 (RAISED) AN ACT CONCERNING FILING DEADLINES FOR CERTAIN PROPERTY TAX EXEMPTIONS. (JFS)**

**Fiscal Impact:**

Agency Affected	Fund	FY 13 \$	FY 14 \$
Policy & Mgmt., Off.	GF – Revenue Gain	Less than \$5,000	Less than \$5,000

Municipalities	Effect	FY 13 \$	FY 14 \$
Various Municipalities	Revenue Loss	See Below	See Below

As a result of the bill, six towns<sup>4</sup> will have to reimburse taxpayers that failed to file applications for property tax exemptions in specified years, should such taxpayers reapply within 30 days of the bill’s passage. Each town would be

<sup>4</sup> Bridgeport, Danbury, Hartford, Seymour, Waterbury, and Windsor.



required to reimburse the tax payments made by any such organization in excess of the taxes that would have been payable had their application been filed in a timely manner. The state will collect a late filing fee of \$150-\$500 from each affected entity in the six towns.

The bill also waives a 25% penalty assessed by the town of Brookfield to Rowland & Sons Steel Corp. for failure to file the 2009 personal property tax. This waiver will result in revenue loss to the town of Brookfield in the amount of \$938.

The Payment in-Lieu-of Taxes for Manufacturing Machinery and Equipment (PILOT MME) grant was eliminated in PA 11-6 as amended by PA 11-61 and replaced by the Manufacturing Transition Grant. The transition grant amount in FY 12 and FY 13 is equal to the amount towns received for PILOT MME in FY 11. Thus, payments to municipalities are fixed and the bill has no fiscal impact to the state.

**Summary:**  
***Machinery and Commercial Truck Exemptions***

The bill allows certain taxpayers to receive property tax exemptions for (1) machinery and equipment used for manufacturing, biotechnology, or recycling or (2) new and newly acquired commercial trucks even though they missed the statutory filing deadlines for the exemptions. The exemptions are for the towns and grand list years shown in Table 1.

Affected taxpayers must apply for the exemptions within 30 days of the bill's passage and pay the statutory late fee

*Table 1: Exemption Application Deadline Waivers*

<i>Town</i>	<i>Grand List</i>	<i>Type of Property</i>
Bridgeport	2010	Manufacturing machinery and equipment
Danbury	2006	Manufacturing machinery and equipment
Hartford	2010 & 2011	Commercial trucks
Seymour	2010	Manufacturing machinery and equipment
Waterbury	2010	Manufacturing machinery and equipment
Windsor	2009 & 2010	Manufacturing machinery and equipment

In each case, the local assessor must (1) verify eligibility for and approve the exemption, (2) refund any taxes paid on the property, and (3) submit the request for any tax loss reimbursement to the OPM secretary. Subject to the secretary's

review and approval, the bill requires the state to reimburse the town for the tax loss under the applicable statute.

***Penalty Exemption***

The bill requires the Brookfield board of assessment appeals to forgive the statutory penalty imposed on any taxpayer for failure to file a personal property declaration for the October 1, 2009 assessment year by the November 1, 2009 deadline. The penalty is 25% of the property's assessment. It also requires Brookfield to reimburse any taxpayer who has already paid a penalty.

EFFECTIVE DATE: Upon passage

**15.H.B. No. 5500 (RAISED) AN ACT CONCERNING EXPANSION OF TAX INCREMENTAL FINANCING AND AN ADJUSTMENT TO CERTAIN DATES RELATING TO THE FINANCING OF STEEL POINT IN BRIDGEPORT (JFS)**

**Fiscal Impact:** None

The bill extends the time period for the Bridgeport Steel Point Taxing District to receive certain financial assistance. This has no fiscal impact because it does not authorize the issuance of additional General Obligation (GO) bonds.

**Summary:**

This bill extends the time periods, by three and six years respectively, during which Bridgeport's Steel Point Special Taxing District may receive state economic development assistance and issue bonds to finance its operations.

It extends, from June 30, 2012 to June 30, 2015, the deadline for the Department of Economic and Community Development, Connecticut Development Authority, and Connecticut Innovations, Inc. to provide up to \$40 million in financial assistance from existing programs to the project. As under current law, the assistance must be used for developing and improving property in Bridgeport and may be in the form of grants, loans, loan guarantees, insurance contracts, investments, or a combination of these and may be provided from proceeds from sales of bonds, notes, or other debt. By law, any such financial assistance exceeding \$10 million over a two-year period for any applicant or business project must be expressly authorized by the General Assembly.

