



General Assembly

Substitute Bill No. 394

February Session, 2010

* _____SB00394PD_____032310_____*

**AN ACT CONCERNING THE GOVERNANCE OF THE CONNECTICUT
RESOURCES RECOVERY AUTHORITY.**

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 Section 22a-261 of the general statutes is repealed and the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 May 1, 2010*):

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) On and before May 31, 2002, the powers of the authority shall
11 be vested in and exercised by a board of directors, which shall consist
12 of twelve directors: Four appointed by the Governor and two ex-officio
13 members, who shall have a vote including the Commissioner of
14 Transportation and the Commissioner of Economic and Community
15 Development; two appointed by the president pro tempore of the
16 Senate, two by the speaker of the House, one by the minority leader of
17 the Senate and one by the minority leader of the House of
18 Representatives. Any such legislative appointee may be a member of
19 the General Assembly. The directors appointed by the Governor under

20 this subsection shall serve for terms of four years each, from January
21 first next succeeding their appointment, provided, of the directors first
22 appointed, two shall serve for terms of two years, and two for terms of
23 four years, from January first next succeeding their appointment. Any
24 vacancy occurring under this subsection other than by expiration of
25 term shall be filled in the same manner as the original appointment for
26 the balance of the unexpired term. Of the four members appointed by
27 the Governor under this subsection, two shall be first selectmen,
28 mayors or managers of Connecticut municipalities; one from a
29 municipality with a population of less than fifty thousand, one from a
30 municipality of over fifty thousand population; two shall be public
31 members without official governmental office or status with extensive
32 high-level experience in municipal or corporate finance or business or
33 industry, provided not more than two of such appointees shall be
34 members of the same political party. The chairman of the board under
35 this subsection shall be appointed by the Governor, with the advice
36 and consent of both houses of the General Assembly and shall serve at
37 the pleasure of the Governor. Notwithstanding the provisions of this
38 subsection, the terms of all members of the board of directors who are
39 serving on May 31, 2002, shall expire on said date.]

40 [(c)] (b) On and after [June 1, 2002] May 1, 2010, the powers of the
41 authority shall be vested in and exercised by a board of directors,
42 which shall consist of [eleven] seventeen directors as follows: [Three]
43 Five appointed by the Governor, one of whom shall be a municipal
44 official of a municipality having a population of fifty thousand or less,
45 [and] one of whom shall have extensive, high-level experience in the
46 energy field and two of whom shall be chief elected officials of
47 municipalities receiving solid waste management services from the
48 authority, or such officials' designees; [two] three appointed by the
49 president pro tempore of the Senate, one of whom shall be a municipal
50 official of a municipality having a population of more than fifty
51 thousand, [and] one of whom shall have extensive high-level
52 experience in public or corporate finance or business or industry and
53 one of whom shall be a chief elected official of a municipality receiving

54 solid waste management services from the authority, or such official's
55 designee; [two] three appointed by the speaker of the House of
56 Representatives, one of whom shall be a municipal official of a
57 municipality having a population of more than fifty thousand, [and]
58 one of whom shall have extensive high-level experience in public or
59 corporate finance or business or industry and one of whom shall be the
60 chief elected official of a municipality receiving solid waste
61 management services from the authority, or such official's designee;
62 [two] three appointed by the minority leader of the Senate, one of
63 whom shall be a municipal official of a municipality having a
64 population of fifty thousand or less, [and] one of whom shall have
65 extensive high-level experience in public or corporate finance or
66 business or industry and one of whom shall be the chief elected official
67 of a municipality receiving solid waste management services from the
68 authority, or such official's designee; [two] three appointed by the
69 minority leader of the House of Representatives, one of whom shall be
70 a municipal official of a municipality having a population of fifty
71 thousand or less, [and] one of whom shall have extensive, high-level
72 experience in the environmental field and one of whom shall be the
73 chief elected official of a municipality receiving solid waste
74 management services from the authority, or such official's designee.
75 No director may be a member of the General Assembly. Not more than
76 [two] three of the directors appointed by the Governor shall be
77 members of the same political party. The appointed directors shall
78 serve for terms of four years each, provided, of the directors first
79 appointed for terms [beginning] that began on June 1, 2002, (1) two of
80 the directors appointed by the Governor, one of the directors
81 appointed by the president pro tempore of the Senate, one of the
82 directors appointed by the speaker of the House of Representatives,
83 one of the directors appointed by the minority leader of the Senate and
84 one of the directors appointed by the minority leader of the House of
85 Representatives shall serve an initial term of two years and one month,
86 and (2) the other appointed directors shall serve an initial term of four
87 years and one month. The appointment of each director for a term
88 beginning on or after June 1, 2004, shall be made with the advice and

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

104 [(d)] (c) The chairperson shall, with the approval of the directors,
105 appoint a president of the authority who shall be an employee of the
106 authority and paid a salary prescribed by the directors. The president
107 shall supervise the administrative affairs and technical activities of the
108 authority in accordance with the directives of the board.

