



Substitute Senate Bill No. 1003

Public Act No. 11-84

AN ACT CONCERNING THE CONNECTICUT AIRPORT AUTHORITY.

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

Section 1. (NEW) (*Effective July 1, 2011*) As used in sections 1 to 15, inclusive, of this act:

(1) "Authority" means the Connecticut Airport Authority established pursuant to section 2 of this act.

(2) "Bradley" means Bradley International Airport and all related improvements and facilities now in existence and as hereafter acquired, added, extended, improved and equipped and shall include (A) any property or facilities purchased with funds of, or revenues derived from, Bradley International Airport, and (B) any other property or facilities allocated by the state, authority or otherwise to Bradley International Airport.

(3) "Commissioner" means the Commissioner of Transportation.

(4) "General aviation airports" means the state-owned and operated general aviation airports, including Danielson Airport, Groton/New London Airport, Hartford Brainard Airport, Waterbury-Oxford Airport and Windham Airport, and such other airports as shall be

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owned, operated or managed by the authority and designated as general aviation airports.

(5) "Other airports" means any other airport as shall become owned, operated or managed by the authority pursuant to the provisions of sections 1 to 15, inclusive, of this act.

Sec. 2. (NEW) (*Effective July 1, 2011*) (a) There is hereby established and created a body politic and corporate, constituting a public instrumentality and political subdivision of the state of Connecticut established and created for the performance of an essential public and governmental function, to be known as the Connecticut Airport Authority. The authority shall not be construed to be a department, institution or agency of the state.

(b) The powers of the authority shall be vested in and exercised by a board of directors, which shall consist of eleven members, appointed as follows: (1) (A) The Treasurer or the treasurer's designee, (B) the Commissioner of Transportation or the commissioner's designee, and (C) the Commissioner of Economic and Community Development or the commissioner's designee, each serving ex officio; (2) one appointed by the speaker of the House of Representatives for a term of four years; (3) one appointed by the minority leader of the House of Representatives for a term of four years; (4) one appointed by the president pro tempore of the Senate for a term of four years; (5) and one appointed by the minority leader of the Senate for a term of four years. Thereafter, such members of the General Assembly shall appoint members of the board to succeed such appointees whose terms expire and each member so appointed shall hold office for a period of four years from the first day of July in the year of his or her appointment. The Governor shall appoint four members to the board as follows: (A) Two members for two years; and (B) two members for four years. Thereafter, the Governor shall appoint members of the board to succeed such appointees whose terms expire and each

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member so appointed shall hold office for a period of four years from July first in the year of his or her appointment. Appointed directors shall have business and management experience and shall include individuals who have experience and expertise in one or more of the following areas: (i) Financial planning, (ii) budgeting and assessment, (iii) marketing, (iv) master planning, (v) aviation, and (vi) transportation management.

(c) Appointed directors may not designate a representative to perform in their absence their respective duties under this section. Any appointed director who fails to attend three consecutive meetings of the board or who fails to attend fifty per cent of all meetings of the board held during any calendar year shall be deemed to have resigned from the board. Any vacancy occurring other than by expiration of term shall be filled in the same manner as the original appointment for the balance of the unexpired term.

(d) The board of directors of the authority shall appoint an executive director who shall not be a member of the board and who shall serve at the pleasure of the board and receive such compensation as shall be fixed by the board. The executive director shall be the chief administrative officer of the authority and shall direct and supervise administrative affairs and technical activities in accordance with the directives of the board. The executive director shall approve all accounts for salaries, allowable expenses of the authority or of any employee or consultant thereof, and expenses incidental to the operation of the authority. The executive director shall perform such other duties as may be directed by the board in carrying out the purposes of this act. The executive director shall be exempt from the classified service. The executive director shall attend all meetings of the board, keep a record of the proceedings of the authority and shall maintain and be custodian of all books, documents and papers filed with the authority and of the minute book or journal of the authority

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and of its official seal. The executive director may cause copies to be made of all minutes and other records and documents of the authority and may give certificates under the official seal of the authority to the effect that such copies are true copies, and all persons dealing with the authority may rely upon such certificates.

(e) Each director shall be entitled to reimbursement for such director's actual and necessary expenses incurred during the performance of such director's official duties.

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

(g) Six directors of the authority shall constitute a quorum for the transaction of any business or the exercise of any power of the authority. For the transaction of any business or the exercise of any power of the authority, and, except as otherwise provided in this section, the authority may act by a majority of the directors present at any meeting at which a quorum is in attendance.

(h) The board may delegate to six or more directors such board powers and duties as it may deem necessary and proper in conformity with the provisions of this section and its bylaws.

(i) The appointing authority for any director may remove such director for inefficiency, neglect of duty or misconduct in office after giving the director a copy of the charges against the director and an opportunity to be heard, in person or by counsel, in the director's defense, upon not less than ten days' notice. If any director shall be so removed, the appointing authority for such director shall file in the office of the Secretary of the State a complete statement of charges made against such director and the appointing authority's findings on

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such statement of charges, together with a complete record of the proceedings.

(j) The authority shall continue as long as it has bonds or other obligations outstanding and until its existence is terminated by law. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state of Connecticut.

(k) Notwithstanding any provision of the general statutes, it shall not constitute a conflict of interest for a trustee, director, partner or officer of any person, firm or corporation, or any individual having a financial interest in a person, firm or corporation, to serve as a director of the authority, provided such trustee, director, partner, officer or individual shall abstain from deliberation, action or vote by the authority in specific respect to such person, firm or corporation.

(l) The Governor shall appoint the chairperson of the board, who shall serve for a term of four years. The board shall elect from its members a vice chairperson and such other officers as it deems necessary. Vacancies among any officers shall be filled within thirty days following the occurrence of such vacancy in the same manner as the original selection. Said board shall establish bylaws to govern its procedures and shall appoint such committees and advisory boards as may be convenient or necessary in the transaction of its business.

(m) The initial members of the board may begin service immediately upon appointment, but shall not serve past the sixth Wednesday of the next regular session of the General Assembly unless qualified in the manner provided in section 4-7 of the general statutes. Thereafter, all appointments shall be made with the advice and consent of both houses of the General Assembly, in the manner provided in section 4-19 of the general statutes.

