



House Bill No. 8001

November Special Session, Public Act No. 25-2

**AN ACT CONCERNING THE UNIVERSITY OF CONNECTICUT
HEALTH CENTER JOINT VENTURE INITIATIVE.**

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

Section 1. Subsection (b) of section 10a-109b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The purposes of sections 10a-109gg to 10a-109mm, inclusive, and the provisions of sections 10a-109c to 10a-109e, inclusive, as amended by this act, 10a-109g, as amended by this act, 10a-109n, as amended by this act, and 32-41s relating to The University of Connecticut Health Center and John Dempsey Hospital are to advance health care, education and economic development in the state by (1) encouraging collaboration, innovation, job creation and new investment by The University of Connecticut, various hospitals and other institutions involved in the health and bioscience industries of the state; (2) enabling (A) the construction of a new bed tower at John Dempsey Hospital, and (B) the renovation of academic, clinical and research space and the construction of a new ambulatory care center at The University of Connecticut Health Center to enhance the academic, clinical and research missions of The University of Connecticut School of Medicine and School of Dental Medicine; (3) facilitating the assumption of

House Bill No. 8001

operational control of the neonatal intensive care unit located at John Dempsey Hospital by Connecticut Children's Medical Center resulting in a regional children's health care system and an increased adult medical surgical bed capacity for John Dempsey Hospital; (4) supporting the development of (A) a comprehensive cancer center to expand clinical trials and advance patient care at multiple sites in the Hartford region, (B) a state-of-the-art simulation and conference center to be located on the campus of Hartford Hospital that will be used to educate and train health care professionals utilizing new technologies and simulated care settings, (C) a primary care institute located on the campus of Saint Francis Hospital and Medical Center, the Connecticut Institute for Primary Care Innovation, that is intended to increase the number of primary care providers in the state by engaging in research and training to facilitate the effective delivery of primary care, (D) a health disparities institute sponsored by The University of Connecticut that will enhance research and the delivery of care to the minority and medically underserved populations of the state, (E) a Permanent Regional Phase One Clinical Trials Unit to be located at The Hospital of Central Connecticut, (F) a cancer treatment center to be located in its entirety within the city of New Britain, and (G) patient room renovations at Bristol Hospital; [and] (5) fostering growth in the bioscience sector of the state's economy by extending the same benefits afforded to businesses located in an enterprise zone to businesses that are engaged in bioscience and located in the city of Hartford or certain areas in the town of Farmington, the city of New Britain and the city of Bristol; and (6) establishing, pursuant to The University of Connecticut Health Center Joint Venture Initiative, as defined in section 10a-109c, as amended by this act, one or more subsidiaries or joint ventures to acquire, operate, fund, improve and sell, or otherwise divest from, hospital systems, as defined in section 19a-486i.

Sec. 2. Section 10a-109c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

House Bill No. 8001

As used in sections 10a-109a to 10a-109y, inclusive, 10a-109gg to 10a-109mm, inclusive, and 32-41s, unless the context otherwise indicates, the following terms have the following meanings:

(1) "Act" means The University of Connecticut 2000 Act.

(2) "Assured revenues" means revenues other than project revenues, to be received from fees, tuition, rentals, charges, gifts, investments, endowments and from grants, subsidies, contracts, leases or other agreements made by or with the federal government, the state or any political subdivision, agency or instrumentality of the federal government or the state, or others, including the state debt service commitment, the minimum state operating provision and special eligible gifts.

(3) "Board of trustees" means the Board of Trustees of The University of Connecticut.

(4) "Cost", as applied to a project or any portion of the project, includes, but is not limited to: The purchase price or acquisition cost of any such project; the cost of planning, designing, constructing, building, alteration, enlargement, reconstruction, renovation, improvement, equipping and remodeling; the cost of all labor, materials, building systems, machinery and equipment; the cost of all lands, structures, real or personal property, rights, easements and franchises acquired; the cost of all utility extensions, access roads, site development, financing charges, premiums for insurance, interest prior to and during construction and for six months thereafter; the cost of working capital related to the project; the cost of plans and specifications, surveys and estimates of cost and of revenues; the cost of accountants, audits, engineering, feasibility studies, legal and other professional consulting or technical services; the cost of reserves for payment of future debt service related to the financing transaction proceedings and for future repairs, renewals, replacements, additions and improvements; the cost

House Bill No. 8001

of all other expenses necessary or incident to determining the feasibility or practicability of such construction or acquisition; and administrative and operating expenses and such other expenses as may be necessary or incident to the financing authorized.

(5) "Endowment fund" means the fund described in subsection (b) of section 10a-109i.

(6) "Endowment fund eligible gift" means a gift to or for the benefit of the university of cash or assets which may be reduced to cash or which has a value that is ascertainable by the university which the donor has specifically designated for deposit in the endowment fund or which explicitly or implicitly by the terms of the gift the university may and does deposit or permit to be deposited in the endowment fund.

(7) "Endowment fund state grant" means moneys transferred by the Board of Regents for Higher Education from the fund established pursuant to section 10a-8b for deposit into the endowment fund pursuant to subdivision (2) of subsection (b) of section 10a-109i in an aggregate amount not exceeding the endowment fund state grant maximum commitment.

(8) "Endowment fund state grant maximum commitment" means an amount not exceeding ten million dollars for the fiscal year ending June 30, 1999, seven million five hundred thousand dollars for each of the fiscal years ending June 30, 2000, June 30, 2002, June 30, 2003, June 30, 2004, and June 30, 2005, five million dollars for the fiscal year ending June 30, 2001, ten million dollars for the fiscal years ending June 30, 2006, and June 30, 2007, and fifteen million dollars for the fiscal years ending June 30, 2008, to June 30, 2014, inclusive.

(9) "Finance committee" means the budget and finance committee of the board of trustees.

(10) "Financing documents" means any securities, loan agreements,

House Bill No. 8001

credit agreements, financing leases, lease-purchase agreements, trust agreements, indentures, resolutions, security agreements, pledge agreements or other contracts, agreements or documents executed and delivered by the university in connection with a financing transaction proceeding.

(11) "Financing transaction proceedings" means the proceedings of the university authorizing the issuance of securities under sections 10a-109a to 10a-109y, inclusive, the provisions of any indenture of trust or resolution securing securities, which provisions are incorporated into such proceedings, the provisions of any financing or other documents or agreements which are incorporated into such proceedings, and a certificate of determination executed and filed by the Treasurer in accordance with subsection (e) or (f) of section 10a-109g, as amended by this act.

(12) "Governor" means the Governor of the state.

(13) "Holder" or "owner" when used with reference to securities means any person or party who is the registered owner of any outstanding security.

(14) "State debt service commitment" means, with respect to securities issued as general obligations of the university pursuant to subsection (c) of section 10a-109g, as amended by this act, for UConn 2000, an annual amount, commencing in the state fiscal year ending June 30, 1996, and any fiscal year thereafter for any special debt service requirements when due and payable.

(15) "Minimum state operating provision" means the commitment of the state to appropriate, annually, an amount for the university for operations after receiving a request from the university therefor and consideration of other amounts available to the university for its operations which amount so appropriated shall be consistent with the

House Bill No. 8001

university continuing to operate in furtherance and pursuant to the provisions of section 2 of article eighth of the Constitution of the state and applicable law as an institution dedicated to the excellence in higher education, including the operation of the components of UConn 2000 at Storrs and elsewhere in the state pursuant to section 10a-109e, as amended by this act; provided, nothing in sections 10a-109a to 10a-109y, inclusive, shall be construed to preclude the state from appropriating a lower or higher amount than the amount appropriated in the previous fiscal year as long as the appropriation act provides and determines that the university can continue to operate as an institution dedicated to excellence in higher education and such amount so appropriated shall then constitute the minimum state operating provision.

(16) "Project" means any structure designed for use as a dormitory or other housing facility, dining facility, student union, academic building, administrative facility, library, classroom building, research facility, faculty facility, office facility, athletic facility, health care facility, laboratory, maintenance, storage or utility facility or other building or structure essential, necessary or useful for instruction in a program of education provided by the university; or any multipurpose structure designed to combine two or more of the functions performed by the types of structures enumerated in this subsection, including, without limitation, improvements, reconstruction, replacements, additions and equipment acquired in connection with a project or in connection with operation of any facilities of the university existing on June 7, 1995. "Project" includes all real and personal property, lands, improvements, driveways, roads, approaches, pedestrian access roads, parking lots, parking facilities, rights-of-way, utilities, easements and other interests in land, machinery and equipment, and all appurtenances and facilities either on, above or under the ground that are used or usable in connection with any of the structures mentioned in this subsection. "Project" also includes landscaping, site preparation, furniture, machinery, equipment and other similar items necessary or convenient

House Bill No. 8001

for the operation of a particular facility or structure in the manner for which its use is intended, but does not include items that are customarily under applicable accounting principles considered as a current operating charge, unless the category and maximum amount thereof is specifically included by a determination of the board of trustees in the financing transaction proceedings. [and by percentage or otherwise as may be limited pursuant to such proceedings in order to preserve the excludability of the interest on the securities issued therefor from federal taxation under the applicable provisions of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States as from time to time amended.]