109 [(e)] (d) Each director shall be entitled to reimbursement for said
110 director's actual and necessary expenses incurred during the
111 performance of said director's official duties.

112 [(f)] (e) Directors may engage in private employment, or in a
113 profession or business, subject to any applicable laws, rules and
114 regulations of the state or federal government regarding official ethics
115 or conflict of interest.

116 [(g)] (f) [Six] Nine directors of the authority shall constitute a
117 quorum for the transaction of any business or the exercise of any
118 power of the authority, provided [, two] four directors from municipal
119 government shall be present in order for a quorum to be in attendance.
120 For the transaction of any business or the exercise of any power of the

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

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

155 entered into by or on behalf of the authority, including but not limited
156 to, an assessment of the alignment of interests between the authority
157 and the authority's contractors, all financings or restructuring of debts,
158 any sale or other disposition or valuation of assets of the authority,
159 including sales of electricity and steam, any joint ventures and
160 strategic partnerships, and the initiation and resolution of litigation,
161 arbitration and other disputes. The steering committee (1) shall have
162 access to all information, files and records maintained by the authority,
163 (2) may retain consultants and utilize other resources necessary to
164 carry out its responsibilities under this subsection, which have a total
165 cost of not more than five hundred thousand dollars, without the
166 approval of the board of directors, and may draw on accounts of the
167 authority for such costs, and (3) shall submit a report to the board of
168 directors and the General Assembly, in accordance with section 11-4a,
169 on its findings, progress and recommendations for future action by the
170 board of directors in carrying out the purposes of this subsection, not
171 later than December 31, 2002. Said report shall also include a report on
172 any loans made to the authority under section 22a-268d. The steering
173 committee shall terminate on December 31, 2002, unless extended by
174 the board.]

175 [(i)] (g) The board may delegate to [three] five or more directors
176 such board powers and duties as it may deem necessary and proper in
177 conformity with the provisions of this chapter and its bylaws. At least
178 [one] two of such directors shall be [a] municipal [official] officials, as
179 defined in subsection [(c)] (b) of this section, and at least one of such
180 directors shall not be a state employee.

181 [(j)] (h) [Appointed] Unless authorized pursuant to subsection (b) of
182 this section, directors may not designate a representative to perform in
183 their absence their respective duties under this chapter.

184 [(k)] (i) The term "director", as used in this section, shall include
185 such persons so designated as provided in this section and this
186 designation shall be deemed temporary only and shall not affect any
187 applicable civil service or retirement rights of any person so

188 designated.

189 [(l)] (j) The appointing authority for any director may remove such
190 director for inefficiency, neglect of duty or misconduct in office after
191 giving the director a copy of the charges against the director and an
192 opportunity to be heard, in person or by counsel, in the director's
193 defense, upon not less than ten days' notice. If any director shall be so
194 removed, the appointing authority for such director shall file in the
195 office of the Secretary of the State a complete statement of charges
196 made against such director and the appointing authority's findings on
197 such statement of charges, together with a complete record of the
198 proceedings.

199 [(m)] (k) The authority shall continue as long as it has bonds or
200 other obligations outstanding and until its existence is terminated by
201 law. Upon the termination of the existence of the authority, all its
202 rights and properties shall pass to and be vested in the state of
203 Connecticut.

204 [(n)] (l) The directors, members and officers of the authority and any
205 person executing the bonds or notes of the authority shall not be liable
206 personally on such bonds or notes or be subject to any personal
207 liability or accountability by reason of the issuance thereof, nor shall
208 any director, member or officer of the authority be personally liable for
209 damage or injury, not wanton or wilful, caused in the performance of
210 such person's duties and within the scope of such person's
211 employment or appointment as such director, member or officer.

212 [(o)] (m) Notwithstanding the provisions of any other law to the
213 contrary, it shall not constitute a conflict of interest for a trustee,
214 director, partner or officer of any person, firm or corporation, or any
215 individual having a financial interest in a person, firm or corporation,
216 to serve as a director of the authority, provided such trustee, director,
217 partner, officer or individual shall abstain from deliberation, action or
218 vote by the authority in specific respect to such person, firm or
219 corporation.

This act shall take effect as follows and shall amend the following sections:

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| Section 1 | <i>May 1, 2010</i> | 22a-261 |
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PD *Joint Favorable Subst.*