Sec. 3. (NEW) (*Effective July 1, 2011*) (a) The authority shall have the

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duty, power and authority generally to manage, operate and develop Bradley, the general aviation airports and other airports ensuring compliance with all federal obligations the state has incurred with respect to such airports, and specifically to:

(1) Develop an organizational and management structure that will best accomplish the goals of Bradley, the general aviation airports and any other airports;

(2) Approve all safety, security and federal certification plans, procedures and specifications related to the operation, management and development of Bradley, the general aviation airports and any other airports;

(3) Establish rules and regulations for the operation of Bradley, the general aviation airports and any other airports;

(4) Fix, establish, revise from time to time, charge and collect all rates, rents, fees and charges for the use of Bradley, the general aviation airports and any other airports, and for the services furnished or to be furnished by the authority, and for the licensing of airports within the state, and to contract with any person, partnership, association or corporation or other body public or private in respect thereof;

(5) Approve the annual capital and operating budget of Bradley, the general aviation airports and any other airports;

(6) Ensure that the potential of Bradley, the general aviation airports and any other airports as economic development resources for the state and region are fully realized;

(7) Ensure that appropriate mission statements, business plans, minimum development standards and sets of strategic goals for Bradley, the general aviation airports and any other airports are

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established and that progress toward accomplishing the mission and strategic goals is regularly assessed;

(8) Approve master plans for Bradley, the general aviation airports and any other airports at the times and in the manner required by the federal aviation administration;

(9) Establish and review policies and plans for the development, lease and use of airport property including marketing the airports and for determining the best use of airport property;

(10) Ensure customer service standards, performance targets and performance assessment systems are established for enterprises of Bradley, the general aviation airports and any other airports;

(11) Approve community relations policies;

(12) Create a code of conduct for the board of directors of the authority consistent with part I of chapter 10 of the general statutes;

(13) Report annually, in accordance with the provisions of section 11-4a of the general statutes, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to transportation and commerce;

(14) Adopt rules for the conduct of its business which shall not be considered regulations, as defined in subdivision (13) of section 4-166 of the general statutes;

(15) Receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied to carry out the purposes of this chapter subject to such conditions upon which such grants and contributions may be made, including, but not limited to, gifts or grants from any department, agency or instrumentality of the United States or this state for any

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purpose consistent with sections 1 to 15, inclusive, of this act and chapter 242 of the general statutes;

(16) Enter into agreements with any department, agency, office or instrumentality of the United States or this state, including the office of the State Treasurer, to carry out the purposes of sections 1 to 15, inclusive, of this act and chapter 242 of the general statutes;

(17) The extent permitted under sections 1 to 15, inclusive, of this act and chapter 242 of the general statutes, borrow money or secure credit on a temporary, short-term, interim or long-term basis;

(18) Issue bonds, bond anticipation notes and other obligations of the authority to the extent permitted under sections 1 to 15, inclusive, of this act and chapter 242 of the general statutes, to fund and refund the same and provide for the rights of the holders thereof, and to secure the same by pledge of revenues, notes and mortgages of others;

(19) Acquire, lease, hold and dispose of real and personal property for its corporate purposes;

(20) Employ such assistants, agents and other employees and to engage consultants and such other independent professionals as may be necessary or desirable to carry out its purposes in accordance with sections 1 to 15, inclusive, of this act and chapter 242 of the general statutes and, except for such employees who are covered by collective bargaining agreements, to fix their compensation, and to provide technical assistance as provided in sections 1 to 15, inclusive, of this act and chapter 242 of the general statutes;

(21) To maintain an office at such place or places as it may designate;

(22) To sue and be sued in its own name, and plead and be impleaded;

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(23) To mortgage any property of the authority for the benefit of the holders of obligations issued by the authority;

(24) In connection with, or incidental to, the issuance or carrying of bonds, notes or other obligations of the authority, or acquisition or carrying of any investment or program of investment, to enter into any contract which the authority determines to be necessary or appropriate to place the obligation or investment of the authority, as represented by the bonds, notes or other obligations, investment or program of investment and the contract or contracts, in whole or in part, on the interest rate, currency, cash flow or other basis desired by the authority, including, without limitations, contracts commonly known as interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures or contracts providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, or contracts to exchange cash flows or a series of payments, or contracts, including, without limitation, interest rate floors or caps, options, puts or calls to hedge payment, currency, rate, spread or similar exposure or, contracts for the purchase of option rights with respect to the mandatory tender for purchase of bonds, notes or other obligations of the authority, which are subject to mandatory tender or redemption, including the issuance of certificates evidencing the right of the owner to exercise such option;

(25) In connection with, or incidental to, the issuance or carrying of bonds, notes or other obligations or entering into any of the contracts or agreements referred to in subdivision (24) of this subsection, the authority may enter into credit enhancement or liquidity agreements, with payment, interest rate, currency, security, default, remedy and other terms and conditions as the authority determines;

(26) Make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter including, but not limited to, the granting of

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leasehold interests, concession, access and development rights and privileges, supplier, vendor, contractor and consultant contracts;

(27) License all airports and heliports within the state pursuant to applicable federal and state rules and regulations and procedures of the authority;

(28) Manage and administer any special tax obligation bond allocation for funding improvements to the general aviation airports including the municipal airport set-aside;

(29) Manage, direct, establish and control the funds and accounts that comprise the Bradley International Airport enterprise fund and the general aviation airports enterprise fund and the Connecticut Airport Authority fund;

(30) Allocate property or facilities owned, operated or otherwise controlled by the authority to Bradley;

(31) Manage and administer the state's aircraft registration program;

(32) Manage and administer all federal aid to Bradley, the general aviation airports and other airports including the Federal Aviation Administration's airport improvement program; and

(33) Do all acts and things necessary or convenient to carry out the purposes of sections 1 to 15, inclusive, of this act and chapters 242 and 266a of the general statutes and the powers expressly granted by sections 1 to 15, inclusive, of this act and chapters 242 and 266a of the general statutes.

(b) To serve its purpose, the authority may:

(1) Have perpetual succession as a body politic and corporate and to adopt bylaws for the regulation of its affairs and the conduct of its business;

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(2) Adopt an official seal and alter the same at pleasure;

(3) (A) Employ such assistants, agents and other employees as may be necessary or desirable; (B) establish all necessary or appropriate personnel practices and policies; and (C) engage consultants, attorneys and appraisers as may be necessary or desirable to carry out its purposes in accordance with this section;

(4) Invest in, acquire, lease, purchase, own, manage, hold and dispose of real property and lease, convey or deal in or enter into agreements with respect to such property on any terms necessary or incidental to carrying out the purposes of sections 1 to 15, inclusive, of this act, provided such transactions shall not be subject to approval, review or regulation by any state agency pursuant to title 4b of the general statutes or any other provision of the general statutes. Notwithstanding this subdivision, the authority shall not convey fee simple ownership in any airport land under its jurisdiction and control without the approval of the Properties Review Board and the Attorney General;

(5) Procure insurance against any liability or loss in connection with its property and other assets, in such amounts and from such insurers as it deems desirable and to procure insurance for employees; and

(6) Account for and audit funds of the authority and funds of any recipients of funds from the authority.

Sec. 4. (NEW) (*Effective July 1, 2011*) (a) The board of directors of the authority shall adopt written procedures, in accordance with the provisions of section 1-121 of the general statutes, for: (1) Adopting an annual budget and plan of operations, including a requirement of board approval before the budget or plan may take effect; (2) hiring, dismissing, promoting and compensating employees of the authority, including an affirmative action policy and a requirement of board

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approval before a position may be created or a vacancy filled; (3) acquiring real and personal property and personal services, including a requirement of board approval for any nonbudgeted expenditure in excess of five thousand dollars; (4) contracting for financial, legal, bond underwriting and other professional services, including a requirement that the authority solicit proposals at least once every three years for each such service which it uses; (5) issuing and retiring bonds, bond anticipation notes and other obligations of the authority; (6) awarding loans, grants and other financial assistance, including eligibility criteria, the application process and the role played by the authority's staff and board of directors; and (7) the use of surplus funds to the extent authorized under sections 1 to 15, inclusive, of this act or other provisions of the general statutes.

