



# Senate

## File No. 547

General Assembly

February Session, 2002

(Reprint of File No. 326)

Substitute Senate Bill No. 383  
As Amended by Senate Amendment  
Schedule "A" and House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
April 19, 2002

**AN ACT CONCERNING THE CONNECTICUT RESOURCES  
RECOVERY AUTHORITY AND PROHIBITING QUASI-PUBLIC AND  
STATE AGENCIES FROM RETAINING LOBBYISTS.**

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

1 Section 1. Section 22a-261 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

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

10 (b) [The] On and before May 31, 2002, the powers of the authority  
11 shall be vested in and exercised by a board of directors, which shall  
12 consist of thirteen directors: Four appointed by the Governor and three

13 ex-officio members, who shall have a vote including the Secretary of  
14 the Office of Policy and Management, the Commissioner of  
15 Transportation, and the Commissioner of Economic and Community  
16 Development; two appointed by the president pro tempore of the  
17 Senate, two by the speaker of the House, one by the minority leader of  
18 the Senate and one by the minority leader of the House of  
19 Representatives. Any such legislative appointee may be a member of  
20 the General Assembly. The directors appointed by the Governor under  
21 this subsection shall serve for terms of four years each, from January  
22 first next succeeding their appointment, provided, of the directors first  
23 appointed, two shall serve for terms of two years, and two for terms of  
24 four years, from January first next succeeding their appointment. Any  
25 vacancy occurring under this subsection other than by expiration of  
26 term shall be filled in the same manner as the original appointment for  
27 the balance of the unexpired term. [(c)] Of the four members  
28 appointed by the Governor under this subsection, two shall be first  
29 selectmen, mayors or managers of Connecticut municipalities; one  
30 from a municipality with a population of less than fifty thousand, one  
31 from a municipality of over fifty thousand population; two shall be  
32 public members without official governmental office or status with  
33 extensive high-level experience in municipal or corporate finance or  
34 business or industry, provided not more than two of such appointees  
35 shall be members of the same political party. The chairman of the  
36 board under this subsection shall be appointed by the Governor, with  
37 the advice and consent of both houses of the General Assembly [ The  
38 chairman] and shall serve at the pleasure of the Governor.  
39 Notwithstanding the provisions of this subsection, the terms of all  
40 members of the board of directors who are serving on May 31, 2002,  
41 shall expire on said date.

42 (c) On and after June 1, 2002, the powers of the authority shall be  
43 vested in and exercised by a board of directors, which shall consist of  
44 thirteen directors as follows: Three appointed by the Governor, one of  
45 whom shall be a municipal official of a municipality having a  
46 population of fifty thousand or less and one of whom shall have

47 extensive, high-level experience in the energy field; two appointed by  
48 the president pro tempore of the Senate, one of whom shall be a  
49 municipal official of a municipality having a population of more than  
50 fifty thousand and one of whom shall have extensive high-level  
51 experience in public or corporate finance or business or industry; two  
52 appointed by the speaker of the House of Representatives, one of  
53 whom shall be a municipal official of a municipality having a  
54 population of more than fifty thousand and one of whom shall have  
55 extensive high-level experience in public or corporate finance or  
56 business or industry; two appointed by the minority leader of the  
57 Senate, one of whom shall be a municipal official of a municipality  
58 having a population of fifty thousand or less and one of whom shall  
59 have extensive high-level experience in public or corporate finance or  
60 business or industry; two appointed by the minority leader of the  
61 House of Representatives, one of whom shall be a municipal official of  
62 a municipality having a population of fifty thousand or less and one of  
63 whom shall have extensive, high-level experience in the environmental  
64 field; and two voting ex-officio members, who shall be the Secretary of  
65 the Office of Policy and Management and the State Treasurer, or their  
66 designees. No director may be a member of the General Assembly. Not  
67 more than two of the directors appointed by the Governor shall be  
68 members of the same political party. The appointed directors shall  
69 serve for terms of four years each, provided, of the directors first  
70 appointed for terms beginning on June 1, 2002, (1) two of the directors  
71 appointed by the Governor, one of the directors appointed by the  
72 president pro tempore of the Senate, one of the directors appointed by  
73 the speaker of the House of Representatives, one of the directors  
74 appointed by the minority leader of the Senate and one of the directors  
75 appointed by the minority leader of the House of Representatives shall  
76 serve an initial term of two years and one month, and (2) the other  
77 appointed directors shall serve an initial term of four years and one  
78 month. The appointment of each director for a term beginning on or  
79 after June 1, 2004, shall be made with the advice and consent of both  
80 houses of the General Assembly. The Governor shall designate one of  
81 the directors to serve as chairperson of the board, with the advice and

82 consent of both houses of the General Assembly. The chairperson of  
83 the board shall serve at the pleasure of the Governor. Any appointed  
84 director who fails to attend three consecutive meetings of the board or  
85 who fails to attend fifty per cent of all meetings of the board held  
86 during any calendar year shall be deemed to have resigned from the  
87 board. Any vacancy occurring other than by expiration of term shall  
88 be filled in the same manner as the original appointment for the  
89 balance of the unexpired term. As used in this subsection, "municipal  
90 official" means the first selectman, mayor, city or town manager or  
91 chief financial officer of a municipality that has entered into a solid  
92 waste disposal services contract with the authority and pledged the  
93 municipality's full faith and credit for the payment of obligations  
94 under such contract.

95 (d) The [chairman] chairperson shall, with the approval of the  
96 directors, appoint a president of the authority who shall be an  
97 employee of the authority [,] and paid a salary prescribed by the  
98 [chairman, subject to the approval of the] directors. The president shall  
99 supervise the administrative affairs and technical activities of the  
100 authority in accordance with the directives of the board.

101 (e) Each director shall be entitled to reimbursement for [his] said  
102 director's actual and necessary expenses incurred during the  
103 performance of [his] said director's official duties.

104 (f) Directors may engage in private employment, or in a profession  
105 or business, subject to any applicable laws, rules and regulations of the  
106 state or federal government regarding official ethics or conflict of  
107 interest.