(17) "Project revenues" means revenues received from projects existing on June 7, 1995, from projects under construction or from projects the acquisition, construction or accomplishment of which the university has entered into a binding commitment, anticipated by the board of trustees to produce annual revenues in an amount not less than the anticipated annual cost of operation, maintenance and repair of such project, and annual debt service payments on any financing transaction proceedings for the project during the term of any such proceedings effected under sections 10a-109a to 10a-109y, inclusive, for the project, as determined by the board of trustees.

(18) "Securities" means any bonds, notes or other evidences of indebtedness or borrowing of the university issued pursuant to sections 10a-109a to 10a-109y, inclusive, on which the interest earned may be excludable or includable as gross income of the holders thereof under the applicable provisions of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time.

(19) "Special debt service requirements" means, for any period, and with respect to securities, subject to the financing transaction proceedings authorizing the issuance of the securities, the sum of (A)

House Bill No. 8001

the principal on serial bonds or sinking fund installment on term bonds and interest accruing and coming due during such period, (B) the amounts, if any, required, with respect to interest rate fluctuations on variable rate debt, or with respect to securities not secured by the state debt service commitment during such period to establish or maintain reserves, sinking funds or other funds or accounts at the respective levels required to be established or maintained therein in accordance with the proceedings authorizing the issuance of securities, (C) annual expenses of issuance and administration with respect to securities, (D) the amounts, if any, becoming due and payable under a reimbursement agreement or similar agreement entered into pursuant to authority granted under the proceedings authorizing the issuance of securities, (E) net amounts owing under interest rate agreements authorized and effective under section 10a-109j, (F) arbitrage rebate requirements pursuant to subsection (b) of section 10a-109q on securities secured by the state debt service commitment, and (G) any other annual costs or expenses necessary or proper to be paid in connection with the securities, including, without limitation, the annual cost of any credit facility, including but not limited to a letter of credit or policy of bond insurance, issued by a financial institution pursuant to an agreement approved in the financing transaction proceedings.

(20) "Special eligible gift" means a gift to or for the benefit of the university of cash or assets which may be reduced to cash by the university which the donor has specifically designated as a donation for use by the university in furtherance of UConn 2000 or which explicitly or implicitly by the terms of the gift the university may use for UConn 2000 and which the university determines to so use for such purpose pursuant to subsection (a) of section 10a-109i.

(21) "Special External Gift Fund" means the fund established pursuant to subsection (a) of section 10a-109i.

(22) "State" means the state of Connecticut.

House Bill No. 8001

(23) "State Bond Commission" means the commission established and existing pursuant to subsection (c) of section 3-20, as the same may from time to time be amended, or any successor to said commission.

(24) "Treasurer" means the Treasurer of the state or his deputy appointed pursuant to section 3-12.

(25) "UConn 2000 infrastructure improvement program" or "UConn 2000" means the projects identified or referenced in section 10a-109e, as amended by this act, as same may be modified from time to time in accordance with said section 10a-109e and, in bundle, constitutes the special capital improvement program proposed by the university, approved by the state and identified in said section 10a-109e as necessary at this time to modernize, rehabilitate, renew, expand and otherwise stabilize the physical plant of the university so as to provide the Connecticut community with confidence that a concentrated, accelerated and cooperative effort is being made for the benefit of the educational and economic development needs of the state and university and in an efficient, cost effective and timely manner and to assure that the university can continue to properly and proudly compete successfully for students, faculty, staff and external grant support.

(26) "University" means The University of Connecticut, a constituent unit of the state system of public higher education, including The University of Connecticut Health Center.

(27) "Contractor" means any person, firm, corporation or other legal entity (A) seeking prequalification to bid on a contract or seeking the award of a contract, or (B) prequalified to bid on a contract or that has been awarded a contract, in accordance with subsection (c) of section 10a-109n, as amended by this act.

(28) "Total cost basis contract" means a design-build contract or a

House Bill No. 8001

construction manager at-risk project delivery contract between The University of Connecticut and a contractor to accomplish multiple elements of a project, including, but not limited to, site acquisition, architectural design, preconstruction activities, project management and construction.

(29) "Deferred maintenance" means repair of an infrastructure or structure, that was not maintained, repaired or replaced in the usual course of maintenance and repair.

(30) "NICU transfer" means the transfer of the licensure and control of forty neonatal intensive care unit beds located at John Dempsey Hospital to Connecticut Children's Medical Center resulting in (A) no decrease in John Dempsey Hospital's total licensed bed capacity, and (B) an increase in Connecticut Children's Medical Center's total licensed bed capacity by forty.

(31) "Secretary" means the Secretary of the Office of Policy and Management.

(32) "UConn health network initiatives" means the initiatives to develop a simulation and conference center on the Hartford Hospital campus, a primary care institute on the Saint Francis Hospital and Medical Center campus, a comprehensive cancer center, The University of Connecticut-sponsored health disparities institute, a Permanent Regional Phase One Clinical Trials Unit at The Hospital of Central Connecticut, a cancer treatment center in the city of New Britain, and patient room renovations at Bristol Hospital, described in section 10a-109b, as amended by this act.

(33) "The University of Connecticut Health Center new construction and renovation" means the planning, design, development, financing, construction, renovation, furnishing, equipping and completion of clinical, academic and research space within John Dempsey Hospital

House Bill No. 8001

and The University of Connecticut Health Center, including, but not limited to, construction of a new bed tower for John Dempsey Hospital, resulting in an increase in its total licensed bed capacity from the current two hundred twenty-four beds to a number not to exceed two hundred thirty-four beds, including newborn bassinets.

(34) "Utility, infrastructure, administrative and support facilities" includes any project as defined in subdivision (16) of this section for such facilities at Storrs or the regional campuses or at the health center including any building or structure essential, necessary or useful for such facilities and includes, without limitation, new construction, expansion, extension, addition, renovation, restoration, replacement, repair and deferred maintenance of such facilities, and all appurtenances and facilities either on, above or under the ground that are used or usable in connection with any of such facilities and all other aspects of a project related to or in support of such facilities.

(35) "The University of Connecticut Health Center Joint Venture Initiative" means the establishment of one or more subsidiaries or joint ventures by The University of Connecticut Health Center or The University of Connecticut Health Center Finance Corporation, created pursuant to section 10a-253, to acquire, operate, fund, improve and sell, or otherwise divest from, one or more hospital systems, as defined in section 19a-486i, through the (A) acquisition of assets, business or stock of one or more hospitals within the state, (B) funding of deferred maintenance expenses of such hospitals, (C) establishment of information technology and equipment necessary for the operation of such subsidiaries or joint ventures, (D) capital improvements to hospitals or other facilities operated by such subsidiaries or joint ventures, and (E) maintenance of working capital needs of such subsidiaries or joint ventures.

Sec. 3. Section 10a-109d of the general statutes, as amended by section 78 of public act 25-174, is repealed and the following is substituted in

House Bill No. 8001

lieu thereof (*Effective from passage*):

(a) In order for the university to construct and issue securities for UConn 2000 and to otherwise carry out its responsibilities and requirements under sections 10a-109a to 10a-109y, inclusive, the university shall have the following powers, which powers shall be independent of and in addition to any other powers of the university under state law:

(1) To have perpetual succession as a body politic and corporate and an instrumentality and agency of the state pursuant to section 10a-109v;

(2) To adopt and have an official seal and alter it at pleasure;

(3) To contract and be contracted with, sue, be indemnified, insure its assets, activities or actions or be a self-insurer and institute, prosecute, maintain and defend any action or proceeding in any court or before any agency or tribunal of competent jurisdiction;

(4) To indemnify and be sued, solely pursuant to subsection (a) of section 10a-109o;

(5) To retain by contract or employ architects, accountants, engineers, legal and securities counsel in accordance with the provisions of subparagraph (F) of subdivision (4) of subsection (e) of section 10a-109n, as amended by this act, and other professional and technical consultants and advisers; provided the university shall continue to be subject to audit, including its operations under sections 10a-109a to 10a-109y, inclusive, pursuant to section 2-90, and provided further, financial advisers, underwriters, counsel, trustee, if any, and other financial consultants retained in connection with the offering and sale of securities shall be selected in consultation with the university, in the same manner as for state general obligation bonds;

(6) To plan, design, acquire, construct, build, enlarge, alter,

House Bill No. 8001

reconstruct, renovate, improve, equip, own, operate, maintain, dispose of and demolish any project or projects, or any combination of projects, including without limitation any contract in furtherance of UConn 2000, notwithstanding the provisions of subsections (b) and (c) of section 10a-105 or any other provisions of the general statutes regarding the powers of the university to undertake capital projects and purchase personal property;