(b) Each member of the board of directors of the authority shall execute a surety bond in the penal sum of fifty thousand dollars and the executive director shall execute a surety bond in the penal sum of one hundred thousand dollars, or, in lieu thereof, the chairman of the board shall execute a blanket position bond covering each member, the executive director and the employees of the authority, each surety bond to be conditioned upon the faithful performance of the duties of the office or offices covered, to be executed by a surety company authorized to transact business in this state as surety and to be approved by the Attorney General and filed in the office of the Secretary of the State. The cost of each such bond shall be paid by the authority.

Sec. 5. (NEW) (*Effective July 1, 2011*) The board of directors of the Connecticut Airport Authority shall submit to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, commerce and transportation a copy of each audit of the authority conducted by an independent auditing firm, not later than seven days after the audit is received by

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said board of directors.

Sec. 6. (NEW) (*Effective July 1, 2011*) (a) The authority may authorize the issuance of bonds in one or more series and in principal amounts necessary to carry out the purposes of sections 1 to 15, inclusive, of this act. Such bonds shall be payable from all or a portion of the revenues of Bradley, the general aviation airports and any other airports, as may be specified in the proceedings authorizing such bonds, and may include, among other types of bonds, special purpose revenue bonds payable solely from revenues derived from special purpose facilities, bonds payable from particular sources of revenues and bonds payable in whole or in part from passenger facility charges to the extent permitted under applicable federal law. The authority may request such assistance from the Treasurer as may be necessary or desirable for the issuance by the authority of bonds to finance such projects and other improvements. The expense of such assistance shall be payable from the proceeds of such bonds and the State Treasurer may provide such assistance. The authority may appoint a finance or other committee of the board or one or more officers or employees to serve as the board's authorized delegate in connection with the issuance of bonds pursuant to this section.

(b) Bonds issued pursuant to this section shall be obligations of the authority and shall neither be payable from nor charged upon any funds other than the revenues of the authority pledged to the payment thereof, nor shall the state or any political subdivision thereof be subject to any liability thereon except to the extent of such pledged revenues. The issuance of bonds under the provisions of sections 1 to 15, inclusive, of this act shall not directly or indirectly or contingently obligate the state or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of

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the state or of any political subdivision thereof, except the property of the authority or the state mortgaged or otherwise encumbered under the provisions and for the purposes of sections 1 to 15, inclusive, of this act. The substance of such limitation shall be plainly stated on the face of each bond. Bonds issued pursuant to sections 1 to 15, inclusive, of this act shall not be subject to any statutory limitation on the indebtedness of the state and such bonds, when issued, shall not be included in computing the aggregate indebtedness of the state in respect to and to the extent of any such limitation.

(c) The bonds referred to in this section may be executed and delivered at such time or times, shall be dated, shall bear interest at such rate or rates, including variable rates to be determined in such manner as set forth in the proceedings authorizing the issuance of the bonds, provide for payment of interest on such dates, whether before or at maturity, shall mature at such time or times not exceeding forty years from their date, have such rank or priority, be payable in such medium of payment, be issued in coupon, registered or book entry form, carry such registration and transfer privileges and be subject to purchase or redemption before maturity at such price or prices and under such terms and conditions, including the condition that such bonds be subject to purchase or redemption on the demand of the owner thereof, all as may be determined by the authority. The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, the manner of execution of the bonds, the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. Prior to the preparation of definitive bonds, the authority may, under like restrictions, provide for the issuance of interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. If any of the officers whose signatures appear on the bonds or coupons cease to be officers

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before the delivery of any such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if they had remained in office until delivery.

(d) Any bonds issued under the authority of sections 1 to 15, inclusive, of this act, may be sold at public sale on sealed proposals or by negotiation in such manner, at such price and at such time or times as may be determined by the authority. The authority may pay from the proceeds of the bonds all costs and expenses which the authority may deem necessary or advantageous in connection with the authorization, sale and issuance thereof, including the cost of interest on any short-term financing authorized under subsection (b) of section 7 of this act.

(e) The principal of and interest on any bonds issued pursuant to this section shall be secured by a pledge of the revenues out of which such bonds shall be made payable. They may be secured by a mortgage covering all or any part of the project from which the revenues so pledged may be derived or by a pledge of one or more leases, sale contracts or loan agreements with respect to such project or by a pledge of one or more notes, debentures, bonds or other secured or unsecured debt obligations of any lessee or contracting party under a loan agreement or sale contract or by a pledge of reserve and sinking funds established pursuant to the resolution authorizing the issuance of the bonds and any other funds and accounts, including proceeds from investment of any of the foregoing, established pursuant to this chapter or the proceedings authorizing the issuance of such bonds, and by moneys paid under a credit facility, including, but not limited to, a letter of credit or policy of bond insurance, issued by a financial institution pursuant to an agreement authorized by such proceedings.

(f) The proceedings under which the bonds are authorized to be issued pursuant to this section, and any mortgage given to secure the same, may, subject to the provisions of the general statutes, contain

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any agreements and provisions customarily contained in instruments securing bonds, including, but not limited to: (1) Provisions respecting custody of the proceeds from the sale of the bonds, including their investment and reinvestment until used for the cost of the project; (2) provisions respecting the fixing and collection of rents or payments with respect to the facilities of Bradley, the general aviation airports and any other airports, and the application and use of passenger facility charges; (3) the terms to be incorporated in the lease, sale contract or loan agreement with respect to the project; (4) the maintenance and insurance of the project; (5) the creation, maintenance, custody, investment and reinvestment, and use of the revenues derived from the operation of Bradley, the general aviation airports and any other airports; (6) establishment of reserves or sinking funds, and such accounts thereunder as may be established by the authority, and the regulation and disposition thereof; (7) the rights and remedies available in case of a default to the bondholders or to any trustee under any lease, sale contract, loan agreement, mortgage or trust indenture; (8) reimbursement agreements, remarketing agreements, standby bond purchase agreements or similar agreements in connection with obtaining any credit or liquidity facilities including, but not limited to, letters of credit or policies of bond insurance and such other agreements entered into pursuant to section 3-20a of the general statutes; (9) provisions for the issuance of additional bonds on a parity with bonds theretofore issued, including establishment of coverage requirements with respect thereto; (10) covenants to do or to refrain from doing such acts and things as may be necessary or convenient or desirable in order to better secure any bonds or to maintain any federal or state exemption from tax of the interest on such bonds; and (11) provisions or covenants of like or different character from the foregoing which are consistent with the provisions of this chapter and which the authority determines in such proceedings are necessary, convenient or desirable in order to better secure the bonds or bond anticipation notes, or will tend to make the

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bonds or bond anticipation notes more marketable, and which are in the best interests of the state. The proceedings under which the bonds are authorized, and any mortgage given to secure the same, may further provide that any cash balances not necessary (A) to pay the cost of maintaining, repairing and operating the facilities of Bradley, the general aviation airports and any other airports, (B) to pay the principal of and interest on the bonds as the same shall become due and payable, and (C) to create and maintain reserve and sinking funds as provided in any authorizing resolution or other proceedings shall be deposited into one or more specifically designated working funds to be held in trust by the authority and applied to future debt service requirements or other airport purposes.

