



House of Representatives

General Assembly

File No. 302

January Session, 2001

Substitute House Bill No. 6799

House of Representatives, April 17, 2001

The Committee on Planning and Development reported through REP. DAVIS of the 50th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT ESTABLISHING A CONNECTICUT TRANSPORTATION INVESTMENT AUTHORITY.

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

1 Section 1. (NEW) (a) There is hereby established and created a body
2 politic and corporate, constituting a public instrumentality and
3 political subdivision of the state of Connecticut established and created
4 for the performance of an essential public and governmental function,
5 to be known as the Connecticut Transportation Investment Authority.
6 The authority shall not be construed to be a department, institution or
7 agency of the state.

8 (b) The powers of the authority shall be vested in and exercised by a
9 board of directors. The membership of the board shall consist of (1)
10 five ex-officio members who shall include the Secretary of the Office of
11 Policy and Management, or the secretary's designee, and the
12 Commissioners of Public Safety, Transportation, Environmental

13 Protection and Economic and Community Development, or their
14 designees; (2) five public or institutional representatives, three of
15 whom shall be appointed by the Governor and one appointed by the
16 president pro tempore of the Senate and one by the speaker of the
17 House of Representatives; and (3) one representative of each of the
18 transportation areas established pursuant to subsection (c) of section 2
19 of this act, one of whom shall be appointed by the Governor, one by
20 the majority leader of the House of Representatives, one by the
21 minority leader of the House of Representatives, one by the majority
22 leader of the Senate and one by the minority leader of the Senate. The
23 members representing the transportation investment areas shall be
24 selected from a list submitted by each transportation investment area
25 coalition. Each nominee shall have significant experience in state and
26 local government processes and one shall be a chief elected official.
27 Each shall be from a different congressional district. The terms of
28 initial appointments shall expire as follows: Two shall expire three
29 years after the date of appointment; one shall expire four years from
30 the date of appointment and one shall expire five years from the date
31 of appointment. Thereafter the members shall serve a term of five
32 years. All appointed members shall have relevant strategic planning
33 experience and shall reflect appropriate balance of geography and
34 other perspectives. At the end of a term a member may continue to
35 serve until a successor is appointed and qualified. A member shall be
36 eligible for one additional term. Any vacancy occurring other than by
37 expiration of a term shall be filled in the same manner as the original
38 appointment for the balance of the unexpired term.

39 (c) Directors may engage in private employment, or in a profession
40 or business, subject to any applicable laws, rules and regulations of the
41 state or federal government regarding official ethics or conflict of
42 interest. Notwithstanding the provisions of any other law, it shall not
43 constitute a conflict of interest for a trustee, director, partner or officer
44 of any person, firm or corporation, or any individual having a financial
45 interest in a person, firm or corporation, to serve as a member of the

46 board of directors of the service other than as one of the two members
47 who are representatives of the general public with no financial interest
48 in the hazardous waste disposal industry, provided such trustee,
49 director, partner, officer or individual shall abstain from deliberation,
50 action or vote by the service in specific respect to such person, firm or
51 corporation.

52 (d) A majority of the voting directors of the authority shall
53 constitute a quorum. For the transaction of any business or the exercise
54 of any power of the service, the service shall have power to act by a
55 majority of the directors present at any meeting at which a quorum is
56 in attendance.

57 (e) The authority may delegate to four or more of its directors such
58 board powers and duties as it may deem necessary and proper in
59 conformity with the provisions of the general statutes.

60 (f) The chairperson of the board of directors shall be appointed by
61 the Governor from the members representing the public or
62 institutional sector. The chairperson shall serve at the pleasure of the
63 Governor. The chairperson shall be the executive officer of the service
64 and shall preside at all meetings, employ and supervise the staff of the
65 service subject to the approval of the board, implement policy
66 decisions of the board and perform any other duty or function
67 assigned by the board or by law. The chairperson shall be a voting
68 member of the board and, in case of a tie vote, the side on which the
69 chairperson votes shall be deemed to prevail.