(7) To acquire by purchase, contract, lease, long-term lease or gift, and hold or dispose of, real or personal property or rights or interests in any such property and to hold, sell, assign, lease, rent, encumber, other than by mortgage, or otherwise dispose of any real or personal property, or any interest therein, owned by the university or in its control, custody or possession in accordance with section 10a-109n, as amended by this act;

(8) To receive and accept grants, subsidies or loans of money from the federal government or a federal agency or instrumentality, the state or others, upon such terms and conditions as may be imposed, and to pledge the proceeds of grants, subsidies or loans of money received or to be received from the federal government or any federal agency or instrumentality, the state or others, pursuant to agreements entered into between the university and the federal government or any federal agency or instrumentality, the state or others, provided (A) such property shall be deemed property of the state for purposes of sections 4a-19 and 4a-20, and (B) the university may insure its property independent of the state;

(9) Notwithstanding the provisions of section 10a-150, to receive and accept aid or contributions, from any source, of money, property, labor or other things of value, to be held, used and applied to carry out the purposes of sections 10a-109a to 10a-109y, inclusive, subject to the conditions upon which such aid or contributions may be made, including, but not limited to, gifts or grants from any department or

House Bill No. 8001

agency of the United States or the state for any purpose consistent with said sections;

(10) To borrow money and issue securities to finance the acquisition, construction, reconstruction, improvement or equipping of any one project, or more than one, or any combination of projects, or to make loans or provide grants from the proceeds of such securities to any subsidiary or joint venture established pursuant to The University of Connecticut Health Center Joint Venture Initiative, or to refund securities issued after June 7, 1995, or to refund any such refunding securities or for any one, or more than one, or all of those purposes, or any combination of those purposes, and to provide for the security and payment of those securities and for the rights of the holders of them, except that the amount of any such borrowing, the special debt service requirements for which are secured by the state debt service commitment, exclusive of the amount of borrowing to refund securities, or to fund issuance costs or necessary reserves, may not exceed the aggregate principal amount of (A) for the fiscal years ending June 30, 1996, to June 30, 2005, inclusive, one billion [thirty] twelve million dollars, (B) for the fiscal years ending June 30, 2006, to June 30, 2031, inclusive, [three billion nine hundred twelve] four billion three hundred two million nine hundred thousand dollars, and (C) such additional amount or amounts: (i) Required from time to time to fund any special capital reserve fund or other debt service reserve fund in accordance with the financing transaction proceedings, and (ii) to pay or provide for the costs of issuance and capitalized interest, if any; the aggregate amounts of subparagraphs (A), (B) and (C) of this subdivision are established as the authorized funding amount, and no borrowing within the authorized funding amount for a project or projects may be effected unless the project or projects are included in accordance with subsection (a) of section 10a-109e, as amended by this act;

(11) To make, enter into, execute, deliver and amend any and all

House Bill No. 8001

contracts, including, but not limited to, total cost basis contracts, agreements, leases, joint ventures, instruments and documents and perform all acts and do all things necessary or convenient to plan, design, acquire, construct, build, enlarge, alter, reconstruct, renovate, improve, equip, finance, maintain and operate projects and to carry out the powers granted by sections 10a-109a to 10a-109y, inclusive, or reasonably implied from those powers;

(12) Notwithstanding any provision of the general statutes to the contrary, including without limitation subsection (a) of section 10a-105, to fix and collect fees, tuition, charges, rentals and other charges for enrollment and attendance at the university and for the use of projects or any part thereof, provided that no tuition or student fee revenue shall be used for repairs performed solely to correct code violations that were applicable at the time of project completion and were for named projects pursuant to section 10a-109e, as amended by this act, completed prior to January 1, 2007; to provide for the promulgation of such reasonable and proper policies and procedures as may be necessary to assure the maximum use of the facilities of any projects at all times; and

(13) Notwithstanding the provisions of subsection (b) of section 10a-105, to provide for or confirm the establishment of various funds and accounts respecting university operations, bond proceeds and special debt service requirements for securities issued, renewal and replacement and insurance, special capital reserve and operating reserve, special external gifts, pending receipts, assured revenues, project revenues to the extent not otherwise pledged and securing outstanding general obligation bonds of the state or other revenues and other funds or accounts as may be more particularly required under this subdivision and the indentures of trust or resolutions authorizing securities and to provide, subject to section 10a-109q and the provisions of such indentures or resolutions for the following to be deposited therein, as follows:

House Bill No. 8001

(A) All proceeds received from the sale of all securities;

(B) All fees, tuition, rentals and other charges from students, faculty, staff members and others using or being served by, or having the right to use or the right to be served by the university or any project;

(C) All fees for student activities, student services and all other fees, tuition and charges collected from students matriculated, registered or otherwise enrolled at and attending the university, pledged under the terms of financing transaction proceedings;

(D) All rentals from any facility or building leased to the federal government or any other third party;

(E) Federal and state grants, gifts, state appropriations and special external gift funds;

(F) All other assured revenues; and

(G) Project revenues.

(b) Any and all powers granted to the university in subdivision (a) of this section may be exercised by majority vote of the board of trustees which, except as specifically required under sections 10a-109e, as amended by this act, and 10a-109f, by majority vote of the board of trustees, subject to retaining overall control, responsibility and supervision, may be delegated to the finance committee or any officer, official or trustee of the finance committee or other authorized officer or employee of the university.

Sec. 4. Section 10a-109e of the general statutes, as amended by section 79 of public act 25-174, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The university may administer, manage, schedule, finance, further design and construct UConn 2000, to operate and maintain the

House Bill No. 8001

components thereof in a prudent and economical manner and to reserve for and make renewals and replacements thereof when appropriate, it being hereby determined and found to be in the best interest of the state and the university to provide this independent authority to the university along with providing assured revenues therefor as the efficient and cost effective course to achieve the objective of avoiding further decline in the physical infrastructure of the university and to renew, modernize, enhance and maintain such infrastructure, the particular project or projects, each being hereby approved as a project of UConn 2000, and the presently estimated cost thereof being as follows:

UConn 2000 Project	Phase I Fiscal Years 1996-1999	Phase II Fiscal Years 2000-2005	Phase III Fiscal Years 2005-2031
Academic and Research Facilities			450,000,000
Agricultural Biotechnology Facility	9,400,000		
Agricultural Biotechnology Facility Completion		10,000,000	
Alumni Quadrant Renovations		14,338,000	
Arjona and Monteith (new classroom buildings)			66,100,000
Avery Point Campus			

House Bill No. 8001

Undergraduate and Library Building		35,000,000
Avery Point Marine Science Research Center – Phase I	34,000,000	
Avery Point Marine Science Research Center – Phase II	16,682,000	
Avery Point Renovation	5,600,000	15,000,000
Babbidge Library	0	
Balancing Contingency	5,506,834	
Beach Hall Renovations		10,000,000
Benton State Art Museum Addition	1,400,000	3,000,000
Biobehavioral Complex Replacement		4,000,000
Bishop Renovation		8,000,000
Budds Building Renovation	2,805,000	
Business School Renovation	4,803,000	

House Bill No. 8001

Chemistry Building	53,700,000	
Commissary Warehouse		1,000,000
Deferred Maintenance/ Code Compliance/ ADA Compliance/ Infrastructure Improvements & Renovation Lump Sum and Utility, Administrative and Support Facilities	39,332,000	863,500,000
Deferred Maintenance & Renovation Lump Sum Balance	104,668,000	
East Campus North Renovations	11,820,000	
Engineering Building (with Environmental Research Institute)		36,700,000
Equine Center	1,000,000	
Equipment, Library Collections & Telecommunications	60,500,000	470,000,000
Equipment, Library		

House Bill No. 8001

Collections & Telecommunications Completion	182,118,146	
Family Studies (DRM) Renovation		6,500,000
Farm Buildings Repairs/ Replacement		6,000,000
Fine Arts Phase II		20,000,000
Floriculture Greenhouse		3,000,000
Gant Building Renovations and New Life Sciences Building		403,500,000
Gant Plaza Deck	0	
Gentry Completion		10,000,000
Gentry Renovation	9,299,000	
Grad Dorm Renovations	7,548,000	
Gulley Hall Renovation	1,416,000	
Harry A. Gampel Pavilion and Hugh S. Greer Field House		164,000,000

House Bill No. 8001

Hartford Relocation Acquisition/Renovation	56,762,020	70,000,000
Hartford Relocation Design	1,500,000	
Hartford Relocation Feasibility Study	500,000	
Heating Plant Upgrade	10,000,000	
Hilltop Dormitory New	30,000,000	
Hilltop Dormitory Renovations	3,141,000	
Ice Rink Enclosure	2,616,000	
Incubator Facilities		10,000,000
International House Conversion	800,000	
Intramural, Recreational and Intercollegiate Facilities		31,000,000
Jorgensen Renovation		7,200,000
Koons Hall Renovation/ Addition		7,000,000
Lakeside Renovation		3,800,000