Current law allows Bridgeport's city council to merge the Steel Point tax district into the city if the district failed to issue bonds by July 1, 2009. The bill extends this deadline to July 1, 2015.

As under current law, Bridgeport may also vote to merge the district after it

pays off the bonds. In both cases, the district must transfer its property to the city.

EFFECTIVE DATE: Upon passage

**ATTACHMENT A**

**HB 5358: NEW SCHOOL CONSTRUCTION PROJECTS AUTHORIZED**

<i>District</i>	<i>School</i>	<i>Project</i>	<i>Estimated Cost</i>	<i>Estimated Grant</i>	<i>State Reimbursement</i>
Berlin	Berlin High School	Extension & alteration/roof replacement	\$69,950,000	\$32,974,430	47.14%
Brooklyn	Brooklyn Middle School	Extension & alteration	1,700,000	1,250,690	73.57%
Danbury	Danbury High School	Energy conservation	4,073,767	2,196,93	53.93%
Eastford	Eastford Elementary School	Energy conservation	150,000	90,000	60.00%
Guilford	Guilford High School	New school	92,220,800	28,653,003	31.07%
Hartford	West Middle School	Extension & alteration/roof replacement	54,600,000	43,680,000	80.0%
Hartford	Hartford Magnet Middle School	Extension & alteration/magnet school	29,440,000	23,552,000	80.0%
Hartford	Burns Academy for Latino Studies	Alteration	700,000	557,480	79.64%
Meriden	Maloney High School	Extension & alteration/roof replacement	107,500,000	82,925,500	77.14%
Meriden	Platt High School	Extension & alteration/roof replacement	111,800,000	86,242,520	77.14%
Middletown	Middletown Vo-Ag Center	Vo-ag equipment	50,000	47,500	95.00%
Region 6	Wamago Regional High School (Vo-Ag)	Vo-ag equipment			95.00%
Region 14	Nonnewaug High School (Vo-Ag)	Vo-ag equipment/construction	246,101	233,796	95.00%
Region 14	Nonnewaug High School (Vo-Ag)	Vo-ag equipment	246,508	234,183	95.00%
Southington	Carl M. Small Regional Vo-Ag Center	Vo-ag equipment	259,753	246,765	95.00%
Stratford	Stratford High School	Extension & alteration/roof replacement	56,115,586	28,057,793	50.00%
Vernon	Rockville High Vo-Ag Center	Vo-ag equipment	154,096	146,390	95.00%
Waterbury	Bucks Hill School	Alteration	500,000	394,650	78.93%

<i>District</i>	<i>School</i>	<i>Project</i>	<i>Estimated Cost</i>	<i>Estimated Grant</i>	<i>State Reimbursement</i>
Waterbury	Cross School	Alteration	450,000	355,185	78.93%
Waterbury	Wallace Middle/Crosby High	Extension & alteration	15,758,000	12,381,061	78.57%

**HB 5358: PROJECTS REAUTHORIZED**

<i>District</i>	<i>School</i>	<i>Project</i>	<i>Current Grant Authorization</i>	<i>Proposed Grant Authorization</i>	<i>Change</i>
Griswold	Griswold Middle School	Extension & alteration/roof replacement	\$25,013,800	\$22,584,08	(\$2,429,782)
Milford	Jonathan Law High School	Extension & alteration/ energy conservation	2,141,150	1,620,839	(520,311)
Capitol Region Education Council (CREC)	Medical professions & Teacher Magnet Academy	New magnet school/site purchase	49,509,654	61,281,840	11,772,186

