



General Assembly

**House Joint
Resolution No. 170**

January Session, 2019

LCO No. 10560



Referred to Committee on No Committee

Introduced by:

REP. ARESIMOWICZ, 30th Dist.

REP. RITTER M., 1st Dist.

SEN. LOONEY, 11th Dist.

SEN. DUFF, 25th Dist.

RESOLUTION CONCERNING THE BOND COVENANT.

Resolved by this Assembly:

1 WHEREAS, on May 9, 2018, the General Assembly adopted public
2 acts 18-49, 18-81 and 18-178, which acts, passed and signed by the
3 Governor prior to the issuance of any bonds referenced in subsection
4 (aa) of section 3-20 of the general statutes, amend statutory provisions
5 incorporated into said subsection; and

6 WHEREAS, as codified by the Legislative Commissioners' Office,
7 subsection (aa) of section 3-20 of the general statutes, as amended by
8 public acts 18-49 and 18-81, reads as follows:

9 (aa) (1) For each fiscal year during which general obligation bonds
10 or credit revenue bonds issued on and after May 15, 2018, and prior to
11 July 1, 2020, shall be outstanding, the state of Connecticut shall comply
12 with the provisions of (A) section 4-30a of the general statutes, revision

13 of 1958, revised to January 1, 2017, as amended by section 704 of public
14 act 17-2 of the June special session and section 7 of public act 18-49 and
15 section 20 of public act 18-81, (B) section 2-33c in effect on October 31,
16 2017, (C) section 2-33a of the general statutes, revision of 1958, revised
17 to January 1, 2017, as amended by section 709 of public act 17-2 of the
18 June special session, (D) subsections (d) and (g) of this section, revision
19 of 1958, revised to January 1, 2017, as amended by sections 710 and 711
20 of public act 17-2 of the June special session, and (E) section 3-21 of the
21 general statutes, revision of 1958, revised to January 1, 2017, as
22 amended by section 712 of public act 17-2 of the June special session.
23 The state of Connecticut does hereby pledge to and agree with the
24 holders of any bonds, notes and other obligations issued pursuant to
25 subdivision (2) of this subsection that no public or special act of the
26 General Assembly taking effect on or after May 15, 2018, and prior to
27 July 1, 2023, shall alter the obligation to comply with the provisions of
28 the sections and subsections set forth in subparagraphs (A) to (E),
29 inclusive, of this subdivision, until such bonds, notes or other
30 obligations, together with the interest thereon, are fully met and
31 discharged, provided nothing in this subsection shall preclude such
32 alteration (i) if and when adequate provision shall be made by law for
33 the protection of the holders of such bonds, or (ii) (I) if and when the
34 Governor declares an emergency or the existence of extraordinary
35 circumstances, in which the provisions of section 4-85 are invoked, (II)
36 at least three-fifths of the members of each chamber of the General
37 Assembly vote to alter such required compliance during the fiscal year
38 for which the emergency or existence of extraordinary circumstances
39 are determined, and (III) any such alteration is for the fiscal year in
40 progress only.

41 (2) The Treasurer shall include this pledge and undertaking in
42 general obligation bonds and credit revenue bonds issued on or after
43 May 15, 2018, and prior to July 1, 2020, provided such pledge and
44 undertaking (A) shall be applicable for a period of five years from the
45 date of first issuance of such bonds, and (B) shall not apply to
46 refunding bonds issued for bonds issued under this subdivision.

47 WHEREAS, as public act 18-178 does not directly amend subsection
48 (aa) of section 3-20 of the general statutes, in keeping with the practice
49 of the General Assembly, it is not reflected in said codification; and

50 WHEREAS, it was and remains the intent of the General Assembly
51 that the relevant provisions of public acts 18-49, 18-81 and 18-178,
52 which amend sections of general statutes or public acts referenced in
53 subsection (aa) of section 3-20 of the general statutes be operative and
54 be incorporated in the pledge to be made to holders of bonds issued
55 during the time referenced in said subsection; and

56 WHEREAS, it was and remains the intent of the General Assembly
57 that the references in subsection (aa) of section 3-20 of the general
58 statutes to sections of the general statutes and public acts amended by
59 public acts 18-49, 18-81 and 18-178 incorporate the amendments made
60 by such public acts and no contrary intention has been expressed by
61 the General Assembly; and

62 WHEREAS, at the request of the State Treasurer, the Attorney
63 General of the State, in Formal Opinion 18-4 issued November 21,
64 2018, provided guidance as to the proper interpretation of subsection
65 (aa) of section 3-20 of the general statutes, concluding that it was the
66 intention of the General Assembly that references in said subsection to
67 sections of the general statutes and public acts amended by public acts
68 18-49, 18-81 and 18-178 incorporate the amendments made by such
69 public acts; and

70 WHEREAS, Formal Opinion 18-4 correctly interpreted the intention
71 of the General Assembly in passing public acts 18-49, 18-81 and 18-178;

72 THAT THEREFORE, this General Assembly does hereby ratify and
73 confirm the conclusions set forth in Formal Opinion 18-4 and further
74 does hereby restate and reconfirm that the intent of the General
75 Assembly was and is that the pledge made by the state in subsection
76 (aa) of section 3-20 of the general statutes and to be included as a
77 covenant in any bonds issued by the state after May 15, 2018, and prior
78 to July 1, 2020, incorporate the provisions of public acts 18-49, 18-81

79 and 18-178.