House Bill No. 8001

Law School Renovations/ Improvements		15,000,000
Library Storage Facility		5,000,000
Litchfield Agricultural Center – Phase I	1,000,000	
Litchfield Agricultural Center – Phase II	700,000	
Manchester Hall Renovation		6,000,000
Mansfield Apartments Renovation	2,612,000	
Mansfield Training School Improvements	27,614,000	29,000,000
Natural History Museum Completion		4,900,000
North Campus Renovation	2,654,000	
North Campus Renovation Completion	21,049,000	
North Hillside Road Completion		11,500,000

House Bill No. 8001

North Superblock Site and Utilities	8,000,000	
Northwest Quadrant Renovation	2,001,000	
Northwest Quadrant Renovation		15,874,000
Observatory		1,000,000
Old Central Warehouse		18,000,000
Parking Garage #3		78,000,000
Parking Garage - North	10,000,000	
Parking Garage - South		15,000,000
Pedestrian Spinepath		2,556,000
Pedestrian Walkways		3,233,000
Psychology Building Renovation/ Addition		20,000,000
Residential Life Facilities		162,000,000
Roadways		10,000,000
School of Business	20,000,000	

House Bill No. 8001

School of Pharmacy/ Biology	3,856,000	
School of Pharmacy/ Biology Completion		61,058,000
Shippee/Buckley Renovations		6,156,000
Social Science K Building		20,964,000
South Campus Complex	13,127,000	
Stamford Campus Improvements/Housing		13,000,000
Stamford Downtown Relocation – Phase I	45,659,000	
Stamford Downtown Relocation – Phase II		17,392,000
Storrs Hall Addition		4,300,000
Student Health Services		12,000,000
Student Union Addition		23,000,000
Support Facility (Architectural and Engineering Services)		2,000,000

House Bill No. 8001

Technology Quadrant – Phase IA	38,000,000	
Technology Quadrant – Phase IB		16,611,000
Technology Quadrant – Phase II		72,000,000
Technology Quadrant – Phase III		15,000,000
Torrey Life Science Renovation and Demolition	17,000,000	25,000,000
Torrey Renovation Completion and Biology Expansion		42,000,000
Torrington Campus Improvements		1,000,000
Towers Renovation	17,794,000	
UConn Products Store		1,000,000
Undergraduate Education Center	650,000	
Undergraduate Education Center	7,450,000	

House Bill No. 8001

Underground Steam & Water Upgrade	3,500,000	
Underground Steam & Water Upgrade Completion		9,000,000
University Programs Building – Phase I	8,750,000	
University Programs Building – Phase II Visitors Center		300,000
Waring Building Conversion	7,888,000	
Waterbury Downtown Campus		3,000,000
Waterbury Property Purchase	325,000	
West Campus Renovations		14,897,000
West Hartford Campus Renovations/ Improvements		25,000,000
White Building Renovation	2,430,000	
Wilbur Cross Building		

House Bill No. 8001

Renovation	3,645,000
Young Building Renovation/ Addition	17,000,000
HEALTH CENTER	
CLAC Renovation Biosafety Level 3 Lab	14,000,000
Deferred Maintenance/ Code Compliance/ ADA Compliance/ Infrastructure & Improvements Renovation Lump Sum and Utility, Administrative and Support Facilities - Health Center	86,000,000
Dental School Renovation	5,000,000
Equipment, Library Collections and Telecommunications - Health Center	75,000,000
Library/Student Computer Center Renovation	5,000,000
Main Building Renovation	125,000,000
Medical School Academic	

House Bill No. 8001

Building Renovation	9,000,000
Parking Garage – Health Center	8,400,000
Research Tower	60,000,000
Support Building Addition/Renovation	4,000,000
The University of Connecticut Health Center New Construction and Renovation	394,900,000
Planning and Design Costs	25,000,000
<u>The University of Connecticut Health Center Joint Venture Initiative</u>	<u>390,000,000</u>
Total – Storrs and Regional Campus Project List	3,200,000,000
Total – Health Center Project List	[786,300,000] <u>1,201,300,000</u>
TOTAL	382,000,000 868,000,000 [4,011,300,000]

(b) The plan of funding UConn 2000 shall be the proceeds of general obligation bonds of the state in an amount authorized before June 7, 1995, and the proceeds of securities subject to the authorized funding amount established in subdivision (10) of subsection (a) of section 10a-109d, as amended by this act, and the proceeds of the Special External Gift Fund becoming available to the university pursuant to section 10a-109i.

(c) The amount of the state debt service commitment in each fiscal year shall be pledged by the university for the punctual payment of special debt service requirements as the same arise and shall become due and payable. As part of the contract of the state with the holders of the securities secured by the state debt service commitment and pursuant to section 10a-109u, appropriation of all amounts of the state debt service commitment is hereby made out of the resources of the General Fund and the Treasurer shall pay such amount in each fiscal year, to the paying agent on the securities secured by the state debt service commitment or otherwise as the Treasurer shall provide. The university shall be entitled to rely on the amount of the state debt service commitment and minimum state operating provision as and for assured revenues in any financing transaction proceeding, provided, to the extent any such proceeding includes reliance on such state debt service commitment and such minimum state operating provision, the university commits to a rate covenant and covenants, in substance, with the state and the holders of its securities to the effect that as long as any securities thereunder are outstanding that it has established and will charge, collect and increase, from time to time, and in time tuition fees and charges for its educational services, its auxiliary enterprises, including dormitory housing, food services and sale of textbooks and use of the physical university plant and for all other services and goods

House Bill No. 8001

provided by the university, the amount of which, together with other assured revenues or other revenues otherwise available to the university including proceeds available from the Special External Gift Fund shall in each of its fiscal years be sufficient to pay when due, the special debt service requirements on outstanding securities and to permit the university to operate and maintain itself as an institution dedicated to excellence in higher education and to operate and maintain the physical university plant in sound operating condition and to otherwise permit the performance of all covenants included in the financing documents.

(d) With respect to UConn 2000 and within the authorized funding amount, the university may, from time to time, and shall whenever appropriate or necessary, revise, delete and add a particular project or projects, provided (1) a formal approving vote of its board of trustees shall be needed for a material revision, deletion or addition dictated by a change in university planning as determined by its board of trustees or otherwise necessary because of reasons beyond the control of the university, (2) any material revision shall be subject only to such formal approval of the board of trustees as long as the board finds and determines that such revision is consistent with the intent or purpose of the original project, (3) a material addition or deletion shall be conditioned not only upon such formal approval of the board of trustees but also upon a request by the board of trustees for, and enactment of, a subsequent public or special act approving such addition or deletion, if such addition is to add a project not outlined in subsection (a) of this section or the deletion is the deletion of a project outlined in subsection (a) of this section, and (4) no revision, addition or deletion shall reduce the amount of any state debt service commitment. Further, with respect to UConn 2000 and subject to the limitations in the authorized funding amount, the university may determine the sequencing and timing of such project or projects, revise estimates of cost and reallocate from any amounts estimated in subdivision (a) of this section, for one or more

House Bill No. 8001

projects to one or more other projects then constituting a component of UConn 2000 as long as, at the time of such reallocation, it has found that any such project to which a reallocation is made has been revised or added in accordance with this section and such project from which a reallocation is made either has been so revised or added and can be completed within the amounts remaining allocated to it, or has been so deleted. University actions under this section shall be included in reports to the General Assembly under section 10a-109y.

(e) Until such time as the State Bond Commission allocates the bonds authorized pursuant to section 10a-109gg for the UConn health network initiatives, the university shall not expend any funds authorized by subdivision (10) of subsection (a) of section 10a-109d, as amended by this act, subsection (a) of this section or subdivision (1) of subsection (a) of section 10a-109g, as amended by this act, for The University of Connecticut Health Center new construction and renovation, except for twenty-five million dollars for planning and design costs.

(f) The University of Connecticut Health Center shall (1) contribute not less than sixty-nine million dollars of funds from operations, special eligible gifts or other sources toward The University of Connecticut Health Center new construction and renovation, and (2) provide for construction of a new ambulatory care center through debt or equity financing obtained from one or more private developers who contract with the university to construct such new ambulatory care center.

(g) Notwithstanding the provisions of subsection (d) of this section, within the authorized funding amount, the university may (1) revise, delete or add a particular project or projects to finance implementation of an electronic medical records system at The University of Connecticut Health Center, provided a formal approving vote of its board of trustees shall be needed, and (2) use such funds to make loans or provide grants to any subsidiary or joint venture established pursuant to The University of Connecticut Health Center Joint Venture Initiative.

House Bill No. 8001

University actions under this subsection shall be included in reports to the General Assembly at the time and in the manner set forth in subsection (c) of section 10a-109x.