(g) In the discretion of the authority, bonds issued pursuant to this section may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the exercise of its powers pursuant to sections 1 to 15, inclusive, of this act, and the custody, safeguarding and application of all moneys. The authority may provide by such trust indenture for the payment of the proceeds of the bonds and the revenues from the operation of Bradley or general aviation airports or any other airports to the trustee under such trust indenture or other depository, and for the method of disbursement thereof, with such safeguards and restrictions as it may determine. All expenses incurred in carrying out such trust indenture may be treated as a part of the operating expenses of the applicable project. If the bonds shall be secured by a trust indenture, the bondholders shall have no authority to appoint a separate trustee to represent them.

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(h) In connection with the issuance of bonds to finance a project or to refund bonds previously issued by the authority or the state to finance a project, the authority may create and establish one or more reserve funds to be known as special capital reserve funds and may pay into such special capital reserve funds (1) any moneys appropriated and made available by the state for the purposes of such funds, (2) any proceeds of sale of notes or bonds for a project, to the extent provided in the resolution of the authority authorizing the issuance thereof, and (3) any other moneys which may be made available to the authority for the purpose of such funds from any other source or sources. The moneys held in or credited to any special capital reserve fund established under this section, except as hereinafter provided, shall be used solely for the payment of the principal of and interest on, when due, whether at maturity or by mandatory sinking fund installments, on bonds of the authority secured by such capital reserve fund as the same become due, the purchase of such bonds of the authority, the payment of any redemption premium required to be paid when such bonds are redeemed prior to maturity; provided the authority shall have power to provide that moneys in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such funds to less than the maximum amount of principal and interest becoming due by reasons of maturity or a required sinking fund installment in the then current or any succeeding calendar year on the bonds of the authority then outstanding or the maximum amount permitted to be deposited in such fund by the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, to permit the interest on said bonds to be excluded from gross income for federal tax purposes and secured by such special capital reserve fund, such amount being herein referred to as the "required minimum capital reserve", except for the purpose of paying such principal of, redemption premium and interest on such bonds of the authority secured by such special capital reserve

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becoming due and for the payment of which other moneys of the authority are not available. The authority may provide that it shall not issue bonds secured by a special capital reserve fund at any time if the required minimum capital reserve on the bonds outstanding and the bonds then to be issued and secured by the same special capital reserve fund at the time of issuance, unless the authority, at the time of the issuance of such bonds, shall deposit in such special capital reserve fund from the proceeds of the bonds so to be issued, or otherwise, an amount which, together with the amount then in such special capital reserve fund, will be not less than the required minimum capital reserve. On or before December first, annually, there is deemed to be appropriated from the state General Fund such sums, if any, as shall be certified by the chairman or vice chairman of the authority to the Secretary of the Office of Policy and Management and the Treasurer, as necessary to restore each such special capital reserve fund to the amount equal to the required minimum capital reserve of such fund, and such amounts shall be allotted and paid to the authority. For the purpose of evaluation of any such special capital reserve fund, obligations acquired as an investment for any such fund shall be valued at market. Nothing contained in this section shall preclude the authority from establishing and creating other debt service reserve funds in connection with the issuance of bonds or notes of the authority which are not special capital reserve funds. Subject to any agreement or agreements with holders of outstanding notes and bonds of the authority, any amount or amounts allotted and paid to the authority pursuant to this section shall be repaid to the state from moneys of the authority at such time as such moneys are not required for any other of its corporate purposes and in any event shall be repaid to the state on the date one year after all bonds and notes of the authority theretofore issued on the date or dates such amount or amounts are allotted and paid to the authority or thereafter issued, together with interest on such bonds and notes, with interest on any unpaid installments of interest and all costs and expenses in

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connection with any action or proceeding by or on behalf of the holders thereof, are fully met and discharged. No bonds secured by a special capital reserve fund shall be issued to pay project costs unless the authority is of the opinion and determines that revenues pledged to secure such bonds shall be sufficient to (A) pay the principal of and interest on the bonds issued to finance the project, (B) establish, increase and maintain any reserves deemed by the authority to be advisable to secure the payment of the principal of and interest on such bonds, (C) pay the cost of maintaining the project in good repair and keeping it properly insured, and (D) pay such other costs of the project as may be required. No bonds secured by a special capital reserve fund shall be issued unless the issuance of such bonds is approved by the Treasurer.

(i) Any pledge made by the authority shall be valid and binding from the time when the pledge is made, and the revenues or property so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

(j) The authority shall have power out of any funds available therefor to purchase bonds or notes of the authority or the state issued pursuant to this section and section 15-101n of the general statutes. The authority may hold, pledge, cancel or resell such bonds, subject to and in accordance with agreements with bondholders.

(k) Whether or not the notes and bonds are of such form and character as to be negotiable instruments under the terms of the Uniform Commercial Code, the notes and bonds are hereby made negotiable instruments within the meaning of and for all purposes of

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the Uniform Commercial Code, subject only to the provisions of the notes and bonds for registration.

(l) Any moneys held by the authority with respect to Bradley, the general aviation airports and any other airports, or by a trustee pursuant to a trust indenture, subject to the provisions of such indenture, including proceeds from the sale of any bonds and notes, and revenues, receipts and income from the operation of Bradley, the general aviation airports and any other airports, may be invested and reinvested in such obligations, securities and other investments, including, without limitation, participation certificates in the Short Term Investment Fund created in section 3-27a of the general statutes, or deposited or redeposited in such bank or banks, all as shall be authorized by the authority in the proceedings authorizing the issuance of the bonds and notes.

(m) For the purposes of sections 1 to 15, inclusive, of this act, the costs of the project payable out of the proceeds of bonds issued pursuant to this section shall include: (1) Expenses and obligations incurred for labor and materials in connection with the construction of the project; (2) the cost of acquiring by purchase, if such purchase shall be deemed expedient, and the amount of any award or final judgment in any proceedings to acquire by condemnation, such land, property rights, rights-of-way, franchises, easements and other interests in land as may be deemed necessary or convenient in connection with such construction or with the operation of the project, and the amount of any damages incident thereto; (3) the costs of all machinery and equipment acquired in connection with the project; (4) reserves for the payment of the principal of and interest on any notes and bonds issued pursuant to this section and section 15-101n of the general statutes, and interest accruing on any such notes, during construction of the project and for six months after completion of such construction; (5) initial working capital, expenses of administration properly chargeable to the

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construction or acquisition of the project, legal, architectural and engineering expenses and fees, costs of audits, costs of preparing and issuing any notes and bonds pursuant to this section and section 15-101n of the general statutes; and (6) all other items of expense not elsewhere specified incident to the planning, acquisition and construction of the project or of the placing of the same in operation.

(n) For purposes of sections 1 to 15, inclusive, of this act, the term "project" shall refer to the renovations and improvements to be acquired and constructed at Bradley, the general aviation airports and any other airports as may be specified from time to time by the board in a resolution as contemplated by subsection (a) of this section.

Sec. 7. (NEW) (*Effective July 1, 2011*) (a) Any bonds issued by the authority under sections 1 to 15, inclusive, of this act or the state under the provisions of section 15-101l of the general statutes, and at any time outstanding may at any time be refunded by the authority by the issuance of its refunding bonds in such amounts as the authority may deem necessary, but not exceeding an amount sufficient to refund the principal of the bonds to be so refunded, any unpaid interest thereon and any premiums, related termination payments and commissions necessary to be paid in connection therewith and to pay costs and expenses which the authority may deem necessary or advantageous in connection with the authorization, sale and issuance of refunding bonds. Any such refunding may be effected whether the bonds to be refunded shall have matured or shall thereafter mature. All refunding bonds issued hereunder shall be payable and shall be subject to and may be secured in accordance with the provisions of section 6 of this act.