<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
2012 Session		2011 Session FY 13	Governor Revision to FY 13	FRB Revision to FY 13	Change Governor vs. FRB
Act/Section	<b>Agency/Description</b>	(\$)	(\$)	(\$)	
	<b>General Obligation Bonds</b>				
	<b>Secretary of the State</b>				
-	Development, implementation and upgrade of information technology systems	2,000,000	0	0	0
	<b>State Comptroller</b>				
-	Enhancements and upgrades to the CORE financial system	7,000,000	0	0	0
	<b>Office of Policy and Management</b>				
-	Design and implementation of the Criminal Justice Information System	4,720,000	0	0	0
-	Local Capital Improvement Program (LoCIP)	30,000,000	0	0	0
-	Inter-town Capital Equipment Purchase Incentive Program	10,000,000	0	0	0
-	Urban Action Program	50,000,000	0	0	0
-	Small Town Economic Assistance Program (STEAP)	20,000,000	0	0	0
SB 25 Sec. 36	Capital Equipment Purchase Fund	22,900,000	2,000,000	2,000,000	0
-	Design and implementation of state and local benchmarking systems, including technology development	2,000,000	0	0	0
-	Grants-in-aid to municipalities for the Main Street Investment Fund	5,000,000	0	0	0
SB 25 Sec. 9(a)	Grants-in-aid to municipalities for development of a computer-assisted mass appraisal in accordance with section 12-62f of the general statutes	0	38,500	38,500	0
SB 25 Sec. 2(a)	Information Technology Capital Investment Program	0	50,000,000	50,000,000	0
	<b>Subtotal</b>	<b>144,620,000</b>	<b>52,038,500</b>	<b>52,038,500</b>	<b>0</b>
	<b>Department of Administrative Services</b>				
SB 25 Sec. 28	Exterior renovations and improvements, including installation of air conditioning, to the State Office Building in Hartford. PA 11-57 Sec. 21(d)(1) - FY 13 authorization transferred to DAS and increased	21,500,000	2,500,000	2,500,000	0
SB 25 Sec. 28	Infrastructure repairs and improvements, including fire, safety and compliance with the Americans with Disabilities Act improvements, improvements to state-owned buildings and grounds, including energy conservation and off-site improvements, and preservation of unoccupied buildings and grounds, including office development, acquisition, renovations for additional parking and security improvements. PA 11-57 Sec. 21(d)(2) - FY 13 authorization transferred to DAS and increased	12,500,000	92,500,000	2,500,000	(90,000,000)
<b>NEW</b>	Planning and development to convert state-owned buildings on Trinity, Elm and Wadsworth Streets in	0	0	1,000,000	1,000,000

<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
2012 Session		2011 Session FY 13	Governor Revision to FY 13	FRB Revision to FY 13	Change Governor vs. FRB
Act/Section	<u>Agency/Description</u>	(\$)	(\$)	(\$)	
	Hartford to residential housing				
SB 25 Sec. 2(b)(1)	Removal or encapsulation of asbestos in state-owned buildings	0	5,000,000	5,000,000	0
SB 25 Sec. 26	Infrastructure repairs and improvements, including fire, safety and compliance with the Americans with Disabilities Act improvements, improvements to state-owned buildings and grounds, including energy conservation and off-site improvements, and preservation of unoccupied buildings and grounds, including office development, acquisition, renovations for additional parking and security improvements. PA 11-57 Sec. 2(f)(2) - \$1,132,056 unallocated balance transferred to DAS	0	0	0	0
SB 25 Sec. 26	Removal or encapsulation of asbestos in state-owned buildings. PA 11-57, Sec. 2(f) - \$5,000,000 unallocated balance transferred to DAS	0	0	0	0
SB 25 Sec. 18	Various security improvements. SA 02-1, (M9 SS), Sec. 2(c) - \$1,200,000 unallocated balance transferred to DAS	0	0	0	0
SB 25 Sec. 37	School construction grants-in-aid - progress payments. CGS Sec. 10-287d - transferred to DAS	584,000,000	0	0	0
-	School construction grants-in-aid - interest payments. CGS Sec. 10-292k - transferred to DAS (no language change needed)	8,300,000	0	0	0
SB 25 Sec. 24	Capital construction, improvements, repairs, renovations and land acquisition at Fire Training Schools. PA 07-7, (JSS), Sec. 21(e)(3) - \$8,000,000 transferred to DAS	0	0	0	0
SB 25 Sec. 20	Capital construction, improvements, repairs, renovations and land acquisition at Fire Training Schools. PA 07-7, (JSS) Sec. 2(g)(2) - \$6,313,396 unallocated balance transferred to DAS	0	0	0	0
SB 25 Sec. 2(b)(2)	Capital construction, improvements, repairs, renovations and land acquisition at fire training schools	0	28,200,000	28,200,000	0
	<b>Subtotal</b>	<b>626,300,000</b>	<b>128,200,000</b>	<b>39,200,000</b>	<b>(89,000,000)</b>
	<b><u>Dept of Construction Services</u></b>				
SB 25 Sec. 24	Infrastructure repairs and improvements, including fire, safety and compliance with the Americans with Disabilities Act improvements, improvements to state-owned buildings and grounds, including energy conservation and off-site improvements, and preservation of unoccupied buildings and grounds, including office development, acquisition, renovations for additional parking and security improvements. PA 07-7, (JSS), Sec. 21(e)(2)	0	(180)	(180)	0
SB 25 Sec. 29	Removal or encapsulation of asbestos in state-owned buildings. PA 11-57, Sec. 21(e)(1)	5,000,000	(5,000,000)	(5,000,000)	0

