



Senate

General Assembly

File No. 890

January Session, 2009

Substitute Senate Bill No. 996

Senate, May 4, 2009

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT ESTABLISHING A CONNECTICUT ECONOMIC RECOVERY PROGRAM.

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

1 Section 1. (*Effective July 1, 2009*) (a) For purposes of sections 1 to 9,
2 inclusive, of this act:

3 (1) "Commission" means the State Bond Commission.

4 (2) "Strategic component" means one of the eight areas funded by
5 the economic recovery program: Housing, clean water, clean energy
6 and energy conservation, higher education, transportation, a
7 municipal block grant, a regional block grant and a pool for projects
8 sponsored by nonprofit entities.

9 (3) "Unemployment rate" means the rate of unemployment in the
10 state as determined by the Labor Department in the most recent
11 monthly Report on Local Area Unemployment Statistics, as seasonally
12 adjusted.

13 (b) There is established the Connecticut economic recovery
14 program. The program shall provide funding as provided in sections 2
15 to 9, inclusive, of this act, to eight strategic components: Housing,
16 clean water, clean energy and energy conservation, higher education,
17 transportation, a municipal block grant, a regional block grant and a
18 pool for projects sponsored by nonprofit entities. Such funding shall be
19 used to promote targeted capital investment in projects of strategic
20 state importance that maintain and create jobs, improve the state's
21 infrastructure and position the state to compete effectively in the
22 future.

23 (c) (1) The State Bond Commission may allocate, at any time and in
24 any amounts, any authorizations for bonding for economic recovery
25 program funds contained in sections 2 to 6, inclusive, and section 9 of
26 this act. However, except as provided in subdivision (3) of subsection
27 (b) of section 5 of this act, if the unemployment rate is at or above
28 seven and three-tenths per cent, not less than twenty per cent of the
29 bonding authorized for each strategic component shall be included on
30 the agenda for the meeting of the commission during the month of
31 August, 2009. Unless the unemployment rate is less than seven and
32 three-tenths per cent, if the bonding allocations required by this
33 subdivision are not placed on the August 2009 commission meeting
34 agenda or if such meeting is cancelled, the Governor shall, on or before
35 the regularly-scheduled date of such meeting, provide the
36 chairpersons of the joint standing committee of the General Assembly
37 having cognizance of matters relating to finance, revenue and bonding
38 with notice of the reason or reasons why such economic recovery
39 program funds have not been considered by the commission as herein
40 provided.

41 (2) Thereafter, except as provided in subdivision (3) of subsection
42 (b) of section 5 of this act, not less than twenty per cent of the bonding
43 authorized for each strategic component shall be included on the
44 agenda for the meeting of the commission during the month following
45 any month in which the unemployment rate increases by two-tenths of
46 one per cent over the previous month, or three months after the

47 previous meeting at which allocations are required by this subsection
48 to be on the agenda, whichever occurs first. If the bonding allocations
49 required by this subdivision are not placed on commission meeting
50 agendas or if any such subsequent meeting is cancelled, the Governor
51 shall, on or before the regularly-scheduled date of such meeting,
52 provide the chairpersons of the joint standing committee of the
53 General Assembly having cognizance of matters relating to finance,
54 revenue and bonding with notice of the reason or reasons why such
55 economic recovery program funds have not been considered by the
56 commission as herein provided.

57 (3) In the case where bonding allocations are not placed on a
58 commission agenda as required by this subsection and no notice of the
59 reasons therefor has been received by said chairpersons, the Treasurer
60 shall prepare an addendum to the agenda of the next following
61 commission meeting comprised of items representing not less than
62 twenty per cent of the economic recovery funding for each strategic
63 component and such addendum shall be voted upon by the
64 commission at such meeting.

65 (d) The economic recovery program established pursuant to sections
66 1 to 9, inclusive, of this act shall be in effect from July 1, 2009, to June
67 30, 2011, inclusive.

68 Sec. 2. (*Effective July 1, 2009*) (a) For the purposes described in
69 subsection (b) of this section, the State Bond Commission shall have
70 the power, from July 1, 2009, to June 30, 2011, inclusive, to authorize
71 the issuance of bonds of the state in one or more series and in principal
72 amounts not exceeding in the aggregate one hundred million dollars.

73 (b) (1) The proceeds of the sale of said bonds, to the extent of the
74 amount stated in subsection (a) of this section, shall be used by the
75 Department of Economic and Community Development for the
76 purpose of providing grants-in-aid and other financing for (A)
77 renovations, with priority given to health and safety, modernization
78 and restructuring of state moderate rental family and elderly housing
79 developments and comparable projects, (B) supportive housing

80 projects, and (C) projects eligible for financial assistance pursuant to
81 chapter 137e of the general statutes, including Bijou Square in
82 Bridgeport, Summitwoods II in Norwich, Arch Street in New Britain,
83 Fair Street in Norwalk, Dye House in Manchester, Highwood Square
84 in Hamden, 58 Progress Drive in Stamford, Hales Court in Westport,
85 Wall Street Place in Norwalk, Harborsite in Stamford, Pequannock 2 in
86 Bridgeport, Corbin/Pinnacle Heights in New Britain, Bates Wood and
87 Briarcliff in New London, Dutton Heights in Bristol, Downtown in
88 Willimantic, Country Village in Waterbury, Beggs Apartments in
89 Waterbury, Fair Haven North in New Haven, Leeway Welton
90 Apartments in New Haven, Quinnipiac Apartments in New Haven,
91 American Legion Housing in Griswold, Center Street Apartments in
92 Manchester and My Sister's Place in Hartford.

93 (2) Notwithstanding the provisions of subdivision (1) of this
94 subsection, to receive a grant pursuant to this section, the project's
95 sponsor shall demonstrate that, as applicable, (A) the project site is
96 under control by the sponsor, all permits have been procured,
97 planning and zoning issues have been resolved and financing, with the
98 exception of funds that may be received pursuant to this section, is in
99 place, and (B) contracts for the project can be bid and awarded not
100 later than ninety days after the date of allocation of funding pursuant
101 to this section and the project can be under construction not later than
102 sixty days after a contract for the project is awarded. If the schedule
103 required by this subdivision is not met, the Commissioner of Economic
104 and Community Development may, in said commissioner's discretion
105 and for good cause shown, allow a sponsor receiving a grant pursuant
106 to this section one extension of not more than fourteen additional days
107 to award a contract for the project, which fourteen-day period shall
108 also extend the schedule for commencement of construction. Said
109 commissioner may, in his or her discretion and for good cause shown,
110 require a grantee that fails to meet the schedule required by this
111 subdivision to repay five per cent of the grant amount.

112 (3) Notwithstanding the provisions of subdivision (1) of this
113 subsection, the Commissioner of Economic and Community

114 Development shall prioritize projects receiving economic recovery
115 funds based upon (A) the project's readiness, as provided in
116 subdivision (2) of this subsection, (B) a demonstration by the project's
117 sponsor that jobs will be retained or created due to commencement of
118 the project, and (C) geographic distribution of all projects receiving
119 grants pursuant to this section.

120 (c) All provisions of section 3-20 of the general statutes, or the
121 exercise of any right or power granted thereby, which are not
122 inconsistent with the provisions of this section are hereby adopted and
123 shall apply to all bonds authorized by the State Bond Commission
124 pursuant to this section, and temporary notes in anticipation of the
125 money to be derived from the sale of any such bonds so authorized
126 may be issued in accordance with said section 3-20 and from time to
127 time renewed. Such bonds shall mature at such time or times not
128 exceeding twenty years from their respective dates as may be provided
129 in or pursuant to the resolution or resolutions of the State Bond
130 Commission authorizing such bonds. None of said bonds shall be
131 authorized except upon a finding by the State Bond Commission that
132 there has been filed with it a request for such authorization which is
133 signed by or on behalf of the Secretary of the Office of Policy and
134 Management and states such terms and conditions as said commission,
135 in its discretion, may require. Said bonds issued pursuant to this
136 section shall be general obligations of the state and the full faith and
137 credit of the state of Connecticut are pledged for the payment of the
138 principal of and interest on said bonds as the same become due, and
139 accordingly and as part of the contract of the state with the holders of
140 said bonds, appropriation of all amounts necessary for punctual
141 payment of such principal and interest is hereby made, and the State
142 Treasurer shall pay such principal and interest as the same become
143 due.