(b) Whenever the authority has adopted a resolution authorizing bonds pursuant to section 6 of this act, the authority may, pending the issue of such bonds, issue temporary notes and any renewals thereof in anticipation of the proceeds from the sale of such bonds, which notes

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and any renewals thereof shall be designated "Bond Anticipation Notes". Such portion of the proceeds from the sale of such bonds as may be so required shall be applied to the payment of the principal of and interest on any such bond anticipation notes which have been issued. The principal of and interest on any bond anticipation notes issued pursuant to this subsection may be repaid from pledged revenues or other receipts, funds or moneys pledged to the repayment of the bonds in anticipation of which the bond anticipation notes are issued, to the extent not paid from the proceeds of renewals thereof or of the bonds.

Sec. 8. (NEW) (*Effective July 1, 2011*) (a) It is hereby determined that the purposes of sections 1 to 15, inclusive, of this act are public purposes and that the authority will be performing an essential governmental function in the exercise of the powers conferred upon it hereunder. The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the authority under sections 1 to 15, inclusive, of this act, in consideration of the acceptance of and payment for the notes and bonds, that the principal and interest of such notes and bonds shall at all times be free from taxation, except for estate and gift taxes, imposed by the state or by any political subdivision thereof but the interest on such notes and bonds shall be included in the computation of any excise or franchise tax. The authority is authorized to include this covenant of the state in any agreement with the holder of such notes or bonds. Any notes or bonds issued by the authority pursuant to sections 1 to 15, inclusive, of this act may be issued on a basis that provides that the interest thereon is intended to be exempt or not to be exempt from federal income taxation, as may be determined by the authority.

(b) Bonds issued under the authority of sections 1 to 15, inclusive, of this act are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance

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companies, credit unions, building and loan associations, investment companies, banking associations, trust companies, executors, administrators, trustees and other fiduciaries and pension, profit-sharing and retirement funds may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the state is now or may hereafter, be authorized by law.

Sec. 9. (NEW) (*Effective July 1, 2011*) (a) Notwithstanding any provision of the general statutes to the contrary and subject to any resolution authorizing the issuance of bonds pursuant to section 6 of this act, the authority is authorized to fix, revise, charge and collect rates, rents, fees and charges for the use of and for the services furnished or to be furnished by the facilities of Bradley, the general aviation airports and any other airports and to contract with any person, partnership, association or corporation, or other body, public or private, in respect thereof. Such rates, rents, fees and charges shall be fixed and adjusted in respect of the aggregate of rates, rents, fees and charges from the operation of Bradley, the general aviation airports and any other airports so as to provide funds sufficient with other revenues or moneys available therefor, if any, (1) to pay the cost of maintaining, improving, repairing and operating the facilities of Bradley, the general aviation airports and any other airports and each and every portion thereof, to the extent that the payment of such cost has not otherwise been adequately provided for, (2) to pay the principal of and the interest on any outstanding revenue obligations of the authority, including obligations of the state that may be assumed by the authority, issued in respect of the project as the same shall become due and payable, and (3) to create and maintain reserves and sinking funds required, permitted or provided for in any resolution

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authorizing, or trust agreement securing, such obligations. A sufficient amount of the revenues as may be necessary to pay the cost of maintenance, repair and operation and to provide reserves and for renewals, replacements, extensions, enlargements and improvements, as may be provided for in the resolution authorizing the issuance of any bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or trust agreement in a reserve, sinking or other similar fund. The use and disposition of moneys to the credit of such reserve, sinking or other similar fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement.

(b) The authority shall designate the beginning and ending dates of the fiscal year for the operation of Bradley, the general aviation airports and any other airports. Each year, within thirty days prior to the beginning of the next ensuing fiscal year, the authority shall approve an annual operating budget for Bradley, the general aviation airports and any other airports for such fiscal year, providing for (1) payment of the costs of maintaining, repairing and operating the facilities of Bradley, the general aviation airports and any other airports and each and every portion thereof during such fiscal year, to the extent that the payment of such costs has not otherwise been adequately provided for, (2) the payment of the principal of and interest on any outstanding revenue obligations of the authority, including obligations of the state that may be assumed by the authority, becoming due and payable in such fiscal year, and (3) the creation and maintenance of reserves and sinking funds, and compliance with rate covenants, required, permitted or provided for in any resolution authorizing, or trust agreement securing, such obligations. Such annual operating budget shall include an estimate of revenues from the rates, rents, fees and charges fixed by the authority pursuant to subsection (a) of this section, and from any and all other sources, to meet the estimated expenditures of Bradley, the general

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aviation airports and any other airports for such fiscal year. The annual operating budget of Bradley, the general aviation airports and any other airports as so approved shall take effect as of the date of its approval. On or before the twentieth day of each month, including the month next preceding the first month of the fiscal year to which the annual operating budget applies, the authority or the trustee under any trust indenture securing the bonds issued under section 6 of this act, at the direction of the authority, shall transfer to operating advance accounts established by the authority from the funds available for such purpose such amount as may be necessary to make the amount then held within such accounts for the payment of operating expenses of Bradley, the general aviation airports and any other airports equal to such amount as shall be necessary for the payment of such operating expenses during the next ensuing two months, as shown by the annual operating budget for such fiscal year. Except as otherwise provided in sections 1 to 15, inclusive, of this act, either expressly or by implication, all provisions of the general statutes governing state employees and state property, and all other provisions of the general statutes applicable to Bradley, the general aviation airports and any other airports, shall continue in effect. All pension, retirement or other similar benefits vested or acquired at any time before or after July 1, 1981, with respect to any state employees shall continue unaffected and as if the salaries and wages of such employees continued to be paid out of the general funds of the state.

Sec. 10. (NEW) (*Effective July 1, 2011*) The state of Connecticut does hereby pledge to and agree with the holders of any bonds and notes issued under this chapter and with those parties who may enter into contracts with the authority pursuant to the provisions of this chapter that the state will not limit or alter the rights hereby vested in the authority until such obligations, together with the interest thereon, are fully met and discharged and such contracts are fully performed on the part of the authority, provided nothing contained herein shall

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preclude such limitation or alteration if and when adequate provision shall be made by law for the protection of the holders of such bonds and notes of the authority or those entering into such contracts with the authority. The authority is authorized to include this pledge and undertaking for the state in such bonds and notes or contracts.

Sec. 11. (NEW) (*Effective July 1, 2011*) On or before December fifteenth each year, the authority shall report, in accordance with the provisions of section 11-4a of the general statutes, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to transportation and commerce. Such report shall include a summary of the activities of the authority, a complete operating and financial statement and recommendations for legislation to promote the purposes of the authority. The accounts of the authority shall be subject to annual audits by the State Auditors of Public Accounts.

Sec. 12. (NEW) (*Effective July 1, 2011*) (a) To the extent that the authority is authorized by sections 1 to 15, inclusive, of this act to exercise powers or duties with respect to Bradley, the general aviation airports and any other airports, which powers are also granted to the Office of Policy and Management, Department of Administrative Services, Department of Information Technology, State Property Review Board or Contracting Standards Board by the general statutes or any public or special act, the authority shall exercise such powers and perform such duties in lieu of such other offices, departments and boards.