(h) (1) No employee of a hospital or hospital system acquired, operated, funded or improved by a subsidiary or joint venture established pursuant to The University of Connecticut Health Center Joint Venture Initiative shall be considered an employee, as defined in section 5-196 or subsection (b) of section 5-270. Such subsidiary or joint venture shall fix compensation for such employees and establish all necessary or appropriate personnel practices and policies, including, but not limited to, policies related to hiring, promotion, compensation, retirement and collective bargaining, which need not be in accordance with chapter 68. For the purposes of The University of Connecticut Health Center Joint Venture Initiative, neither The University of Connecticut Health Center nor such subsidiary or joint venture shall be an employer, as defined in subsection (a) of section 5-270, but such subsidiary or joint venture shall be an employer, as defined in section 31-101, provided that, unless the National Labor Relations Board asserts jurisdiction over such subsidiary or joint venture and notwithstanding section 31-111a, a strike by employees of such subsidiary or joint venture, or their representatives, shall be permissible under chapter 561, if the notice required pursuant to 29 USC 158(g), as amended from time to time, is also provided to the State Board of Mediation and Arbitration.

(2) Notwithstanding any provision of the general statutes, a subsidiary or joint venture established pursuant to The University of Connecticut Health Center Joint Venture Initiative may conduct contracting and purchasing operations subject only to the policies and procedures on contracting and purchasing established by such subsidiary or joint venture. No such subsidiary or joint venture shall be a public agency or a political subdivision of the state.

(i) Any proceeds from the sale of or divestiture from a hospital system

House Bill No. 8001

pursuant to The University of Connecticut Health Center Joint Venture Initiative shall be deposited in the General Fund.

Sec. 5. Section 10a-109g of the general statutes, as amended by section 80 of public act 25-174, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) The university is authorized to provide by resolution, at one time or from time to time, for the issuance and sale of securities, in its own name on behalf of the state, pursuant to section 10a-109f. The board of trustees of the university is hereby authorized by such resolution to delegate to its finance committee such matters as it may determine appropriate other than the authorization and maximum amount of the securities to be issued, the nature of the obligation of the securities as established pursuant to subsection (c) of this section and the projects for which the proceeds are to be used. The finance committee may act on such matters unless and until the board of trustees elects to reassume the same. The amount of securities the special debt service requirements of which are secured by the state debt service commitment that the board of trustees is authorized to provide for the issuance and sale in accordance with this subsection shall be capped in each fiscal year in the following amounts, provided, to the extent the board of trustees does not provide for the issuance of all or a portion of such amount in a fiscal year, all or such portion, as the case may be, may be carried forward to any succeeding fiscal year and provided further, the actual amount for funding, paying or providing for the items described in subparagraph (C) of subdivision (10) of subsection (a) of section 10a-109d, as amended by this act, may be added to the capped amount in each fiscal year:

Fiscal Year	Amount
1996	\$112,542,000

House Bill No. 8001

1997	112,001,000
1998	93,146,000
1999	64,311,000
2000	130,000,000
2001	100,000,000
2002	100,000,000
2003	100,000,000
2004	100,000,000
2005	100,000,000
2006	79,000,000
2007	89,000,000
2008	115,000,000
2009	140,000,000
2010	0
2011	138,800,000
2012	157,200,000
2013	143,000,000
2014	204,400,000
2015	315,500,000
2016	312,100,000
2017	240,400,000
2018	200,000,000
2019	200,000,000
2020	197,200,000
2021	260,000,000
2022	215,500,000
2023	125,100,000
2024	84,700,000
2025	122,000,000
2026	[128,000,000] <u>276,000,000</u>
2027	[116,000,000] <u>192,000,000</u>
2028	[103,500,000] <u>158,500,000</u>

House Bill No. 8001

2029	[101,500,000]	<u>156,500,000</u>
2030	[100,000,000]	<u>156,000,000</u>
2031		25,000,000

(2) Subject to amount limitations of such capping provisions in subdivision (1) of this subsection and following approval of such resolution as provided in subsection (b) of section 10a-109f, the principal amount of the securities authorized therein for such project or projects shall be deemed to be an appropriation and allocation of such amount for such project or projects, respectively, and such approval by the Governor of such resolution shall be deemed the allotment by the Governor of such capital outlays within the meaning of section 4-85 and the university (A) may award a contract or contracts and incur an obligation or obligations with respect to each such project or projects authorized pursuant to and within the amount authorized in such resolution, notwithstanding that such contract or obligation may at any particular time exceed the amount of the proceeds from the sale of securities theretofore received by the university, and (B) may issue and sell securities respecting such contracts or obligations referred to in subparagraph (A) only at such time or times as shall be needed to have the proceeds thereof available to pay requisitions expected thereunder within the year following issuance of such securities and to provide for costs of UConn 2000 of not more than twenty per cent in excess and regardless of such anticipated cash expenditure requirements but subject to section 10a-109q, provided the amount needed for funding, paying or providing for the items described in subparagraph (B) of subdivision (10) of subsection (a) of section 10a-109d, as amended by this act, may be added to the amount of securities so issued.

(b) After issuance, all securities of the university shall be conclusively presumed to be fully and duly authorized and issued under the laws of the state, and any person or governmental unit shall be estopped from

House Bill No. 8001

questioning their authorization, sale, issuance, execution or delivery by the university.

(c) Securities issued by the university may be issued under an indenture of trust or bond resolution, shall be general obligations of the university, for which its full faith and credit shall be pledged, payable out of any revenues or other assets, receipts, funds or moneys of the university and may be additionally secured by a pledge of revenues to be derived from the operation of a project, by assured revenues and by other assets other than a mortgage, subject only to any agreements with the holders of particular securities pledging any particular assets, revenues, receipts, funds or moneys, unless the university shall otherwise expressly provide by the indenture or resolution that such securities shall be special obligations of the university payable solely from any revenues or other assets, including project revenues, such assured revenues that may be restricted by the terms of receipt thereof to a particular project or projects to be financed by such special obligations subject only to any agreements with the holders of particular securities pledging any particular assets, revenues, receipts, funds or moneys. The form of the master resolution or indenture for securities, the special debt service requirements for which, are secured by the state debt service commitment and containing the state covenant pursuant to section 10a-109u shall be approved by the State Bond Commission prior to the first issue of such securities and any substantive amendment thereof shall also be approved by the State Bond Commission. At such time as the master resolution or indenture is submitted to the State Bond Commission the university shall file with the State Bond Commission the list of projects to be financed by securities secured by the state debt service commitment for the second phase of UConn 2000. The form of the master resolution or indenture for securities for the third phase of UConn 2000, the special debt requirements for which are secured by the state debt service commitment and containing the state covenant pursuant to section 10a-109u, shall be approved by the State Bond

House Bill No. 8001

Commission prior to the first issue of such securities and any substantive amendment thereof shall also be approved by the State Bond Commission. At such time as the master resolution or indenture for the third phase of UConn 2000 is submitted to the State Bond Commission, the university shall file with the State Bond Commission the list of projects to be financed by securities secured by the state debt service commitment for the third phase of UConn 2000.

(d) The resolution or indenture pursuant to which securities are issued shall provide for the dates of the securities, the maturity dates, which in the case of securities issued to finance equipment and collections, shall not exceed five years and, in the case of securities issued for any other purpose shall not exceed thirty years from their dated dates, the special debt service requirements and dates thereof, the rate or rates of interest or the manner of varying or determining such rate or rates, the cash flow requirements to cover the cost of UConn 2000 or components thereof to be funded from the proceeds of such securities, and by whom, on behalf of the university, such securities shall be delivered, signed or countersigned, and by whom, on behalf of the university, disbursements and investments may be made and all other particulars thereof and may contain for the benefit of holders, from time to time and as a contract therewith, any agreements and the provisions deemed necessary or appropriate by the university in connection with the issuance of such securities and may provide for the terms and security thereof, including, without limitation, (1) terms and pledges respecting assured revenues or project revenues and respecting the fixing and collection of other revenues of the university or from any project covered by such resolution or indenture provisions, if any; (2) provisions respecting custody of the proceeds from the sale of such securities; (3) provisions for the investment and reinvestment of proceeds of the securities until used to pay costs of a project and for the disposition of any excess proceeds of the securities or investment earnings thereon; (4) provisions for the execution of reimbursement

House Bill No. 8001

agreements or similar agreements in connection with credit facilities, including, but not limited to, letters of credit or policies of bond insurance, remarketing agreements and, subject to the approval of the State Treasurer under section 10a-109j, agreements for the purpose of moderating interest rate fluctuations, and of such other agreements entered into pursuant to section 3-20a; (5) provisions for the collection, custody, investment, reinvestment and use of revenues or other receipts, funds or moneys pledged therefor; (6) provisions regarding the establishment and maintenance of reserves, sinking funds and any other funds and accounts as shall be approved by the university in such amounts as the university may establish and the requirements, investments and application thereof; (7) covenants for the establishment of pledged revenue coverage requirements for such securities; (8) covenants for the establishment of maintenance and insurance requirements with respect to a project or projects; (9) provision for the issuance of additional securities on a parity with securities theretofore issued, including establishment of coverage requirements with respect thereto; (10) the terms to be incorporated in any loan of the proceeds of such securities, and in any lease of a project or projects; (11) the creation and maintenance of special funds from the revenues of a project or projects; (12) the rights and remedies available to the holder or holders of securities in the event of default, the vesting in a trustee or trustees of such property, rights, powers and duties in trust as the university may determine, which may include any or all of the rights, powers and duties of any trustee appointed by the holders of any securities and limiting or abrogating the right of the holders of any securities of the university to appoint a trustee under sections 10a-109a to 10a-109y, inclusive, or limiting the rights, powers and duties of such trustee; (13) provision for a trust indenture by and between the university and a corporate trustee which may be any trust company or bank having the powers of a trust company within or without the state, which agreement may provide for the pledging or assigning of any revenues, assets or income from assets to which or in which the university has any rights or interest, and may