144 Sec. 3. (*Effective July 1, 2009*) (a) For the purposes described in
145 subsection (b) of this section, the State Bond Commission shall have
146 the power, from July 1, 2009, to June 30, 2011, inclusive, to authorize
147 the issuance of bonds of the state in one or more series and in principal

148 amounts not exceeding in the aggregate one hundred million dollars.

149 (b) (1) The proceeds of the sale of said bonds, to the extent of the
150 amount stated in subsection (a) of this section, shall be used by the
151 Secretary of the Office of Policy and Management for the purpose of
152 providing grants-in-aid for (A) clean energy and energy conservation
153 projects, (B) projects that address energy priorities and adopt emerging
154 renewable energy and energy efficiency technologies, (C) projects to
155 reduce fossil fuel emissions, decrease overall energy consumption,
156 improve energy efficiency in the transportation, building and other
157 energy-consuming sectors of the economy, and (D) energy programs,
158 including the biomass program, building technologies program,
159 federal energy management program, geothermal technologies
160 program, hydrogen fuel cells and infrastructure program, industrial
161 technologies program, solar energy technologies program, vehicle
162 technologies program, wind and hydropower technologies program,
163 and weatherization and intergovernmental program, provided twenty-
164 five million dollars shall be made available to the Department of Public
165 Works for the purpose of funding the net project costs, or the balance
166 of any projects after applying any public or private financial incentives
167 available, for any energy services project that results in increased
168 efficiency measures in state buildings pursuant to section 16a-38l of the
169 general statutes.

170 (2) Notwithstanding the provisions of subdivision (1) of this
171 subsection, to receive a grant pursuant to this section, the project's
172 sponsor shall demonstrate that, as applicable, (A) the project site is
173 under control by the sponsor, all permits have been procured,
174 planning and zoning issues have been resolved and financing, with the
175 exception of funds that may be received pursuant to this section, is in
176 place, and (B) contracts for the project can be bid and awarded not
177 later than ninety days after the date of allocation of funding pursuant
178 to this section and the project can be under construction not later than
179 sixty days after a contract for the project is awarded. If the schedule
180 required by this subdivision is not met, the Secretary of the Office of
181 Policy and Management may, in said secretary's discretion and for

182 good cause shown, allow a sponsor receiving a grant pursuant to this
183 section one extension of not more than fourteen additional days to
184 award a contract for the project, which fourteen-day period shall also
185 extend the schedule for commencement of construction. Said secretary
186 may, in his or her discretion and for good cause shown, require a
187 grantee that fails to meet the schedule required by this subdivision to
188 repay five per cent of the grant amount.

189 (3) Notwithstanding the provisions of subdivision (1) of this
190 subsection, the Secretary of the Office of Policy and Management shall
191 prioritize projects receiving economic recovery funds based upon (A)
192 the project's readiness, as provided in subdivision (2) of this
193 subsection, (B) a demonstration by the project's sponsor that jobs will
194 be retained or created due to commencement of the project, and (C)
195 geographic distribution of all projects receiving grants pursuant to this
196 section.

197 (c) All provisions of section 3-20 of the general statutes, or the
198 exercise of any right or power granted thereby, which are not
199 inconsistent with the provisions of this section are hereby adopted and
200 shall apply to all bonds authorized by the State Bond Commission
201 pursuant to this section, and temporary notes in anticipation of the
202 money to be derived from the sale of any such bonds so authorized
203 may be issued in accordance with said section 3-20 and from time to
204 time renewed. Such bonds shall mature at such time or times not
205 exceeding twenty years from their respective dates as may be provided
206 in or pursuant to the resolution or resolutions of the State Bond
207 Commission authorizing such bonds. None of said bonds shall be
208 authorized except upon a finding by the State Bond Commission that
209 there has been filed with it a request for such authorization which is
210 signed by or on behalf of the Secretary of the Office of Policy and
211 Management and states such terms and conditions as said commission,
212 in its discretion, may require. Said bonds issued pursuant to this
213 section shall be general obligations of the state and the full faith and
214 credit of the state of Connecticut are pledged for the payment of the
215 principal of and interest on said bonds as the same become due, and

216 accordingly and as part of the contract of the state with the holders of
217 said bonds, appropriation of all amounts necessary for punctual
218 payment of such principal and interest is hereby made, and the State
219 Treasurer shall pay such principal and interest as the same become
220 due.

221 Sec. 4. (*Effective July 1, 2009*) (a) For the purposes described in
222 subsection (b) of this section, the State Bond Commission shall have
223 the power, from July 1, 2009, to June 30, 2011, inclusive, to authorize
224 the issuance of bonds of the state in one or more series and in principal
225 amounts not exceeding in the aggregate sixty-five million dollars.

226 (b) (1) The proceeds of the sale of said bonds, to the extent of the
227 amount stated in subsection (a) of this section, shall be used by the
228 Department of Environmental Protection for the purpose of providing
229 grants-in-aid to finance projects eligible for funds under the Clean
230 Water Fund, as provided in sections 22a-475 to 22a-483, inclusive, of
231 the general statutes.

232 (2) Notwithstanding the provisions of subdivision (1) of this
233 subsection, and in addition to the requirements of sections 22a-475 to
234 22a-483, inclusive, of the general statutes, to receive a grant pursuant
235 to this section, the project's sponsor shall demonstrate that, as
236 applicable, (A) the project site is under control by the sponsor, all
237 permits have been procured, planning and zoning issues have been
238 resolved and financing, with the exception of funds that may be
239 received pursuant to this section, is in place, and (B) contracts for the
240 project can be bid and awarded not later than ninety days after the
241 date of allocation of funding pursuant to this section and the project
242 can be under construction not later than sixty days after such funding
243 is received by the sponsor. If the schedule required by this subdivision
244 is not met, the Commissioner of Environmental Protection may, in said
245 commissioner's discretion and for good cause shown, allow a sponsor
246 receiving a grant pursuant to this section one extension of not more
247 than fourteen additional days to award a contract for the project,
248 which fourteen-day period shall also extend the schedule for

249 commencement of construction. Said commissioner may, in his or her
250 discretion and for good cause shown, require a grantee that fails to
251 meet the schedule required by this subdivision to repay five per cent of
252 the grant amount.

253 (3) Notwithstanding the provisions of subdivision (1) of this
254 subsection and the requirements of sections 22a-475 to 22a-483,
255 inclusive, of the general statutes, the Commissioner of Environmental
256 Protection shall prioritize projects that receive economic recovery
257 funds based upon (A) the project's readiness, as provided in
258 subdivision (2) of this subsection, (B) a demonstration by the project's
259 sponsor that jobs will be retained or created due to commencement of
260 the project, and (C) geographic distribution of all projects receiving
261 grants pursuant to this section.

262 (c) All provisions of section 3-20 of the general statutes, or the
263 exercise of any right or power granted thereby, which are not
264 inconsistent with the provisions of this section are hereby adopted and
265 shall apply to all bonds authorized by the State Bond Commission
266 pursuant to this section, and temporary notes in anticipation of the
267 money to be derived from the sale of any such bonds so authorized
268 may be issued in accordance with said section 3-20 and from time to
269 time renewed. Such bonds shall mature at such time or times not
270 exceeding twenty years from their respective dates as may be provided
271 in or pursuant to the resolution or resolutions of the State Bond
272 Commission authorizing such bonds. None of said bonds shall be
273 authorized except upon a finding by the State Bond Commission that
274 there has been filed with it a request for such authorization which is
275 signed by or on behalf of the Secretary of the Office of Policy and
276 Management and states such terms and conditions as said commission,
277 in its discretion, may require. Said bonds issued pursuant to this
278 section shall be general obligations of the state and the full faith and
279 credit of the state of Connecticut are pledged for the payment of the
280 principal of and interest on said bonds as the same become due, and
281 accordingly and as part of the contract of the state with the holders of
282 said bonds, appropriation of all amounts necessary for punctual

283 payment of such principal and interest is hereby made, and the State
284 Treasurer shall pay such principal and interest as the same become
285 due.