108 (g) [Six] Seven directors of the authority shall constitute a quorum  
109 for the transaction of any business or the exercise of any power of the  
110 authority, provided, at least [two ex-officio directors and one director]  
111 one ex-officio director, or the designee of an ex-officio director, and  
112 two directors from municipal government [must] shall be present in  
113 order for a quorum to be in attendance. For the transaction of any

114 business or the exercise of any power of the authority, and except as  
115 otherwise provided in this chapter, the authority shall have power to  
116 act by a majority of the directors present at any meeting at which a  
117 quorum is in attendance. If the legislative body of a municipality that  
118 is the site of a facility passes a resolution requesting the Governor to  
119 appoint a resident of such municipality to be an ad hoc member, the  
120 Governor shall make such appointment upon the next vacancy for the  
121 ad hoc members representing such facility. The Governor shall appoint  
122 with the advice and consent of the General Assembly ad hoc members  
123 to represent each facility operated by the authority provided at least  
124 one-half of such members shall be chief elected officials of  
125 municipalities, or their designees. Each such facility shall be  
126 represented by two such members. The ad hoc members shall be  
127 electors from a municipality or municipalities in the area to be served  
128 by the facility and shall vote only on matters concerning such facility.  
129 The terms of the ad hoc members shall be four years.

130 (h) There is established, effective June 1, 2002, a steering committee  
131 of the board of directors, consisting of at least three but not more than  
132 five directors, who shall be jointly appointed by the Governor, the  
133 president pro tempore of the Senate and the speaker of the House of  
134 Representatives. Said committee shall consist of at least one director  
135 who is a municipal official, as defined in subsection (c) of this section.  
136 The steering committee shall forthwith establish a financial  
137 restructuring plan for the authority, subject to the approval of the  
138 board of directors, and shall implement said plan. The financial  
139 restructuring plan shall determine the financial condition of the  
140 authority and provide for mitigation of the impact of the Connecticut  
141 Resources Recovery Authority-Enron-Connecticut Light and Power  
142 Company transaction on municipalities which have entered into solid  
143 waste disposal services contracts with the authority. The steering  
144 committee shall also review all aspects of the authority's finances and  
145 administration, including but not limited to, tipping fees and  
146 adjustments to such fees, the annual budget of the authority, any  
147 budget transfers, any use of the authority's reserves, all contracts

148 entered into by or on behalf of the authority, including but not limited  
149 to, an assessment of the alignment of interests between the authority  
150 and the authority's contractors, all financings or restructuring of debts,  
151 any sale or other disposition or valuation of assets of the authority,  
152 including sales of electricity and steam, any joint ventures and  
153 strategic partnerships, and the initiation and resolution of litigation,  
154 arbitration and other disputes. The steering committee (1) shall have  
155 access to all information, files and records maintained by the authority,  
156 (2) may retain consultants and utilize other resources necessary to  
157 carry out its responsibilities under this subsection, which have a total  
158 cost of not more than five hundred thousand dollars, without the  
159 approval of the board of directors, and may draw on accounts of the  
160 authority for such costs, and (3) shall submit a report to the board of  
161 directors and the General Assembly, in accordance with section 11-4a  
162 of the general statutes, on its findings, progress and recommendations  
163 for future action by the board of directors in carrying out the purposes  
164 of this subsection, not later than December 31, 2002. Said report shall  
165 also include a report on any loans made to the authority under section  
166 3 of this act. The steering committee shall terminate on December 31,  
167 2002, unless extended by the board.

168 [(h)] (i) The board may delegate to three or more directors such  
169 board powers and duties as it may deem necessary and proper in  
170 conformity with the provisions of this chapter and its bylaws. At least  
171 one of such directors shall be a municipal official, as defined in  
172 subsection (c) of this section, and at least one of such directors shall  
173 not be a state employee.

174 [(i) Members of the board] (j) Appointed directors may not  
175 designate a representative to perform in their absence their respective  
176 duties under this chapter.

177 [(j)] (k) The term "director", as used in this section, shall include  
178 such persons so designated as provided [herein] in this section and this  
179 designation shall be deemed temporary only and shall not affect any  
180 applicable civil service or retirement rights of any person so

181 designated.

182 [(k)] (l) The [Governor] appointing authority for any director may  
183 remove [any] such director for inefficiency, neglect of duty or  
184 misconduct in office after giving [him] the director a copy of the  
185 charges against [him] the director and an opportunity to be heard, in  
186 person or by counsel, in [his] the director's defense, upon not less than  
187 ten days' notice. If any director shall be so removed, the [Governor]  
188 appointing authority for such director shall file in the office of the  
189 Secretary of the State a complete statement of charges made against  
190 such director and [his] the appointing authority's findings [thereon] on  
191 such statement of charges, together with a complete record of the  
192 proceedings.

193 [(l)] (m) The authority shall continue as long as it shall have bonds  
194 or other obligations outstanding and until its existence shall be  
195 terminated by law. Upon the termination of the existence of the  
196 authority, all its rights and properties shall pass to and be vested in the  
197 state of Connecticut.

198 [(m)] (n) The directors, members and officers of the authority and  
199 any person executing the bonds or notes of the authority shall not be  
200 liable personally on such bonds or notes or be subject to any personal  
201 liability or accountability by reason of the issuance thereof, nor shall  
202 any director, member or officer of the authority be personally liable for  
203 damage or injury, not wanton or wilful, caused in the performance of  
204 [his] such person's duties and within the scope of [his] such person's  
205 employment or appointment as such director, member or officer.

206 [(n)] (o) Notwithstanding the provisions of any other law to the  
207 contrary, it shall not constitute a conflict of interest for a trustee,  
208 director, partner or officer of any person, firm or corporation, or any  
209 individual having a financial interest in a person, firm or corporation,  
210 to serve as a director of the authority, provided such trustee, director,  
211 partner, officer or individual shall abstain from deliberation, action or  
212 vote by the authority in specific respect to such person, firm or

213 corporation.

214       Sec. 2. (NEW) (*Effective from passage*) Notwithstanding any provision  
215 of the general statutes, the Attorney General shall have supervision  
216 over all legal matters and claims of the Connecticut Resources  
217 Recovery Authority arising from the Connecticut Resources Recovery  
218 Authority-Enron-Connecticut Light and Power Company transaction.  
219 The Attorney General may appear for the Connecticut Resources  
220 Recovery Authority in all civil suits and other civil proceedings arising  
221 from said transaction, and all such suits and proceedings shall be  
222 conducted by the Attorney General or under the direction of the  
223 Attorney General.