(b) To the extent that the authority is authorized by sections 1 to 15, inclusive, of this act to exercise powers or duties with respect to Bradley, the general aviation airports and any other airports, which powers are also granted to the commissioner by the general statutes or any public or special act, the authority shall not exercise such powers or perform such duties except to the extent that such powers or duties

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are ceded to the authority by the commissioner. The authority and the commissioner shall enter into one or more memoranda of understanding that will facilitate the authority's governance of such airports, and provide for an orderly transition and transfer of ownership, jurisdiction or authority to control, operate and maintain such airports from the Department of Transportation to the authority. Such memoranda of understanding shall include, but not be limited to: (1) The administrative support functions to be provided by the Department of Transportation, including, but not limited to, human resources, payroll processing, purchasing, accounts payable, information technology, planning, engineering, construction inspection and additional services mutually agreed upon between the authority and the department; (2) those powers that will be exercised and duties that will be performed by each party, either as principal or as agent for the state, with respect to Bradley, the general aviation airports and any other airport, including responsibilities for ensuring compliance with all federal obligations; (3) those assets, funds and accounts, contracts and liabilities, powers and duties associated with Bradley, the general aviation airports and any other airport that will be transferred to the authority, whether by deed, lease, management contract, agency agreement, assignment or assumption, and the manner of such transfer; (4) the transfer of any employees as contemplated by section 13 of this act; (5) the time or times when such transfers shall be effective; and (6) the reimbursement to the state for the services provided under any memorandum of understanding. Such memoranda of understanding shall also provide that the Commissioner of Transportation shall make available any funds appropriated for use in connection with the general aviation airports to the authority for use by the authority in support of its functions with respect to the general aviation airports. In addressing development and implementation of, and accountability for, policy relevant to the execution of powers and duties and conduct of administrative support functions under the memoranda of understanding, the memoranda of

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understanding shall defer to the powers and duties granted and transferred to the authority under sections 1 to 15, inclusive, of this act. The memoranda of understanding shall provide for the lease, assignment or transfer of ownership, jurisdiction or authority to control the airports, together with all assets, funds and accounts, contracts and liabilities, powers and duties and the manner and timing of any such lease, assignment or transfer. The authority, from time to time, shall advise the Department of Transportation of its readiness to accept any such lease, assignment or transfer in accordance with such memoranda of understanding, and such leases, assignments or transfers shall not be unreasonably delayed or withheld. If any bonds or other obligations issued under chapter 266a of the general statutes remain outstanding, the Treasurer shall also be party to any such memorandum of understanding. Once any such power, duty, asset, fund or account, contract or liability shall have been transferred to the authority, the commissioner shall not thereafter exercise any such power, perform such duty or take action with respect to any such asset, fund or account, contract or liability.

(c) The Treasurer may enter into a memorandum of understanding with the authority and the commissioner to use the resources of the Bradley Enterprise Fund established pursuant to section 15-101p of the general statutes by the authority for purposes of funding the functions relating to Bradley International Airport assumed by the authority pursuant to any memorandum of understanding between the authority and the commissioner. The memorandum of understanding may provide for the transfer of the Bradley Enterprise Fund from the Treasurer to the authority for application by the authority to the operations and maintenance of Bradley.

(d) No memorandum of understanding entered into between the authority, the commissioner and the Treasurer, if applicable, shall provide for any powers to be ceded to the authority, any duties to be

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assumed by the authority, or any transfer of assets, funds or accounts, contracts or liabilities to the authority if such cession, assumption or transfer shall contravene any contract now extant between the state and any other party including, without limitation, any bonds or other obligations issued pursuant to chapter 266a of the general statutes or any trust indenture or other agreement with respect to such bonds or other obligations. The Treasurer, the commissioner and the authority, and each of them, shall enter into such agreements, amendments, consents, assignments, supplemental indentures and other documents and instruments necessary to provide for such cession, assumption or transfer. The authority may, with the consent and approval of the Treasurer, assume the obligations of the state as issuer of any bonds, notes or other obligations issued under said chapter 266a that remain outstanding, and thereafter to indemnify and release the state from all liability and expense relating to such obligations. Any such assumption by the authority and release of the state shall be subject to the terms and provisions of any indenture securing such bonds, notes or other obligations of the state, and approval of the State Bond Commission.

(e) The authority and the Bureau of Aviation established pursuant to section 15 of this act shall further do all acts and things necessary by federal or state law, rule or regulation or relevant contractual requirements to effect the lease, assignment or transfer of ownership, jurisdiction or authority to control, operate and maintain Bradley, the general aviation airports and any other airports to the authority in the manner deemed by the authority to be in its best interests whether by deed, lease, management contract, agency agreement, assignment or assumption, all to the extent contemplated by such memoranda of understanding. The Department of Transportation shall receive no compensation in consideration of any such leases, assignments or transfers. Upon satisfaction of all such requirements, the authority, from time to time, shall notify the Department of Transportation of its

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readiness to accept such leases, assignments or transfers with respect to Bradley, the general aviation airports, other airports, or any of the foregoing and all documents and contracts necessary to effect such leases, assignments or transfers shall be executed.

(f) The Comptroller may establish such funds and accounts for the authority as may be requested by the authority or as may be necessary or appropriate to effect the terms of any memorandum of understanding or as may be convenient to effect the purposes of this act, including, without limitation, a fund to support the general aviation airports and a fund for the authority's general operations. All revenue from the licensing of state airports and use of services of the authority shall be paid into the fund established for the authority's general operations, to be used by the authority according to the authority's budget for its authorized purposes.

(g) Subject to the provisions of the memoranda of understanding, upon the effective date of the lease, assignment or transfer of the assets comprising Bradley, the general aviation airports or any other airports, and the transfer of jurisdiction and control of such airports from the Department of Transportation to the authority as provided in sections 1 to 15, inclusive, of this act, all existing regulations of the Department of Transportation concerning the licensing, use and operation of airports, aeronautics and aviation and state airport fees shall become duly adopted regulations and procedures of the authority. After said effective date of transfer, any modification to said existing regulations of the Department of Transportation or additional regulations or procedures concerning the airports, aviation or aeronautics within the state shall be adopted by the authority in accordance with applicable law.

Sec. 13. (NEW) (*Effective July 1, 2011*) (a) The authority shall be a successor employer to the state and shall recognize existing bargaining units and collective bargaining agreements existing at the time of

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transfer of Bradley and the general aviation airports to the authority. The employees of the authority shall be considered state employees under the provisions of sections 5-270 to 5-280, inclusive, of the general statutes. Managerial employees and other employees not covered by a collective bargaining agreement shall be exempt from the classified service. With regard to unclassified positions, the authority shall not be required to comply with personnel policies and procedures of the Department of Administrative Services and the Office of Policy and Management with regard to approval for the creation of new positions, the number of such positions, the decision to fill such positions or the time for filling such positions. The authority, not the executive branch, shall have the power to determine whether an individual is qualified to fill an unclassified position at the authority. Employees of the authority covered by a collective bargaining agreement shall be members of the classified service. The authority shall establish classifications and determine the qualifications and set the terms and conditions of employment of employees not covered by a collective bargaining agreement, including the establishment of compensation and incentive plans.