<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
2012 Session		2011 Session FY 13	Governor Revision to FY 13	FRB Revision to FY 13	Change Governor vs. FRB
Act/Section	<b>Agency/Description</b>	(\$)	(\$)	(\$)	
SB 25 Sec. 29	Infrastructure repairs and improvements, including fire, safety and compliance with the Americans with Disabilities Act improvements, improvements to state-owned buildings and grounds, including energy conservation and off-site improvements, and preservation of unoccupied buildings and grounds, including office development, acquisition, renovations for additional parking and security improvements. PA 11-57, Sec. 21(e)(2)	2,500,000	(2,500,000)	(2,500,000)	0
SB 25 Sec. 29	Notwithstanding the provisions of section 4b-1 of the general statutes, land acquisition, construction, improvements, repairs and renovations at fire training schools. PA 11-57, Sec. 21(e)(3)	2,000,000	(2,000,000)	(2,000,000)	0
	<b>Subtotal</b>	<b>9,500,000</b>	<b>(9,500,180)</b>	<b>(9,500,180)</b>	0
	<b>Department of Emergency Services and Public Protection</b>				
SB 25 Sec. 30	Alterations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation projects. PA 11-57 Sec. 21(f)	2,212,000	1,375,000	1,375,000	0
SB 25 Sec. 2(c)(1)	Design and construction of alterations, renovations and improvements for an emergency services facility, including canine training and vehicle impoundment area and a fleet maintenance and administration facility, including acquisition of property and related costs	0	5,256,985	5,256,985	0
SB 25 Sec. 2(c)(2)	Design and construction of alterations, renovations and improvements for a firearms training facility and vehicle operations training center	0	6,576,000	6,576,000	0
SB 25 Sec. 17	Emergency services facility, including canine training and vehicle impound area, in Cheshire. PA 99-242, Sec. 2(c)(1)	0	(5,256,985)	(5,256,985)	0
SB 25 Sec. 21	Alterations, renovations and improvements to Building 5 at the Mulcahy Complex in Meriden. PA 07-7, (JSS), Sec. 2(h)(3)	0	(750,000)	(750,000)	0
SB 25 Sec. 25	Alterations, renovations and improvements to Building 5 at the Mulcahy Complex in Meriden. PA 07-7, (JSS), Sec. 21(f)(3)	0	(5,826,000)	(5,826,000)	0
SB 25 Sec. 22	Language change: Improvements to the department shooting range [in Simsbury]. PA 07-7, (JSS), Sec. 2(h)(7)	0	0	0	0
<b>NEW</b>	Buy-out program for homeowners and businesses who receive FEMA funding related to property damage due to weather events in 2011 and subsequent years	0	0	2,000,000	2,000,000
	<b>Subtotal</b>	<b>2,212,000</b>	<b>1,375,000</b>	<b>3,375,000</b>	2,000,000
	<b>Military Department</b>				
-	State matching funds for anticipated federal reimbursable projects	2,000,000	0	0	0
-	Alterations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation	1,000,000	0	0	0