286 Sec. 5. (*Effective July 1, 2009*) (a) For the purposes described in
287 subsection (b) of this section, the State Bond Commission shall have
288 the power, from July 1, 2009, to June 30, 2011, inclusive, to authorize
289 the issuance of bonds of the state in one or more series and in principal
290 amounts not exceeding in the aggregate one hundred seventy-eight
291 million seven hundred thousand dollars.

292 (b) (1) The proceeds of the sale of said bonds, to the extent of the
293 amount stated in subsection (a) of this section, shall be used by the
294 Department of Higher Education for:

295 (A) The University of Connecticut, not exceeding eighty-three
296 million seven hundred thousand dollars, for any project eligible under
297 The University of Connecticut 2000 Act, sections 10a-109a to 10a-109ff,
298 inclusive, of the general statutes; and

299 (B) The Connecticut State University System, not exceeding ninety-
300 five million dollars:

301 (i) At all universities: For new and replacement equipment, not
302 exceeding eight million dollars; for alterations and improvements to
303 auxiliary service facilities, not exceeding five million dollars; for
304 telecommunications infrastructure upgrades, not exceeding two
305 million five hundred thousand dollars and for the land and property
306 acquisition program, not exceeding five million dollars;

307 (ii) At Central Connecticut State University: For code compliance
308 and infrastructure improvements, not exceeding three million ninety-
309 nine thousand dollars; for development and construction of a new
310 classroom office building, not exceeding thirty-three million nine
311 hundred seventy-eight thousand dollars and for infrastructure
312 development of the East Campus, not exceeding thirteen million two
313 hundred forty-four thousand dollars;

314 (iii) At Eastern Connecticut State University: For code compliance
315 and infrastructure improvements, not exceeding two million six
316 hundred twenty-two thousand dollars; for design and construction of,
317 and equipment for, a fine arts instructional center, not exceeding
318 twelve million dollars; for development and construction of an athletic
319 support building, not exceeding one million nine hundred twenty-one
320 thousand dollars; and for construction of a new warehouse, not
321 exceeding two million two hundred sixty-nine thousand dollars;

322 (iv) At Southern Connecticut State University: For code compliance
323 and infrastructure improvements, three million seven hundred two
324 thousand dollars; and

325 (v) At Western Connecticut State University: For code compliance
326 and infrastructure improvements, one million six hundred sixty-five
327 thousand dollars.

328 (2) Notwithstanding the provisions of subdivision (1) of this
329 subsection, to receive a grant pursuant to this section, the project's
330 sponsor shall demonstrate that, as applicable, (A) the project site is
331 under control by the sponsor, all permits have been procured,
332 planning and zoning issues have been resolved and financing, with the
333 exception of funds that may be received pursuant to this section, is in
334 place, and (B) contracts for the project can be bid and awarded not
335 later than ninety days after the date of allocation of funding pursuant
336 to this section and the project can be under construction not later than
337 sixty days after such funding is received by the sponsor. If the
338 schedule required by this subdivision is not met, the Commissioner of
339 Higher Education may, in said commissioner's discretion and for good
340 cause shown, allow a sponsor receiving a grant pursuant to this section
341 one extension of not more than fourteen additional days to award a
342 contract for the project, which fourteen-day period shall also extend
343 the schedule for commencement of construction.

344 (3) If a project sponsored by The University of Connecticut or the
345 Connecticut State University System is unable to meet the schedule
346 required by subdivision (2) of this subsection, then projects funded by

347 the higher education strategic component of the economic recovery
348 program shall not be required to be included in the allocations
349 required under subsection (c) of section 1 of this act.

350 (c) The receipt or nonreceipt of economic recovery program funding
351 under this section shall not affect the status of projects listed in sections
352 10a-109a to 10a-109ff, inclusive, of the general statutes or sections 10a-
353 91a to 10a-91h, inclusive, of the general statutes. Such projects shall
354 continue to be eligible for funding in the amount and in accordance
355 with the procedures provided in said sections 10a-109a to 10a-109ff,
356 inclusive, and 10a-91a to 10a-91h, inclusive.

357 (d) All provisions of section 3-20 of the general statutes, or the
358 exercise of any right or power granted thereby, which are not
359 inconsistent with the provisions of this section are hereby adopted and
360 shall apply to all bonds authorized by the State Bond Commission
361 pursuant to this section, and temporary notes in anticipation of the
362 money to be derived from the sale of any such bonds so authorized
363 may be issued in accordance with said section 3-20 and from time to
364 time renewed. Such bonds shall mature at such time or times not
365 exceeding twenty years from their respective dates as may be provided
366 in or pursuant to the resolution or resolutions of the State Bond
367 Commission authorizing such bonds. None of said bonds shall be
368 authorized except upon a finding by the State Bond Commission that
369 there has been filed with it a request for such authorization which is
370 signed by or on behalf of the Secretary of the Office of Policy and
371 Management and states such terms and conditions as said commission,
372 in its discretion, may require. Said bonds issued pursuant to this
373 section shall be general obligations of the state and the full faith and
374 credit of the state of Connecticut are pledged for the payment of the
375 principal of and interest on said bonds as the same become due, and
376 accordingly and as part of the contract of the state with the holders of
377 said bonds, appropriation of all amounts necessary for punctual
378 payment of such principal and interest is hereby made, and the State
379 Treasurer shall pay such principal and interest as the same become
380 due.

381 Sec. 6. (*Effective July 1, 2009*) (a) The State Bond Commission shall
382 have power, in accordance with the provisions of this section, from
383 July 1, 2009, to June 30, 2011, inclusive, to authorize the issuance of
384 special tax obligation bonds of the state in one or more series and in
385 principal amounts in the aggregate, not exceeding three hundred two
386 million seven hundred twenty-five thousand dollars.

387 (b) (1) The proceeds of the sale of said bonds to the extent
388 hereinafter stated, shall be used for the purpose of payment of the
389 transportation costs, as defined in subdivision (6) of section 13b-75 of
390 the general statutes, with respect to the projects and uses hereinafter
391 described, which projects and uses are hereby found and determined
392 to be in furtherance of one or more of the authorized purposes for the
393 issuance of special tax obligation bonds set forth in section 13b-74 of
394 the general statutes. Any proceeds from the sale of said bonds shall be
395 used by the Department of Transportation:

396 (A) For the Bureau of Engineering and Highway Operations:

397 (i) For local road and bridge projects for which funds were
398 appropriated, but allotment requisitions or allotments in force were
399 reduced pursuant to section 4-85 of the general statutes during the
400 fiscal year ending June 30, 2009, not exceeding thirty-seven million
401 dollars;

402 (ii) For roads, infrastructure and improvements associated with the
403 Rentschler Field project in East Hartford, not exceeding ten million
404 three hundred twenty-five thousand dollars;

405 (iii) For renovations and improvements to Tweed New Haven
406 airport, not exceeding five million dollars;

407 (iv) For improvements to Mattabeseck Bridge in Middlefield, not
408 exceeding two hundred fifty thousand dollars; and

409 (v) For the reconstruction of the intersection of Marion Avenue and
410 Mt. Vernon Road in Southington, not exceeding one hundred fifty
411 thousand dollars.

412 (B) For the Bureau of Public Transportation, construction of rail
413 maintenance facilities, not exceeding two hundred fifty million dollars.

