

<b>Act Number:</b>	09-002 (Sept. Sp. Sess.)	
<b>Bill Number:</b>	7004	
<b>Senate Pages:</b>	6855-6865	11
<b>House Pages:</b>	11276-11301	26
<b>Committee:</b>	None	0
	<b>Page Total:</b>	<b>37</b>

**S – 598**

**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
2009**

**JUNE  
SEPTEMBER  
DECEMBER  
SPECIAL  
SESSIONS  
VETO  
SESSION**

**VOL. 52  
PART 22  
6820 – 7149**

rgd/med  
SENATE

82  
September 24, 2009

Those voting Nay 5

Those absent and not voting 1

THE CHAIR:

The bill passes.

Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President.

Mr. President, would move for immediate transmittal to the Governor of Emergency Certified House Bill 7003.

THE CHAIR:

There's a motion on the floor to meet -- to move House Bill 7003 to the Governor. Without objection, so ordered, sir.

Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President.

Mr. President, would ask the Clerk to call the final item on Senate Agenda Number 1, which is Emergency Certified House Bill 7004.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Emergency Certified Bill 7004, AN ACT AUTHORIZING

rgd/med  
SENATE

83  
September 24, 2009

AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES. Bill is accompanied by emergency certification, signed Donald E. Williams Jr., President Pro Tempore of the Senate; Christopher G. Donovan, Speaker of the House of Representatives.

THE CHAIR:

Senator Daily.

SENATOR DAILY:

Thank you very much, Mr. President.

I move the emergency certified bill in concurrence with the House.

THE CHAIR:

Motion is on the floor for movement of House Bill 7004. Seeing no objection, please proceed, ma'am.

SENATOR DAILY:

Thank you, Mr. President.

Before I discuss the bill, I would like to thank all the people that have worked so hard to put together this bill and the revenue estimates that we did a short time ago, as well as all of the revenue work for the budget.

I'd like to thank Cam Staples, my cochair,

rgd/med  
SENATE

84  
September 24, 2009

Senator DeFronzo for all of the work that he and Carlo have done on the bonding. Our LCO, Anne Carroll and her backups in the implementers this session, Kumi Sato, Jenna Padula and Rich Hanratty.

Rob Wysock from OFA spends hours upon hours trying to help us get this information. Linda Miller works very hard on bonding. Bill Letterman is there for us all the time with quick and succinct answers.

Judith Lohman and John Rappa from OLR do wonderful research to help us make better decisions. And we couldn't go without thanking John Chaput from our staff and Mary Finnegan who does all of this stuff. Thank you, Mary.

We have moved the bill and this is a departure from our usual approach to bonding. We have done this in terms of pools of money rather than anything that can be looked at as special interest. And then the Governor, and hopefully, the Governor in concert with the legislative leaders will make decisions about these important projects.

In total, this is a jobs bill. This will provide the money that will help us to get our people working. It will provide the money to help us strengthen our infrastructure, build new schools, and overall, to

rgd/med  
SENATE

85  
September 24, 2009

help to build and rebuild the state economy.

I urge it's passage.

THE CHAIR:

Thank you, ma'am.

Will you remark? Will you remark further on  
House Bill 7004?

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

Mr. President, through you, a question to the  
proponent of the bill.

THE CHAIR:

Senator Daily.

SENATOR DEBICELLA:

Through you, Mr. President, what percentage of  
the budget that we just passed is actually going to  
pay for debt service for the State of Connecticut?

Through you, Mr. President.

THE CHAIR:

Senator Daily.

SENATOR DAILY:

Thank you, Mr. President.

And through you, Mr. President, that information  
is not contained in this bill, but I recall

rgd/med  
SENATE

86  
September 24, 2009

discussions of around 11 percent.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

That is exactly right according to my recollection, as well. And I thank Senator Daily for the answer to that question.

Mr. President, we are already spending 11 cents of every dollar collected from taxpayers to pay for bonds that we have put out there over the course of the last 20 years. And the bill before us today totals \$2.4 billion in new bonding, 1.53 billion in general obligation bonds, and .85 billion in transportation bonds.