House Bill No. 8001

further provide for such other rights and remedies exercisable by the trustee as may be proper for the protection of the holders of any securities and not otherwise in violation of law, and such agreement may provide for the restriction of the rights of any individual holder of securities of the university and may contain any further provisions which are reasonable to delineate further the respective rights, duties, safeguards, responsibilities and liabilities of the university, persons and collective holders of securities of the university and the trustee; (14) covenants to do or refrain from doing such acts and things as may be necessary or convenient or desirable in order to better secure any securities of the university or to maintain the federal or state tax exemption thereon, or which, in the discretion of the university, will tend to make any securities to be issued more marketable notwithstanding that such covenants, acts or things may not be enumerated above; (15) and any other matters of like or different character, which in any way affect the security or protection of the securities of the university, all as the university shall deem advisable and not in conflict with the provisions of sections 10a-109a to 10a-109y, inclusive.

(e) Securities issued under authority of sections 10a-109a to 10a-109y, inclusive, shall be sold by the Treasurer of the state, on behalf of the university, subject in all respects to the indenture of trust or bond resolution approved by the university respecting the securities to be sold, at public or private sale at such price, whether par, premium or discount, and at such time or times, subject in each fiscal year to the cash flow requirements of the university to cover the cost of UConn 2000, as may be determined in the best interest of the state and university by the Treasurer and evidenced by his execution of a certificate of determination to be filed with the university and the secretary of the State Bond Commission upon completion of the sale pursuant to subsection (f) of this section. All costs of issuance in connection with the authorization, sale and issuance of the securities, including interest

House Bill No. 8001

during construction of any projects being financed with the proceeds thereof, costs and expenses of financial advisers, underwriters, counsel, initial trustee, interest rate protection, credit enhancement, liquidity, letter of credit, and ratings, if any, shall be paid from the proceeds and accrued interest of the securities unless the university determines to pay any of such costs and expenses out of other funds available to it.

(f) The Treasurer shall set the terms and provisions of the sale of any securities, receive bids or proposals, award and sell any securities, and take all other action appropriate or necessary in connection therewith including rejecting any bid or proposal not meeting the sale requirements, in conjunction with the board of trustees of the university which is hereby authorized by a majority vote to delegate such matters to its finance committee or to any officer, official or trustee serving on such finance committee.

(g) The proceeds of the securities of any issue shall be used solely for the purpose or purposes identified in the master indenture, and shall be disbursed in such manner and under such restrictions, if any, as the university may provide in the resolution authorizing the issuance of such securities or in the indenture or resolution securing the same. The resolution providing for the issuance of securities, and any indenture or resolution securing such securities, may contain such limitations upon the issuance of additional securities as the university may deem proper, and such additional securities shall be issued under such restrictions and limitations as may be prescribed by such indenture or resolution, provided, no such resolution or indenture shall include a covenant committing the university to the issuance of additional securities secured by a pledge of the state debt service commitment. The university may provide for the replacement of any securities which become mutilated, or are destroyed, stolen or lost. Securities may be issued under sections 10a-109a to 10a-109y, inclusive, without obtaining the consent of any department, division, commission, board, bureau, or

House Bill No. 8001

agency of the state and without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions or things which are specifically required by sections 10a-109a to 10a-109y, inclusive.

(h) Money borrowed and securities issued and delivered by the university shall not constitute a debt or liability of the state or of any municipality or any political subdivision of the state, but shall be payable solely from the resources of the university described in and pursuant to the indenture of trust or resolution under which they are issued, and all such securities shall contain on their face a statement to that effect. The borrowing of money and the issuance of securities by the university shall not directly or indirectly or contingently obligate the state or any municipality or political subdivision to levy or to pledge any form of taxation and such securities shall not constitute an indebtedness of the state within the meaning of any constitutional or statutory debt limitation or restriction and accordingly, shall not be subject to any statutory limitation on the indebtedness of the state and such securities, when issued, shall not be included in computing the aggregate indebtedness of the state in respect to and to the extent of any such limitation, except that the amount of securities in each fiscal year in which the General Assembly has authorized the board of trustees to provide for the issuance and sale of securities pursuant to subsection (a) of this section for purposes of section 3-21, but subject to the exclusions or deductions provided in said section 3-21, shall be deemed to be indebtedness of the state until deemed paid or retired. For any years for which there is not an estimate of net tax revenues, the Wharton Econometric Forecasting Associates projection of consumer price index growth shall be applied to the most recently adopted state revenue estimate and shall be deemed to satisfy the provisions of subsection (d) of said section 3-21.

(i) In connection with the issuance of securities, the university may

House Bill No. 8001

create and establish one or more reserve funds to be known as special capital reserve funds and may pay into such special capital reserve funds (1) any moneys appropriated and made available by the state for the purposes of such funds, (2) any proceeds of sale of securities, to the extent provided in the resolution of the university authorizing the issuance thereof, and (3) any other moneys which may be made available to the university for the purpose of such funds from any other source or sources. The moneys held in or credited to any special capital reserve fund established under this subsection, except as provided in this subsection, shall be used solely for the payment of the principal of special obligation securities of the university secured by such special capital reserve fund as the same become due, the purchase of such special obligation securities of the university, the payment of interest on such special obligation securities of the university or the payment of any redemption premium required to be paid when such special obligation securities are redeemed prior to maturity; provided the university may provide that moneys in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such funds to less than the maximum amount of principal and interest becoming due by reason of maturity or a required sinking fund installment in the succeeding calendar year on the special obligation securities of the university then outstanding and secured by such special capital reserve fund or such lesser amount specified by the university in its resolution authorizing the issuance of any such special obligation securities, such amount being referred to in this subsection as the "required minimum capital reserve", except for the purpose of paying such principal of, redemption premium and interest on such special obligation securities of the university secured by such special capital reserve becoming due and for the payment of which other moneys of the university are not available. The university may provide that it shall not issue special obligation securities at any time if the required minimum capital reserve on the special obligation securities outstanding and the special obligation securities then to be issued and secured by a special capital

House Bill No. 8001

reserve fund will exceed the amount of such special capital reserve fund at the time of issuance, unless the university, at the time of the issuance of such special obligation securities, shall deposit in such special capital reserve fund from the proceeds of the special obligation securities so to be issued, or otherwise, an amount which, together with the amount then in such special capital reserve fund, will be not less than the required minimum capital reserve. On or before December first, annually, there is deemed to be appropriated from the state General Fund such sums, if any, as shall be certified by the chairperson of the board of trustees to the Secretary of the Office of Policy and Management and Treasurer of the state, as necessary to restore each such special capital reserve fund to the amount equal to the required minimum capital reserve of such fund, and such amounts shall be allotted and paid to the university for deposit therein. For the purpose of evaluation of any such special capital reserve fund, obligations acquired as an investment for any such fund shall be valued at amortized costs. Nothing contained in this section or section 10a-105 shall preclude the university from establishing and creating other debt service reserve funds in connection with the issuance of securities of the university. Subject to any agreement or agreements with holders of outstanding special obligation securities of the university, any amount or amounts allotted and paid to the university by the state pursuant to this section shall be repaid to the state from moneys of the university at such time as such moneys are not required for any other of its corporate purposes and in any event shall be repaid to the state on the date one year after all special obligation securities of the university theretofore issued on the date or dates such amount or amounts are allotted and paid to the university or thereafter issued, together with interest on such special obligation securities, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders thereof, are fully met and discharged. A special capital reserve fund shall not be created, established or applicable or available pursuant to this subsection unless

House Bill No. 8001

the board of trustees of the university is of the opinion and determines its self-sufficiency in that (A) project revenues or assured revenues, other than those to be derived from the state debt service commitment and the minimum state operating provision, and as a result of the implementation of its rate covenant, are estimated and expected, assuming continued compliance by the state and the university with the provisions of sections 10a-109a to 10a-109y, inclusive, be sufficient (i) to pay the applicable special debt service requirements on special obligation securities, (ii) to establish, increase and maintain any reserves deemed by the university to be advisable to secure the payment of the special debt service requirements on such special obligation securities and to maintain its renewal and replacement fund and (iii) to operate and maintain in a prudent and economical manner the physical infrastructure of the university and (B) the university has recently reviewed and resolved that it is in compliance with its rate covenant referred to in section 10a-109e, as amended by this act. Prior to the issuance of special obligation securities, the security for which is to be enhanced by such a special capital reserve fund, the aforementioned self-sufficiency finding by the university shall be submitted to and confirmed as not unreasonable or arbitrary in the certificate of determination referred to in subsection (e) of this section by the Treasurer of the state. In addition, a special capital reserve fund shall be used only if such use improves or is essential to the rating of the securities or provides interest savings as determined by the Treasurer of the state. The provisions of this subsection respecting the creation, establishment and enhancement of a special capital reserve fund shall not be available or applicable to any general obligation securities issued by the university pursuant to sections 10a-109a to 10a-109y, inclusive.