414 (2) Notwithstanding the provisions of subdivision (1) of this
415 subsection, to receive economic recovery program funding pursuant to
416 this section, the project's sponsor shall demonstrate that, as applicable,
417 (A) the project site is under control by the sponsor, all permits have
418 been procured, planning and zoning issues have been resolved and
419 financing, with the exception of funds that may be received pursuant
420 to this section, is in place, and (B) contracts for the project can be bid
421 and awarded not later than ninety days after the date of allocation of
422 funding pursuant to this section and the project can be under
423 construction not later than sixty days after such funding is received by
424 the sponsor. If the schedule required by this subdivision is not met, the
425 Commissioner of Transportation may, in said commissioner's
426 discretion and for good cause shown, allow a sponsor receiving a grant
427 pursuant to this section one extension of not more than fourteen
428 additional days to award a contract for the project, which fourteen-day
429 period shall also extend the schedule for commencement of
430 construction. Said commissioner may, in his or her discretion and for
431 good cause shown, require a grantee that fails to meet the schedule
432 required by this subdivision to repay five per cent of the grant amount.

433 (3) Notwithstanding the provisions of subdivision (1) of this
434 subsection, the Commissioner of Transportation shall prioritize
435 projects receiving economic recovery funds based upon (A) the
436 project's readiness, as provided in subdivision (2) of this subsection,
437 (B) a demonstration by the project's sponsor that jobs will be retained
438 or created due to commencement of the project, and (C) geographic
439 distribution of all projects receiving grants pursuant to this section.

440 (c) None of said bonds shall be authorized except upon a finding by
441 the State Bond Commission that there has been filed with it (1) a
442 request for such authorization, which is signed by the Secretary of the
443 Office of Policy and Management or by or on behalf of such state
444 officer, department or agency and stating such terms and conditions as

445 said commission, in its discretion, may require, and (2) any capital
446 development impact statement and any human services facility
447 colocation statement required to be filed with the Secretary of the
448 Office of Policy and Management pursuant to section 4b-23 of the
449 general statutes, any advisory report regarding the state conservation
450 and development policies plan required pursuant to section 16a-31 of
451 the general statutes, and any statement regarding farm land required
452 pursuant to subsection (g) of section 3-20 of the general statutes and
453 section 22-6 of the general statutes, provided the State Bond
454 Commission may authorize said bonds without a finding that the
455 reports and statements required by this subdivision have been filed
456 with it if said commission authorizes the secretary of the State Bond
457 Commission to accept such reports and statements on its behalf. No
458 funds derived from the sale of bonds authorized by said commission
459 without a finding that the reports and statements required by this
460 subdivision have been filed with it shall be allotted by the Governor
461 for any project until the reports and statements required by this
462 subdivision, with respect to such project, have been filed with the
463 secretary of the State Bond Commission.

464 (d) For the purposes of this section, each request filed as provided in
465 this section for an authorization of bonds shall identify the project for
466 which the proceeds of the sale of such bonds are to be used and
467 expended and, in addition to any terms and conditions required
468 pursuant to this section, include the recommendation of the person
469 signing such request as to the extent to which federal, private or other
470 moneys then available or thereafter to be made available for costs in
471 connection with any such project should be added to the state moneys
472 available or becoming available from the proceeds of bonds and
473 temporary notes issued in anticipation of the receipt of the proceeds of
474 bonds. If the request includes a recommendation that some amount of
475 such federal, private or other moneys should be added to such state
476 moneys, then, if and to the extent directed by the State Bond
477 Commission at the time of authorization of such bonds, said amount of
478 such federal, private or other moneys then available or thereafter to be
479 made available for costs in connection with such project shall be added

480 to such state moneys.

481 (e) Any balance of proceeds of the sale of said bonds authorized for
482 the projects or purposes of this section, in excess of the aggregate costs
483 of all the projects so authorized, shall be used in the manner set forth
484 in sections 13b-74 to 13b-77, inclusive, of the general statutes, and in
485 the proceedings of the State Bond Commission respecting the issuance
486 and sale of said bonds.

487 (f) Said bonds issued pursuant to this section shall be special
488 obligations of the state and shall not be payable from or charged upon
489 any funds other than revenues of the state pledged therefor in
490 subsection (b) of section 13b-61 of the general statutes and section 13b-
491 69 of the general statutes, or such other receipts, funds or moneys as
492 may be pledged therefor. Said bonds shall not be payable from or
493 charged upon any funds other than such pledged revenues or such
494 other receipts, funds or moneys as may be pledged therefor, nor shall
495 the state or any political subdivision thereof be subject to any liability
496 thereon, except to the extent of such pledged revenues or such other
497 receipts, funds or moneys as may be pledged therefor. Said bonds shall
498 be issued under and in accordance with the provisions of sections 13b-
499 74 to 13b-77, inclusive, of the general statutes.

500 Sec. 7. (*Effective July 1, 2009*) (a) For the purposes described in
501 subsection (b) of this section, the State Bond Commission shall have
502 the power, from July 1, 2009, to June 30, 2011, inclusive, to authorize
503 the issuance of bonds of the state in one or more series and in principal
504 amounts not exceeding in the aggregate one hundred million dollars.

505 (b) (1) The proceeds of the sale of said bonds, to the extent of the
506 amount stated in subsection (a) of this section, shall be used by the
507 Office of Policy and Management for the purpose of providing grants-
508 in-aid to municipalities. The Secretary of the Office of Policy and
509 Management shall distribute the funds authorized by this section in
510 the following manner: (A) Forty per cent of the total amount
511 authorized shall be distributed as provided in section 7-536 of the
512 general statutes; (B) forty per cent of such total amount shall be

513 distributed as provided in section 13a-175b of the general statutes; and
514 (C) twenty per cent shall be distributed based upon each
515 municipality's unemployment rate as of July 1, 2009. A municipality
516 may use such amounts for any purpose or project eligible for financing
517 pursuant to chapter 116b of the general statutes or part IIa of chapter
518 240 of the general statutes.

519 (2) If less than one hundred per cent of the funding authorized
520 pursuant to this section remains unallocated after the State Bond
521 Commission meeting scheduled in September, 2009, the Governor
522 shall, not later than five days after the date of such meeting, whether
523 or not such meeting is cancelled, provide the chairpersons of the joint
524 standing committee of the General Assembly having cognizance of
525 matters relating to finance, revenue and bonding with notice of the
526 reason or reasons why such economic recovery program funds have
527 not been fully allocated and a plan for the allocation of the total
528 amount authorized pursuant to this section. If any portion of the
529 funding authorized pursuant to this section remains unallocated as of
530 the date of any meeting of the State Bond Commission subsequent to
531 the September, 2009 meeting, the Governor shall, not later than five
532 days after the date of such meeting, provide the chairpersons of the
533 joint standing committee of the General Assembly having cognizance
534 of matters relating to finance, revenue and bonding with notice of the
535 reason or reasons why such economic recovery program funds have
536 not been fully allocated and a plan for the allocation of the total
537 amount authorized pursuant to this section.

538 (c) All provisions of section 3-20 of the general statutes, or the
539 exercise of any right or power granted thereby, which are not
540 inconsistent with the provisions of this section are hereby adopted and
541 shall apply to all bonds authorized by the State Bond Commission
542 pursuant to this section, and temporary notes in anticipation of the
543 money to be derived from the sale of any such bonds so authorized
544 may be issued in accordance with said section 3-20 and from time to
545 time renewed. Such bonds shall mature at such time or times not
546 exceeding twenty years from their respective dates as may be provided

547 in or pursuant to the resolution or resolutions of the State Bond
548 Commission authorizing such bonds. None of said bonds shall be
549 authorized except upon a finding by the State Bond Commission that
550 there has been filed with it a request for such authorization which is
551 signed by or on behalf of the Secretary of the Office of Policy and
552 Management and states such terms and conditions as said commission,
553 in its discretion, may require. Said bonds issued pursuant to this
554 section shall be general obligations of the state and the full faith and
555 credit of the state of Connecticut are pledged for the payment of the
556 principal of and interest on said bonds as the same become due, and
557 accordingly and as part of the contract of the state with the holders of
558 said bonds, appropriation of all amounts necessary for punctual
559 payment of such principal and interest is hereby made, and the State
560 Treasurer shall pay such principal and interest as the same become
561 due.