224       Sec. 3. (NEW) (*Effective from passage*) The Connecticut Resources  
225 Recovery Authority may, with the approval of two-thirds of the  
226 appointed directors of the authority at a duly called meeting of said  
227 authority, and with the subsequent approval of the State Treasurer and  
228 the Secretary of the Office of Policy and Management, borrow  
229 temporarily from the state for the purposes of supporting the  
230 repayment of debt issued by the authority on behalf of the Mid-  
231 Connecticut Project, an amount in the aggregate not to exceed one  
232 hundred fifteen million dollars in accordance with the provisions of  
233 this section. Prior to any such borrowing, or the draw-down of an  
234 amount pursuant to a master loan agreement entered into between the  
235 authority and the state, the authority shall submit for approval by the  
236 State Treasurer and the Secretary of the Office of Policy and  
237 Management a financial mitigation plan which shall include, but not  
238 be limited to, a plan to minimize tipping fees for municipalities that  
239 have entered into solid waste disposal services contracts with the  
240 authority and any additional information the State Treasurer and the  
241 Secretary may require. Such financial mitigation plan shall include  
242 information detailing the efforts that the authority has made to reduce  
243 the amount necessary to borrow from the state, including, but not  
244 limited to, the reduction of general administration and costs,  
245 renegotiation of vendor contracts, efforts to increase the price paid for  
246 the sale of steam or electricity, and efforts to assess the viability of the

247 sale of hard assets of the project. In addition, the authority shall  
248 provide the State Treasurer and the Secretary with its proposed budget  
249 for the ensuing fiscal year, a three year financial plan, a cash flow  
250 analysis showing the need for the current and projected future  
251 borrowings, and the most recent certified audit of the authority. Such  
252 loans shall be repaid as provided in a repayment schedule established  
253 by the State Treasurer and the Secretary and shall bear and pay interest  
254 as shall be determined by the State Treasurer in the best interest of the  
255 State. The State Treasurer is authorized to establish fixed or variable  
256 interest rates for such loans based upon the interest rate of the Short  
257 Term Investment Fund or the interest rate of any borrowing by the  
258 state that may be required to fund the loans to the authority. The  
259 repayments of principal and the interest applicable to any such loans  
260 made shall be paid to the State Treasurer in accordance with a  
261 repayment plan established by the State Treasurer and the Secretary.  
262 Such loans shall be subordinate to all bonded indebtedness of the  
263 authority.

264 Sec. 4. (NEW) (*Effective from passage*) The board of directors of the  
265 Connecticut Resources Recovery Authority shall include in the annual  
266 report required under section 1-123 of the general statutes a  
267 description of the efforts of the authority to mitigate the effects of any  
268 loss of revenue from the Connecticut Resources Recovery Authority-  
269 Enron-Connecticut Light and Power Company transaction. The board  
270 shall also submit said annual report to the joint standing committee of  
271 the General Assembly having cognizance of matters relating to finance,  
272 revenue and bonding.

273 Sec. 5. Subdivision (19) of subsection (a) of section 22a-266 of the  
274 general statutes is repealed and the following is substituted in lieu  
275 thereof (*Effective from passage*):

276 (19) Act as an electric supplier or an electric aggregator pursuant to  
277 public act 98-28\* provided any net revenue to the authority from  
278 activities, contracts, products or processes undertaken pursuant to this  
279 subdivision, after payment of principal and interest on bonds and

280 repayment of any loans or notes of the authority, shall be distributed  
281 so as to reduce the costs of other authority services to the users thereof  
282 on a pro rata basis proportionate to costs paid by such users. In acting  
283 as an electric supplier or an electric aggregator pursuant to any license  
284 granted by the Department of Public Utility Control, the authority may  
285 enter into contracts for the purchase and sale of electricity and electric  
286 generation services, provided such contracts are solely for the  
287 purposes of ensuring the provision of safe and reliable electric service  
288 and protecting the position of the authority with respect to capacity  
289 and price.

290 Sec. 6. Subsection (b) of section 16-245 of the general statutes is  
291 repealed and the following is substituted in lieu thereof (*Effective from*  
292 *passage*):

293 (b) On and after January 1, 2000, no person, no municipality and no  
294 regional water authority shall sell or attempt to sell electric generation  
295 services to end use customers located in the state using the  
296 transmission or distribution facilities of an electric distribution  
297 company, as defined in section 16-1, as amended, and no municipality  
298 [ ] and no regional water authority [and the Connecticut Resources  
299 Recovery Authority] except as provided in section 16-245b and no  
300 person shall aggregate, broker or market the sale of electric generation  
301 services to end use customers using the transmission or distribution  
302 facilities of an electric distribution company unless the person has been  
303 issued a license by the Department of Public Utility Control in  
304 accordance with the provisions of this section, provided an electric  
305 distribution company is not required to be licensed pursuant to this  
306 section to provide electric generation services pursuant to subsection  
307 (a) or, prior to January 1, 2004, subsection (c) of section 16-244c. On  
308 and after the effective date of this section, the Connecticut Resources  
309 Recovery Authority shall not (1) sell or attempt to sell electric  
310 generation services to end use customers located in the state using the  
311 transmission or distribution facilities of an electric distribution  
312 company, as defined in section 16-1, as amended, unless the authority  
313 has been issued a license by the Department of Public Utility Control

314 in accordance with the provisions of this section, or (2) aggregate,  
315 broker or market the sale of electric generation services to end use  
316 customers using the transmission or distribution facilities of an electric  
317 distribution company except as provided in section 16-245b. Not later  
318 than January 1, 1999, the department shall, by regulations adopted  
319 pursuant to chapter 54, develop licensing procedures. The licensing  
320 process shall begin not later than April 1, 1999.

321       Sec. 7. (NEW) (*Effective January 1, 2003*) Any performance incentive  
322 plan for officers and employees of the Connecticut Resources Recovery  
323 Authority that authorizes payments in addition to established salaries  
324 shall be in writing, apply to all officers and employees of the authority,  
325 provide for any such payment to be made on the basis of both the job  
326 performance of the officer or employee and the overall financial  
327 performance of the authority, and be subject to the approval of the  
328 board of directors of the authority pursuant to section 22a-261 of the  
329 general statutes, as amended by this act. No payments under such plan  
330 shall be made during any year that annual salary increases have been  
331 suspended. The provisions of this section shall not (1) limit the rights  
332 of any officer or employee under an existing collective bargaining  
333 agreement or (2) prohibit the payment of extra or overtime pay for  
334 extra or overtime work in accordance with written procedures adopted  
335 pursuant to section 22a-268a of the general statutes, as amended by  
336 this act.

337       Sec. 8. (NEW) (*Effective January 1, 2003*) No quasi-public agency, as  
338 defined in section 1-120 of the general statutes, as amended, or state  
339 agency may retain a lobbyist, as defined in section 1-91 of the general  
340 statutes. The provisions of this section and chapter 10 of the general  
341 statutes shall not be construed to prohibit a director, officer or  
342 employee of a quasi-public agency or state agency from lobbying, as  
343 defined in section 1-91 of the general statutes, on behalf of the quasi-  
344 public agency or state agency.

