



General Assembly

**Amendment**

January Session, 2001

LCO No. 8490

Offered by:

SEN. LEBEAU, 3<sup>rd</sup> Dist.

REP. SAMOWITZ, 129<sup>th</sup> Dist.

SEN. JEPSEN, 27<sup>th</sup> Dist.

REP. GOOGINS, 31<sup>st</sup> Dist.

SEN. DELUCA, 32<sup>nd</sup> Dist.

REP. WARD, 86<sup>th</sup> Dist.

SEN. SOMMA, 16<sup>th</sup> Dist.

To: Subst. Senate Bill No. 823

File No. 526

Cal. No. 363

**"AN ACT CONCERNING THE ELIGIBILITY OF MANUFACTURING FACILITIES FOR ENTERPRISE ZONE BENEFITS."**

1 Strike out everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. (NEW) (a) For the purpose of assisting (1) any  
4 information technology project, as defined in subsection (ee) of section  
5 32-23d of the general statutes, which is located in an eligible  
6 municipality, as defined in subdivision (12) of subsection (a) of section  
7 32-9t of the general statutes, or (2) any remediation project, as defined  
8 in subsection (ii) of section 32-23d of the general statutes, as amended  
9 by this act, the Connecticut Development Authority may, upon a  
10 resolution of the legislative body of a municipality, issue and  
11 administer bonds which are payable solely or in part from and secured  
12 by: (A) A pledge of and lien upon any and all of the income, proceeds,  
13 revenues and property of such a project, including the proceeds of

14 grants, loans, advances or contributions from the federal government,  
15 the state or any other source, including financial assistance furnished  
16 by the municipality or any other public body, (B) taxes or payments or  
17 grants in lieu of taxes allocated to and payable into a special fund of  
18 the Connecticut Development Authority pursuant to the provisions of  
19 subsection (b) of this section, or (C) any combination of the foregoing.  
20 Any such bonds of the Connecticut Development Authority shall  
21 mature at such time or times not exceeding thirty years from their date  
22 of issuance and shall be subject to the general terms and provisions of  
23 law applicable to the issuance of bonds by the Connecticut  
24 Development Authority, except that such bonds shall be issued  
25 without a special capital reserve fund as provided in subsection (b) of  
26 section 32-23j of the general statutes and, for purposes of section 32-23f  
27 of the general statutes, only the approval of the board of directors of  
28 the authority shall be required for the issuance and sale of such bonds.  
29 Any pledge made by the municipality or the Connecticut Development  
30 Authority for bonds issued as provided in this section shall be valid  
31 and binding from the time when the pledge is made, and revenues and  
32 other receipts, funds or moneys so pledged and thereafter received by  
33 the municipality or the Connecticut Development Authority shall be  
34 subject to the lien of such pledge without any physical delivery thereof  
35 or further act. The lien of such pledge shall be valid and binding  
36 against all parties having claims of any kind in tort, contract or  
37 otherwise against the municipality or the Connecticut Development  
38 Authority, even if the parties have no notice of such lien. Recording of  
39 the resolution or any other instrument by which such a pledge is  
40 created shall not be required. In connection with any such assignment  
41 of taxes or payments in lieu of taxes, the Connecticut Development  
42 Authority may, if the resolution so provides, exercise the rights  
43 provided for in section 12-195h of the general statutes of an assignee  
44 for consideration of any lien filed to secure the payment of such taxes  
45 or payments in lieu of taxes. All expenses incurred in providing such  
46 assistance may be treated as project costs.

47 (b) Any proceedings authorizing the issuance of bonds under this

48 section may contain a provision that taxes or a specified portion  
49 thereof, if any, identified in such authorizing proceedings and levied  
50 upon taxable real or personal property, or both, in a project each year,  
51 or payments or grants in lieu of such taxes or a specified portion  
52 thereof, by or for the benefit of any one or more municipalities,  
53 districts or other public taxing agencies, as the case may be, shall be  
54 divided as follows: (1) In each fiscal year that portion of the taxes or  
55 payments or grants in lieu of taxes which would be produced by  
56 applying the then current tax rate of each of the taxing agencies to the  
57 total sum of the assessed value of the taxable property in the project on  
58 the date of such authorizing proceedings, adjusted in the case of grants  
59 in lieu of taxes to reflect the applicable statutory rate of  
60 reimbursement, shall be allocated to and when collected shall be paid  
61 into the funds of the respective taxing agencies in the same manner as  
62 taxes by or for said taxing agencies on all other property are paid; and  
63 (2) that portion of the assessed taxes or the payments or grants in lieu  
64 of taxes, or both, each fiscal year in excess of the amount referred to in  
65 subdivision (1) of this subsection shall be allocated to and when  
66 collected shall be paid into a special fund of the Connecticut  
67 Development Authority to be used in each fiscal year, in the discretion  
68 of the Connecticut Development Authority, to pay the principal of and  
69 interest due in such fiscal year on bonds issued by the Connecticut  
70 Development Authority to finance, refinance or otherwise assist such  
71 project, to purchase bonds issued for such project, or to reimburse the  
72 provider of or reimbursement party with respect to any guarantee,  
73 letter of credit, policy of bond insurance, funds deposited in a debt  
74 service reserve fund, funds deposited as capitalized interest or other  
75 credit enhancement device used to secure payment of debt service on  
76 any bonds issued by the Connecticut Development Authority to  
77 finance, refinance or otherwise assist such project, to the extent of any  
78 payments of debt service made therefrom. Unless and until the total  
79 assessed valuation of the taxable property in a project exceeds the total  
80 assessed value of the taxable property in such project as shown by the  
81 last assessment list referred to in subdivision (1) of this subsection, all  
82 of the taxes levied and collected and all of the payments or grants in

83 lieu of taxes due and collected upon the taxable property in such  
84 project shall be paid into the funds of the respective taxing agencies.  
85 When such bonds and interest thereof, and such debt service  
86 reimbursement to the provider of or reimbursement party with respect  
87 to such credit enhancement, have been paid in full, all moneys  
88 thereafter received from taxes or payments or grants in lieu of taxes  
89 upon the taxable property in such development project shall be paid  
90 into the funds of the respective taxing agencies in the same manner as  
91 taxes on all other property are paid. The total amount of debt service  
92 required to back the bonds that are issued based on grants in lieu of  
93 taxes shall be not more than two million dollars.