70 (g) The chairperson shall be entitled to compensation, within
71 available resources, in such amount as the board of directors
72 determines. The other directors shall be entitled to reimbursement for
73 necessary traveling expenses incurred during the performance of
74 official duties and shall receive compensation at a rate of one hundred
75 dollars for each day they are engaged in the duties of the board.

76 (h) The Governor may remove any director for inefficiency, neglect
77 of duty or misconduct in office after giving such director a copy of the
78 charges and an opportunity to be heard, in person or by counsel, in
79 defense, upon not less than ten days' notice. If any director shall be so
80 removed, the Governor shall file in the office of the Secretary of the
81 State a complete statement of charges made against such director and
82 the findings thereon, together with a complete record of the
83 proceedings.

84 (i) The authority shall meet at least quarterly.

85 (j) The authority shall establish (1) a human resources committee,
86 with responsibility for organizational succession and related matters,
87 pursuant to subsection (g) of section 2 of this act, consisting of the
88 chairperson, the Commissioner of Transportation and three other
89 members from the private, institutional or municipal sectors, and (2) a
90 strategy development committee, to develop, monitor and modify the
91 transportation investment strategy required pursuant to subsection (c)
92 of section 2 of this act, consisting of the chairperson and the Secretary
93 of the Office of Policy and Management, or the secretary's designee,
94 and the Commissioners of Public Safety, Transportation,
95 Environmental Protection and Economic and Community
96 Development, or their designees.

97 (k) The authority shall terminate on July 1, 2011.

98 Sec. 2. (NEW) (a) The purpose of the Connecticut Transportation
99 Investment Authority shall be to establish, monitor and implement a
100 comprehensive, state-wide transportation strategy that enhances the
101 economic vitality and overall quality of life in the state. In achieving its
102 purpose the authority shall be guided by the following principles and
103 objectives: (1) The recognition of transportation as the cornerstone of
104 the state's economic vitality and overall quality of life; (2) the
105 inseparable relationship of transportation and land use planning; (3)
106 an awareness of the connection between the state and national,

107 continental and international economies; (4) the importance of mobility
108 of people and goods within the state; (5) the leveraging of existing
109 transportation assets and infrastructure, especially in urban centers,
110 and the reduction of auto-oriented demands; (6) the use of technology
111 to expand capacity, enhance safety and to access funding alternatives;
112 (7) the sources and methodologies for funding investments in
113 transportation infrastructure as annual maintenance costs; (8) the value
114 of listening to transportation customers in evaluating transportation
115 investments and prioritizing projects; (9) the need for the state, along
116 with the northeast states and the Maritime provinces, to play a
117 leadership role in developing and advocating a transportation strategy
118 for the region and continent; (10) the expediting of analytical decision-
119 making related to transportation initiatives approved within the
120 strategy; and (11) the role of the private sector, public agencies and
121 institution in encouraging and delivering goods with and through the
122 state.

123 (b) The authority shall have power to:

124 (1) Employ a staff, which shall be exempt from the provisions of
125 chapter 67 of the general statutes, and to fix their duties, qualifications
126 and compensation;

127 (2) Establish offices where necessary in the state of Connecticut;

128 (3) Make and enter into any contract or agreement necessary or
129 incidental to the performance of its duties and execution of its powers;

130 (4) Sue and be sued;

131 (5) Have a seal and alter it at pleasure;

132 (6) Make and alter bylaws and rules with respect to the exercise of
133 its own powers;

134 (7) Conduct such hearings, examinations and investigations as may

135 be necessary and appropriate to the conduct of its operations and the
136 fulfillment of its responsibilities;

137 (8) Obtain access to public records and apply for the process of
138 subpoena if necessary to produce books, papers, records and other
139 data;

140 (9) Purchase, lease or rent such real and personal property as it may
141 deem necessary, convenient or desirable and to lease to a third party
142 any real or personal property acquired;

143 (10) Receive and accept aid or contributions including money,
144 property, labor and other things of value from any source;

145 (11) Invest any funds not needed for immediate use or disbursement
146 in obligations issued or guaranteed by the United States of America or
147 the state of Connecticut and in other obligations which are legal
148 investments for savings banks in this state; and

149 (12) Adopt regular procedures for exercising its powers not in
150 conflict with the general statutes.