345       Sec. 9. Section 22a-268a of the general statutes is repealed and the  
346 following is substituted in lieu thereof (*Effective January 1, 2003*):

347 The board of directors of the Connecticut Resources Recovery  
348 Authority shall adopt written procedures, in accordance with the  
349 provisions of section 1-121, for: (1) Adopting an annual budget and  
350 plan of operations, including a requirement of board approval before  
351 the budget or plan may take effect; (2) hiring, dismissing, promoting  
352 and compensating employees of the authority, including an  
353 affirmative action policy and a requirement of board approval before a  
354 position may be created or a vacancy filled; (3) acquiring real and  
355 personal property and personal services, including a requirement of  
356 board approval for any such nonbudgeted expenditure in excess of  
357 five thousand dollars; (4) contracting for (A) the business, design,  
358 operating, management, construction, transportation, marketing,  
359 planning and research and development functions of the authority, (B)  
360 financial, legal, bond underwriting and other professional services and  
361 (C) supplies, materials and equipment, including (i) notwithstanding  
362 any provision of this chapter, standards for determining when  
363 contracts described in this subdivision (4) shall be awarded on the  
364 basis of competitive bidding or competitive negotiation, an exemption  
365 for small purchases, and criteria for waiving competitive bidding or  
366 competitive negotiation, and (ii) a requirement that the authority  
367 solicit proposals at least once every three years for each such  
368 professional service which it uses; (5) issuing and retiring bonds, bond  
369 anticipation notes and other obligations of the authority; (6) awarding  
370 loans, grants and other financial assistance, including eligibility  
371 criteria, the application process and the role played by the authority's  
372 staff and board of directors; and (7) the use of surplus funds to the  
373 extent authorized under this chapter or other provisions of the general  
374 statutes.

375 Sec. 10. Subdivisions (16) and (17) of subsection (a) of section 22a-  
376 266 of the general statutes are repealed and the following is substituted  
377 in lieu thereof (*Effective January 1, 2003*):

378 (16) Contract for services in the performance of architectural and  
379 engineering design, the supervision of design and construction, system  
380 management and facility management; for such professional or

381 technical services as are specified in subdivision (3) of section 22a-265;  
382 and for such other professional or technical services as may require  
383 either prequalification of a contractor or the submission by any  
384 individual, firm or consortium or association of individuals or firms of  
385 a proposal in response to an official request for proposal or similar  
386 written communication of the authority that is issued or made  
387 pursuant to the contracting procedures adopted under section 22a-  
388 268a, as amended by this act, whenever such services are, in the  
389 discretion of the authority, deemed necessary, desirable or convenient  
390 in carrying out the purposes of the authority;

391 (17) Contract for the construction of solid waste facilities with  
392 private persons or firms, or consortia of such persons or firms,  
393 pursuant to applicable provisions of this chapter, the requirements of  
394 applicable regulations, the contracting procedures adopted under  
395 section 22a-268a, as amended by this act, and the state plan and in  
396 accordance with such specifications, terms and conditions as the  
397 authority may deem necessary or advisable.

398 Sec. 11. Subsections (b) and (c) of section 22a-266 of the general  
399 statutes are repealed and the following is substituted in lieu thereof  
400 (*Effective January 1, 2003*):

401 (b) Any contracts authorized by this chapter shall be entered into by  
402 the authority (1) on the same basis and subject to the same limitations  
403 and considerations applicable to municipal and regional resources  
404 recovery authorities pursuant to subsection (c) of section 7-273bb, and  
405 (2) pursuant to the contracting procedures adopted under section 22a-  
406 268a, as amended by this act, except that in entering into a contract for  
407 a resources recovery facility, solid waste facility, volume reduction  
408 plant or solid waste management system, the authority shall consider  
409 the best interests of the municipality or region to be served by such  
410 facility, plant or system.

411 (c) The authority shall have power, in its discretion, either to  
412 purchase on a centralized basis, heavy solid waste processing

413 equipment to be installed in waste management projects, or to require  
414 such purchase and installation as part of a construction contract. The  
415 authority shall conduct its contracting and purchasing operations in  
416 accordance with its regularly adopted and promulgated procurement  
417 policies, including the contracting procedures adopted under section  
418 22a-268a, as amended by this act, and specific rules and procedures on  
419 purchasing and contracting approved by a two-thirds vote of its full  
420 board of directors. In procuring services with respect to the  
421 establishment, management and operation of transfer stations, and the  
422 transportation of solid wastes therefrom to a solid waste facility, the  
423 authority and its subcontractors shall insofar as is practicable give  
424 preference to firms based in Connecticut. Whenever the authority  
425 determines that a contract for facility management shall be awarded on  
426 other than [an open-bid] a competitive bidding basis, in accordance  
427 with applicable provisions of subdivision (16) of subsection (a) of this  
428 section, subsection (b) of this section, [and] section 22a-268 and the  
429 contracting procedures adopted under section 22a-268a, the directors  
430 shall, at least sixty days prior to the award date, pass a resolution  
431 expressing their intent to award and shall within ten days cause a copy  
432 of such resolution to be printed in one daily and one weekly  
433 newspaper published within the state. Thereupon, interested parties  
434 who so desire may, within thirty days, petition the directors with  
435 respect to such contract and offer evidence in extenuation before a  
436 referee appointed by the [chairman] chairperson. Such referee shall not  
437 be an employee of the authority and shall report [his] the referee's  
438 findings with respect to such petition and evidence to the directors at  
439 least ten days prior to the projected award date. The directors shall  
440 give due consideration to such findings in determining the final award  
441 of the contract.