562 Sec. 8. (*Effective July 1, 2009*) (a) For the purposes described in
563 subsection (b) of this section, the State Bond Commission shall have
564 the power, from July 1, 2009, to June 30, 2011, inclusive, to authorize
565 the issuance of bonds of the state in one or more series and in principal
566 amounts not exceeding in the aggregate fifty million dollars.

567 (b) (1) The proceeds of the sale of said bonds, to the extent of the
568 amount stated in subsection (a) of this section, shall be used by the
569 Office of Policy and Management for the purpose of distribution to
570 regional planning organizations on a per capita basis. Such amounts
571 may be used by a regional planning organization for any project on the
572 approved regional transportation improvement plan or for any project
573 eligible for funding pursuant to section 4-66g of the general statutes,
574 provided such purpose or project is approved by not less than sixty
575 per cent of the chief elected officials of all municipalities within the
576 regional planning organization.

577 (2) Notwithstanding the provisions of subdivision (1) of this
578 subsection, to receive economic recovery program funding pursuant to
579 this section, the project's sponsor must be able to demonstrate that, as

580 applicable, (A) the project site is under control by the sponsor, all
581 permits have been procured, planning and zoning issues have been
582 resolved and financing, with the exception of funds that may be
583 received pursuant to this section, is in place, and (B) contracts for the
584 project can be bid and awarded not later than ninety days after the
585 date of allocation of funding pursuant to this section and the project
586 can be under construction not later than sixty days after such funding
587 is received by the sponsor. If the schedule required by this subdivision
588 is not met, the Secretary of the Office of Policy and Management may,
589 in said secretary's discretion and for good cause shown, allow a
590 sponsor receiving a grant pursuant to this section one extension of not
591 more than fourteen additional days to award a contract for the project,
592 which fourteen-day period shall also extend the schedule for
593 commencement of construction. Said secretary may, in his or her
594 discretion and for good cause shown, require a grantee that fails to
595 meet the schedule required by this subdivision to repay five per cent of
596 the grant amount.

597 (3) Notwithstanding the provisions of subdivision (1) of this
598 subsection, the Secretary of the Office of Policy and Management shall
599 prioritize projects based upon (A) the project's readiness, as provided
600 in subdivision (2) of this subsection, and (B) a demonstration by the
601 project's sponsor that jobs will be retained or created due to
602 commencement of the project, and (C) geographic distribution of all
603 projects receiving grants pursuant to this section.

604 (4) The Secretary of the Office of Policy and Management may
605 redistribute any amounts originally set aside for a regional planning
606 organization if that regional planning organization has no project that
607 meets the criteria in subdivisions (2) and (3) of this subsection.

608 (c) If less than one hundred per cent of the funding authorized
609 pursuant to this section remains unallocated after the State Bond
610 Commission meeting scheduled in September, 2009, the Governor
611 shall, not later than five days after the date of such meeting, whether
612 or not such meeting is cancelled, provide the chairpersons of the joint

613 standing committee of the General Assembly having cognizance of
614 matters relating to finance, revenue and bonding with notice of the
615 reason or reasons why such economic recovery program funds have
616 not been fully allocated and a plan for the allocation of the total
617 amount authorized pursuant to this section. If any portion of the
618 funding authorized pursuant to this section remains unallocated as of
619 the date of any meeting of the State Bond Commission subsequent to
620 the September, 2009 meeting, the Governor shall, not later than five
621 days after the date of such meeting, provide the chairpersons of the
622 joint standing committee of the General Assembly having cognizance
623 of matters relating to finance, revenue and bonding with notice of the
624 reason or reasons why such economic recovery program funds have
625 not been fully allocated and a plan for the allocation of the total
626 amount authorized pursuant to this section.

627 (d) All provisions of section 3-20 of the general statutes, or the
628 exercise of any right or power granted thereby, which are not
629 inconsistent with the provisions of this section are hereby adopted and
630 shall apply to all bonds authorized by the State Bond Commission
631 pursuant to this section, and temporary notes in anticipation of the
632 money to be derived from the sale of any such bonds so authorized
633 may be issued in accordance with said section 3-20 and from time to
634 time renewed. Such bonds shall mature at such time or times not
635 exceeding twenty years from their respective dates as may be provided
636 in or pursuant to the resolution or resolutions of the State Bond
637 Commission authorizing such bonds. None of said bonds shall be
638 authorized except upon a finding by the State Bond Commission that
639 there has been filed with it a request for such authorization which is
640 signed by or on behalf of the Secretary of the Office of Policy and
641 Management and states such terms and conditions as said commission,
642 in its discretion, may require. Said bonds issued pursuant to this
643 section shall be general obligations of the state and the full faith and
644 credit of the state of Connecticut are pledged for the payment of the
645 principal of and interest on said bonds as the same become due, and
646 accordingly and as part of the contract of the state with the holders of
647 said bonds, appropriation of all amounts necessary for punctual

648 payment of such principal and interest is hereby made, and the State
649 Treasurer shall pay such principal and interest as the same become
650 due.

651 Sec. 9. (*Effective July 1, 2009*) (a) For the purposes described in
652 subsection (b) of this section, the State Bond Commission shall have
653 the power, from July 1, 2009, to June 30, 2011, inclusive, to authorize
654 the issuance of bonds of the state in one or more series and in principal
655 amounts not exceeding in the aggregate fifty million dollars.

656 (b) (1) The proceeds of the sale of said bonds, to the extent of the
657 amount stated in subsection (a) of this section, shall be used for the
658 purpose of providing grants-in-aid and other financing for the projects,
659 programs and purposes hereinafter stated:

660 (A) For the Connecticut Commission on Culture and Tourism:

661 (i) Grant-in-aid to the Barnum Museum Foundation, Inc., for
662 renovations at the Barnum Museum in Bridgeport, not exceeding
663 \$1,250,000;

664 (ii) Grant-in-aid to the Discovery Museum in Bridgeport, for
665 infrastructure renewal and expansion projects, not exceeding \$800,000;

666 (iii) Grant-in-aid to the Antiquarians & Landmarks Foundation for
667 the Nathan Hale Museum and Family Homestead Development Plan
668 in Coventry, not exceeding \$1,000,000;

669 (iv) Grant-in-aid to the Stanley L. Richter Association for the Arts in
670 Danbury, for roof repair, expansion and Americans with Disabilities
671 Act of 1990 improvements, not exceeding \$300,000;

672 (v) Grant-in-aid to the Darien Arts Center in Darien, for
673 infrastructure renewal projects, not exceeding \$50,000;

674 (vi) Grant-in-aid to the Chatham Historical Society in East
675 Hampton, for roof replacement and infrastructure improvements, not
676 exceeding \$50,000;

677 (vii) Grant-in-aid to the Artists Collective, Inc., in Hartford, for
678 infrastructure repairs and improvements to the existing structure, not
679 exceeding \$800,000;

680 (viii) Grant-in-aid to Gallery 53 in Meriden, for structural
681 improvements, not exceeding \$50,000;

682 (ix) Grant-in-aid to the Kidcity Children's Museum in Middletown,
683 for construction of a new building, not exceeding \$1,000,000;

684 (x) Grant-in-aid to the Milford Historical Society in Milford, for
685 restoration and renovation of historic property, not exceeding \$50,000;

686 (xi) Grant-in-aid to Stepping Stones Museum for Children in
687 Norwalk, for expansion of the facility, not exceeding \$400,000;

688 (xii) Grant-in-aid to the Lockwood-Mathews Mansion Museum in
689 Norwalk, for infrastructure renewal projects, not exceeding \$1,000,000;

690 (xiii) Grant-in-aid to the Lyme Art Association for renovations to its
691 gallery building in Old Lyme, not exceeding \$100,000.