151 (c) On or before October 1, 2001, and biennially thereafter, the
152 authority shall develop a transportation strategy based on the strategic
153 framework published by the Connecticut Regional Institute for the 21st
154 Century. The strategy shall articulate goals for the economy and
155 quality of life in the state and shall include (1) establishment of five
156 transportation investment areas that assigns each municipality to one
157 or more areas, (2) recommendations for major transportation
158 investments and coordinated land use strategies in such areas, and (3)
159 linkages between the five transportation investment areas and the state
160 plan of conservation and development. The authority shall monitor,
161 amend and implement the strategy. The strategy shall be submitted to
162 the Governor and the General Assembly. The authority shall submit a
163 report on the strategy to the joint standing committee of the General

164 Assembly having cognizance of matters relating to transportation on
165 or before April 1, 2002, and every six months thereafter.

166 (d) The authority shall participate in and coordinate transportation
167 issues and interests with other states, Canada, federally recognized
168 Native American nations and the state congressional delegation.

169 (e) On or before October 1, 2001, and annually thereafter, the
170 Commissioner of Transportation shall submit the capital and operating
171 budget of the Department of Transportation to the authority for its
172 review and recommendation. The authority shall submit a report of its
173 findings and recommendations on such budget to the Governor and
174 the General Assembly on or before December 1, 2001, and annually
175 thereafter.

176 (f) No contract of any state agency, department or institution that
177 substantially impacts the transportation strategy will be effective
178 unless approved by the authority.

179 (g) On or before October 1, 2001, and annually thereafter, the
180 authority shall conduct a review of the organizational structure of the
181 Department of Transportation which shall include an assessment of
182 the skills necessary to manage the department successfully. The
183 authority shall submit a report of its findings and recommendations on
184 the organizational structure of the department to the Governor and the
185 General Assembly on or before December 1, 2001, and annually
186 thereafter. No appointment to any position within the Department of
187 Transportation shall be effective without approval of the authority.
188 The authority may recommend persons to fill any vacancy in the office
189 of the Commissioner of Transportation and may make
190 recommendations on removal.

191 Sec. 3. (NEW) The Secretary of the Office of Policy and Management
192 shall provide the necessary personnel and resources to assist the
193 Connecticut Transportation Investment Authority in performing its

194 duties under this act.

195 Sec. 4. This act shall take effect from its passage.

PD **JOINT FAVORABLE SUBST.**

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Potential Significant Costs, Potential Indeterminate Revenue Gain

Affected Agencies: Departments of Transportation, Public Safety, Economic and Community Development, Environmental Protection and the Office of Policy and Management

Municipal Impact: None

Explanation

State Impact:

This bill establishes the Connecticut Transportation Investment Authority with extensive powers and responsibilities. It consists of 15 members appointed by the governor and legislative leaders. Among the various responsibilities, the board can employ staff; establish offices where necessary in the state; conduct hearings, examinations, and investigations; purchase lease or rent real and personal property; enter into contracts or agreements, review operating and capital budgets; establish two (2) committees, - Human Resources and Strategy Development committees; review all state agency contracts that affect transportation; receive and accept aid or contributions including money, property, labor and other things of value; approve the appointment of all positions in the Department of Transportation (DOT) and may recommend persons to fill its vacancies.

The chairperson of the board will receive compensation determined by the board of directors, within available resources. The other directors are entitled to reimbursement for traveling expenses (35 cents per mile) plus a compensation rate of \$100 for each day they are engaged in the duties of the board.

It is anticipated that participation or assistance provided by agency commissioners or their designees can be covered within available resources.

According to the bill, the secretary of the Office of Policy and Management (OPM) must provide the necessary personnel and resources to the newly-created Authority. As a result, the bill could result in an estimated annual cost to OPM of \$141,742 for one Administrative Assistant and one Planning Specialist to support the Authority. This cost includes \$98,254 in Personal Service, \$4,913 in Other Expenses and \$38,575 to provide fringe benefits. These employees would be necessary to coordinate the activities of the Authority and to provide substantial research assistance, including annual review of the organizational structure, and capital and operating budgets of the DOT. In addition, OPM anticipates needing approximately \$2 million to pay for a consultant to develop initially the transportation strategy required by the bill. Thus, OPM would require an appropriation totaling \$2,141,742.