442 Sec. 12. Section 22a-268 of the general statutes is repealed and the  
443 following is substituted in lieu thereof (*Effective January 1, 2003*):

444 The authority shall utilize private industry, by contract, to carry out  
445 the business, design, operating, management, marketing, planning and  
446 research and development functions of the authority, unless the

447 authority determines that it is in the public interest to adopt another  
448 course of action. The authority is hereby empowered to enter into  
449 long-term contracts with private persons for the performance of any  
450 such functions of the authority which, in the opinion of the authority,  
451 can desirably and conveniently be carried out by a private person  
452 under contract provided any such contract shall contain such terms  
453 and conditions as will enable the authority to retain overall  
454 supervision and control of the business, design, operating,  
455 management, transportation, marketing, planning and research and  
456 development functions to be carried out or to be performed by such  
457 private persons pursuant to such contract. Such contracts [may] shall  
458 be entered into either on a [negotiated or an open-bid] competitive  
459 negotiation or competitive bidding basis, and the authority in its  
460 discretion may select the type of contract it deems most prudent to  
461 utilize, pursuant to the contracting procedures adopted under section  
462 22a-268a, as amended by this act and considering the scope of work,  
463 the management complexities associated therewith, the extent of  
464 current and future technological development requirements and the  
465 best interests of the state. Whenever a long-term contract is entered  
466 into on other than [an open-bid] a competitive bidding basis, the  
467 criteria and procedures therefor shall conform to applicable provisions  
468 of subdivision (16) of subsection (a) and subsections (b) and (c) of  
469 section 22a-266, as amended by this act, provided however, that any  
470 contract for a period of over five years in duration, or any contract for  
471 which the annual consideration is greater than fifty thousand dollars  
472 shall be approved by a two-thirds vote of the authority's full board of  
473 directors. The terms and conditions of such contracts shall be  
474 determined by the authority, as shall the fees or other similar  
475 compensation to be paid to such persons for such contracts. The  
476 contracts entered into by the authority shall not be subject to the  
477 approval of any other state department, office or agency. However,  
478 copies of all contracts of the authority shall be maintained by the  
479 authority as public records, subject to the proprietary rights of any  
480 party to the contract. Nothing of the aforesaid shall be deemed to  
481 restrict the discretion of the authority to utilize its own staff and work

482 force for the performance of any of its assigned responsibilities and  
483 functions whenever, in the discretion of the authority, it becomes  
484 necessary, convenient or desirable to do so. Any litigation with respect  
485 to any terms, conditions or provisions of any contract of the authority,  
486 or the performance or nonperformance of same by either party, shall  
487 be tried before a judge of the Superior Court of Connecticut.

488 Sec. 13. (NEW) (*Effective January 1, 2003*) The Connecticut Resources  
489 Recovery Authority shall make the following information available to  
490 the public through the Internet, except for any such information which  
491 is not required to be disclosed to the public pursuant to the Freedom of  
492 Information Act, as defined in section 1-200 of the general statutes, as  
493 amended:

494 (1) The schedule of meetings of the board of directors of the  
495 authority and each committee established by said board, not later than  
496 seven days after such schedule is established;

497 (2) Draft minutes of each meeting of the board of directors of the  
498 authority and each committee established by said board, not later than  
499 seven days after each such meeting is held;

500 (3) Each report required under section 4a-60g of the general statutes,  
501 as amended, setting forth small and minority-business set-aside  
502 program goals and addressing the authority's progress in meeting said  
503 goals, not later than seven days after each such report is required to be  
504 submitted to the Commission on Human Rights and Opportunities  
505 under said section 4a-60g;

506 (4) The annual plan of operations which the authority is required to  
507 prepare pursuant to section 22a-264 of the general statutes, not later  
508 than seven days after the plan is promulgated;

509 (5) Each report that the authority is required to submit to the  
510 General Assembly pursuant to the general statutes, not later than  
511 seven days after the report is submitted;

512 (6) Each audit of the authority conducted by the Auditors of Public  
513 Accounts, each compliance audit of the authority's activities conducted  
514 pursuant to section 1-122 of the general statutes, and each audit  
515 conducted by an independent auditing firm, not later than seven days  
516 after each such audit is received by the board of directors of the  
517 authority; and

518 (7) A report on any contract between the authority and a person,  
519 other than a director, officer or employee of the authority, for the  
520 purpose of influencing any legislative or administrative action on  
521 behalf of the authority or providing legal advice to the authority. The  
522 report shall indicate for each such contract (A) the names of the parties  
523 to the contract, (B) the cost of the contract, (C) the term of the contract,  
524 (D) a summary of the services to be provided under the contract, (E)  
525 the method used by the authority to award the contract, and (F) a  
526 summary of the authority's need for the services provided under the  
527 contract. Such report shall be made available through the Internet not  
528 later than fifteen days after the contract is entered into between the  
529 authority and the person.

530 Sec. 14. (NEW) (*Effective from passage*) The board of directors of the  
531 Connecticut Resources Recovery Authority shall submit to the joint  
532 standing committee of the General Assembly having cognizance of  
533 matters relating to finance, revenue and bonding a copy of each audit  
534 of the authority conducted by an independent auditing firm, not later  
535 than seven days after the audit is received by said board of directors.

536 Sec. 15. (*Effective from passage*) The Legislative Program Review and  
537 Investigations Committee shall study the advantages and  
538 disadvantages of the powers and duties of the Connecticut Resources  
539 Recovery Authority being exercised by a state agency instead of by a  
540 body politic and corporate which is a political subdivision of the state,  
541 provided such study shall recognize that, if such a structural change is  
542 made, provision is required to be made to ensure the payment of the  
543 authority's outstanding obligations and the performance of the  
544 authority's contracts and agreements consistent with section 22a-274 of

545 the general statutes. Said committee shall submit a report on its  
 546 findings and recommendations to the General Assembly not later than  
 547 January 1, 2003.

548 Sec. 16. Subsection (a) of section 1-124 of the general statutes is  
 549 repealed and the following is substituted in lieu thereof (*Effective from*  
 550 *passage*):

551 (a) The Connecticut Development Authority, the Connecticut  
 552 Health and Educational Facilities Authority, the Connecticut Higher  
 553 Education Supplemental Loan Authority, the Connecticut Housing  
 554 Finance Authority, [and] the Connecticut Housing Authority and the  
 555 Connecticut Resources Recovery Authority shall not borrow any  
 556 money or issue any bonds or notes which are guaranteed by the state  
 557 of Connecticut or for which there is a capital reserve fund of any kind  
 558 which is in any way contributed to or guaranteed by the state of  
 559 Connecticut until and unless such borrowing or issuance is approved  
 560 by the State Treasurer [of the state or his deputy] or the deputy State  
 561 Treasurer appointed pursuant to section 3-12. The approval of the State  
 562 Treasurer or [his] said deputy shall be based on documentation  
 563 provided by the authority that it has sufficient revenues to (1) pay the  
 564 principal of and interest on the bonds and notes issued, (2) establish,  
 565 increase and maintain any reserves deemed by the authority to be  
 566 advisable to secure the payment of the principal of and interest on  
 567 such bonds and notes, (3) pay the cost of maintaining, servicing and  
 568 properly insuring the purpose for which the proceeds of the bonds and  
 569 notes have been issued, if applicable, and (4) pay such other costs as  
 570 may be required.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>from passage</i>
Sec. 6	<i>from passage</i>

Sec. 7	<i>January 1, 2003</i>
Sec. 8	<i>January 1, 2003</i>
Sec. 9	<i>January 1, 2003</i>
Sec. 10	<i>January 1, 2003</i>
Sec. 11	<i>January 1, 2003</i>
Sec. 12	<i>January 1, 2003</i>
Sec. 13	<i>January 1, 2003</i>
Sec. 14	<i>from passage</i>
Sec. 15	<i>from passage</i>
Sec. 16	<i>from passage</i>

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:

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### **OFA Fiscal Note**

**State Impact:** See Below

**Municipal Impact:** See Below

### **Explanation**

The bill makes changes to the membership of the Connecticut Resources Recovery Authority (CRRA) board of directors which is not anticipated to have a fiscal impact.