Now we can go through and look at each and every one of these line items and say, that's a good project, that's a good project, that's a good program. But when you take it in its totality and you take it with the other actions that we've taken this year, it's setting Connecticut on an unsustainable path. Just this year alone we borrowed almost a billion dollars to close the 2009 deficit. And in the biennium budget we passed three weeks ago, we have

rgd/med  
SENATE

87  
September 24, 2009

over a billion dollars of securitization, which is essentially borrowing against the future.

So we have \$2 billion of borrowing already, and now an additional \$2.4 billion. Contrast that with the debt that we're retiring. Twenty years ago in that biennium, the biennium of 19 -- excuse me 1990, 1991, we borrowed about 2.3 billion. So if you took this in itself, you might say, okay. It's a normal year. But take it with the borrowing that we've already done for the '09 deficit and the borrowing that we're going to do on securitization, and we have doubled the amount of borrowing that we did 20 years ago.

So that 11 cents that Senator Daily talks about in saying that 11 cents of every dollar is going to pay debt service continues to go up and up and up. At the beginning of this decade it was 7 cents. So you ask yourself, why do we end up in these fights like we had this year about do we need to cut spending or raise taxes? It's because more and more of our tax dollars are just going to pay interest.

So Mr. President, I stand here today in opposition to this bill, not because there aren't good programs in it. Of course there are good programs in

rgd/med  
SENATE

88  
September 24, 2009

it, but the State of Connecticut is on an unsustainable path, and if every year we continue to increase our debt, there's only two options. One, we're going to crowd out other worthwhile programs, or two, we're forcing a tax increase on the State of Connecticut.

So Mr. President, I would urge today that we actually stand up for fiscal responsibility, not just tax and borrow, tax and borrow, but actually say let's show some restraint and vote no on the bonding package before us.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Will you remark further on House Bill 7004?

Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President.

Mr. President, speaking in support of the bill, would like to commend Senator Daily and Senator DeFronzo and Representative Staples and Leone and others who have worked on this.

This is, as we always know, a painstaking process in ferreting out the many worthy applicants for bond

rgd/med  
SENATE

89  
September 24, 2009

authorizations. I think that the committee has done a careful and responsible job in recognizing that there are capital project obligations that the State needs to meet in bad times as well as in good.

And this bill, I think, is responsible in setting a level which is reasonable given our fiscal constraints, but also given the ongoing needs for programs that require capital funding.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Senator McKinney.

SENATOR MCKINNEY:

Mr. President, I rise in opposition to the bond package before us -- would associate myself with the remarks of Senator DeBicella.

I think clearly, when you are talking to the hard-working people of the state of Connecticut, Mr. President, there is a general fear, regardless of who they are, where they live, what they do or what party they affiliate, that people are concerned that government is just spending too much money, both in Washington and here in Hartford. And their concern is justified because we are. And in addition to spending

too much, we continue to borrow too much and pile on more debt than I believe the people of the state of Connecticut can afford.

One of our failures in the budget was a failure to make the hard decisions necessary. We deferred payments to save money. We came up with some gimmicks to save money. We've always used gimmicks of the past, but more this year. We relied on lapses and other unidentified sources of savings.

In this bond package, we make a similar mistake. This bond package for, I believe, the first time that I can recall, bonds Town Aid Road money. In prior years, I think the last budget we used surplus funds to support Town Aid Road, and here we bond it. And I believe the better way is to have a regular source of income from our general fund for Town Aid Road. That way our mayors and first selectman will know that the money is going to be there every year. We can spend less in other departments, because I don't think there's any disagreement here that municipal aid should be a top priority for the people of the state of Connecticut.

But by bonding it we put that Town Aid Road a little bit more at risk, certainly at the whim of the

rgd/med  
SENATE

91  
September 24, 2009

Bond Commission and the meetings that they have or don't have, and I think it causes some concern for all of our towns and cities. We had to bond that because we're told we didn't have enough money in our general fund, or we didn't have enough money in our transportation fund, or we couldn't spend the money. That's because we were unwilling to make tough decisions and spend less in other areas.