94 (c) The authority may make grants or provide loans or other forms  
95 of financial assistance from the proceeds of special or general  
96 obligation notes or bonds of the authority issued without the security  
97 of a special capital reserve fund within the meaning of subsection (b)  
98 of section 32-23j of the general statutes, which bonds are payable from  
99 and secured by, in whole or in part, the pledge and security provided  
100 for in section 8-134, as amended by this act, 8-192, as amended by this  
101 act, 32-227 of the general statutes, or section 1 of this act, all on such  
102 terms and conditions, including such agreements with the  
103 municipality and the developer of the project, as the authority  
104 determines to be appropriate in the circumstances, provided any such  
105 project in an area designated as an enterprise zone pursuant to section  
106 32-70 of the general statutes receiving such financial assistance shall be  
107 ineligible for any fixed assessment pursuant to section 32-71 of the  
108 general statutes, and the authority, as a condition of such grant, loan or  
109 other financial assistance, may require the waiver, in whole or in part,  
110 of any property tax exemption with respect to such project otherwise  
111 available under subsection (59) or (60) of section 12-81 of the general  
112 statutes.

113 (d) As used in this section, "bonds" means any bonds, including  
114 refunding bonds, notes, temporary notes, interim certificates,  
115 debentures or other obligations; "legislative body" has the meaning  
116 provided in subsection (y) of section 32-222 of the general statutes; and

117 "municipality" means a town, city, consolidated town or city or  
118 consolidated town and borough.

119 (e) For purposes of this section, references to the Connecticut  
120 Development Authority shall include any subsidiary of the  
121 Connecticut Development Authority established pursuant to  
122 subsection (l) of section 32-11a of the general statutes, as amended by  
123 this act, and a municipality may act by and through its implementing  
124 agency, as defined in subsection (k) of section 32-222 of the general  
125 statutes.

126 (f) No commitments for new projects shall be approved by the  
127 authority under this section on or after July 1, 2005.

128 Sec. 2. Section 8-134 of the general statutes is repealed and the  
129 following is substituted in lieu thereof:

130 For the purpose of carrying out or administering a redevelopment  
131 plan or other functions authorized under this chapter, a municipality,  
132 acting by and through its redevelopment agency, is hereby authorized,  
133 subject only to the limitations and procedures set forth in this section,  
134 to issue from time to time bonds of the municipality which are payable  
135 solely from and secured by: (a) A pledge of and lien upon any or all of  
136 the income, proceeds, revenues and property of redevelopment  
137 projects, including the proceeds of grants, loans, advances or  
138 contributions from the federal government, the state or other source,  
139 including financial assistance furnished by the municipality or any  
140 other public body pursuant to section 8-135; (b) taxes or payments in  
141 lieu of taxes, or both, in whole or in part, allocated to and paid into a  
142 special fund of the municipality pursuant to the provisions of section  
143 8-134a; or (c) any combination of the methods in subsections (a) and (b)  
144 of this section. For the purposes of a specified project only, the  
145 Connecticut Development Authority may, upon a resolution with  
146 respect to such project adopted by the legislative body of the  
147 municipality, issue and administer bonds which are payable solely or  
148 in part from and secured by the pledge and security provided for in

149 this section subject to the general terms and provisions of law  
150 applicable to the issuance of bonds by the Connecticut Development  
151 Authority, except that the provisions of subsection (b) of section 32-23j  
152 shall not apply. Any bonds payable and secured as provided in this  
153 section shall be authorized by a resolution adopted by the legislative  
154 body of the municipality, notwithstanding the provisions of any other  
155 statute, local law or charter governing the authorization and issuance  
156 of bonds generally by the municipality. No such resolution shall be  
157 adopted until after a public hearing has been held upon such  
158 authorization. Notice of such hearing shall be published not less than  
159 five days prior to such hearing in a newspaper having a general  
160 circulation in the municipality. Such bonds shall be issued and sold in  
161 such manner; bear interest at such rate or rates, including variable  
162 rates to be determined in such manner as set forth in the proceedings  
163 authorizing the issuance of the bonds; provide for the payment of  
164 interest on such dates, whether before or at maturity; be issued at,  
165 above or below par; mature at such time or times not exceeding forty  
166 years from their date in the case of bonds issued to finance housing  
167 and facilities related thereto or thirty years from their date in all other  
168 cases; have such rank or priority; be payable in such medium of  
169 payment; be issued in such form, including, without limitation,  
170 registered or book-entry form, carry such registration and transfer  
171 privileges and be made subject to purchase or redemption before  
172 maturity at such price or prices and under such terms and conditions,  
173 including the condition that such bonds be subject to purchase or  
174 redemption on the demand of the owner thereof; and contain such  
175 other terms and particulars as the legislative body of the municipality  
176 or the officers delegated such authority by the legislative body of the  
177 municipality body shall determine. The proceedings under which  
178 bonds are authorized to be issued may, subject to the provisions of the  
179 general statutes, contain any or all of the following: (1) Provisions  
180 respecting custody of the proceeds from the sale of the bonds and any  
181 bond anticipation notes, including any requirements that such  
182 proceeds be held separate from or not be commingled with other funds  
183 of the municipality; (2) provisions for the investment and reinvestment

184 of bond proceeds until such proceeds are used to pay project costs and  
185 for the disposition of any excess bond proceeds or investment earnings  
186 thereon; (3) provisions for the execution of reimbursement agreements,  
187 or similar agreements, in connection with credit facilities, including,  
188 but not limited to, letters of credit or policies of bond insurance,  
189 remarketing agreements and agreements for the purpose of  
190 moderating interest rate fluctuations; (4) provisions for the collection,  
191 custody, investment, reinvestment and use of the pledged revenues or  
192 other receipts, funds or moneys pledged for payment of bonds as  
193 provided in this section; (5) provisions regarding the establishment  
194 and maintenance of reserves, sinking funds and any other funds and  
195 accounts as shall be approved by the legislative body of the  
196 municipality in such amounts as may be established by the legislative  
197 body of the municipality and the regulation and disposition thereof,  
198 including requirements that any such funds and accounts be held  
199 separate from or not be commingled with other funds of the  
200 municipality; (6) covenants for the establishment of maintenance  
201 requirements with respect to facilities and properties; (7) provisions for  
202 the issuance of additional bonds on a parity with bonds issued prior to  
203 the issuance of such additional bonds, including establishment of  
204 coverage requirements with respect to such bonds as herein provided;  
205 (8) provisions regarding the rights and remedies available to the bond  
206 owners, note owners or any trustee under any contract, loan  
207 agreement, document, instrument or trust indenture in case of a  
208 default, including the right to appoint a trustee to represent their  
209 interests upon occurrence of any event of default, as defined in any  
210 such default proceedings, provided that if any bonds or bond  
211 anticipation notes are secured by a trust indenture, the respective  
212 owners of such bonds or notes shall have no authority except as set  
213 forth in such trust indenture to appoint a separate trustee to represent  
214 them; and (9) other provisions or covenants of like or different  
215 character from the foregoing which are consistent with this section and  
216 which the legislative body of the municipality determines in such  
217 proceedings are necessary, convenient or desirable in order to better  
218 secure the bonds or bond anticipation notes, or will tend to make the

