



House Joint Resolution No. 170

Resolution Act No. 19-3

RESOLUTION CONCERNING THE BOND COVENANT.

Resolved by this Assembly:

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

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

(aa) (1) For each fiscal year during which general obligation bonds or credit revenue bonds issued on and after May 15, 2018, and prior to July 1, 2020, shall be outstanding, the state of Connecticut shall comply with the provisions of (A) section 4-30a of the general statutes, revision of 1958, revised to January 1, 2017, as amended by section 704 of public act 17-2 of the June special session and section 7 of public act 18-49 and section 20 of public act 18-81, (B) section 2-33c in effect on October 31, 2017, (C) section 2-33a of the general statutes, revision of 1958, revised to January 1, 2017, as amended by section 709 of public act 17-2 of the June special session, (D) subsections (d) and (g) of this section, revision of 1958, revised to January 1, 2017, as amended by sections 710 and 711

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of public act 17-2 of the June special session, and (E) section 3-21 of the general statutes, revision of 1958, revised to January 1, 2017, as amended by section 712 of public act 17-2 of the June special session. The state of Connecticut does hereby pledge to and agree with the holders of any bonds, notes and other obligations issued pursuant to subdivision (2) of this subsection that no public or special act of the General Assembly taking effect on or after May 15, 2018, and prior to July 1, 2023, shall alter the obligation to comply with the provisions of the sections and subsections set forth in subparagraphs (A) to (E), inclusive, of this subdivision, until such bonds, notes or other obligations, together with the interest thereon, are fully met and discharged, provided nothing in this subsection shall preclude such alteration (i) if and when adequate provision shall be made by law for the protection of the holders of such bonds, or (ii) (I) if and when the Governor declares an emergency or the existence of extraordinary circumstances, in which the provisions of section 4-85 are invoked, (II) at least three-fifths of the members of each chamber of the General Assembly vote to alter such required compliance during the fiscal year for which the emergency or existence of extraordinary circumstances are determined, and (III) any such alteration is for the fiscal year in progress only.

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

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

WHEREAS, it was and remains the intent of the General Assembly

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that the relevant provisions of public acts 18-49, 18-81 and 18-178, which amend sections of general statutes or public acts referenced in subsection (aa) of section 3-20 of the general statutes be operative and be incorporated in the pledge to be made to holders of bonds issued during the time referenced in said subsection; and

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

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

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

THAT THEREFORE, this General Assembly does hereby ratify and confirm the conclusions set forth in Formal Opinion 18-4 and further does hereby restate and reconfirm that the intent of the General Assembly was and is that the pledge made by the state in subsection (aa) of section 3-20 of the general statutes and to be included as a covenant in any bonds issued by the state after May 15, 2018, and prior to July 1, 2020, incorporate the provisions of public acts 18-49, 18-81 and 18-178.

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