So I hope that going forward in future budgets we'll go back to the way we used to do it, have Town Aid Road funded through our general fund rather than borrow and pay interest on that debt.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Will you remark further on House Bill 7004? Will you remark further?

If not, Mr. Clerk please call for a roll call vote. The machine will be open.

THE CLERK:

An immediate roll call vote has been ordered in the Senate. Will all Senators please return to the chamber. Immediate roll call vote has been ordered in the Senate. Will all Senators please return to the

rgd/med  
SENATE

92  
September 24, 2009

chamber.

THE CHAIR:

Have all Senators voted? If all Senators have voted, please check your vote. The machine will be locked. The Clerk will call the tally.

THE CLERK:

The motion is on passage of Emergency Certified Bill 7004.

Total number voting	35
Those voting Yea	24
Those voting Nay	11
Those absent and not voting	1

THE CHAIR:

The bill passes.

Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President.

Mr. President, would move for immediate  
transmittal to the Governor of Emergency Certified  
House Bill 7004.

THE CHAIR:

There's a motion on the floor to immediately transmit House Bill 7004 to the Governor. Seeing no objection, so ordered, sir.

**H – 1071**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2009**

**JUNE  
SEPTEMBER  
SPECIAL  
SESSIONS**

**VOL.52  
PART 35  
11000 – 11306**

voted? Will all the members please check the board to determine whether your vote has been properly cast. If all the members have voted, the machine will be locked.

Will the Clerk please take and announce that tally.

THE CLERK:

House Bill Number 7002.  
Total Number Voting 140  
Necessary for adoption 71  
Those voting Yea 106  
Those voting Nay 34  
Those absent and not voting 11

DEPUTY SPEAKER McCLUSKEY:

The bill as amended is passed.

Will the Chamber please stand at ease.

(Chamber at ease.)

DEPUTY SPEAKER McCLUSKEY:

Will the Clerk please call Emergency Certified Bill 7004.

THE CLERK:

House Bill 7004, AN ACT AUTHORIZING AND ADJUSTING

BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS,  
TRANSPORTATION AND OTHER PURPOSES, introduced by  
Representative Donovan and Senator Williams.

DEPUTY SPEAKER McCLUSKEY:

The honorable chair of the Finance Committee,  
Representative Staples, you have the floor, sir.

REP. STAPLES (96th):

Thank you, Mr. Speaker.

Mr. Speaker, I move acceptance and passage of the  
Emergency Certified Bill.

DEPUTY SPEAKER McCLUSKEY:

Question before the Chamber is acceptance and  
passage of the Emergency Certified Bill. Will you  
remark, sir?

REP. STAPLES (96th):

Yes. Thank you, Mr. Speaker.

Mr. Speaker, I would be remiss if I didn't take a  
quick moment to thank some of the people who worked so  
hard in the last several weeks on both the bonding  
bill that's before us right now, as well as the  
revenue bill that we took up and passed earlier. And,  
with the Chamber's indulgence, I would like to thank,  
from LCO, Anne Brennan Carroll, who has worked  
tirelessly over the last several weeks, particularly,

in the last 48 hours to bring us to this point. Also, Jenna Padula, Kumi Sato, and Rich Hanratty from LCO have been very helpful in backing her up and providing assistance and I want to thank them. From OFA, Rob Wysock, Bill Letterman and Linda Miller have worked very hard to bring us to this point, not only in the last three weeks, frankly, but throughout the whole summer. OLR, Judith Lohman and John Rappa; and the Finance Committee's administrator Mary Finnegan and the clerk of the committee John Chaput. I would like to extend my thanks and I'm sure on behalf of Senator Daily, as well, for all the hard work that they have done to make our process successful and accessible to all the members of Finance, Revenue and Bonding Committee.

Mr. Speaker, the bill before us is -- in the scheme of bonding bills that we have adopted in years past, is a fairly streamlined bill. There's a couple of reasons for that. The bonding ability of the State is dependent upon our revenue stream. As we all know, revenues have been a very big challenge for us over the last 12 months. After the adoption of a budget three weeks ago, we now have a new bond indebtedness cap that we can borrow against. But the bill before

us does not use up all the available borrowing. It is largely devoted, as most of our bonding bills are, to school construction and higher education -- public university construction that takes up approximately two-thirds -- three-quarters of our bonding.