Sec. 6. Section 10a-109n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For the period from July 1, 2001, to June 30, 2031, or until

House Bill No. 8001

completion of the UConn 2000 infrastructure improvement program, whichever is later, the university shall have charge and supervision of the design, planning, acquisition, remodeling, alteration, repair, enlargement or demolition of any real asset or any other project on its campuses.

(b) (1) The university shall cause to be prepared, proposed construction standards for all projects. The proposed standards shall, subject to applicable law, include, among other things, provisions relating to the quality and type of materials to be used, provisions for safety, fire protection, health and sanitation, provisions for the installation of fixtures, furnishings, equipment, machinery and apparatus, and construction features.

(2) Pursuant to such construction standards in effect at such time, the university shall cause to be prepared, within the costs available therefor, the detailed plans and specifications for each project. The university may from time to time modify, or authorize modifications to, such detailed plans and specifications, provided the plans and specifications as so modified shall comply with the construction standards, if any, adopted pursuant to sections 10a-109a to 10a-109y, inclusive, and in effect at the time of the modifications, and the provisions of section 10a-109e, as amended by this act, are complied with.

(3) The university shall identify the scope of work and hire, and contract with persons with the necessary experience and capability to perform such scope of work.

(4) The university may contract with a design professional for the design of any project, with a general contractor for the construction of any project; and with one or more prime trade contractors with respect to such construction work if the university determines that to do so will be in the public interest of the state.

House Bill No. 8001

(c) (1) Any construction contract to which the university is a party may include a provision that the design professional who designed the project, or an architect or professional engineer or construction manager retained or employed specifically for the purpose of supervision, may supervise the work to be performed through to completion and ensure that the materials furnished and the work performed are in accordance with the drawings, plans, specifications and contracts therefor.

(2) (A) Except as provided in subparagraph (D) of this subdivision, any total cost basis contract or other contract for the construction of a university project which is estimated to cost more than five hundred thousand dollars, shall be publicly let by the university. The university shall give notice to contractors interested in submitting a project proposal or bid, by posting any such notice on the university web site and on the State Contracting Portal. The notice to contractors shall contain (i) the requirement that contractors be prequalified pursuant to section 4a-100, or subparagraph (B) of this subdivision, as applicable to such contract, (ii) a statement of the time and place where the responses shall be received, and (iii) such additional information as the university deems appropriate. Upon receipt of such responses, the university shall select any contractor who (I) to the extent required pursuant to the provisions of section 4b-91, has been prequalified pursuant to section 4a-100, (II) has shown itself able to post surety bonds required by such contract, (III) has no conflict of interest in the performance of work required by such contract, and (IV) for any such contract that is estimated to cost more than one million dollars, has been prequalified by the university pursuant to subparagraph (B) of this subdivision.

(B) For any contract subject to the provisions of subparagraph (A) of this subdivision that is estimated to cost more than one million dollars, the university shall prequalify each contractor by evaluating whether (i) such contractor (I) has demonstrated that it possesses the financial, managerial and technical ability and integrity necessary to faithfully

House Bill No. 8001

and efficiently perform work for the university in accordance with the requirements set forth in the prequalification application issued by the university, and (II) is responsible and qualified based on its experience with projects similar to that for which the bid or proposal is to be submitted and based on objective written criteria included in the prequalification application issued by the university, and (ii) any subcontractor on the contractor's previous projects, has been in compliance with the provisions of part III of chapter 557 and chapter 558 during the previous five calendar years. The university, in its discretion, may include additional qualification requirements in the notice posted pursuant to subparagraph (A) of this subdivision.

(C) The university may issue a confirmation of prequalification for contracts subject to the provisions of this subdivision to any contractor who meets the requirements set forth in subparagraph (B) of this subdivision. Such confirmation of prequalification shall be effective for one year from the date of issuance and, upon receipt of a completed renewal application and any other materials as prescribed by the university, may be renewed for a period not exceeding two years.

(D) Notwithstanding the provisions of subparagraph (A) of this subdivision, the board of trustees may approve a total cost basis contract or other contract for the construction of a university project which is estimated to cost more than five hundred thousand dollars that has not been publicly let pursuant to the provisions of said subparagraph (A), provided the board deems the contract to address an emergency.

(3) Each bid or proposal shall be kept sealed until opened publicly at the time and place as set forth in the notice soliciting such bid or proposal. The university shall not award any construction contract, including, but not limited to, any total cost basis contract, after public letting, except to the responsible qualified contractor, submitting the lowest bid or proposal in compliance with the bid or proposal requirements of the solicitation document. The university may,

House Bill No. 8001

however, waive any informality in a bid or proposal, and may either reject all bids or proposals and again advertise for bids or proposals or interview at least three responsible qualified contractors and negotiate and enter into with any one of such contractors that construction contract which is both fair and reasonable to the university.

(4) The construction contract, including each total cost basis contract, awarded by the university shall contain such other terms and conditions, and such provisions for penalties as the university may deem appropriate.

(5) No payments shall be made by the university on account of any contract for the project awarded by or for the university until the bills or estimates presented for such payment shall have been duly certified to be correct by the university. No payments shall be made from any other fund on account of any contract for any project awarded by or for the university until the bills or estimates presented for such payment shall have been duly certified to be correct by the university.

(6) Provision shall be made in each contract to the effect that payment is limited to the amount provided therein and that no liability of the university or state shall and may be incurred beyond such amount.

(7) The university shall require, for the protection of the state and the university, such deposits, bonds and security in connection with the submission of bids or proposals, the award of construction contracts and the performance of work as the university shall determine to be appropriate and in the public interest of the state.

(8) Any contract awarded by the university shall be a contract with the state acting through the university.

(9) (A) The university shall not enter into a construction manager at-risk project delivery contract that does not provide for a maximum guaranteed price for the cost of construction which shall be determined

House Bill No. 8001

not later than the time of the receipt and approval by the university of the trade contractor bids. Each construction manager at-risk shall invite bids and give notice of opportunities to bid on project elements, by posting any such invitation or notice on the State Contracting Portal. Each bid shall be kept sealed until opened publicly at the time and place as set forth in the notice soliciting such bid. The construction manager at-risk shall, after consultation with and approval by the university, award any related contracts for project elements to the responsible qualified contractor, who shall be prequalified pursuant to section 4a-100, submitting the lowest bid in compliance with the bid requirements, provided (i) the construction manager at-risk shall not be eligible to submit a bid for any such project element, and (ii) construction shall not begin prior to the determination of the maximum guaranteed price, except (I) for the project elements of site preparation and demolition that have been previously put out to bid and awarded, and (II) for the project elements of site preparation, demolition, public utility installation and connections and building envelope components, including the roof, doors, windows and exterior walls, as provided in subparagraph (B) of this subdivision.

(B) Construction may begin prior to the determination of the maximum guaranteed price for the project elements of site preparation, demolition, public utility installation and connections and building envelope components, including the roof, doors, windows and exterior walls, provided (i) the project involves the renovation of an existing building or facility; (ii) the project element or elements involved in such early work have been previously put out to bid and awarded; and (iii) the total cost of construction of the early work does not exceed twenty-five per cent of the estimated cost of construction for the entire project.

(C) If such project involves the renovation of an existing building or facility that will be performed in multiple phases while such building or facility remains occupied, the university may enter into a construction

House Bill No. 8001

manager at-risk project delivery contract that provides for the maximum guaranteed price to be determined for each phase of the project, prior to beginning each such phase, provided each party to the contract complies with all of the requirements of subparagraph (A) of this subdivision, except the timing of the determination of the maximum guaranteed price set forth in subparagraph (A)(ii) of this subdivision.