219 bonds or bond anticipation notes more marketable, and which are in  
220 the best interests of the municipality. Any provisions which may be  
221 included in proceedings authorizing the issuance of bonds under this  
222 section may be included in an indenture of trust duly approved in  
223 accordance with this section which secures the bonds and any notes  
224 issued in anticipation thereof, and in such case the provisions of such  
225 indenture shall be deemed to be a part of such proceedings as though  
226 they were expressly included therein. Any pledge made by the  
227 municipality shall be valid and binding from the time when the pledge  
228 is made, and any revenues or other receipts, funds or moneys so  
229 pledged and thereafter received by the municipality shall be subject  
230 immediately to the lien of such pledge without any physical delivery  
231 thereof or further act. The lien of any such pledge shall be valid and  
232 binding as against all parties having claims of any kind in tort, contract  
233 or otherwise against the municipality, irrespective of whether such  
234 parties have notice of such lien. Neither the resolution nor any other  
235 instrument by which a pledge is created need be recorded. The  
236 legislative body of the municipality may enter into a trust indenture by  
237 and between the municipality and a corporate trustee, which may be  
238 any trust company or bank having the powers of a trust company  
239 within or without the municipality. Such trust indenture may contain  
240 such provisions for protecting and enforcing the rights and remedies  
241 of the bond owners and note owners as may be reasonable and proper  
242 and not in violation of law, including covenants setting forth the duties  
243 of the municipality in relation to the exercise of its powers pursuant to  
244 this section and the custody, safeguarding and application of all  
245 moneys. The municipality may provide by such trust indenture for the  
246 payment of the pledged revenues or other receipts, funds or moneys to  
247 the trustee under such trust indenture or to any other depository, and  
248 for the method of disbursement thereof, with such safeguards and  
249 restrictions as it may determine. All expenses incurred in carrying out  
250 such trust indenture may be treated as project costs. Such bonds shall  
251 not be included in computing the aggregate indebtedness of the  
252 municipality, provided, if such bonds are made payable, in whole or in  
253 part, from funds contracted to be advanced by the municipality, the

254 aggregate amount of such funds not yet appropriated to such purpose  
255 shall be included in computing the aggregate indebtedness of the  
256 municipality. As used in this section, "bonds" means any bonds,  
257 including refunding bonds, notes, interim certificates, debentures or  
258 other obligations. For purposes of this section and section 8-134a,  
259 references to the Connecticut Development Authority shall include  
260 any subsidiary of the Connecticut Development Authority established  
261 pursuant to subsection (l) of section 32-11a, as amended by this act.

262 Sec. 3. Subsection (d) of section 8-192 of the general statutes is  
263 repealed and the following is substituted in lieu thereof:

264 (d) For the purposes of carrying out or administering a specified  
265 development plan authorized under this chapter, the Connecticut  
266 Development Authority may, upon a resolution with respect to such  
267 project adopted by the legislative body of the municipality, issue and  
268 administer bonds which are payable solely or in part from and secured  
269 by the pledge and security provided for in subsection (a) of this section  
270 subject to the general terms and provisions of law applicable to the  
271 issuance of bonds by the Connecticut Development Authority, except  
272 that the provisions of subsection (b) of section 32-23j shall not apply.  
273 For purposes of this section and section 8-192a, references to the  
274 Connecticut Development Authority shall include any subsidiary of  
275 the Connecticut Development Authority established pursuant to  
276 subsection (l) of section 32-11a, as amended by this act.

277 Sec. 4. Subsection (a) of section 32-11a of the general statutes is  
278 repealed and the following is substituted in lieu thereof:

279 (a) There is hereby created as a body politic and corporate,  
280 constituting a public instrumentality and political subdivision of the  
281 state created for the performance of an essential public and  
282 governmental function, the Connecticut Development Authority  
283 which is empowered to carry out the purposes of the authority, as  
284 defined in [this chapter, chapter 578, subsection (a) of section 10-320b  
285 and sections 25-33a and 32-68a] subsection (t) of section 32-23d, as

286 amended by this act, which are hereby determined to be public  
287 purposes for which public funds may be expended. The Connecticut  
288 Development Authority shall not be construed to be a department,  
289 institution or agency of the state.

290 Sec. 5. Subsection (c) of section 32-11a of the general statutes is  
291 repealed and the following is substituted in lieu thereof:

292 (c) The board of directors of the authority shall consist of the  
293 Commissioner of Economic and Community Development, the  
294 Treasurer of the state and the Secretary of the Office of Policy and  
295 Management, each serving ex officio, four members appointed by the  
296 Governor who shall be experienced in the field of financial lending or  
297 the development of commerce, trade and business and four members  
298 appointed as follows: One by the president pro tempore of the Senate,  
299 one by the minority leader of the Senate, one by the speaker of the  
300 House of Representatives and one by the minority leader of the House  
301 of Representatives. Each ex-officio member may designate [his] a  
302 deputy or any member of [his] the agency staff to represent [him] the  
303 member at meetings of the authority with full powers to act and vote  
304 [in his] on the member's behalf. The chairperson of the board shall be  
305 appointed by the Governor, with the advice and consent of both  
306 houses of the General Assembly. The board shall annually elect one of  
307 its members as vice chairman. Each member appointed by the  
308 Governor shall serve at the pleasure of the Governor but no longer  
309 than the term of office of the Governor or until the member's successor  
310 is appointed and qualified, whichever is longer. Each member  
311 appointed by a member of the General Assembly shall serve in  
312 accordance with the provisions of section 4-1a. Members shall receive  
313 no compensation but shall be reimbursed for necessary expenses  
314 incurred in the performance of their duties under [this chapter, chapter  
315 578, subsection (a) of section 10-320b, and sections 25-33a and 32-68a]  
316 the authority legislation, as defined in subsection (hh) of section 32-  
317 23d, as amended by this act. The Governor shall fill any vacancy for  
318 the unexpired term of a member appointed by the Governor. The  
319 appropriate legislative appointing authority shall fill any vacancy for