The remaining bonding -- I will yield to my colleague and the chair of the subcommittee, Representative Leone to describe. But I do want to thank him and his cochair Don DeFronzo and the ranking members of the bonding subcommittee for all the hard work that they've done.

Mr. Speaker, I do urge support of the bill before us. It also includes the transportation bonding. There are projects that, I think, are vital to the future of this state. And with your indulgence, Mr. Speaker, I would like to yield to Representative Leone for further description of the bill before us.

DEPUTY SPEAKER McCLUSKEY:

Chair recognizes Representative Leone. Please proceed, sir.

REP. LEONE (148th):

Thank you, Mr. Speaker.

And before starting into the bill, I also would like to thank the staff who assisted myself and my

cochair on this bill, of which I also want to give credit to my chairman, Senator Daily and Representative Staples for guiding us through this process and keeping us up to date as the current budget process went further on.

With that said, the current bond bill before us, as was mentioned, is pretty much streamlined. Given where we are in this economic situation that we find ourselves in, we realize that we couldn't do a bond bill as we have done in the past and just add all sorts of requests to the package. So the streamlined bill, in essence, is there are no cancellations in the previous bond bill that is before us, and there's also no new requests. And, for any additional new request that would be forthcoming, we created pools of categories that people can apply for via grant program so that if they have a worthy project they can apply for it, and if they can make their case, then it can be presented, as such, and be released on the bond commission.

We also were mindful of our 90-percent limit on the cap, and we made great strides to stay below that, and we currently left a cushion of 150.838 million in fiscal year '10 and 82.59 million in fiscal year '11.

And, with that, I would be more than happy to take any questions.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill? Will you remark further on the bill?

The gentleman from North Grosvenordale, Representative Johnston, you have the floor, sir.

REP. JOHNSTON (51st):

Thank you, Mr. Speaker.

Mr. Speaker, is there a fiscal note on this bill?

DEPUTY SPEAKER McCLUSKEY:

The Chamber will stand at ease.

(Chamber at ease.)

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Chairman.

In reference to the question that's currently on the table, the short answer is we do not have a fiscal note at the moment. It is forthcoming, but, if there's any specific questions, we'd be more than

happy to try and address them.

DEPUTY SPEAKER McCLUSKEY:

Representative Johnston.

REP. JOHNSTON (51st):

Thank you, Mr. Speaker.

The entire amount of money in this bill that we are going to be borrowing and paying interest on over 20 to 25 years is how much?

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Chairman.

The total GO authorizations are 713,916,316 for fiscal year '10 and 1,534,644,894 in fiscal year '11. And in fiscal year '11 that is an aggregate number.

DEPUTY SPEAKER McCLUSKEY:

Representative Johnston.

REP. JOHNSTON (51st):

I thank the gentleman for his answer.

So I guess if I can try to summarize, we have language before us that was plopped down on our desk about 40 minutes ago that's so important that we're going to go out and borrow -- this is money we don't have, but we're going to borrow over \$2.2 billion from

the quick answer that I have. Unless you're a speed reader or you've sat in these meetings day after day over the last three days, I'm going to make an educated guess that no more than about a dozen people in this room know what we're about to borrow. And, yet, we're being asked to move forward on a bill and to vote on this bill. By the time we pay interest on this, we're going to be spending probably in the ballpark of 3 to 3 and a half billion dollars over the next 25 years, and we don't even have a breakout of what it is and descriptions of the individual sections.

Quite frankly, without that fiscal note, it's awfully difficult to ask the questions. The language, in some cases, just describes large parts of money, but when you're trying to dissect \$2.2 billion, not million, but billion dollars of borrowing, without that description that our Office of Fiscal Analysis provides us, it really is an impossible task.

Apparently, there were some conversations between the two caucuses of whether we were going to proceed with this bill, but I wasn't party to those conversations. And, certainly, if someone can get me that note, I'd be willing to move to this along. And

I don't want to keep people here longer, but I think we do have an obligation to understand what we're doing to truly be able to go back home and tell our constituents that we agreed to borrow over the next two years \$2.2 billion without even a description or a summary of what we're doing.