(b) Existing aviation employees, as defined in section 15 of this act, in collective bargaining units shall be transferred with their position to the authority, if, as and when the authority shall have been ceded the powers of the commissioner to perform the functions performed by such employees. If the authority elects to employ a smaller number of persons in such positions at the authority than the number of existing aviation employees in collective bargaining units, the opportunity to transfer to the authority shall be offered on the basis of seniority as defined by statute or collective bargaining agreement. Employees who are offered the opportunity to transfer to the authority may decline to do so. Any person who is covered by a collective bargaining agreement as an employee of the Department of Transportation who accepts employment with the authority shall transfer with his or her

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position and shall remain in the same bargaining unit of which he or she was a member as an employee of the Department of Transportation.

(c) No employee covered by a collective bargaining agreement as an employee of the Department of Transportation shall be laid off as a result of the creation of the authority. Each bargaining unit employee of the Department of Transportation who does not transfer to the authority and who, by virtue of sections 15-101l to 15-101n, inclusive, of the general statutes is no longer employed by the Department of Transportation shall be retained by said department or assigned with his or her position to another state agency in accordance with the provisions of the State Employees Bargaining Agent Coalition agreement. Such opportunities shall be offered in the order of seniority. Seniority shall be defined in the same way as cases of transfer under the appropriate collective bargaining agreements. Such assignments shall be made only with the approval of the Office of Policy and Management and shall be reported at the end of the fiscal year to the Finance Advisory Committee. Employees may choose to be laid off in lieu of accepting any such assignment. In such case, they shall be entitled to all collective bargaining rights under their respective collective bargaining agreements including the State Employees Bargaining Agent Coalition. Sections 1-120, 1-121, 1-125, 12-557e, 12-563, 12-563a, 12-564, 12-566, 12-567, 12-568a and 12-569 of the general statutes, as amended by this act, subsection (d) of section 12-574 of the general statutes and sections 12-800 to 12-818, inclusive, of the general statutes shall in no way affect the collective bargaining rights of employees of the Department of Transportation.

(d) (1) In addition to positions transferred to the authority under subsection (b) of this section, the authority may create one or more new classifications of employees as determined by the board of directors. Such classifications shall not be deemed comparable to other

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classifications in state service and shall be exempt from classified service.

(2) On and after July 1, 2011, the authority may hire employees into new unclassified positions without regard to any collective bargaining agreement then in effect and may set the initial terms and conditions of employment for all employees in new unclassified positions.

(e) The executive branch shall be authorized and empowered to negotiate on behalf of the authority for employees of the authority covered by collective bargaining and represent the authority in all other collective bargaining matters. The authority shall be entitled to have a representative present at all such bargaining.

(f) In any interest arbitration regarding employees of the authority, the arbitrator shall take into account as a factor, in addition to those factors specified in section 5-276a of the general statutes, the purposes of sections 1-120, 1-121, 1-125, 12-557e, 12-563, 12-563a, 12-564, 12-566, 12-567, 12-568a and 12-569 of the general statutes, as amended by this act, subsection (d) of section 12-574 of the general statutes and sections 12-800 to 12-818, inclusive, of the general statutes, the entrepreneurial mission of the authority and the necessity to provide flexibility and innovation to facilitate the success of the authority in the marketplace.

(g) The officers and all other employees of the authority shall be state employees for the purposes of group welfare benefits and retirement, including, but not limited to, those provided under chapter 66 of the general statutes and sections 5-257 and 5-259 of the general statutes. The authority shall reimburse the appropriate state agencies for all costs incurred by such designation.

Sec. 14. (NEW) (*Effective July 1, 2011*) (a) The authority shall have entire charge, control, operation and management of any airport or restricted landing area which it owns, leases, controls, operates or

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manages.

(b) The authority may sell, lease or grant any interest in any airport or airport site, or any part thereof, hangars, shops or other buildings or other property which it owns, leases, operates or manages. Leases of land of the state shall be for periods determined by the authority and may provide for the construction of buildings on the land. The authority may confer the privilege of concessions of supplying, upon the airports, goods, commodities, service and facilities. The authority shall grant no exclusive right for the use of any airway, airport, restricted landing area or other air navigation facility under its jurisdiction.

(c) The authority may purchase or acquire title in fee simple to, or any lesser estate, interest or right in, any airport, restricted landing area or other air navigation facility owned or controlled by any municipality or by any two or more municipalities jointly or by any other person.

(d) The authority may purchase or acquire any interest, in whole or in part, in land, buildings, equipment or facilities that it has leased or granted in any airport, airport site or any part thereof pursuant to subsection (b) of this section. The authority's determination that such purchase or acquisition is necessary shall be conclusive.

(e) The authority may (1) prohibit, limit or restrict the parking of vehicles, (2) determine speed limits with the approval of the State Traffic Commission, (3) restrict roads or portions thereof to one-way traffic, (4) designate the location of crosswalks, on any portion of any road or highway upon the grounds of any airport owned or held under lease by the state, and (5) erect and maintain signs designating such prohibitions or restrictions. The authority may provide by procedure for a fine for any person who fails to comply with any such prohibition or restriction.

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(f) The authority may enter into an agreement with any municipality within or near any airport owned or leased by the state is located, for the purpose of mutual assistance for fire protection.

Sec. 15. (NEW) (*Effective July 1, 2011*) The commissioner shall establish a Bureau of Aviation to which all existing fiscal and administrative, management, operational, maintenance and aircraft rescue and fire fighting personnel of the Department of Transportation, in collective bargaining units or otherwise, presently assigned responsibility primarily for the management and operation of Bradley International Airport and the general aviation airports shall be consolidated, pending offer and acceptance of transfer to the authority. The Bureau of Aviation shall manage, operate, develop and effect the transfer of jurisdiction and control of Bradley, the general aviation airports and any other airports to the authority pursuant to the terms of memoranda of understanding entered into pursuant to section 12 of this act.

Sec. 16. Subsection (l) of section 1-79 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(l) "Quasi-public agency" means the Connecticut Development Authority, Connecticut Innovations, Incorporated, Connecticut Health and Education Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recovery Authority, Lower Fairfield County Convention Center Authority, Capital City Economic Development Authority, Connecticut Lottery Corporation, Connecticut Airport Authority and Health Information Technology Exchange of Connecticut.

Sec. 17. Section 1-120 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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As used in sections 1-120 to 1-123, inclusive:

(1) "Quasi-public agency" means the Connecticut Development Authority, Connecticut Innovations, Incorporated, Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recovery Authority, Capital City Economic Development Authority, Connecticut Lottery Corporation, Connecticut Airport Authority and Health Information Technology Exchange of Connecticut.

(2) "Procedure" means each statement, by a quasi-public agency, of general applicability, without regard to its designation, that implements, interprets or prescribes law or policy, or describes the organization or procedure of any such agency. The term includes the amendment or repeal of a prior regulation, but does not include, unless otherwise provided by any provision of the general statutes, (A) statements concerning only the internal management of any agency and not affecting procedures available to the public, and (B) intra-agency memoranda.

(3) "Proposed procedure" means a proposal by a quasi-public agency under the provisions of section 1-121 for a new procedure or for a change in, addition to or repeal of an existing procedure.