(10) If the university designates a project as suitable for a design-build contract, the university may enter into a single contract with a design-builder recommended by a selection panel and selected by the university. The university shall give notice of such project and specifications for such project by posting such notice on the State Contracting Portal. The university shall establish a selection panel for each project to score the qualifications and past performance of each design-builder who submits a competitive proposal to the university for such project. The selection panel shall score the qualifications and past performance of each design-builder using a predetermined scoring method developed by the university and provided to each design-builder in advance of such design-builder's development of the competitive proposal. The selection panel's scoring method may be unique to each project, but shall consist of combining the score of each design-builder's qualifications and past performance and evaluating the technical merit of the competitive proposal and each design-builder's projected project cost. The design-build contract shall (A) include, but not be limited to, such project elements as permitting, engineering, design, construction and, if applicable, site acquisition, and (B) be based on the competitive proposal submitted by the design-builder that is selected by the university. No design-build contract for which the total cost is estimated to be more than the amount set forth in subdivision (2) of subsection (a) of section 4b-91 may be awarded to a design-builder who is not prequalified for the project in accordance with section 4a-100. Such design-build contracts shall state the responsibilities of the design-builder to deliver a completed and acceptable project on a date certain

House Bill No. 8001

and the maximum costs of the project and, if applicable, as a separate item, the cost of any site acquisition. The university shall determine all other requirements and conditions for such competitive proposals, selection of a design-builder and other awards and shall have sole responsibility for all other aspects of such design-build contracts.

(d) For the purposes of part III of chapter 557, a project undertaken by the university shall be deemed to be a state public works project and consist of public buildings.

(e) (1) Notwithstanding any provision of the general statutes, any license, permit, and approval required or permitted to be issued and any administrative action required or permitted to be taken pursuant to the general statutes in connection with any project by the university shall be issued or taken upon application to the particular commissioner or commissioners having jurisdiction over such license, permit, approval or other administrative action or such other state official as such commissioner shall designate. As used in this section, the term commissioner shall mean commissioners if more than one commissioner has jurisdiction over the subject matter and their designee, if any. No agency, commission, council, committee, panel or other body whatsoever other than such commissioner shall have jurisdiction over or cognizance of any licenses, permits, approvals or administrative actions concerning any project and no notice of any tentative determination or any final determination regarding any such license, permit, approval or administrative action and no notice of any such license, permit, approval or administrative action shall be required except as expressly provided pursuant to this subsection. For purposes of sections 10a-109a to 10a-109y, inclusive, a capital project is a state facility and accordingly, no ordinance, law or regulation promulgated by or any authority granted to any municipality or any other political subdivision of the state shall apply to a capital project. The State Properties Review Board shall have jurisdiction over any project in the

House Bill No. 8001

same manner as provided in chapter 60 for a priority higher education facility project. Such commissioner may issue licenses and permits, give such approval and take such administrative action as shall be necessary or desirable.

(2) All applications, supporting documentation and other records submitted to the commissioner and pertaining to any application for any license, permit, approval or other administrative action, together with all records of the proceedings of the commissioner relating to any license, permit, approval or administrative action shall be a public record and shall be made, maintained and disclosed in accordance with the Freedom of Information Act, as defined in section 1-200.

(3) All applications for licenses, permits, approvals and other administrative action required by any applicable provision of the general statutes shall be submitted to the commissioner as provided in subdivision (1) of this subsection.

(4) (A) Any hearing regarding all or any part of any project, provided for by this section, shall be conducted by the particular commissioner having jurisdiction over the applicable license, permit, approval or other administrative action. Legal notice of such hearing shall be published in a newspaper having general circulation in an area which includes the municipality in which the particular part of such project is proposed to be built or is being built not more than ten nor less than five days in advance of such hearing.

(B) In rendering any decision in connection with any project, the commissioner shall weigh all competent material and substantial evidence presented by the applicant and the public in accordance with the applicable statute. The commissioner shall issue written findings and determinations upon which the commissioner's decision is based. Such findings and determinations shall consist of evidence presented, including such matters as the commissioner deems appropriate,

House Bill No. 8001

provided such matters, to the extent applicable to the particular permit, shall include the nature of any major adverse health and environmental impact of any project. The commissioner may reverse or modify any order or action at any time on the commissioner's own motion. The procedure for such reversal or modification shall be the same as the procedure for the original proceeding.

(C) Any administrative action taken by any commissioner in connection with any project may be appealed by an aggrieved party to the superior court for the judicial district of New Britain in accordance with the provisions of section 4-183, except as otherwise provided in sections 10a-109a to 10a-109y, inclusive. Such appeal shall be brought not later than ten days after the date of mailing to the parties to the proceeding of a notice of such order, decision or action by certified mail, return receipt requested, and the appellant shall serve a copy of the appeal on each party listed in the final decision at the address shown in such decision. Failure to make such service within such ten days on parties other than the commissioner who rendered the final decision may not, in the discretion of the court, deprive the court of jurisdiction over such appeal. Within ten days after the service of such appeal, or within such further time as may be allowed by the court, the commissioner who rendered such decision shall cause any portion of the record that had not been transcribed to be transcribed and shall cause either the original or a certified copy of the entire record of the proceeding appealed from to be transmitted to the reviewing court. Such record shall include the commissioner's findings of fact and conclusions of law, separately stated. If more than one commissioner has jurisdiction over the matter, such commissioners shall issue joint findings of fact and conclusions of law. Such appeal shall state the reasons upon which it is predicated and, notwithstanding any provision of the general statutes, shall not stay the development of any project. The commissioner who rendered such decision shall appear as the respondent. Such appeals to the superior court shall each be privileged

House Bill No. 8001

matters and shall be heard as soon after the return date as practicable. A court shall render its decision not later than twenty-one days after the date that the entire record, with the transcript, is filed with the court by the commissioner who rendered the decision.

(D) The court shall not substitute its judgment for that of the commissioner as to the weight of the evidence presented on a question of fact. The court shall affirm the decision of the commissioner unless the court finds that substantial rights of the party appealing such decision have been materially prejudiced because the findings, inferences, conclusions or decisions of the commissioner are: (i) In violation of constitutional or statutory provisions, (ii) in excess of the statutory authority of the commissioner, (iii) made upon unlawful procedure, (iv) affected by an error of law, (v) clearly erroneous in view of the reliable, probative and substantial evidence on the whole record, or (vi) arbitrary, capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion.

(E) If the court finds material prejudice, it may sustain the appeal. Upon sustaining an appeal, the court may render a judgment which modifies the decision of the commissioner, orders particular action of the commissioner or orders the commissioner to take such action as may be necessary to effect a particular action and the commissioner may issue a permit consistent with such judgment. Notwithstanding the foregoing, an applicant may file an amended application and the commissioner may, pursuant to the procedures set forth in sections 10a-109a to 10a-109y, inclusive, consider an amended application for an order, permit or other administrative action following court action.

(F) Notwithstanding the provisions of section 3-125, in consultation with the Attorney General, the university may use the legal services of any private attorney, in connection with the construction, operation and maintenance of any project. The board of trustees shall determine the effective and efficient method or methods of legal services to accomplish

House Bill No. 8001

the construction, operation and maintenance of all projects, taking into account the capacity, cost and expense of private counsel for such services and the capacity and direct and indirect cost and expense of and identified by the Attorney General for such services.

(f) On or before December thirty-first and June thirtieth of each year, the university shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding. Such report shall include the following information: (1) The names and addresses of contractors and subcontractors performing repair, addition, alteration and new construction on the university's campuses in the previous six calendar months, (2) the extent to which such contractors and subcontractors have been in compliance with the provisions of part III of chapter 557 and the provisions of chapter 558, and (3) any actions taken by the university to cooperate with the Labor Department in the enforcement of said provisions.

(g) Notwithstanding any provision of the general statutes, The University of Connecticut Health Center Joint Venture Initiative shall not be subject to the requirements of this section.

Sec. 7. Section 10a-109bb of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Board of Trustees of The University of Connecticut, or a committee of the board, shall review and approve the policies and procedures developed by The University of Connecticut to undertake any project of UConn 2000, as described in subdivision (25) of section 10a-109c, as amended by this act, concerning the selection of design professionals and contractors, as defined in subdivision (27) of section 10a-109c, as amended by this act, contract compliance, building and fire code compliance, deferred maintenance, as defined in subdivision (29) of section 10a-109c, as amended by this act, and an annual budget for

House Bill No. 8001

such maintenance prepared pursuant to section 10a-109dd, project and program budgets and schedules and the authorization and review of contract changes. The university shall prepare, biennially, a summary of construction performance of UConn 2000 based on reports submitted at least quarterly by the construction assurance office established pursuant to section 10a-109cc, and the board, or committee of the board, shall, upon the completion of each named project pursuant to section 10a-109e, as amended by this act, conduct a review of the university's management of such project for its conformance with the applicable policies and procedures governing construction undertaken pursuant to section 10a-109n, as amended by this act. Such review of completed projects shall incorporate information, including, but not limited to, that which is derived from reviews of the reports submitted at least quarterly by the construction assurance office, in accordance with section 10a-109cc.

(b) Upon completion of each assessment, summary and review conducted pursuant to this section by The University of Connecticut or a committee of the board, the university or such committee, as applicable, shall submit such assessment, summary and review to the board. The board shall initially review each such assessment, summary and review without the presence of university staff members.

(c) The University of Connecticut Health Center Joint Venture Initiative shall not be subject to the requirements of this section.

Governor's Action:
Approved November 18, 2025