



General Assembly

January Session, 2001

Raised Bill No. 1233

LCO No. 4010

Referred to Committee on Energy and Technology

Introduced by:
(ET)

***AN ACT CONCERNING CONNECTICUT RESOURCES RECOVERY
AUTHORITY POWERS.***

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

1 Section 22a-267 of the general statutes is repealed and the following
2 is substituted in lieu thereof:

3 The authority shall have the power to:

4 (1) Accept gifts, grants or loans of funds, property or service from
5 any source, public or private, and comply, subject to the provisions of
6 this chapter, with the terms and conditions thereof;

7 (2) Receive funds from the sale of the bonds or other obligations of
8 municipal and regional authorities and from the sale of obligations of
9 the authority and its real and personal properties;

10 (3) Receive funds or revenues from the sale of products, materials,
11 fuels and energy in any form derived from the processing of solid
12 waste by systems, facilities and equipment under its jurisdiction, and
13 receive revenues in the form of rents, fees and charges paid by units or
14 agencies of state and local government, and by private persons and

15 organizations, to compensate the authority for the use of its facilities or
16 the performance of its services;

17 (4) Accept from a federal agency loans or grants for use in carrying
18 out its purposes and enter into agreements with such agency
19 respecting any such loans or grants;

20 (5) Make loans to any municipal or regional authority or to any
21 person for the planning, design, acquisition, construction,
22 reconstruction, improvement, equipping and furnishing of a waste
23 management project, which loans shall be secured by loan agreements,
24 contracts or any other instruments or agreements with respect to the
25 use of fees and charges, upon such terms and conditions as the
26 authority shall determine reasonable in connection with such loans,
27 including provisions for the establishment and maintenance of reserve
28 funds, and in the exercise of powers granted in this section in
29 connection with the project for any such municipal or regional
30 authority or private person, to require the inclusion in any contract,
31 loan agreement or other instrument, of such provisions for the
32 construction, use, operation and maintenance and the payment of
33 operating and other costs of a project as the authority may deem
34 necessary or desirable, and in connection with the making of such
35 loans, the authority may purchase, acquire and take assignments and
36 the notes and bonds of municipal or regional authorities and persons
37 and receive other forms of security and evidences of indebtedness, and
38 in furtherance of the purposes of this chapter and to assure the
39 payment of the principal and interest of such loans, and in order to
40 assure the payment of the principal and interest on bonds or notes of
41 the authority issued to provide funding for such loans, may attach,
42 seize, purchase, acquire, accept or take title to any project by
43 conveyance, and may sell, lease or rent any such project for a use
44 specified in this chapter;

45 (6) The directors of the authority may by resolution, in accordance
46 with the provisions and stipulations of this chapter and the authority's

47 general and other bond resolutions, authorize both the segregation of
48 such authority revenues as may at any time be adjudged by said
49 directors to be surplus to the needs of the authority to meet its
50 contractual and other obligations and to provide for its operations or
51 other business purposes, and the equitable redistribution of such
52 segregated surplus revenues to some or all of the users of the system in
53 accordance with applicable provisions of the state solid waste
54 management plan;

55 (7) (A) In connection with, or incidental to, the issuance or carrying
56 of bonds, or acquisition or carrying of any investment or program of
57 investment, the authority may enter into any contract which the
58 authority determines to be necessary or appropriate to place the
59 obligation or investment of the authority, as represented by the bonds,
60 investment or program of investment and the contract or contracts, in
61 whole or in part, on the interest rate, currency, cash flow, or other basis
62 desired by the authority, including, without limitations, contracts
63 commonly known as interest rate swap agreements, currency swap
64 agreements, forward payment conversion agreements, futures, or
65 contracts providing for payments based on levels of, or changes in,
66 interest rates, currency exchange rates, stock or other indices, or
67 contracts to exchange cash flows or a series of payments, or contracts,
68 including, without limitation, interest rate floors or caps, options, puts
69 or calls to hedge payment, currency, rate, spread, or similar exposure
70 or, contracts for the purchase of option rights with respect to the
71 mandatory or optional tender for purchase or redemption of bonds,
72 notes or other obligations of the authority, which are subject to
73 mandatory or optional tender or redemption, including the issuance of
74 certificates evidencing the right of the owner to exercise such option
75 rights. These contracts or arrangements may also be entered into by
76 the authority in connection with, or incidental to, entering into or
77 maintaining any agreement which secures its bonds, notes or other
78 obligations, subject to the terms and conditions thereof respecting
79 outstanding obligations.

80 (B) Bonds issued by the authority may be payable in accordance
81 with their terms, in whole or in part, in currency other than lawful
82 money of the United States of America, provided the authority enter
83 into a currency swap or similar agreement for payments in lawful
84 money of the United States of America, which covers the entire
85 amount of the debt service payment obligation of the authority with
86 respect to the bonds payable in other currency, and provided further,
87 that if the term of that agreement is less than the term of the bonds, the
88 authority shall include a best efforts covenant to enter into additional
89 agreements as may be necessary to cover the entire amount of the debt
90 service payment obligation.

91 (C) In connection with, or incidental to, the issuance or carrying of
92 bonds, notes or other obligations or entering into any of the contracts
93 or agreement referred to in subparagraph (A) of this subdivision, the
94 authority may enter into credit enhancement or liquidity agreements,
95 with payment, interest rate, currency, security, default, remedy and
96 other terms and conditions as the authority determines;

97 (8) Enter into any contractual arrangement with any person to
98 obtain rights from or in an invention or product, or the proceeds
99 therefrom, or rights to any and all forms of equity instruments,
100 including, but not limited to, common and preferred stock, warrants,
101 options, convertible debentures, limited and general partnership
102 interests and similar types of instruments, in connection with the
103 development or operation of any system, facility or technology based
104 on or related to resources recovery, recycling, reuse, treatment,
105 processing or disposal of solid waste, electric generation on authority-
106 owned sites, electric generation services from authority-owned
107 facilities or remediation and redevelopment of authority-owned sites
108 provided any net revenue to the authority from activities, contracts,
109 products or processes undertaken pursuant to this subdivision shall be
110 distributed so as to reduce the costs of other authority services to the
111 users thereof on a pro rata basis proportionate to costs paid by such
112 users. Notwithstanding the provisions of this subdivision, the

113 authority shall not perform residential or commercial waste collection
114 services in the state other than services permitted under the provisions
115 of this chapter rendered at any landfill, waste disposal, waste transfer
116 or waste processing facility provided the authority may otherwise
117 assist in the exercise of the powers conferred by chapter 103b.

Statement of Purpose:

To provide the Connecticut Resources Recovery Authority with the statutory authority to invest in electric generation services and the redevelopment of authority-owned sites.

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