<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
2012 Session		2011 Session FY 13	Governor Revision to FY 13	FRB Revision to FY 13	Change Governor vs. FRB
Act/Section	<u>Agency/Description</u>	(\$)	(\$)	(\$)	
-	Alterations, renovations and improvements to the National Guard Armory in New London and the storage facility at Stone's Ranch in East Lyme for the 250th Engineering Company	2,000,000	0	0	0
	<b>Subtotal</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Department of Labor</b>				
-	Subsidized Training and Employment program established pursuant to section 4 of PA 11-1 of the October special session	10,000,000	0	0	0
	<b>Department of Agriculture</b>				
-	Farmland Preservation Program. CGS Sec. 22-26hh	10,000,000	0	0	0
	<b>Department of Energy and Environmental Protection</b>				
-	Dam repairs, including state-owned dams	4,000,000	0	0	0
-	Alterations, renovations and new construction at state parks and other recreation facilities, including Americans with Disabilities Act improvements	15,000,000	0	0	0
-	Grants-in-aid for containment, removal or mitigation of identified hazardous waste disposal sites	10,000,000	0	0	0
-	Clean Water Fund grants-in-aid - GO Bonds	94,000,000	0	0	0
-	Clean Water Fund loans - Revenue Bonds	238,360,000	0	0	0
-	Grants-in-aid to municipalities for open space land acquisition and development for conservation or recreation purposes.	5,000,000	0	0	0
-	Energy efficiency fuel oil furnace and boiler replacement, upgrade and repair program	5,000,000	0	0	0
SB 25 Sec. 9(b)(2)	Underground Storage Tank (UST) petroleum clean-up program.	0	5,000,000	0	(5,000,000)
SB 25 Sec. 9(b)(3)	Grants-in-aid for a pilot program to establish energy microgrids to support critical municipal infrastructure	0	5,000,000	0	(5,000,000)
SB 25 Sec. 9(b)(1)	Pilot program to allow a gas or heating oil company to finance the conversion to gas heat or home heating oil by potential residential customers who heat their homes with electricity	0	1,000,000	0	(1,000,000)
<b>NEW</b>	Study and assess feasible alternatives to plan, design, acquire and construct as may be necessary structural and non-structural improvements to mitigate and improve flooding conditions related to property damage due to weather events in 2011 . Structural improvements shall include a cost benefit analysis and analysis of environmental impact of alternatives.	0	0	2,000,000	2,000,000
<b>NEW</b>	Buy-out program for homeowners and businesses who receive FEMA funding related to property damage due to weather events in 2011 and subsequent years - \$50,000 cap per homeowner or business	0	0	2,000,000	2,000,000
	<b>Subtotal GO Bonds</b>	<b>133,000,000</b>	<b>11,000,000</b>	<b>4,000,000</b>	<b>(7,000,000)</b>
	<b>Subtotal Revenue Bonds</b>	<b>238,360,000</b>	<b>0</b>	<b>0</b>	<b>0</b>



<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
2012 Session Act/Section	Agency/Description	2011 Session FY 13 (\$)	Governor Revision to FY 13 (\$)	FRB Revision to FY 13 (\$)	Change Governor vs. FRB
<b>Department of Economic and Community Development</b>					
-	Regional Brownfield redevelopment loan fund	25,000,000	0	0	0
SB 25 Sec. 32	Housing development and rehabilitation programs	25,000,000	62,500,000	62,500,000	0
-	Housing Trust Fund	25,000,000	0	0	0
-	Manufacturing Assistance Act	280,000,000	0	0	0
-	Small Business Express program established pursuant to section 1 of PA 11-1 of the October special session	50,000,000	0	0	0
SB 25 Sec. 9(c)	Grants-in-aid to nursing facilities for alterations, renovations and improvements for conversion to other uses in support of right-sizing	0	10,000,000	10,000,000	0
<b>NEW</b>	Grants-in-aid to municipalities and nonprofit organizations for cultural and entertainment-related economic development projects, including museums.	0	0	5,000,000	5,000,000
<b>NEW</b>	Amend MAA - CGS Sec. 32-235(b)(8): [two] four million dollars shall be used by said department for the purpose of a grant to companies adversely impacted by the construction at the Quinnipiac Bridge, where such grant may be used to offset the increase in costs of commercial overland transportation of goods or materials brought to the port of New Haven by ship or vessel.	0	0	0	0
<b>Subtotal</b>		<b>405,000,000</b>	<b>72,500,000</b>	<b>77,500,000</b>	5,000,000
<b>Connecticut Innovations, Incorporated</b>					
-	For the purpose of recapitalizing the programs established in chapter 581 of the general statutes	25,000,000	0	0	0
SB 25 Secs. 39 & 40	Transfer bonds to the Clean Energy Finance and Investment Authority and repurposed them for a new program	0	0	0	0
<b>Department of Public Health</b>					
-	Grants-in-aid to community health centers, primary care organizations and municipalities for the purchase of equipment, renovations, improvements and expansion of facilities	2,000,000	0	0	0
<b>NEW</b>	Grants-in-aid to community health centers and primary care organizations for the purchase of equipment, renovations, improvements, and expansion of facilities, including acquisition of land and/or buildings.	0	0	20,000,000	20,000,000
<b>Department of Developmental Services</b>					
-	Fire, safety and environmental improvements to regional facilities for client and staff needs, including improvements in compliance with current codes, including intermediate care facilities and site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning and other interior and exterior building	5,000,000	0	0	0