Due to the broadness of the powers and obligations as noted above, the cost impact to the DOT is at present indeterminate. Any expenses within available appropriations would necessitate the diversion of funds from other projects. The revenue impact from contributions including money is also indeterminate. The bill is not clear whether the additional funds required or revenues would be General or Transportation Fund sources.

OLR Bill Analysis

sHB 6799

AN ACT ESTABLISHING A CONNECTICUT TRANSPORTATION INVESTMENT AUTHORITY.

SUMMARY:

This bill creates the Connecticut Transportation Investment Authority and gives it broad powers and duties related to (1) the Department of Transportation (DOT); (2) the development and implementation of a state transportation strategy; and (3) its own affairs, including hiring staff. The appointed board of directors exercises the powers vested in the authority.

EFFECTIVE DATE: Upon passage

CONNECTICUT TRANSPORTATION INVESTMENT AUTHORITY

General

The authority is a political subdivision of the state, but it is not a state department, institution, or agency. It must meet at least quarterly and terminates on July 1, 2011.

Principles and Objectives

The authority must be guided by principles and objectives that include:

1. the recognition of transportation as the cornerstone of the state's economy and quality of life;
2. the strong interconnection between transportation and land-use planning;
3. the connection of the state to larger regional, national, and world

- economies and transportation systems;
4. the importance of mobility for people and goods in the state;
 5. an emphasis to make the most of existing transportation assets and reducing auto-oriented transportation demands, and
 6. ways to expedite analytical decision-making for strategy-approved transportation projects.

Authority Board Members and Structure

The board consists of 15 members: (1) five state agency heads, or their designees, who serve *ex officio* (Office of Policy and Management (OPM) secretary and the commissioners of transportation, public safety, environmental protection, and economic and community development); (2) five public or institutional representatives (three appointed by the governor and one each appointed by the Senate president pro tempore and House speaker); (3) one representative from each of the state's five transportation investment areas (TIAs) to be developed in the strategy. (The governor, House majority and minority leaders, and Senate majority and minority leaders must each appoint one TIA representative). The bill is inconsistent regarding how many directors will represent the public (see COMMENT).

The members representing TIAs must be selected from lists of nominees submitted by each TIA. Each nominee must have significant experience in state and local government administration and be from a different congressional district. At least one nominee on each list must be a chief elected official.

The governor must appoint the chairperson of the board, who serves as the authority's executive officer. The chairperson must preside over all meetings and supervise authority staff.

The bill does not specify whether the *ex officio* members can vote. At one point it refers to "voting members" of the authority, which appears to imply that not all members are voting members. But the rest of the bill indicates no distinction among the board members.

A majority of directors constitute a quorum. The authority can exercise its power with a majority vote at a meeting with a quorum, except in the case of a tie vote, when the side on which the chairperson votes prevails. It may delegate board powers and duties to four or more members as it deems necessary.

The authority must establish a human resources committee and a strategy development committee.

The former is responsible for assessing the organizational structure of DOT. It consists of the authority chair, DOT commissioner, and three other members from the private, institutional or municipal sectors.

The strategy development committee is responsible for developing, monitoring, and modifying the transportation strategy. This panel consists of the five state agency heads.

Compensation

The bill authorizes the board of directors to establish the chairperson's compensation, within available resources. The other directors are entitled to reimbursement for necessary travel expenses and compensation of \$100 for each day they take part in board duties.

Terms and Vacancies

The bill is not clear about the length of the initial terms (see COMMENT). All terms succeeding the initial terms are five years. At the end of a term, an appointed director may continue to serve until a successor is appointed. Each appointed member is eligible for one additional term. If there is a vacancy before the term expires, it must be filled in the same way as the original appointment for the balance of the unexpired term.