The bill potentially increases costs to CRRA by \$500,000 or more for expenditures incurred by the steering committee in carrying out their duties outlined in the legislation. Providing that no quasi-public agency or state agency be allowed to retain a lobbyist reduces the potential expenditures of the CRRA by \$50,000 or more a year and based on information available at this time, also eliminates an expenditure estimated at \$40,000 to the Connecticut Lottery Corporation (CLC). Since CLC transfers all lottery revenue net of expenses to the General Fund, any savings will therefore increase General Fund revenue. This prohibition will have no impact on any state agency at this time.

The legislation allows CRRA to act as an electric supplier. There could be a revenue gain of \$1,000 to the state associated with CRRA being required to pay a filing fee for an application to be licensed energy supplier in the state. To the extent that CRRA acts as a supplier, and additional revenues are realized, there could be a positive impact on tipping fees.

Requiring CRRA to use any net revenues it earns as an electric supplier or aggregator to first pay the principal and interest on its

bonds and repay its notes instead of using the revenue to reduce costs to users, could have an adverse impact on tipping fees.

Requiring CRRA to award contracts based on competitive bidding process or competitive negotiation will increase costs due to producing RFP's, RFQ's, advertising, review and negotiation. The CRRA board can waive the bidding requirements under conditions, in the written procedures they must adopt. The overall impact is anticipated to be minimal and could be accomplished within resources.

Posting various information and records on the internet is anticipated to minimally increase the administrative workload of CRRA. CRRA has a website.

The Attorney General (AG) would experience a workload increase to supervise all legal matters and claims of the Connecticut Resources Recovery Authority (CRRA) arising from the CRRA-Enron-Connecticut Light and Power Company transaction and to appear for the CRRA in all civil suits and other civil proceedings arising from said transaction. It is anticipated that the AG would contract with outside (non-agency) counsel to litigate and bill the CRRA for the cost. The AG is expected to seek recovery for damages on behalf of the CRRA .

It is anticipated that the Office of Policy and Management and the State Treasurer could incur additional costs due to the review and approval of the financial mitigation plan. The cost would be dependent on how comprehensive and detailed the initial submission is.

Requiring the Legislative Program Review and Investigations Committee to study the advantages and disadvantages of the powers and duties of the Connecticut Resources Recovery Authority, will result in a reallocation of committee resources as the committee has already committed a number of studies and investigations.

Senate "A" strikes the file and any associated fiscal impact.

House "A" expands the lobbyist prohibition to all quasi-public and state agencies and increases information to be reported on the internet.

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**OLR Amended Bill Analysis**

sSB 383 (as amended by Senate "A" and House "A")\*

***AN ACT CONCERNING THE CONNECTICUT RESOURCES RECOVERY AUTHORITY AND PROHIBITING QUASI—PUBLIC AND STATE AGENCIES FROM RETAINING LOBBYISTS***

**SUMMARY:**

This bill:

1. vests the powers of the Connecticut Resources Recovery Authority's (CRRA) board of directors in members who take office on June 1, 2002;
2. increases, from two to five, the number of directors who must represent municipalities who are members of the authority, as defined in the bill;
3. establishes criteria for certain other directors;
4. creates a steering committee made up of directors who must establish and implement a financial restructuring plan for the authority between June 1 and December 31, 2002;
5. requires the CRRA board to report on its efforts to mitigate the effects of lost revenue from the CRRA-Enron-Connecticut Light and Power Company transaction and to send copies of audit reports to the Finance, Revenue and Bonding Committee;
6. gives the attorney general authority to supervise legal matters and claims related to the CRRA-Enron-Connecticut Light and Power Company transaction;
7. allows CRRA to borrow up to \$115 million from the state, under certain conditions;
8. requires the state treasurer's approval before CRRA can issue any debt backed by a state capital reserve fund;
9. requires the board to develop written contract procedures that include standards for determining when to award contracts based on competitive bidding or competitive negotiation;
10. requires, rather than permits, contracts for the authority's business, design, operating, management, transportation, marketing, planning, and research and development functions to be awarded

- by competitive bidding or competitive negotiation;
11. allows CRRA to become an electric supplier, if it gets a license from the Department of Public Utility Control;
  12. requires performance incentive plans that CRRA offers to its officers and employees to be (a) based on the performance of the authority and the person, (b) written, (c) applicable to all officers and employees, and (d) approved by the board;
  13. prevents quasi-public agencies and state agencies from retaining a lobbyist but does not prohibit their directors, officers, and employees from lobbying on the agencies' behalf;
  14. requires CRRA to post specified records and information on the Internet; and
  15. requires the Program Review Committee to study whether CRRA's powers and duties should be exercised by a state agency or a quasi-public agency.

\*Senate Amendment "A" replaces the original file, which required quasi-public agencies to post specified information on the Internet.

\*House Amendment "A" expands (1) the ban on hiring a lobbyist to cover all quasi-public agencies and state agencies, not just CRRA, and (2) the Internet posting requirement.

EFFECTIVE DATE: Upon passage for the provisions on (1) the board of directors and steering committee, (2) the attorney general, (3) CRRA's audit reports and report on its mitigation efforts, (4) its authority to borrow and act as an electric supplier and the treasurer's approval for borrowing or issuing bonds, and (5) the program review study and January 1, 2003 for the provisions on contracting, the incentive plans, lobbying, and Internet postings.

## **BOARD OF DIRECTORS**

The bill terminates the offices of the current 13-member board of directors effective May 31, 2002 and vests their powers in another board, also composed of 13 members, 11 appointed by the governor and legislative leaders and two who serve by virtue of their state agency positions.