320 the unexpired term of a member appointed by such authority. A  
321 member of the board shall be eligible for reappointment. Any member  
322 of the board may be removed by the Governor for misfeasance,  
323 malfeasance or wilful neglect of duty. Each member of the authority  
324 before entering upon his or her duties shall take and subscribe the oath  
325 or affirmation required by article XI, section 1, of the State  
326 Constitution. A record of each such oath shall be filed in the office of  
327 the Secretary of the State. Meetings of the board shall be held at such  
328 times as shall be specified in the bylaws adopted by the board and at  
329 such other time or times as the chairman deems necessary. The board  
330 is empowered to adopt bylaws and regulations for putting into effect  
331 the provisions of said chapters and sections. Not later than November  
332 first, annually, the authority shall submit a report to the Commissioner  
333 of Economic and Community Development, the Auditors of Public  
334 Accounts and the joint standing committees of the General Assembly  
335 having cognizance of matters relating to the Department of Economic  
336 and Community Development, appropriations and capital bonding,  
337 which shall include the following information with respect to new and  
338 outstanding financial assistance provided by the authority during the  
339 twelve-month period ending on June thirtieth next preceding the date  
340 of the report for each financial assistance program administered by the  
341 authority: (1) A list of the names, addresses and locations of all  
342 recipients of such assistance, (2) for each recipient: (A) The business  
343 activities, (B) the Standard Industrial Classification Manual codes, (C)  
344 the gross revenues during the recipient's most recent fiscal year, (D)  
345 the number of employees at the time of application, (E) whether the  
346 recipient is a minority or women-owned business, (F) a summary of  
347 the terms and conditions for the assistance, including the type and  
348 amount of state financial assistance, job creation or retention  
349 requirements, and anticipated wage rates, and (G) the amount of  
350 investments from private and other nonstate sources that have been  
351 leveraged by the assistance, (3) the economic benefit criteria used in  
352 determining which applications have been approved or disapproved,  
353 and (4) for each recipient of assistance on or after July 1, 1991, a  
354 comparison between the number of jobs to be created, the number of

355 jobs to be retained and the average wage rates for each such category  
356 of jobs, as projected in the recipient's application, versus the actual  
357 number of jobs created, the actual number of jobs retained and the  
358 average wage rates for each such category. The report shall also  
359 indicate the actual number of full-time jobs and the actual number of  
360 part-time jobs in each such category and the benefit levels for each  
361 such subcategory. In addition, the report shall state (A) for each final  
362 application approved during the twelve-month period covered by the  
363 report, (i) the date that the final application was received by the  
364 authority and (ii) the date of such approval; (B) for each final  
365 application withdrawn during the twelve-month period covered by  
366 the report, (i) the municipality in which the applicant is located, (ii) the  
367 Standard Industrial Classification Manual code for the applicant, (iii)  
368 the date that the final application was received by the authority, and  
369 (iv) the date of such withdrawal; (C) for each final application  
370 disapproved during the twelve-month period covered by the report, (i)  
371 the municipality in which the applicant is located, (ii) the Standard  
372 Industrial Classification Manual code for the applicant, (iii) the date  
373 that the final application was received by the authority, and (iv) the  
374 date of such disapproval; and (D) for each final application on which  
375 no action has been taken by the applicant or the agency in the twelve-  
376 month period covered by the report and for which no report has been  
377 submitted under this subsection, (i) the municipality in which the  
378 applicant is located, (ii) the Standard Industrial Classification Manual  
379 code for the applicant, and (iii) the date that the final application was  
380 received by the authority. The November first report shall include a  
381 summary of the activities of the authority, including all activities to  
382 assist small businesses and minority business enterprises, as defined in  
383 section 4a-60g, a complete operating and financial statement and  
384 recommendations for legislation to promote the purposes of the  
385 authority. The authority shall furnish such additional reports upon the  
386 written request of any such committee at such times and containing  
387 such information as the committee may request. The accounts of the  
388 authority shall be subject to annual audit by the state Auditors of  
389 Public Accounts. The authority may cause an audit of its books and

390 accounts to be made at least once each fiscal year by certified public  
391 accountants. The powers of the authority shall be vested in and  
392 exercised by not less than six of the members of the board of directors  
393 then in office. Such number of members shall constitute a quorum and  
394 the affirmative vote of a majority of the members present at a meeting  
395 of the board shall be necessary for any action taken by the authority.  
396 No vacancy in the membership of the board shall impair the right to  
397 exercise all the rights and perform all the duties of the authority. Any  
398 action taken by the board under the provisions of said chapters and  
399 sections may be authorized by resolution at any regular or special  
400 meeting, and each such resolution shall take effect immediately and  
401 need not be published or posted. The authority shall be exempt from  
402 the provisions of section 4-9a.

403 Sec. 6. Subdivision (6) of subsection (l) of section 32-11a of the  
404 general statutes is repealed and the following is substituted in lieu  
405 thereof:

406 (6) The authority may make loans or grants to, and may guarantee  
407 specified obligations of, any each such subsidiary, following standard  
408 authority procedures, from the authority's assets and the proceeds of  
409 its bonds, notes, and other obligations, provided however, that the  
410 source and security, if any, for the repayment of any such loans or  
411 guarantees is derived from the assets, revenues and resources of such  
412 subsidiary.

413 Sec. 7. Subsection (d) of section 32-23d of the general statutes is  
414 repealed and the following is substituted in lieu thereof:

415 (d) "Project" means any facility, plant, works, system, building,  
416 structure, utility, fixture or other real property improvement located in  
417 the state, any machinery, equipment, furniture, fixture or other  
418 personal property to be located in the state and the land on which it is  
419 located or which is reasonably necessary in connection therewith,  
420 which is of a nature or which is to be used or occupied by any person  
421 for purposes which would constitute it as an economic development

422 project, information technology project, public service project, urban  
423 project, recreation project, commercial fishing project, health care  
424 project, the convention center project, as defined in subdivision (3) of  
425 section 32-600, [or] nonprofit project or remediation project, and any  
426 real property improvement reasonably related thereto. A project may  
427 be acquired (1) directly, or (2) indirectly through the purchase of all or  
428 substantially all of the stock of a corporation. A project shall not  
429 include new materials, work in process, stock in trade or stock of a  
430 corporation.

431 Sec. 8. Subsection (t) of section 32-23d of the general statutes is  
432 repealed and the following is substituted in lieu thereof:

433 (t) "Purposes of [this chapter, chapter 578, subsection (a) of section  
434 10-320b and sections 25-33a and 32-68a] the authority", means the  
435 purposes of the authority expressed in and pursuant to the authority  
436 legislation, including with respect to the promotion, planning and  
437 designing, developing, encouraging, assisting, acquiring, constructing,  
438 reconstructing, improving, maintaining and equipping and furnishing  
439 of a project and assisting directly or indirectly in the financing of the  
440 cost thereof.

441 Sec. 9. Section 32-23d of the general statutes is amended by adding  
442 subsections (hh) and (ii) as follows:

443 (NEW) (hh) "Authority legislation" means this chapter, chapters 578,  
444 584, 588l, 588n, 588r and 588u, sections 8-134, as amended by this act,  
445 8-134a, 8-192, as amended by this act, 8-192a, 25-33a, and 32-68a,  
446 section 1 of this act, and any other provisions of the general statutes or  
447 any public or special act setting forth or governing the powers and  
448 duties of the authority.