Conflict of Interest

The bill stipulates that privately employed board directors are subject to any applicable state or federal ethics and conflict of interest laws. It specifies that any private trustee, director, partner, or corporate officer serving as a board director does not have a conflict of interest if he

abstains from any deliberation or vote on matters of his business before the authority. The bill specifically bars representatives of the public from serving as directors if they have any financial interest in the hazardous waste industry.

Removal

The governor can remove any director for inefficiency, neglect of duty, or misconduct after giving him the charges against him and at least 10 days notice to be heard in his defense. If a director is removed, the governor must file a complete statement of the charges, the findings, and a record of the proceedings with the Secretary of the State.

AUTHORITY POWERS

DOT and Authority Staff

Under the bill, the authority can approve or deny any appointments to any DOT position. The authority can also employ its own staff, who must be exempted from the state personnel act, and establish staff duties, qualifications, and compensation.

DOT Commissioner

The authority can recommend candidates to fill DOT commissioner vacancies. It can recommend the removal of the commissioner. (Although not stated in the bill, presumably these recommendations go to the governor.)

Hearings and Investigations

The authority can conduct necessary hearings, examinations, and investigations to perform its duties. It can also obtain access to public records, and, if it deems necessary, apply for subpoena power to produce papers, records, and other data.

Approval of Contracts

The authority must approve the contract of any state agency, department, or institution that substantially impacts the transportation

strategy before the contract can become effective.

Establishing an Office, Entering into Contracts, and Other Powers

The authority can (1) sue or be sued, establish offices, enter into contracts, or purchase, lease, or rent property; (2) lease acquired property to third parties; and (3) receive and accept aid or contributions, including money, property, labor, and other things of value from any source, and can invest funds not needed for immediate use.

AUTHORITY DUTIES

Transportation Strategy

The bill requires the authority to develop a transportation strategy by October 1, 2001, and biennially afterwards, and submit it to the governor and legislature. It must also submit a report to the Transportation Committee by April 1, 2002 and every six months following. It must monitor, amend, and implement the strategy.

The strategy must be based on the recent transportation strategy issued by the Connecticut Regional Institute for the 21st Century, a nonprofit statewide center for regional policy. (This strategy calls for dividing the state into TIAs.) It must

1. articulate goals for the economy and quality of life in the state;
2. establish five TIAs with each town in the state assigned to at least one area;
3. recommend major transportation investments and coordinated land-use strategies for TIAs; and
4. recommend links between the TIAs and the state plan of conservation and development.

DOT Organizational Assessment

The authority must conduct a review of DOT's organizational

structure, including an assessment of the skills needed to manage DOT successfully, by October 1, 2001, and annually thereafter and submit the organizational review, related findings, and recommendations to the governor and legislature by December 1, 2001, and annually thereafter.

Review of DOT Budget

The authority must also review DOT's capital and operating budget, and submit its findings and recommendations to the governor and legislature by December 1, 2001, and annually thereafter.

OPM DUTIES

The bill requires the OPM secretary to provide the authority with "necessary personnel and resources" to help it perform its duties. (The bill does not indicate whether OPM or the new authority determines what constitutes necessary personnel and resources.)

COMMENT

Conflicting Number of Appointees from the Public

The section outlining the authority's board of directors specifies that five members will be "public or institutional representatives." This indicates there may be anywhere from zero to five members representing the public. But another provision refers to "one of the two members who are representatives of the general public," implying that there must be at least two public members.

Unclear Initial Terms

The bill states that the terms of two initial appointments expire in three years, one in four years, and one in five years. This accounts for only four of the 10 appointed members. This leaves uncertainty about the length of the other six appointees' initial terms. (This provision could be interpreted as applying only to the five representatives of the state's TIAs, but this would still leave one of the five with no specified term length.)

BACKGROUND

Related Bills

An Act Implementing the Recommendations of the Transportation Strategy Board (HB 6985) creates a Transportation Strategy Board to develop a state transportation strategy for approval by the legislature. The Transportation Committee reported this bill favorably on April 2.

An Act Implementing the Recommendations of the Legislative Program Review and Investigations Committee Concerning Transportation Planning (sSB 1275, File 184) creates a Connecticut Transportation Board to develop a state transportation strategic plan and a financial plan and submit them to the governor and the legislature.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 16 Nay 1