Table 1 shows the board membership under current law and under the bill. The bill reduces the ex-officio members from three to two; reduces the governor's appointees from four to three; increases the municipal

representation from two to five; increases, from one to two, the number of appointments the minority leaders of the Senate and House can make; increases the number of members who must have experience with finance, business, or industry from two to three; and adds representatives of the energy and environment fields. The bill adds the chief financial officer of a town to those officials who can be appointed to the board; the others are the first selectman, mayor, or city or town manager.

The bill bars General Assembly members from appointment as directors, a position in which legislators can serve under current law. It specifies that the municipal officials must represent a municipality that has (1) a solid waste disposal services contract with CRRA and (2) pledged its full faith and credit to pay obligations under the contract. Among the appointees from those municipalities, three must come from a town with a population of 50,000 or less and the remaining two from towns over 50,000. Table 1 shows the appointing authorities and the qualifications required for members of the CRRA board of directors under current law and under the bill's provisions.

**Table 1: CRRA Board of Directors**

Appointing Authority	Current Law	The Bill
Ex-officio	Office of Policy and Management (OPM) secretary	OPM secretary
Ex-officio	Transportation commissioner	State Treasurer
Ex-officio	Economic and Community Development commissioner	--
Governor	First selectman, mayor, or town manager from town < 50,000 population	Municipal official from a member town with a population < 50,000
Governor	First selectman, mayor, or town manager from town > 50,000 population	No specified criteria
Governor	Public member with experience in finance, business, or industry	Public member with experience in energy field
Governor	Public member with experience in finance, business, or industry	--
Senate president pro	No specified criteria	Municipal official from a

tempore		member town with a population > 50,000
Senate president pro tempore	No specified criteria	Public member with experience in finance, business, or industry
House speaker	No specified criteria	Municipal official from a member town with a population > 50,000
House speaker	No specified criteria	Public member with experience in finance, business, or industry
Senate minority leader	No specified criteria	Municipal official from a member town with a population < 50,000
Senate minority leader	--	Public member with experience in finance, business, or industry
House minority leader	No specified criteria	Municipal official from a member town with a population < 50,000
House minority leader	--	Public member with experience in environmental field

The appointed members serve four-year staggered terms, as the gubernatorial appointees do under current law. Two of the governor's three appointees and one of the two appointees of each legislative leader serve a two-year and one-month term initially. The other initial appointees serve a term of four-years and one-month, so that after the initial appointments, directors' terms will begin on July 1. Currently, no more than two of the four gubernatorial appointees can be from the same political party; under the bill, only two of his three appointees can be from the same party. Under current law and the bill, the governor designates the board's chairman with the advice and consent of the House and Senate. The bill requires all directors appointed after June 1, 2004 (those after the initial appointees have been named) to be approved by both houses of the legislature.

The bill imposes an attendance requirement on members; a member who misses half of the meetings in a year or three in a row is considered to have resigned. The bill increases the quorum requirement from six to seven and requires one ex-officio member rather than two, and two directors from municipal government rather than one, to be part of the quorum necessary to transact business. The bill removes the provision that allows appointed board members to

designate a representative to act in their absence; but ex-officio members (the OPM secretary and state treasurer) can still name a designee.

The bill requires at least one director in the group of three or more directors to whom the board may, by law, delegate necessary board powers and duties to be a municipal official.

It also gives every appointing authority, rather than just the governor, the power to remove a director he or she appointed for inefficiency, neglect, or misconduct in office.

### **STEERING COMMITTEE**

The bill creates a board of directors' steering committee as of June 1, 2002, composed of between three and five directors appointed jointly by the governor, Senate president pro tempore, and House speaker. At least one of the committee members must be a director from municipal government. The steering committee must establish and implement a financial restructuring plan for CRRA to determine the authority's financial condition and mitigate the impact of its transaction related to Enron and Connecticut Light and Power Company on towns that have solid waste disposal services contracts with CRRA. The entire board of directors must approve the plan.

The bill requires the committee to also review all aspects of CRRA's finances and administration, including:

1. tipping fees and changes to them;
2. the annual budget and budget transfers;
3. use of its reserves;
4. all contracts, including an assessment of the alignment of interests between CRRA and its contractors;
5. all financings and debt restructuring;
6. the sale, other disposition, or valuation of assets, including the sale of electricity and steam;
7. joint ventures and strategic partnerships; and
8. the initiation and resolution of litigation, arbitration, and other disputes.

The bill gives the steering committee access to all CRRA information, files, and records. It can retain consultants, utilize necessary resources

for performing its duties at a cost of up to \$500,000 without the board's approval, and draw on CRRA accounts to do so. The committee must report to the board and the legislature by December 31, 2002 on its findings, progress, and recommendations for future action the board should take. The report must include information on any loans the state has made to CRRA to support debt repayment for the Mid-Connecticut project (see below). The committee terminates on December 31, 2002, unless the board extends it.

## **REPORTS ON MITIGATION EFFORTS AND AUDITS**

The bill requires the board of directors to include in the annual report required of all quasi-public agencies a description of its efforts to mitigate the effects of the revenue loss from the CRRA-Enron-Connecticut Light and Power Company transaction. The report, which already goes to the governor, the auditors of public accounts, and the Environment Committee, must also be sent to the Finance, Revenue and Bonding Committee.

The bill requires the board to forward to the Finance, Revenue and Bonding Committee a copy of each CRRA audit that an independent auditing firm conducts. It must do so no later than seven days after it receives the audit.

## **ATTORNEY GENERAL**

The bill gives the attorney general the duty to supervise all legal matters and claims arising from the CRRA-Enron-Connecticut Light and Power Company transaction. It authorizes him to appear in all civil suits and other proceedings relating to the transaction. It requires that he conduct or direct all such suits and proceedings (see BACKGROUND).

## **AUTHORITY TO BORROW FROM THE STATE**

The bill gives the CRRA conditional authority to borrow up to \$115 million from the state to make payments on its debt for the Mid-Connecticut Project. The decision to borrow must first be approved by two-thirds of the authority's 11 appointed directors at a duly called meeting and then by the state treasurer and the OPM secretary (the two ex-officio board members).

Before the CRRA borrows from the state or draws on any credit line supplied under a master loan agreement between the authority and the state, it must give the OPM secretary and treasurer a financial mitigation plan and any other information they request. The officials must give their approval before the CRRA takes any action. The financial mitigation plan must (1) include a plan to minimize tipping fees for municipalities and (2) detail the authority's efforts to reduce the amount it borrows from the state. Its efforts must include:

1. reducing general administration and costs,
2. renegotiating vendor contracts,
3. efforts to increase prices for the steam or electricity it sells, and
4. assessing the viability of selling the Mid-Connecticut project's hard assets.