449 (NEW) (ii) "Remediation project" means any project (1) involving  
450 the development or redevelopment of real property within this state  
451 that (A) has been subject to a spill, as defined in section 22a-452c, (B) is  
452 an establishment, as defined in subdivision (3) of section 22a-134, (C) is  
453 a facility, as defined in 42 USC 9601(9), or (D) is eligible to be treated as

454 polluted real property for purposes of section 22a-133m or  
455 contaminated real property for purposes of section 22a-133aa or  
456 section 22a-133bb, provided the development or redevelopment is  
457 undertaken pursuant to a remediation plan meeting all applicable  
458 standards and requirements of the Department of Environmental  
459 Protection, (2) that the authority determines will add or support  
460 significant new economic activity or employment in the municipality  
461 in which such project is located or will otherwise materially contribute  
462 to the economic base of the state or the municipality, and (3) for which  
463 assistance from the authority will be needed to attract necessary  
464 private investment.

465 Sec. 10. Section 32-23e of the general statutes is repealed and the  
466 following is substituted in lieu thereof:

467 To accomplish the purposes of [this chapter, chapter 578 and  
468 subsection (a) of section 10-320b] the authority, as defined in  
469 subsection (t) of section 32-23d, as amended by this act, which are  
470 hereby determined to be public purposes for which public funds may  
471 be expended, and in addition to any other powers provided by law,  
472 the authority shall have power to: (1) Determine the location and  
473 character of any project to be financed under the provisions of said  
474 chapters and sections, provided any financial assistance shall be  
475 approved in accordance with written procedures prepared pursuant to  
476 subdivision (14) of this section; (2) purchase, receive, by gift or  
477 otherwise, lease, exchange, or otherwise acquire, and construct,  
478 reconstruct, improve, maintain, equip and furnish one or more  
479 projects, including all real and personal property which the authority  
480 may deem necessary in connection therewith, and to enter into a  
481 contract with a person therefor upon such terms and conditions as the  
482 authority shall determine to be reasonable, including but not limited to  
483 reimbursement for the planning, designing, financing, construction,  
484 reconstruction, improvement, equipping, furnishing, operation and  
485 maintenance of the project and any claims arising therefrom and  
486 establishment and maintenance of reserve and insurance funds with  
487 respect to the financing of the project; (3) insure any or all payments to

488 be made by the borrower under the terms of any agreement for the  
489 extension of credit or making of a loan by the authority in connection  
490 with any economic development project to be financed, wholly or in  
491 part, through the issuance of bonds or mortgage payments of any  
492 mortgage which is given by a mortgagor to the mortgagee who has  
493 provided the mortgage for an economic development project upon  
494 such terms and conditions as the authority may prescribe and as  
495 provided herein, and the faith and credit of the state are pledged  
496 thereto; (4) in connection with the insuring of payments of any  
497 mortgage, request for its guidance a finding of the municipal planning  
498 commission, or, if there is no planning commission, a finding of the  
499 municipal officers, of the municipality in which the economic  
500 development project is proposed to be located, or of the regional  
501 planning agency of which such municipality is a member, as to the  
502 expediency and advisability of the economic development project; (5)  
503 sell or lease to any person, all or any portion of a project, purchase  
504 from eligible financial institutions mortgages with respect to economic  
505 development projects, purchase or repurchase its own bonds, and sell,  
506 pledge or assign to any person any such [mortgage] bonds, mortgages,  
507 or other loans, notes, revenues or assets of the authority, or any  
508 interest therein, for such consideration and upon such terms as the  
509 authority may determine to be reasonable; (6) mortgage or otherwise  
510 encumber all or any portion of a project whenever it shall find such  
511 action to be in furtherance of the purposes of said chapters and  
512 sections; (7) enter into agreements with any person, including  
513 prospective mortgagees and mortgagors, for the purpose of planning,  
514 designing, constructing, acquiring, altering and financing projects,  
515 providing liquidity or a secondary market for mortgages or other  
516 financial obligations incurred with respect to facilities which would  
517 qualify as a project under this chapter, purchasing loans made by  
518 regional corporations under section 32-276, or for any other purpose in  
519 furtherance of any other power of the authority; (8) grant options to  
520 purchase or renew a lease for any of its projects on such terms as the  
521 authority may determine to be reasonable; (9) employ or retain  
522 attorneys, accountants and architectural, engineering and financial

523 consultants and such other employees and agents and to fix their  
524 compensation and to employ the Connecticut Development Credit  
525 Corporation on a cost basis as it shall deem necessary to assist it in  
526 carrying out the purposes of said [chapters and sections] authority  
527 legislation; (10) borrow money or accept gifts, grants or loans of funds,  
528 property or service from any source, public or private, and comply,  
529 subject to the provisions of said [chapters and sections] authority  
530 legislation, with the terms and conditions thereof; (11) accept from a  
531 federal agency loans or grants for use in carrying out its purpose, and  
532 enter into agreements with such agency respecting any such loans or  
533 grants; (12) provide tenant lease guarantees and performance  
534 guarantees and extend credit or make loans to any person for the  
535 planning, designing, financing, acquiring, constructing, reconstructing,  
536 improving, equipping and furnishing of a project and for the  
537 refinancing of existing indebtedness with respect to any facility or part  
538 thereof which would qualify as a project in order to facilitate  
539 substantial improvements thereto, which guarantees, credits or loans  
540 may be secured by loan agreements, lease agreements, installment sale  
541 agreements, mortgages, contracts and all other instruments or fees and  
542 charges, upon such terms and conditions as the authority shall  
543 determine to be reasonable in connection with such loans, including  
544 provision for the establishment and maintenance of reserve and  
545 insurance funds and in the exercise of powers granted in this section in  
546 connection with a project for such person, to require the inclusion in  
547 any contract, loan agreement or other instrument, such provisions for  
548 the construction, use, operation and maintenance and financing of a  
549 project as the authority may deem necessary or desirable; (13) in  
550 connection with any application for assistance under said [chapters  
551 and section] authority legislation, or commitments therefor, to make  
552 and collect such fees and charges as the authority shall determine to be  
553 reasonable; (14) adopt procedures, in accordance with the provisions  
554 of section 1-121, to carry out the provisions of said [chapters and  
555 sections] authority legislation, which may give priority to applications  
556 for financial assistance based upon the extent the project will  
557 materially contribute to the economic base of the state by creating or