So I don't know how long it's going to be before we get the fiscal note, but I would hope that we could get that in quick time so we'd have that ability to truly understand what we're doing here, Mr. Speaker. And I thank you for your time.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further?

Chair recognizes the honorable ranking -- excuse me -- the Honorable Minority Leader, Representative Cafero, you have the floor, sir.

REP. CAFERO (142nd):

Thank you, Mr. Speaker.

Mr. Speaker, a few questions to Representative Leone through you, sir.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone, please prepare yourself.

Please continue, sir.

REP. CAFERO (142nd):

Thank you.

Through you, Mr. Speaker, to Representative Leone. Representative, I have in front of me LCO 9840, Emergency Certified Bill 7004, the bill that's before us, and I believe it's also online. It is 51 pages in length and has several sections to it. Do the sections that we all have before us describe the various sums of money that we are hoping to borrow through this bill? Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Speaker.

Yes, we do. Each section is broken down with an amount inserted for that section.

DEPUTY SPEAKER McCLUSKEY:

Representative Cafero.

REP. CAFERO (142nd):

And given the nature of this particular bill, because it does lay out the individual amounts that are being borrowed in each section, what other information would a fiscal note have that isn't contained in this bill that's before us? Through you,

Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Speaker.

Other than the actual numbers and a brief summary, the information would remain the same. The current bill just gives you the explicit language.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Cafero.

REP. CAFERO (142nd):

Through you, Mr. Speaker. For instance, if someone wanted to know what it cost to borrow this money over the next two years, is that contained within this bill that we have in our hands? Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Speaker.

If I understand the question correctly, if a person wanted to see exactly which money per agency, where it would be coming from, then the answer is,

yes, it is in the bill.

DEPUTY SPEAKER McCLUSKEY:

Representative Cafero.

REP. CAFERO (142nd):

Through you, Mr. Speaker. Is there any reference to debt service in the 51 pages that we have in hand to pay for the money we're borrowing in this document?

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Speaker.

Yes, that information is in -- also provided in each section.

DEPUTY SPEAKER McCLUSKEY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker.

Representative Johnston -- Representative Johnston indicated that there was an agreement, given the lateness of the hour and because of the unique nature of a bonding bill, which specifically sets out the amount being borrowed for each and every project and/or agency, et cetera, et cetera. I, in the

interest of time and efficiency, agreed with the majority party that we would waive the necessity of having a fiscal note.

And I just wanted to make it clear to the Chamber and the public that's looking that -- and I have enormous respect for Representative Johnston and his incredible fiscal responsibility, but I want you to know that in this particular case because of the specificity of the bill itself that mentions the amount being borrowed and the reason it's being borrowed, it was for that reason, and that reason alone, that I felt that there wasn't additional information that would be provided in a fiscal note that would have changed any objection or support of this bill that's before us.

And with that explanation, I thank you,  
Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further?

The honorable ranking member of the Appropriations Committee, Representative Miner, you have the floor, sir.

REP. MINER (66th):

Thank you, Mr. Speaker.

Mr. Speaker, briefly, if I might, just a few questions to the proponent.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone, please prepare yourself.

Please continue, sir.

REP. MINER (66th):

Thank you, Mr. Speaker:

At the onset of Representative Leone's comments, I thought I understood him correctly where he laid out the debt service for 2010 and 2011 indicating two numbers which would indicate that the approval of this would still leave us below the cap. If he could please just give me those numbers again.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Chairman.

The total GO authorizations are 713,916,316 for fiscal year '10. That leaves us a remaining capacity for the 90 percent limit of 150,838,324. That's for fiscal year '10. In fiscal year '11, the new GO authorizations are 1,534,644,894. The remaining capacity before the limit, for fiscal year '11, is

82,059,955.

DEPUTY SPEAKER McCLUSKEY:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

And I thank the gentleman for his answer. Just maybe just -- I want to be sure that I'm clear on this, back when we -- the Chamber approved language for the economic recovery notes, at that time, we took the debt service embodied in that decision out of our statutory cap. Am I correct? Through you.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

I believe that is correct, Mr. Chairman.

