

General Assembly

Raised Bill No. 6742

January Session, 2023

LCO No. 3356



Referred to Committee on TRANSPORTATION

Introduced by: (TRA)

## AN ACT AUTHORIZING BONDS OF THE STATE FOR COMMERCIAL RAIL FREIGHT LINE IMPROVEMENTS.

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

- Section 1. Section 13b-236 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):
- 3 (a) For the purposes described in subsection (b) of this section, the 4 State Bond Commission shall have the power, from time to time to
- 5 authorize the issuance of bonds of the state in one or more series and in
- 6 principal amounts not exceeding in the aggregate [seventeen million
- 7 five hundred thousand] twenty million dollars.
- 8 (b) The proceeds of the sale of said bonds, to the extent of the amount
- 9 stated in subsection (a) of this section, shall be used by the Department
- 10 of Transportation for a program of competitive grants for commercial
- 11 rail freight lines operating in the state for improvements and repairs to,
- 12 and the modernization of, existing rail, rail beds and related facilities.
- 13 Such program shall include the following: (1) (A) Grants of one hundred
- 14 per cent of the amount necessary to improve, repair or modernize state-
- owned rights of way, and (B) grants of seventy per cent of the amount

LCO No. 3356 **1** of 3

16 necessary to improve, repair or modernize privately owned rail lines, 17 provided the commissioner may waive the requirement for a thirty per 18 cent matching grant if such improvement, repair or modernization 19 demonstrably increases rail freight traffic; and (2) preference for grants 20 shall be given to (A) proposals that are on the Department of 21 Transportation's list of freight rail projects eligible to receive funds 22 pursuant to [P.L. 111-5,] the American Recovery and Reinvestment Act 23 of 2009, P.L. 111-5, (B) freight rail projects that improve at-grade rail 24 crossings to eliminate hazards or increase safety, (C) freight rail projects 25 that provide connection to major freight generators, (D) projects that 26 further the goals and objectives of the Department of Transportation's 27 Connecticut State Rail Plan, and (E) freight rail projects that improve 28 freight rail infrastructure by increasing the capacity for rail freight 29 traffic.

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

LCO No. 3356 **2** of 3

- 50 punctual payment of such principal and interest is hereby made, and
- 51 the State Treasurer shall pay such principal and interest as the same
- 52 become due.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2023	13b-236

## Statement of Purpose:

To increase the amount of bond funds available for grants for commercial rail line improvements.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

LCO No. 3356 3 of 3