558 retaining jobs, providing increased wages or benefits to employees,  
559 promoting the export of products or services beyond the boundaries of  
560 the state, encouraging innovation in products or services, encouraging  
561 defense-dependent business to diversify to nondefense production,  
562 promoting standards of participation adopted by the Connecticut  
563 partnership compact pursuant to section 33-374g of the general  
564 statutes, revision of 1958, revised to 1991, or will otherwise enhance  
565 existing activities that are important to the economic base of the state,  
566 provided regulation-making proceedings commenced before January  
567 1, 1989, shall be governed by sections 4-166 to 4-174, inclusive; (15)  
568 adopt an official seal and alter the same at pleasure; (16) maintain an  
569 office at such place or places within the state as it may designate; (17)  
570 sue and be sued in its own name and plead and be impleaded, service  
571 of process in any action to be made by service upon the executive  
572 director of said authority either in hand or by leaving a copy of the  
573 process at the office of the authority with some person having charge  
574 thereof; (18) employ such assistants, agents and other employees as  
575 may be necessary or desirable for its purposes, which employees shall  
576 be exempt from the classified service and shall not be employees as  
577 defined in subsection (b) of section 5-270; establish all necessary or  
578 appropriate personnel practices and policies, including those relating  
579 to hiring, promotion, compensation, retirement and collective  
580 bargaining, which need not be in accordance with chapter 68 and the  
581 authority shall not be an employer as defined in subsection (a) of  
582 section 5-270; contract for and engage appraisers of industrial  
583 machinery and equipment, consultants and property management  
584 services, and utilize the services of other governmental agencies; (19)  
585 when it becomes necessary or feasible for the authority to safeguard  
586 itself from losses, acquire, purchase, manage and operate, hold and  
587 dispose of real and personal property, take assignments of rentals and  
588 leases and make and enter into all contracts, leases, agreements and  
589 arrangements necessary or incidental to the performance of its duties;  
590 (20) in order to further the purposes of said [chapters and sections]  
591 authority legislation, or to assure the payment of the principal and  
592 interest on bonds or notes of the authority or to safeguard the

593 mortgage insurance fund, purchase, acquire and take assignments of  
594 notes, mortgages and other forms of security and evidences of  
595 indebtedness, purchase, acquire, attach, seize, accept or take title to  
596 any project by conveyance or, by foreclosure, and sell, lease or rent any  
597 project for a use specified in said chapters and sections or in said  
598 chapter 579; (21) adopt rules for the conduct of its business; (22) invest  
599 any funds not needed for immediate use or disbursement, including  
600 any funds held in reserve, in obligations issued or guaranteed by the  
601 United States of America or the state of Connecticut and in other  
602 obligations which are legal investments for savings banks in this state;  
603 (23) do, or delegate, any and all things necessary or convenient to carry  
604 out the purposes and to exercise the powers given and granted in said  
605 [chapters and sections] authority legislation; provided, in all matters  
606 concerning the internal administrative functions of the authority which  
607 are funded by amounts appropriated by the state to the authority or to  
608 the department, the procedures of the state relating to office space,  
609 supplies, facilities, materials, equipment and professional services shall  
610 be followed, and provided further, that in the acquisition by the  
611 authority of real estate involving the use of appropriated funds or  
612 bonds supported by the full faith and credit of the state, the authority  
613 shall be subject to the provisions of section 4b-23; (24) to accept from  
614 the department: (A) Financial assistance, (B) revenues or the right to  
615 receive revenues with respect to any program under the supervision of  
616 the department, and (C) loan assets or equity interests in connection  
617 with any program under the supervision of the department; to make  
618 advances to and reimburse the department for any expenses incurred  
619 or to be incurred by it in the delivery of such assistance, revenues,  
620 rights, assets or amounts; to enter into agreements for the delivery of  
621 services by the authority, in consultation with the department, the  
622 Connecticut Housing Finance Authority and Connecticut Innovations,  
623 Incorporated, to third parties which agreements may include  
624 provisions for payment by the department to the authority for the  
625 delivery of such services; and to enter into agreements with the  
626 department or with the Connecticut Housing Finance Authority or  
627 Connecticut Innovations, Incorporated for the sharing of assistants,

628 agents and other consultants, professionals and employees, and  
629 facilities and other real and personal property used in the conduct of  
630 the authority's affairs; and (25) to transfer to the department: (A)  
631 Financial assistance, (B) revenues or the right to receive revenues with  
632 respect to any program under the supervision of the authority, and (C)  
633 loan assets or equity interests in connection with any program under  
634 the supervision of the authority, provided the transfer of such financial  
635 assistance, revenues, rights, assets or interests is determined by the  
636 authority to be practicable, within the constraints and not inconsistent  
637 with the fiduciary obligations of the authority imposed upon or  
638 established upon the authority by any provision of the general statutes,  
639 the authority's bond resolutions or any other agreement or contract of  
640 the authority and to have no adverse effect on the tax-exempt status of  
641 any bonds of the authority or the state.

642 Sec. 11. Subsection (a) of section 32-23f of the general statutes is  
643 repealed and the following is substituted in lieu thereof:

644 (a) Subject to the approval of the Treasurer of the state or [his] the  
645 Treasurer's deputy appointed pursuant to section 3-12, and other  
646 applicable limitations of [this chapter, chapter 578 and subsection (a) of  
647 section 10-320b] the authority legislation, as defined in subsection (hh)  
648 of section 32-23d, as amended by this act, the authority may borrow  
649 money and issue its bonds and notes from time to time and use the  
650 proceeds thereof for the purposes of the authority, as defined in  
651 subsection (t) of section 32-23d, as amended by this act, and in order to  
652 carry out its powers under said [chapters and sections] authority  
653 legislation and to pay all other expenditures of the authority incident  
654 to and necessary in connection with such purposes including  
655 providing funds to be paid into any fund or funds to secure such  
656 bonds or notes. All such bonds issued by the authority, secured by a  
657 special capital reserve fund within the meaning of subsection (b) of  
658 section 32-23j, shall be general obligations of the authority payable out  
659 of any revenues or other receipts, funds, or moneys of the authority,  
660 subject only to any agreements with the holders of particular notes or  
661 bonds pledging any particular revenues, receipts, funds or moneys,

662 provided the authority may issue general obligation bonds of the  
663 authority without the security of a special capital reserve fund. Any  
664 other such bonds or notes not issued in anticipation of the issuance of  
665 bonds referred to in the preceding sentence shall be special obligations  
666 of the authority payable solely out of any revenues or other receipts,  
667 funds or moneys of the authority pledged therefor. All such notes and  
668 such bonds may be executed and delivered in such manner and at such  
669 times, may be in such form and denominations and of such tenor and  
670 maturity or maturities, may be in bearer or registered form, as to  
671 principal and interest or as to principal alone, may be payable at such  
672 time or times not exceeding forty years from the date thereof, may be  
673 payable at such place or places whether within or without the state,  
674 may bear interest at such rate or rates payable at such time or times  
675 and at such place or places and evidenced in such manner, and may  
676 contain such provisions not inconsistent with said chapters and  
677 sections, as shall be provided in the resolution of the authority  
678 authorizing the issuance of the bonds and notes.