DEPUTY SPEAKER McCLUSKEY:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

And so the fact that we are, today, mathematically under the cap, even if we approve this -- and the only reason we're under the cap is because we have set aside that 900 and change million dollar borrowing that we had to do to square away the

books for last year; is that correct?

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Chairman.

That is correct.

DEPUTY SPEAKER McCLUSKEY:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

And I thank the gentleman for his answers.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill? Will you  
remark further on the bill?

Gentlelady from Bolton, Representative Sawyer,  
you have the floor, madam.

REP. SAWYER (55th):

Thank you, Mr. Speaker.

A question for Representative Leone.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone, please prepare yourself.

Please proceed, madam.

REP. SAWYER (55th):

Thank you, sir.

One of the advantages we have when we have a fiscal note is getting through some of the more difficult wording that we have in bills, and in Section 1, it says -- at the very beginning of the bill, it says, the subsection (a) of Section 4-66G of the General Statutes. And, just for clarification, through you, Mr. Speaker, does that refer to the STEAP grant monies?

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Through you, Mr. Speaker, that is correct. Section 1 is STEAP.

DEPUTY SPEAKER McCLUSKEY:

Representative Sawyer.

REP. SAWYER (55th):

Thank you. That's the Small Town Economic Assistance Program that so many of the small towns rely on for small amounts of money, oftentimes, making or breaking a project.

But I'd also like to ask that in Section 2, if we're looking at where it says, Sections 7-538, in line 10. Is that dollars that we refer normally as

the Urban Act dollars? Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Through you, Mr. Chair. No, under that section that is actually the LOSAP program, through you, Mr. Chair.

DEPUTY SPEAKER McCLUSKEY:

Representative Sawyer.

REP. SAWYER (55th):

I thank the gentleman for his answers.

DEPUTY SPEAKER McCLUSKEY:

Thank you, madam, for your remarks.

Will you remark further?

The distinguished ranking member of the Transportation Committee, Representative Scribner, you have the floor, sir.

REP. SCRIBNER (107th):

Thank you, Mr. Speaker.

For a point of clarification, through you, a question to the proponent.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone, please prepare yourself.

Please continue, sir.

REP. SCRIBNER (107th):

Thank you, sir.

It's my understanding, the way that the process works that the content of the bond package that we have before us in the form of Bill Number 7004, we are authorizing the bond indebtedness of the items described in the bill. Despite the fact that they are identified by item or by groups or pools of funding that would be made available by the Legislature's authorization, it does not ensure that any or all of it will actually be borrowed. Would that be an accurate statement?

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Speaker.

That is actually correct. This is just an authorization of what would currently be proposed. It still needs to be released via the Bond Commission, and each item would have to be verified that it is worthy of being placed on the Commission. Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Scribner.

REP. SCRIBNER (107th):

I thank you for that.

And I think it is important for the members of the Legislature who may not be closely a part of the process that brought this bill before us that we do, as a legislative body, and, in this case, through the mechanism of this bill, establish an authorization for defined borrowing to take place during the next two years. It does not guarantee that any part of or all of it will actually be brought forward to the Bond Commission for their approval to actually be borrowed, and I think the members of the Legislature should understand that portion of the process.

Thank you.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further?

For the second time, the distinguished gentleman from North Grosvenordale, Representative Johnston, you have the floor, sir.

REP. JOHNSTON (51st):

Thank you, Mr. Speaker.

I appreciate Representative Scribner's discussion about the amount of authorization that we're laying

out there; in other words, these are all projects that could conceivably be funded through the State Bond Commission. Historically, many of them won't get funding. But the fact of the matter does not change that under a different governor or a governor under a different frame of mind, at any point in the future, and a State Bond Commission to change past practice and let a lot of these projects out the door. So I think just the fact that you have this much pent-up projects in the pipeline, so to speak, that could be borrowed that the Legislature has given their okay to actually go before the State Bond Commission, if this Governor so chooses to place these items on the agenda, sends a bad message for our bond rating.