692 (B) For the Department of Economic and Community Development:

693 (i) Grant-in-aid to the Goodspeed Opera House Foundation, Inc., for
694 construction of a new facility in East Haddam, not exceeding
695 \$10,000,000;

696 (ii) Grant-in-aid to the Craftery Gallery, Inc., in Hartford, for the
697 purchase of a building and necessary alterations and renovations, not
698 exceeding \$50,000;

699 (iii) Grant-in-aid to Neighborhoods of Hartford, Inc., for the
700 Hartford Rising Star Blocks of Pride Blocks program, not exceeding
701 \$500,000.

702 (C) For the Department of Mental Health and Addiction Services:

703 (i) Grant-in-aid to Bridges of Milford, for property acquisition and

704 facility expansion, not exceeding \$600,000;

705 (ii) Grant-in-aid to Fellowship Place in New Haven, for purchases,
706 repairs, alterations and improvements, not exceeding \$1,000,000;

707 (iii) Grant-in-aid to Rushford Behavioral Health Services in
708 Meriden, for renovations and roof replacement, not exceeding \$72,222.

709 (D) For the Department of Social Services:

710 (i) Grant-in-aid to Connecticut Hospice, Inc., and the John D.
711 Thompson Hospice Institute for Education, Training and Research,
712 Inc., for acquisition and renovation of a hospice facility in Branford,
713 not exceeding \$1,500,000;

714 (ii) Grant-in-aid to the Greater Danbury AIDS project, for the
715 purchase of buildings, not exceeding \$1,000,000;

716 (iii) Grant-in-aid to the East Hartford YMCA, for capital building
717 improvements, not exceeding \$300,000;

718 (iv) Grant-in-aid to the Interfaith Cooperative Ministries of New
719 Haven, for an aging-at-home pilot program in Hamden, not exceeding
720 \$100,000;

721 (v) Grant-in-aid to Mi Casa in Hartford, for renovations and
722 acquisition of equipment for a wellness center, not exceeding \$350,000;

723 (vi) Grant-in-aid to the Meriden/Wallingford branch of the
724 American Red Cross for building renovations, including alterations to
725 ventilation, plumbing and wiring systems, not exceeding \$50,000;

726 (vii) Grant-in-aid to the Prudence Crandall Center, Inc., for building
727 renovations at the Rose Hill Center in New Britain, not exceeding
728 \$1,000,000;

729 (viii) Grant-in-aid to Casa Bienvenita, for property acquisition in
730 Waterbury, not exceeding \$3,000,000;

731 (ix) Grant-in-aid to the Rivera Hughes Foundation for property
732 acquisition in Waterbury, not exceeding \$1,000,000;

733 (x) Grant-in-aid to New Opportunities, Inc., for renovation of
734 classrooms and administrative space at the Slocum Childhood Center
735 in Waterbury, not exceeding \$500,000;

736 (xi) Grant-in-aid to New Opportunities, Inc., for a new heating
737 system at the Human Services Center in Waterbury, not exceeding
738 \$300,000.

739 (E) For the Department of Education: Grant-in-aid to the Challenger
740 Learning Center of Southeastern Connecticut, for construction of a
741 building, not exceeding \$850,000.

742 (F) For the Department of Children and Families:

743 (i) Grant-in-aid to Pathways-Senderos Teen Pregnancy Prevention
744 Center in New Britain, for acquisition of a new facility, not exceeding
745 \$875,000;

746 (ii) Grant-in-aid to the Youth Continuum in New Haven, for
747 renovations and code improvements, not exceeding \$500,000.

748 (G) If funds remain after distribution pursuant to subparagraphs (A)
749 to (F), inclusive, of this subdivision, the Department of Economic and
750 Community Development may provide grants-in-aid to any project
751 that (i) is sponsored by a nonprofit entity, (ii) is included in a previous
752 bond authorization, and (iii) meets the criteria contained in
753 subdivisions (2) and (3) of this subsection.

754 (2) Notwithstanding the provisions of subdivision (1) of this
755 subsection, to receive economic recovery program funding pursuant to
756 this section, the project's sponsor shall demonstrate that, as applicable,
757 (A) the project site is under control by the sponsor, all permits have
758 been procured, planning and zoning issues have been resolved and
759 financing, with the exception of funds that may be received pursuant
760 to this section, is in place, and (B) contracts for the project can be bid

761 and awarded not later than ninety days after the date of allocation of
762 funding pursuant to this section and the project can be under
763 construction not later than sixty days after such funding is received by
764 the sponsor. If the schedule required by this subdivision is not met, the
765 Commissioner of Economic and Community Development may, in
766 said commissioner's discretion and for good cause shown, allow a
767 sponsor receiving a grant pursuant to this section one extension of not
768 more than fourteen additional days to award a contract for the project,
769 which fourteen-day period shall also extend the schedule for
770 commencement of construction. Said commissioner may, in his or her
771 discretion and for good cause shown, require a grantee that fails to
772 meet the schedule required by this subdivision to repay five per cent of
773 the grant amount.

774 (3) Notwithstanding the provisions of subdivision (1) of this
775 subsection, the Commissioner of Economic and Community
776 Development shall prioritize projects receiving economic recovery
777 funds based upon (A) the project's readiness, as provided in
778 subdivision (2) of this subsection, and (B) a demonstration by the
779 project's sponsor that jobs will be retained or created due to
780 commencement of the project, and (C) geographic distribution of all
781 projects receiving grants pursuant to this section.

782 (c) All provisions of section 3-20 of the general statutes, or the
783 exercise of any right or power granted thereby, which are not
784 inconsistent with the provisions of this section are hereby adopted and
785 shall apply to all bonds authorized by the State Bond Commission
786 pursuant to this section, and temporary notes in anticipation of the
787 money to be derived from the sale of any such bonds so authorized
788 may be issued in accordance with said section 3-20 and from time to
789 time renewed. Such bonds shall mature at such time or times not
790 exceeding twenty years from their respective dates as may be provided
791 in or pursuant to the resolution or resolutions of the State Bond
792 Commission authorizing such bonds. None of said bonds shall be
793 authorized except upon a finding by the State Bond Commission that
794 there has been filed with it a request for such authorization which is

795 signed by or on behalf of the Secretary of the Office of Policy and
 796 Management and states such terms and conditions as said commission,
 797 in its discretion, may require. Said bonds issued pursuant to this
 798 section shall be general obligations of the state and the full faith and
 799 credit of the state of Connecticut are pledged for the payment of the
 800 principal of and interest on said bonds as the same become due, and
 801 accordingly and as part of the contract of the state with the holders of
 802 said bonds, appropriation of all amounts necessary for punctual
 803 payment of such principal and interest is hereby made, and the State
 804 Treasurer shall pay such principal and interest as the same become
 805 due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009</i>	New section
Sec. 2	<i>July 1, 2009</i>	New section
Sec. 3	<i>July 1, 2009</i>	New section
Sec. 4	<i>July 1, 2009</i>	New section
Sec. 5	<i>July 1, 2009</i>	New section
Sec. 6	<i>July 1, 2009</i>	New section
Sec. 7	<i>July 1, 2009</i>	New section
Sec. 8	<i>July 1, 2009</i>	New section
Sec. 9	<i>July 1, 2009</i>	New section

FIN *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Treasurer, Debt Serv.	GF - Cost	See Below	See Below
Treasurer, Debt Serv.	TF - Cost	See Below	See Below
Department of Economic & Community Development; Department of Environmental Protection; Connecticut Commission on Culture and Tourism (CCCT); Social Services, Dept.; Policy & Mgmt., Off.	GF - Cost	Potential	Potential
Department of Transportation	TF - Cost	Potential	Potential

Note: GF=General Fund; TF=Transportation Fund

Municipal Impact:

Municipalities	Effect	FY 10 \$	FY 11 \$
Various Municipalities	Revenue Gain	See Below	See Below

Explanation

The bill authorizes the following bonds:

1. \$643.7 million in General Obligation (GO) bonds for a variety of purposes in FY 10 and FY 11 (the bonds are sunsetted at the end of FY 11). Assuming that all of the bonds are allocated before they expire, the total General Fund debt service cost for principal and interest payments on this amount over 20 years assuming a 5.0% interest rate, is \$981.6 million.
2. \$302.7 million in Special Tax Obligation (STO) bonds for a variety of transportation-related projects in FY 10 and FY 11 (the bonds are sunsetted at the end of FY 11). Assuming that all of the bonds are allocated before they expire, the total Transportation Fund debt service cost for principal and interest payments on

this amount over 20 years assuming a 5.5% interest rate, is \$506.6 million.