679 Sec. 12. Subsection (h) of section 32-23f of the general statutes is  
680 repealed and the following is substituted in lieu thereof:

681 (h) The authority may issue notes and bonds in accordance herewith  
682 for one or more projects or to provide funds to be used for the  
683 purposes of [this chapter, chapter 578 and subsection (a) of section 10-  
684 320b] the authority, as defined in subsection (t) of section 32-23d, as  
685 amended by this act, without reference to a particular project or  
686 projects.

687 Sec. 13. Subsection (a) of section 32-23g of the general statutes is  
688 repealed and the following is substituted in lieu thereof:

689 (a) Except as provided in subsection (b) of this section, all moneys of  
690 the authority, from whatever source derived, shall be paid to the  
691 Treasurer of the state as agent of the authority, who shall not  
692 commingle such moneys with any other moneys. Such moneys shall be  
693 deposited in a separate bank account or accounts. The moneys in such

694 accounts shall be paid by checks signed by the Treasurer of the state or  
695 [his] the Treasurer's deputy appointed pursuant to section 3-12, on  
696 requisition of the commissioner or of such other officer or employee or  
697 officers or employees of the authority as the authority shall authorize  
698 to make such requisition. Notwithstanding the foregoing, the authority  
699 shall have power, subject to the approval of the Treasurer of the state  
700 or [his] the Treasurer's deputy appointed pursuant to section 3-12, to  
701 contract with the holders of any of its bonds or notes, as to the custody,  
702 collection, securing, investment and payment of any moneys of the  
703 authority, or of any moneys held in trust or otherwise for the payment  
704 of bonds or notes, and to carry out such contracts. All moneys received  
705 pursuant to the authority of [this chapter, chapter 578 and subsection  
706 (a) of section 10-320b] the authority legislation, as defined in  
707 subsection (hh) of section 32-23d, as amended by this act, whether as  
708 proceeds from the sale of bonds or as revenues, receipts or income,  
709 shall be deemed to be trust funds to be held and applied solely as  
710 provided in said [chapters and sections,] authority legislation and in  
711 the resolutions authorizing the issuance of the bonds or notes. Any  
712 officer with whom, or any bank or trust company with which such  
713 moneys shall be deposited as trustee thereof shall hold and apply the  
714 same for the purposes thereof, subject to such provisions as said  
715 [chapters and sections,] authority legislation and the resolution  
716 authorizing the issue of the bonds or notes or the trust agreement  
717 securing such bonds or notes may provide.

718 Sec. 14. Section 32-23h of the general statutes is repealed and the  
719 following is substituted in lieu thereof:

720 The exercise of the powers granted by [this chapter, chapter 578 and  
721 subsection (a) of section 10-320b] the authority legislation, as defined  
722 in subsection (hh) of section 32-23d, as amended by this act, shall  
723 constitute the performance of an essential governmental function and  
724 the authority shall not be required to pay any taxes or assessments  
725 upon or in respect of a project, or any property or moneys of the  
726 authority, levied by any municipality or political subdivision or special  
727 district having taxing powers of the state, nor shall the authority be

728 required to pay state taxes of any kind, and the authority, its projects,  
729 property and moneys and any bonds and notes issued under the  
730 provisions of said chapters and sections, their transfer and the income  
731 therefrom, including any profit made on the sale thereof, shall at all  
732 times be free from taxation of every kind by the state except for estate  
733 or succession taxes and by the municipalities and all other political  
734 subdivisions or special districts having taxing powers of the state;  
735 provided any person, leasing a project from the authority shall pay to  
736 the municipality or other political subdivision or special district having  
737 taxing powers, in which such project is located, a payment in lieu of  
738 taxes which shall equal the taxes on real and personal property,  
739 including water and sewer assessments, which such lessee would have  
740 been required to pay had it been the owner of such property during  
741 the period for which such payment is made and neither the authority  
742 nor its projects, properties, money or bonds and notes shall be  
743 obligated, liable or subject to lien of any kind for the enforcement,  
744 collection or payment thereof. The sale of tangible personal property or  
745 services by the authority is exempt from the sales tax under chapter  
746 219, and the storage, use or other consumption in this state of tangible  
747 personal property or services purchased from the authority is exempt  
748 from the use tax under chapter 219. If and to the extent the  
749 proceedings under which the bonds authorized to be issued under the  
750 provisions of said chapters and sections so provide, the authority may  
751 agree to cooperate with the lessee of a project in connection with any  
752 administrative or judicial proceedings for determining the validity or  
753 amount of such payments and may agree to appoint or designate and  
754 reserve the right in and for such lessee to take all action which the  
755 authority may lawfully take in respect of such payments and all  
756 matters relating thereto, provided such lessee shall bear and pay all  
757 costs and expenses of the authority thereby incurred at the request of  
758 such lessee or by reason of any such action taken by such lessee in  
759 behalf of the authority. Any lessee of a project which has paid the  
760 amounts in lieu of taxes required by this section to be paid shall not be  
761 required to pay any such taxes in which a payment in lieu thereof has  
762 been made to the state or to any such municipality or other political

763 subdivision or special district having taxing powers, any other statute  
764 to the contrary notwithstanding. Any industrial pollution control  
765 facility financed under said chapters and sections shall be subject to  
766 such approvals, as may be required by law, of any agency of the state  
767 and any agency of the United States having jurisdiction in the matter  
768 and, in the discretion of the authority, may be acquired, constructed or  
769 improved as part of or jointly with a pollution control facility  
770 undertaken by a municipality or political subdivision or special district  
771 having taxing powers in the state and the authority is authorized to  
772 cooperate and execute contracts with such a municipality or political  
773 subdivision or special district.

774 Sec. 15. Section 32-23i of the general statutes is repealed and the  
775 following is substituted in lieu thereof:

776 Bonds issued by the authority under the provisions of [this chapter,  
777 chapter 578 and subsection (a) of section 10-320b] the authority  
778 legislation, as defined in subsection (hh) of section 32-23d, as amended  
779 by this act, are hereby made securities in which all public officers and  
780 public bodies of the state and its political subdivisions, all insurance  
781 companies, credit unions, building and loan associations, investment  
782 companies, savings banks, banking associations, trust companies,  
783 executors, administrators, trustees and other fiduciaries and pension,  
784 profit-sharing and retirement funds may properly and legally invest  
785 funds, including capital in their control or belonging to them. Such  
786 bonds are hereby made securities which may properly and legally be  
787 deposited with and received by any state or municipal officer or any  
788 agency or municipality of the state for any purpose for which the  
789 deposit of bonds or obligations of the state is now or may hereafter be  
790 authorized by law.