<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
2012 Session		2011 Session FY 13	Governor Revision to FY 13	FRB Revision to FY 13	Change Governor vs. FRB
Act/Section	<b>Agency/Description</b>	(\$)	(\$)	(\$)	
	renovations and additions at all state-owned facilities				
-	Grants-in-aid to private, nonprofit organizations for alterations and improvements to nonresidential facilities	2,000,000	0	0	0
	<b>Subtotal</b>	<b>7,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Department of Mental Health and Addiction Services</b>					
-	Fire, safety and environmental improvements to regional facilities for client and staff needs, including improvements in compliance with current codes, including intermediate care facilities and site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning and other interior and exterior building renovations and additions at all state-owned facilities	5,000,000	0	0	0
-	Grants-in-aid to private, non-profit organizations that are exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, for community-based residential and outpatient facilities for purchases, repairs, alterations, and improvements	5,000,000	0	0	0
	<b>Subtotal</b>	<b>10,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Department of Social Services</b>					
SB 25 Sec. 33	Language change: Grants-in-aid for neighborhood facilities, [child day care projects,] elderly centers, multipurpose human resource centers, [shelter facilities for victims of domestic violence and food distribution facilities] and related facilities PA 11-57, Sec. 32(g)	10,000,000	0	0	0
<b>Department of Education</b>					
-	For the regional vocational-technical school system: Alterations and improvements to buildings and grounds, including new and replacement equipment, tools and supplies necessary to update curricula, vehicles and technology upgrades at all regional vocational-technical schools	28,000,000	0		0
SB 25 Sec. 9(d)(1)	Grants-in-aid for the purpose of capital start-up costs related to the development of new interdistrict magnet school programs to assist the state in meeting the goals of the 2008 stipulation and order for Milo Sheff, et. al. v. William A. O'Neill et. al.	0	9,145,000	9,145,000	0
SB 25 Sec. 9(d)(2)	Grants-in-aid for alterations, repairs, improvements, technology, equipment and capital start-up costs including acquisition costs, to expand the availability of high quality school models	0	25,000,000	25,000,000	0
SB 25 Sec. 9(d)(3)	Grants-in-aid to targeted local and regional school districts for alterations, repairs, improvements, technology, and equipment in low-performing schools	0	25,000,000	16,000,000	(9,000,000)
SB 25 Sec. 9(d)(4)	Grants-in-aid to municipalities and organizations exempt organizations from taxation under Section	0	5,000,000	10,000,000	5,000,000