The first year that the state will experience costs associated with the bonds depends on when they are allocated through the State Bond Commission (SBC) and when the funds are expended.

To the degree that the funds provided through the Department of Economic and Community Development, the Office of Policy and Management, the Department of Environmental Protection, the Department of Transportation, the Connecticut Commission on Culture and Tourism, and the Department of Social Services are allocated through the SBC before the bond authorizations expire, these agencies may need additional resources for staff to administer and ensure due diligence on the projects that receive funding.

There will be a municipal revenue gain from: (1) \$65 million in GO bonds for Clean Water Fund projects, (2) \$100 million in GO bonds authorized for municipal grants-in-aid, and (3) \$52.7 million in STO bonds for municipal transportation projects, to the degree that these funds are allocated through the SBC before they expire at the end of FY 11.

The Out Years

Since the bond authorizations expire at the end of FY 11, the fiscal impact in future years to the General and Transportation Funds will depend on how many of the bond authorizations in the bill are allocated.

Sources: Office of the State Treasurer

OLR Bill Analysis**sSB 996*****AN ACT ESTABLISHING A CONNECTICUT ECONOMIC RECOVERY PROGRAM.*****SUMMARY:**

This bill establishes a two-year Connecticut economic recovery program and authorizes up to \$643.7 million in general obligation (GO) bonds and \$302,825,000 in special tax obligation (STO) bonds for program projects. The program and the authorizations are effective from July 1, 2009 through June 30, 2011.

The program provides funding for strategic capital investment projects to maintain and create jobs, improve state infrastructure, and to enable the state to compete effectively in the future. The program's "strategic components" are: housing, clean water, clean energy and energy conservation, higher education, transportation, a municipal block grant, a regional block grant, and a pool for projects sponsored by nonprofit entities. The bill authorizes separate bonding levels for each of the components and, for some components, specifies projects to be funded.

The bill requires the state agencies providing project funding to prioritize projects based on their readiness to start construction, capacity to retain or create jobs, and geographic distribution. Project sponsors must award contracts within 90 days after a funding allocation and start construction within 60 days after awarding contracts, with the option for one 14-day extension. These requirements do not apply to municipal block grant projects.

The bill establishes timetables for the State Bond Commission to consider allocating minimum percentages of the bond authorizations in the bill. The timetables are tied to state and municipal

unemployment rates and require the governor to notify the Finance, Revenue and Bonding Committee chairpersons of the reasons the commission agendas do not include the minimum allocations.

EFFECTIVE DATE: July 1, 2009

ECONOMIC RECOVERY PROGRAM PROJECT PRIORITIES

The bill authorizes bonds for the eight strategic components of the program to be distributed through various state agencies. Agencies awarding funds under each component must prioritize the projects to receive funding based on (1) project readiness, (2) a demonstration by the project sponsor that it will retain or create jobs, and (3) the geographic distribution of all the projects under each program component.

PROJECT READINESS AND SCHEDULING REQUIREMENTS

Except for municipal block grant projects, all projects must meet the bill's scheduling and readiness requirements. To be eligible for a grant, a project's sponsor must show that:

1. the project site is under its control;
2. it has procured all required permits;
3. all planning and zoning issues are resolved;
4. financing, except for the economic recovery program grant, is in place;
5. project contracts can be bid and awarded within 90 days after program funding is allocated; and
6. the project can be under construction within 60 days after a project contract award.

The bill gives the state agency head awarding the funding discretion to grant, for good cause, one extension of up to 14 days to award the project contract. The 14-day extension also extends the deadline for

starting construction by the same length of time.

Projects must meet these scheduling requirements. If a project fails to do so, the funding agency head may require the grantee to repay 5% of the grant amount. Projects in the higher education component are not subject to these penalties.

SPECIAL BOND ALLOCATION PROCEDURES

The bill establishes additional requirements for State Bond Commission consideration of economic recovery program projects. These requirements are tied to unemployment rates. The bill defines the unemployment rate as the seasonally adjusted rate determined by the Labor Department in the most recent *Report on Local Area Unemployment Statistics*.

The following additional requirements apply to the commission's consideration of projects in the housing, energy, clean water, transportation, and nonprofit components of the bill. If the state's unemployment rate is 7.3% or higher when the bond commission holds its August 2009 meeting, and the commission's agenda for that meeting agenda does not include allocations for at least 20% of the projects in of each of these strategic components, the governor must notify the Finance, Revenue and Bonding Committee chairpersons, on or before the scheduled meeting date, of the reasons why. If the governor does not provide the required notice, the state treasurer must prepare an addendum to the agenda for the next meeting listing projects totaling at least 20% of each program component's authorization. The commission must vote on the addendum at the meeting.

Thereafter, the commission must consider allocating funds for at least 20% of projects in each of these components whenever the state unemployment rate increases by at least 0.2% over the preceding month, or three months after the last meeting at which such allocations were on the agenda, whichever occurs first. If the required allocations do not appear on the agendas, the governor must again notify the

Finance, Revenue and Bonding Committee of the reasons for not including them.

The bill applies a variation of the above procedures to the program's municipal and regional block grant projects. If less than 100% of these authorizations remain unallocated after the bond commission's September 2009 meeting, the governor must notify the Finance, Revenue and Bonding Committee chairpersons (1) why the funds have not been fully allocated and (2) of a plan for allocating the total amount authorized. The governor must provide this notice within five days after the September 2009 bond commission meeting date, whether or not the meeting is cancelled, and within five days after the date of any subsequent bond commission meeting as long as the municipal and regional block grant authorizations are not fully allocated.

The special allocation provisions do not apply to the higher education component projects. The commission has already approved funding for those projects under the UConn 2000 and Connecticut State University (CSU) 2020 laws.

STRATEGIC COMPONENTS

§ 2 — *Housing Projects*

The bill authorizes \$100 million in GO bonds to the Department of Economic and Community Development (DECD) for grants and financing for:

1. renovating, modernizing, and restructuring state moderate rental family and elderly housing development and comparable projects,
2. supportive housing projects, and
3. projects eligible for assistance from the Housing Trust Fund.

Renovations must give priority to health and safety projects.

The projects listed in Table 1 eligible for Housing Trust Fund assistance are also eligible for assistance under this bill.

Table 1: Eligible Housing Projects

Municipality	Project
Bridgeport	Bijou Square
	Pequannock 2
Bristol	Dutton Heights
Griswold	American Legion Housing
Hamden	Highwood Square
Hartford	My Sister's Place
Manchester	Dye House
	Center Street Apartments
New Britain	Arch Street
	Corbin/Pinnacle Heights
New Haven	Fair Haven North
	Leeway Welton Apartments
	Quinnipiac Apartments
New London	Bates Wood
	Briarcliff
Norwalk	Fair Street
	Wall Street Place
Norwich	Summitwoods II
Stamford	Harborsite
	58 Progress Drive
Waterbury	Country Village
	Beggs Apartments
Westport	Hales Court
Willimantic	Downtown

§ 3 — Energy Projects

The bill authorizes \$100 million in state GO bonds for the Office of Policy and Management (OPM) secretary to provide grants for:

1. clean energy and energy conservation projects;
2. projects addressing energy priorities and adopting emerging renewable energy and energy efficiency technologies;
3. projects that reduce fossil fuel emissions, decrease overall energy consumption, or improve efficiency in the transportation, building, and other energy-consuming sectors; and
4. energy programs.

Energy programs eligible for grants include the biomass, building technologies, federal energy management, geothermal technologies,

hydrogen fuel cells and infrastructure, industrial technologies, solar energy technologies, vehicle technologies, wind and hydropower technologies, and weatherization and intergovernmental programs.