791 Sec. 16. Subsection (a) of section 32-23j of the general statutes is  
792 repealed and the following is substituted in lieu thereof:

793 (a) Bonds or notes of the authority issued under the provisions of  
794 [this chapter, chapter 578 and subsection (a) of section 10-320b] the

795 authority legislation, as defined in subsection (hh) of section 32-23d, as  
796 amended by this act, shall not be deemed to constitute a debt or  
797 liability of the state or of any municipality thereof or a pledge of the  
798 faith and credit of the state or of any such municipality and shall not  
799 constitute bonds or notes issued or guaranteed by the state within the  
800 meaning of section 3-21, but shall be payable solely from the revenues  
801 and funds herein provided therefor. All such bonds or notes shall  
802 contain on the face thereof a statement to the effect that neither the  
803 state of Connecticut nor any municipality thereof other than the  
804 authority shall be obligated to pay the same or the interest thereon and  
805 that neither the faith and credit nor the taxing power of the state of  
806 Connecticut or of any municipality is pledged to the payment of the  
807 principal of or the interest on such bonds or notes.

808 Sec. 17. Section 32-23k of the general statutes is repealed and the  
809 following is substituted in lieu thereof:

810 The state of Connecticut does hereby pledge to and agree with the  
811 holders of any bonds and notes issued [under this chapter] under the  
812 provisions of the authority legislation, as defined in subsection (hh) of  
813 section 32-23d, as amended by this act, and with those parties who  
814 may enter into contracts with the Connecticut Development Authority  
815 or its successor agency pursuant to the provisions of [this chapter,  
816 chapter 578 and subsection (a) of section 10-320b] such authority  
817 legislation, that the state will not limit or alter the rights hereby vested  
818 in the authority until such obligations, together with the interest  
819 thereon, are fully met and discharged and such contracts are fully  
820 performed on the part of the authority, provided nothing contained  
821 herein shall preclude such limitation or alteration if and when  
822 adequate provision shall be made by law for the protection of the  
823 holders of such bonds and notes of the authority or those entering into  
824 such contracts with the authority. The authority is authorized to  
825 include this pledge and undertaking for the state in such bonds and  
826 notes or contracts.

827 Sec. 18. Subsection (a) of section 32-227 of the general statutes is

828 repealed and the following is substituted in lieu thereof:

829 (a) For the purpose of carrying out or administering a municipal or  
830 business development project, (1) a municipality, acting by and  
831 through its implementing agency, may, subject to the limitations and  
832 procedures set forth in this section, issue from time to time bonds of  
833 the municipality, and (2) the Connecticut Development Authority may,  
834 upon a resolution adopted of the legislative body of the municipality,  
835 issue from time to time bonds which, in either case, are payable solely  
836 or in part from and secured by: (A) A pledge of and lien upon any or  
837 all of the income, proceeds, revenues and property of development  
838 projects, including the proceeds of grants, loans, advances or  
839 contributions from the federal government, the state or other source,  
840 including financial assistance furnished by the municipality or any  
841 other public body pursuant to sections 32-220 to 32-234, inclusive; (B)  
842 taxes or payments in lieu of taxes, or both, in whole or in part,  
843 allocated to and paid into a special fund of the municipality or the  
844 Connecticut Development Authority pursuant to the provisions of  
845 subsection (c) of this section; or (C) any combination of the methods in  
846 subparagraphs (A) and (B) of this section. Any bonds payable and  
847 secured as provided in this subsection shall be authorized and the  
848 appropriation of the proceeds thereof approved by and subject to a  
849 resolution adopted by the legislative body of the municipality,  
850 notwithstanding the provisions of any other statute, local law or  
851 charter governing the authorization and issuance of bonds and the  
852 appropriation of the proceeds thereof generally by the municipality.  
853 No such resolution shall be adopted until after a public hearing has  
854 been held upon such authorization. Notice of such hearing shall be  
855 published not less than five days prior to such hearing in a newspaper  
856 having a general circulation in the municipality. Any such bonds of a  
857 municipality or the Connecticut Development Authority shall be  
858 issued and sold in such manner; bear interest at such rate or rates,  
859 including variable rates; provide for the payment of interest on such  
860 dates, whether before or at maturity; be issued at, above or below par;  
861 mature at such time or times not exceeding thirty years from their

862 date; have such rank or priority; be payable in such medium of  
863 payment; be issued in such form, including, without limitation,  
864 registered or book-entry form; carry such registration and transfer  
865 privileges and be made subject to purchase or redemption before  
866 maturity at such price or prices and under such terms and conditions,  
867 including the condition that such bonds be subject to purchase or  
868 redemption on the demand of the owner thereof; and contain such  
869 other terms and particulars as the legislative body of the municipality  
870 or the officers delegated such authority by the legislative body of the  
871 municipality shall determine. Any such bonds of the Connecticut  
872 Development Authority shall be issued and sold in the manner and  
873 subject to the general terms and provisions of law applicable to  
874 issuance of bonds by the Connecticut Development Authority, except  
875 that the provisions of subsection (b) of section 32-23j shall not apply.  
876 The proceedings under which bonds are authorized to be issued may,  
877 subject to the provisions of indenture or to any other depository  
878 agreement, provide for the method of disbursement thereof, with such  
879 safeguards and restrictions as it may determine. Any pledge made by  
880 the municipality or the Connecticut Development Authority for bonds  
881 issued as provided in this subsection shall be valid and binding from  
882 the time when the pledge is made, and any revenues or other receipts,  
883 funds or moneys so pledged and thereafter received by the  
884 municipality or the Connecticut Development authority shall be  
885 subject to the lien of such pledge without any physical delivery thereof  
886 or further act. The lien of any such pledge shall be valid and binding as  
887 against all parties having claims of any kind in tort, contract or  
888 otherwise against the municipality or Connecticut Development  
889 Authority, irrespective of whether such parties have notice of such  
890 lien. Neither the resolution nor any other instrument by which a  
891 pledge is created need be recorded. All expenses incurred in carrying  
892 out such financing may be treated as project costs. Such bonds shall  
893 not be included in computing the aggregate indebtedness of the  
894 municipality, provided, if such bonds are made payable, in whole or in  
895 part, from funds contracted to be advanced by the municipality, the  
896 aggregate amount of such funds not yet appropriated to such purpose

897 shall be included in computing the aggregate indebtedness of the  
898 municipality. As used in this section, "bonds" means any bonds,  
899 including refunding bonds, notes, temporary notes, interim  
900 certificates, debentures or other obligations. Temporary notes issued in  
901 accordance with this subsection in anticipation of the receipt of the  
902 proceeds of bond issues may be issued for a period of not more than  
903 five years, and notes issued for a shorter period of time may be  
904 renewed by the issue of other notes, provided the period from the date  
905 of the original notes to the maturity of the last notes issued in renewal  
906 thereof shall not exceed five years. For purposes of this section,  
907 references to the Connecticut Development Authority shall include  
908 any subsidiary of the Connecticut Development Authority established  
909 pursuant to subsection (l) of section 32-11a, as amended by this act."