And we certainly know that discussions have taken place in this very Chamber to change that very process that an item can be put on the Bond Commission agenda. And there were bills floating around in the past where the Legislature would have some ability to bypass the Governor of the State of Connecticut and actually place an item before the State Bond Commission. So we don't know in the future if past practice with not letting a lot of these projects out would happen.

I have spoken over and over before this General

Assembly about my fear of our over reliance on bonding and the problems that that has brought the State of Connecticut. We pay a tremendous amount of interest. And just in the short period of time that I've come to this building, the percentage of our budget that goes out for debt service has almost doubled. So those are real dollars that we can't spend on local education. Those are real dollars that we can't spend on criminal justice. Those are real dollars that we can't spend on operating, ongoing activities of the State of Connecticut because we're paying debt service. It's not dissimilar to a homeowner paying a huge credit card bill every month and paying a ton of interest, and they can't pay their electric bill and they can't make their mortgage because they've gotten themselves in over their head.

I had a question for Representative Leone concerning the cap that Representative Miner had asked him about. I know that we put "notwithstanding" language in on our bonding cap for the economic recovery notes for our budget deficit in this past concluded year. But, in that bill and in other legislation that we did, did we change any language concerning the calculation of our state bonding cap?

rgd/med/mb  
HOUSE OF REPRESENTATIVES

84  
September 23, 2009

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Speaker.

To my knowledge, No.

DEPUTY SPEAKER McCLUSKEY:

Representative Johnston.

REP. JOHNSTON (51st):

I thank him for that answer. And so that 90-percent calculation that we have before us, that's been consistent with past practice and the only -- the only change being that when we borrowed the money for our economic recovery notes we said notwithstanding what we have in language and even though our statutes say you can't do what we did, we allowed ourselves to do that. But, other than that, there are no other changes, if I understand him correctly. Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Leone.

REP. LEONE (148th):

Through you, Mr. Speaker, that is correct. The 90-percent capacity is driven by, as most people here know, through the revenue projections, which is 1.6

times the revenue figure that which we have just adopted. So, other than that, past practices are what are in effect. Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Johnston.

REP. JOHNSTON (51st):

I thank Representative Leone very much for that answer. It's helpful.

Mr. Speaker, I had asked for a fiscal note on the bill, and if my vote tonight was going to be in the affirmative, I would insist that I have that fiscal note before me. There's no conceivable way I could vote in the affirmative to borrow this large sum of money without seeing that breakout, without seeing how much debt service we're actually going to pay to borrow \$2.2 billion. It's not 2.2 billion by the time we pay back interest. It's much more than that. I am not in support of this level of borrowing. I wasn't in support of the level borrowing we did to bond our past year's deficit and the level borrowing that we put in the last budget for securitization, which securitization is nothing more than a fancy term for more borrowing because, basically, we're saying we're going to borrow against a future revenue stream.

So being that as it may, Mr. Speaker, I have no issue with us moving forward. It seems to be the will of this body that people know which way they'd like to vote on this bill, and I appreciate the Chamber's attention and time.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill as amended? Will you -- excuse me -- will you remark further on the bill? Will you remark further on the bill?

If not, will staff and guests please come to the well of the House. Will the members please take their seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the Chamber. The House is voting by roll call. Members to the Chamber.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? Please check the roll call board to make sure your vote has been properly cast. If all members have voted, the machine will be locked and the Clerk will please take a tally.

Will the Clerk please announce the tally?

rgd/med/mb  
HOUSE OF REPRESENTATIVES

87  
September 23, 2009

THE CLERK:

House Bill 7004.

Total Number Voting 137

Necessary for Passage 69

Those voting Yea 107

Those voting Nay 30

Those absent and not voting 14

SPEAKER DONOVAN:

The Emergency Certified Bill is passed.

Any announcements or introductions? Any

announcements or introductions?

Representative Merrill.

REP. MERRILL (54th):

Me?

SPEAKER DONOVAN:

Please skip around.

Representative Boukus.

REP. BOUKUS (22nd):

Thank you, Mr. Speaker, for journal and  
transcript notation, sir.

SPEAKER DONOVAN:

I'm out of practice, Representative. Sorry.

REP. BOUKUS (22nd):

That's all right. We'll wait for you.