CRRA must also submit a proposed budget for the following fiscal year, a three-year financial plan, a cash-flow analysis showing current and projected borrowing needs, and its most recent certified audit.

The bill requires the authority to repay the principal and interest on state loans to the treasurer according to a schedule established by the treasurer and the secretary. The treasurer must determine the loan interest rates according to the state's best interest. The rates may be either fixed or variable based on Short Term Investment Fund rates or on rates payable on any state borrowing needed to fund the loans.

Under the bill, CRRA's debt payments take precedence over its state loan repayments.

### **AUTHORITY TO BORROW FROM OTHERS**

The bill requires CRRA to have the state treasurer's or deputy treasurer's approval before borrowing money or issuing bonds and notes that are guaranteed by the state or for which there is a capital reserve fund that the state contributes to or guarantees. The Connecticut Development Authority, the Connecticut Health and Educational Facilities Authority, the Connecticut Higher Education Supplemental Loan Authority, the Connecticut Housing Finance Authority, and the Connecticut Housing Authority must have her approval under current law. When requesting her approval, CRRA must provide the treasurer with documentation showing that it has enough revenues to (1) pay principal and interest; (2) establish,

increase, and maintain necessary reserves; (3) insure the purpose for which the bond proceeds are to be issued; and (4) pay other required costs.

## **POWERS TO CONTRACT**

### ***Written Procedures***

The bill requires CRRA to develop written procedures before entering any contract instead of just contracts for professional services for which it must solicit proposals at least once every three years. By law, these procedures must be adopted in compliance with requirements all quasi-public agencies must follow, including publication of a notice in the *Connecticut Law Journal* of its intent along with information on how the public can present views and adoption of the procedures by a two-thirds vote of the board's full membership. The new requirement covers contracts for (1) business, design, operation, management, construction, transportation, marketing, planning, research and development functions, as well as for supplies, materials, and equipment and (2) professional and technical services like architectural and engineering design, design and construction supervision, system and facility management, solid waste facility construction, solid waste processing equipment purchases that the law authorizes CRRA to enter.

The bill also requires that (1) standards for determining when contracts are to be awarded pursuant to competitive bidding or competitive negotiation, (2) criteria for waiving competitive bidding or competitive negotiation, and (3) exemptions for small purchases be included in the written procedures.

### ***Requirement for Competitive Awards***

The bill requires, rather than permits, the board to enter contracts on a competitive negotiation or competitive bidding basis for business, design, operating, management, transportation, marketing, planning, and research and development functions provided by a private person or company.

## **PERSONNEL MATTERS**

### ***Incentive Plans***

The bill requires the board to approve any performance incentive plan in addition to salary for CRRA officers and employees. Such a payment plan must be (1) based on the person's job performance and the overall performance of the authority, (2) in writing, and (3) applicable to all CRRA officers and employees. The bill bans payments under an incentive plan in a year when annual salary increases are suspended. The process required to offer an incentive does not limit rights under a collective bargaining agreement or prohibit extra or overtime payments made in accordance with existing written procedures.

### ***Lobbying***

The bill prohibits all quasi-public agencies (see BACKGROUND) and state agencies from hiring a lobbyist. By law, a "lobbyist" is anyone who pays or spends or expects to pay or spend at least \$2,000 a year to communicate with government officials in the legislative or executive branch or in a quasi-public agency for the purpose of influencing any legislative or administrative action.

### **ELECTRICITY TRANSACTIONS**

The bill amends the public utility laws to explicitly allow CRRA to become an electric supplier and sell electricity to end users, if it obtains a license from the Department of Public Utility Control.

By law, CRRA can already serve as an electric aggregator, i.e., an entity that gathers retail customers together to help them negotiate with a supplier to buy electricity. Under current law, CRRA must use the net revenues it earns as an aggregator to reduce the costs of its services on pro rata basis, proportional to its users' costs. The bill (1) requires CRRA to first use the net revenues to pay the principal and interest on its bonds and repay its loans and notes and (2) extends the requirement to the net revenues CRRA earns from acting as a supplier.

The bill allows CRRA, in its role as a supplier or aggregator, to enter into contracts to buy and sell electricity and electric generation services solely to ensure safe and reliable electric service and protect its position with respect to capacity and prices.

### **INTERNET INFORMATION**

The bill requires CRRA to post on the Internet specified information, other than records that may be kept confidential under the Freedom of Information Act. The information that must be available is:

1. schedules of board and committee meetings;
2. drafts of meeting minutes;
3. reports to the Commission on Human Rights and Opportunities on Small and Minority Business Set-Aside Program goals and achievement progress;
4. the authority's annual plan of operations;
5. reports the authority must submit to the legislature;
6. audits conducted by the auditors of public accounts, compliance audits as required for all quasi-public agencies, and its independent audits; and
7. reports on contracts with people who provide legal advice or lobby (for less than \$2,000 since retaining a lobbyist for \$2,000 or more is banned), including the contractor's name, the contract cost and terms, a summary of the services and CRRA's need for them, and the method used to award the contract.

In each case except the last, CRRA must make the information available on the Internet within seven days of the event. For the report on contracts, it must post the information no later than 15 days after the contract is signed.

## **PROGRAM REVIEW STUDY**

The bill requires the Legislative Program Review and Investigations Committee to study the advantages and disadvantages associated with exercising CRRA's powers and duties as a state agency instead of as a quasi-public agency. But the study must recognize that any structural change must include provisions ensuring payment of CRRA's outstanding obligations and performance of its contracts and agreements. It must report its findings and recommendations to the legislature by January 1, 2003.

## **BACKGROUND**

### ***Attorney General's Authority***

The law gives the attorney general supervision over all legal matters in

which the state is an interested party, except legal matters over which prosecuting officers have direction. He is required to appear for the state, and for all heads of departments and state boards, commissioners, and agents in all suits and other civil proceedings in which the state is a party or is interested, or in which official acts and doings of state officers are called in question. All such suits must be conducted by him or be under his direction (CGS Sec. 3-125).

**Quasi-Public Agencies**

Quasi-public agencies as defined in CGS § 1-120 are the Connecticut Development Authority, Connecticut Innovations, Inc., Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recover Authority, Connecticut Hazardous Waste Management Service, Connecticut Port Authority, Capital City Economic Development Authority, and Connecticut Lottery Corporation.

**Related Bill**

sHB 5428, "An Act Concerning Electric Restructuring" (File 347), amends licensure requirements for electric suppliers and requires the DPUC to register, rather than license, electric aggregators.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 19    Nay 0