The bill earmarks \$25 million of the authorization to the Department of Public Works for funding net project costs, or the balance after any available public or private incentives, for any energy services project resulting in increased efficiency measures in state buildings as required to meet statutory green building standards for state buildings.

§ 4 — Clean Water Projects

The bill authorizes \$65 million to the Department of Environmental Protection (DEP) for grants to fund Clean Water Fund projects. Projects must meet both statutory Clean Water Fund requirements and the bill's scheduling and priority criteria.

§ 5 — Higher Education Projects

The bill authorizes \$178.7 million in GO bonds to the Department of Higher Education for projects at the University of Connecticut and CSU.

Of this authorization, the bill reserves \$83.7 million of the authorization for projects eligible for funding under the UConn 2000 program. It reserves \$95 million for the CSU projects shown in Table 2.

Table 2: Connecticut State University Projects

Grantee	For	Amount Authorized
All universities	New and replacement equipment	\$8,000,000
	Auxiliary service facilities, alterations and improvements	5,000,000
	Telecommunications infrastructure upgrades	2,500,000
	Land and property acquisition program	5,000,000
Central CSU	Code compliance and infrastructure improvements	3,099,000
	New classroom office building, development and construction	33,978,000
	East campus infrastructure development	13,244,000
Eastern CSU	Code compliance and infrastructure improvements	2,622,000
	Fine arts instructional center - design, construction, and equipment	12,000,000

	Athletic support building - development and construction	1,921,000
	New warehouse - construction	2,269,000
Southern CSU	Code compliance and infrastructure improvements	3,702,000
Western CSU	Code compliance and infrastructure improvements	1,665,000

Projects must meet the bill's scheduling requirements. If any UConn or CSU project cannot meet the requirements, the project need not be included in the economic recovery program.

The bill specifies that a project's receipt of, or failure to receive, funding through the economic recovery program does not affect its status as an authorized project under the UConn 2000 or the CSU 2020 infrastructure programs. Projects continue to be eligible for funding under those programs according to the procedures required by law.

§ 6 — Transportation Projects

The bill authorizes \$302,725,000 in STO bonds to the Department of Transportation (DOT) for projects listed in Table 3.

Table 3: Dot Projects

Project	Amount Authorized
Bureau of Engineering and Highway Operations	
Local road and bridge projects for which funds were appropriated but for which the governor reduced allotments during FY 09	\$37,000,000
Roads, infrastructure, and improvements related to Rentschler Field in East Hartford	10,325,000
Tweed New Haven airport - renovations and improvements	5,000,000
Mattabeseck Bridge, Middlefield - improvements	250,000
Reconstruct Marion Avenue and Mt. Vernon Road in Southington	150,000
Bureau of Public Transportation	
Construct rail maintenance facilities	250,000,000

§ 7 — Municipal Block Grant Projects

The bill authorizes \$100 million in state GO bonds to the OPM secretary for municipal grants. Of the amount authorized, the secretary must distribute 40% according to statutory requirements for the Local Capital Improvement Program (LOCIP), 40% according to statutory requirements for the Town Aid Road (TAR) program, and 20% based

on each municipality's unemployment rate as of July 1, 2009. Municipalities may use grants for any purpose allowable under the LOCIP and TAR programs.

§ 8 — Regional Block Grant Projects

The bill authorizes \$50 million in GO bonds to the OPM secretary for distribution to regional planning organizations (RPOs) on a per capita basis. RPOs may use the funds for projects (1) on the approved regional transportation improvement plan or (2) eligible for funding under the Small Town Economic Assistance Program (STEAP). Projects must also be approved by at least 60% of the chief elected officials of the municipalities within the RPO.

Projects must meet the bill's scheduling and priority requirements. The bill requires the OPM secretary to redistribute the amount set aside for any RPO that has no project that meets the bill's eligibility criteria.

§ 9 — Nonprofit Organization Projects

The bill authorizes a total of \$50 million in GO bond for the projects listed in Table 4. If funds remain after money for the Table 4 projects is distributed, the bill allows the DECD to provide grants to any project that (1) is sponsored by a nonprofit agency, (2) was included in a previous bond authorization, and (3) meets the scheduling and priority requirements that apply to other projects the bill authorizes.

Table 4: Nonprofit Organization Projects

Town	Grantee	For	Amount Authorized
Commission on Culture & Tourism			
Bridgeport	Barnum Museum Foundation, Inc.	Barnum Museum - renovations	\$1,250,000
Bridgeport	Discovery Museum	Renovations	800,000
Coventry	Antiquarian & Landmarks Foundation	Nathan Hale Museum and Family Homestead Development Plan	1,000,000
Danbury	Stanley L. Richter Association for the Arts	Roof repair, expansion, and Americans with Disabilities Act (ADA) improvements	300,000

Darien	Darien Arts Center	Infrastructure renewal projects	50,000
East Hampton	Chatham Historical Society	Roof replacement and infrastructure improvements	50,000
Hartford	Artists Collective, Inc.	Infrastructure repairs and improvements to existing structure	800,000
Meriden	Gallery 53	Structural improvements	50,000
Middletown	Kidcity Children's Museum	Construct new building	1,000,000
Milford	Milford Historical Society	Restore and renovate historic property	50,000
Norwalk	Stepping Stones Museum for Children	Expand facility	400,000
Norwalk	Lockwood-Mathews Mansion Museum	Infrastructure renewal projects	1,000,000
Old Lyme	Lyme Art Association	Renovate gallery building in Old Lyme	100,000
Department of Economic and Community Development			
East Haddam	Goodspeed Opera House Foundation, Inc.	Build new facility in East Haddam	10,000,000
Hartford	Craftery Gallery, Inc.	Purchase a building and make needed alterations and renovations	50,000
Hartford	Neighborhoods of Hartford, Inc.	Hartford Rising Star Blocks of Pride Program	500,000
Department of Mental Health and Addiction Services			
Milford	Bridges of Milford	Acquire property and expand facility	600,000
New Haven	Fellowship Place	Purchases, repairs, alterations, and improvements	1,000,000
Meriden	Rushford Behavioral Health Services	Renovations and roof replacement	72,222
Department of Social Services			
Branford	Connecticut Hospice, inc. and the John D. Thompson Hospice Institute for Education, Training and Research	Acquire and renovate a hospice facility in Branford	1,500,000
Danbury	Greater Danbury AIDS project	Purchase buildings	1,000,000
East Hartford	East Hartford YMCA	Capital building improvements	300,000
Hamden	Interfaith Cooperative Ministries of New Haven	Aging-at-home pilot program in Hamden	100,000
Hartford	Mi Casa	Wellness Center - renovations and acquiring equipment	350,000

Meriden/ Wallingford	American Red Cross, Meriden/Wallingford branch	Building renovations, including ventilation, plumbing, and wiring systems	50,000
New Britain	Prudence Crandall Center, Inc.	Rose Hill Center building renovations	1,000,000
Waterbury	Casa Bienvenita	Property acquisition	3,000,000
Waterbury	Rivera Hughes Foundation	Property acquisition	1,000,000
Waterbury	New Opportunities, Inc.	Slocum Childhood Center - classroom and administrative space renovation	500,000
Waterbury	New Opportunities, Inc.	Human Services Center, new heating system	300,000
Education Department			
	Challenger Learning Center of Southeastern Connecticut	Construct building	850,000
Department of Children and Families			
New Britain	Pathways-Senderos Teen Pregnancy Prevention Center	Acquire new facility	875,000
New Haven	Youth Continuum	Renovations and code improvements	500,000

BACKGROUND

Related Bill

sSB 833, An Act Authorizing Bonds of the State for Capital Improvements and Other Purposes, favorably reported by the Finance, Revenue and Bonding Committee, cancels many prior bond authorizations, including authorizations for all the nonprofit organization projects that this bill reauthorizes (see Table 4).

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 50 Nay 5 (04/16/2009)