<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
2012 Session		2011 Session FY 13	Governor Revision to FY 13	FRB Revision to FY 13	Change Governor vs. FRB
Act/Section	<u>Agency/Description</u>	(\$)	(\$)	(\$)	
	501(c)(3) of the Internal Revenue Code for facility improvements and minor capital repairs to licensed day care centers operated by municipalities and organizations				
	<b>Subtotal</b>	<b>28,000,000</b>	<b>64,145,000</b>	<b>60,145,000</b>	<b>(4,000,000)</b>
	<b>Board of Regents for Higher Education - Regional Community College System</b>				
-	All Community Colleges: Alterations, renovations and improvements to facilities including fire, safety, energy conservation and code compliance improvements	5,000,000	0	0	0
-	All Community Colleges: New and replacement instruction, research or laboratory equipment	9,000,000	0	0	0
-	All Community Colleges: System Technology Initiative	5,000,000	0	0	0
-	Norwalk Community College: Implementation of phase III of the master plan	3,720,936	0	0	0
-	Naugatuck Valley Community College: Alterations, renovations and improvements to Founders Hall	39,008,382	0	0	0
-	Tunxis Community College: Implementation of phase III of the master plan	4,993,817	0	0	0
-	Asnuntuck Community College: Expand the precision manufacturing program	1,100,000	0	0	0
-	Three regional community-technical college campuses: Expand or establish manufacturing technology programs	8,900,000	0	0	0
	<b>Subtotal</b>	<b>76,723,135</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>University of Connecticut</b>				
-	For the University of Connecticut: Planning, design and development of a technology park.	154,500,000	0	0	0
	<b>Department of Children and Families</b>				
-	Alterations, renovations and improvements to buildings and grounds	1,285,000	0	0	0
-	Grants-in-aid for construction, alteration, repairs and improvements to residential facilities, group homes, shelters and permanent family residences	5,000,000	0	0	0
SB 25 Sec. 9(e)	Grants-in-aid to private nonprofit mental health clinics for children for fire, safety and environmental improvements, including expansion	0	1,000,000	1,000,000	0
	<b>Subtotal</b>	<b>6,285,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>
	<b>Judicial Department</b>				
<b>NEW</b>	Alterations, renovations and improvements to buildings and grounds at state-owned and maintained facilities	5,000,000	0	(1,000,000)	(1,000,000)
<b>NEW</b>	Development of a juvenile court building on state-owned property in Meriden	0	0	1,000,000	1,000,000
-	Security improvements at various state-owned and	1,000,000	0	0	0

<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
2012 Session		2011 Session	<b>Governor</b>	<b>FRB</b>	Change
Act/Section	<b>Agency/Description</b>	FY 13	Revision to	Revision to	Governor
		(\$)	FY 13	FY 13	vs. FRB
			(\$)	(\$)	
	maintained facilities				
-	Implementation of the Technology Strategic Plan Project	5,000,000	0	0	0
	<b>Subtotal</b>	<b>11,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b><u>Department of Transportation</u></b>				
-	Grants-in-aid for improvements to ports and marinas, including dredging and navigational direction	25,000,000	0	0	0
	<b>Total GO Bonds</b>	1,710,140,135	320,758,320	247,758,320	(73,000,000)
	<b>Total Clean Water Fund Revenue Bonds</b>	238,360,000	0	0	0
	<b><u>Special Tax Obligation Bonds</u></b>				
-	Interstate Highway Program	14,950,000	0	0	0
-	Urban Systems Projects	8,500,000	0	0	0
-	Intrastate Highway Program	44,000,000	0	0	0
-	Environmental compliance, soil and groundwater remediation, hazardous materials abatement, demolition, salt shed construction and renovation, storage tank replacement, and environmental emergency response at or in the vicinity of state-owned properties or related to Department of Transportation operations	11,205,000	0	0	0
SB 25 Sec. 35	State bridge improvement, rehabilitation and replacement projects PA 11-57, Sec. 35	<b>33,000,000</b>	90,000,000	90,000,000	0
-	Fix-It-First Bridge Repair	64,129,000	0	0	0
-	Fix-It-First Road Repair	57,600,000	0	0	0
-	Capital resurfacing and related reconstruction projects	68,900,000	0	0	0
	<b><u>Bureau of Aviation and Ports</u></b>				
-	Reconstruction and improvements to the warehouse and State Pier, New London, including site improvements and improvements to ferry slips (increase requested by OPM)	6,100,000	0	0	0
-	Development and improvement of general aviation airport facilities including grants-in-aid to municipal airports, excluding Bradley International Airport	2,000,000	0	0	0
	<b><u>Bureau of Public Transportation</u></b>				
-	Bus and rail facilities and equipment, including rights-of-way, other property acquisition and related projects	167,000,000	0	0	0
SB 25 Sec. 38	Technical change to correct drafting error				
	<b><u>Bureau of Administration</u></b>				
-	Department facilities	16,555,168	0	0	0

<b>Adjustments to the FY 13 General Obligation and Special Tax Obligation Capital Budgets</b>					
			<b>Governor</b>	<b>FRB</b>	Change
2012 Session		2011 Session FY 13	Revision to FY 13	Revision to FY 13	Governor vs. FRB
Act/Section	<b><u>Agency/Description</u></b>	(\$)	(\$)	(\$)	
-	Cost of issuance of Special Tax Obligation Bonds and debt service reserve	21,300,000	0	0	0
		515,239,168	90,000,000	90,000,000	0