Sec. 18. Section 1-124 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Connecticut Development Authority, the Connecticut Health and Educational Facilities Authority, the Connecticut Higher Education Supplemental Loan Authority, the Connecticut Housing Finance Authority, the Connecticut Housing Authority, the Connecticut Resources Recovery Authority, the Health Information Technology Exchange of Connecticut, the Connecticut Airport

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Authority and the Capital City Economic Development Authority shall not borrow any money or issue any bonds or notes which are guaranteed by the state of Connecticut or for which there is a capital reserve fund of any kind which is in any way contributed to or guaranteed by the state of Connecticut until and unless such borrowing or issuance is approved by the State Treasurer or the Deputy State Treasurer appointed pursuant to section 3-12. The approval of the State Treasurer or said deputy shall be based on documentation provided by the authority that it has sufficient revenues to (1) pay the principal of and interest on the bonds and notes issued, (2) establish, increase and maintain any reserves deemed by the authority to be advisable to secure the payment of the principal of and interest on such bonds and notes, (3) pay the cost of maintaining, servicing and properly insuring the purpose for which the proceeds of the bonds and notes have been issued, if applicable, and (4) pay such other costs as may be required.

(b) To the extent the Connecticut Development Authority, Connecticut Innovations, Incorporated, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recovery Authority, Connecticut Health and Educational Facilities Authority, the Health Information Technology Exchange of Connecticut, Connecticut Airport Authority or the Capital City Economic Development Authority is permitted by statute and determines to exercise any power to moderate interest rate fluctuations or enter into any investment or program of investment or contract respecting interest rates, currency, cash flow or other similar agreement, including, but not limited to, interest rate or currency swap agreements, the effect of which is to subject a capital reserve fund which is in any way contributed to or guaranteed by the state of Connecticut, to potential liability, such determination shall not be effective until and unless the State Treasurer or his or her deputy

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appointed pursuant to section 3-12 has approved such agreement or agreements. The approval of the State Treasurer or his or her deputy shall be based on documentation provided by the authority that it has sufficient revenues to meet the financial obligations associated with the agreement or agreements.

Sec. 19. Section 1-125 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The directors, officers and employees of the Connecticut Development Authority, Connecticut Innovations, Incorporated, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recovery Authority, including ad hoc members of the Connecticut Resources Recovery Authority, Connecticut Health and Educational Facilities Authority, Capital City Economic Development Authority, the Health Information Technology Exchange of Connecticut, Connecticut Airport Authority and Connecticut Lottery Corporation and any person executing the bonds or notes of the agency shall not be liable personally on such bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof, nor shall any director or employee of the agency, including ad hoc members of the Connecticut Resources Recovery Authority, be personally liable for damage or injury, not wanton, reckless, wilful or malicious, caused in the performance of his or her duties and within the scope of his or her employment or appointment as such director, officer or employee, including ad hoc members of the Connecticut Resources Recovery Authority. The agency shall protect, save harmless and indemnify its directors, officers or employees, including ad hoc members of the Connecticut Resources Recovery Authority, from financial loss and expense, including legal fees and costs, if any, arising out of any claim, demand, suit or judgment by reason of alleged negligence or alleged

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deprivation of any person's civil rights or any other act or omission resulting in damage or injury, if the director, officer or employee, including ad hoc members of the Connecticut Resources Recovery Authority, is found to have been acting in the discharge of his or her duties or within the scope of his or her employment and such act or omission is found not to have been wanton, reckless, wilful or malicious.

Sec. 20. Section 13b-4 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The commissioner shall have the following general powers, duties and responsibilities:

(1) To coordinate and develop comprehensive, integrated transportation policy and planning to include a long-range master plan of transportation for the state;

(2) To coordinate and assist in the development and operation of a modern, safe, efficient and energy-conserving system of highway, mass transit, marine and aviation facilities and services;

(3) To promote the coordinated and efficient use of all available and future modes of transportation;

(4) To study commuter and urban travel and in cooperation with federal, regional and local agencies and persons to formulate and implement plans and programs to improve such travel;

(5) To study means of providing facilities for parking motor vehicles so as to encourage travel by the combination of motor vehicle and other modes of transportation and in cooperation with federal, regional and local agencies and persons to formulate and implement plans and programs for this purpose;

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(6) To study means of improving transportation safety and to formulate and implement plans and programs and adopt regulations, in accordance with chapter 54, for this purpose;

[(7) To study the operations of existing airports, to determine the need for changes in such airports and the need for future airports, and to formulate and implement plans and programs to improve aviation facilities and services;]

[(8)] (7) To cooperate with federal, state, interstate and local agencies, organizations and persons performing activities relating to transportation;

[(9)] (8) To exercise and perform such other duties and responsibilities as may be conferred under this chapter and title 13a or as may otherwise be conferred by law;

[(10)] (9) To prepare a plan setting forth a recommendation for a restructured system of regional transit districts within the state. Said plan shall be based on: (A) Established patterns of commuter traffic within the state; (B) federal requirements for receiving aid under the Urban Mass Transportation Act of 1964, and (C) present planning regions. On or before February 1, 1978, the commissioner shall present such plan to the General Assembly;

[(11)] (10) To prepare pertinent reports, including but not limited to, detailed reports of energy use analysis by mode of transportation;

[(12)] (11) To provide for the planning and construction of any capital improvements and the remodeling, alteration, repair or enlargement of any real asset that may be required for the development and operation of a safe, efficient system of highway, mass transit, marine and aviation transportation, provided (A) the acquisition, other than by condemnation, or the sale or lease, of any property that is used for such purposes shall be subject to the review

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and approval of the State Properties Review Board in accordance with the provisions of subsection (f) of section 4b-3, as amended by this act, and (B) any contract for the planning, construction, remodeling, alteration, repair or enlargement of any public building which is estimated to cost more than five hundred thousand dollars shall be advertised and awarded in accordance with section 13b-20n; and

[(13)] (12) To participate, subject to the availability of funds, in transit-oriented development projects at or near transit facilities.

Sec. 21. Subsection (f) of section 4b-3 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(f) The State Properties Review Board shall review real estate acquisitions, sales, leases and subleases proposed by the Commissioner of Public Works, the acquisition, other than by condemnation, or the sale or lease of any property by the Commissioner of Transportation under subdivision [(12)] (11) of section 13b-4, as amended by this act, subject to section 4b-23 and subsection (h) of section 13a-73 and review, for approval or disapproval, any contract for a project described in subsection (h) of section 4b-91. Such review shall consider all aspects of the proposed actions, including feasibility and method of acquisition and the prudence of the business method proposed. The board shall also cooperate with and advise and assist the Commissioner of Public Works and the Commissioner of Transportation in carrying out their duties. The board shall have access to all information, files and records, including financial records, of the Commissioner of Public Works and the Commissioner of Transportation, and shall, when necessary, be entitled to the use of personnel employed by said commissioners. The board shall approve or disapprove any acquisition of development rights of agricultural land by the Commissioner of Agriculture under section 22-26cc. The board shall hear any appeal under section 8-273a

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and shall render a final decision on the appeal within thirty days thereafter. The written decision of the board shall be a final decision for the purposes of sections 4-180 and 4-183. The provisions of this section shall not apply to any airport, airport site or any part thereof operated by the Connecticut Airport Authority established pursuant to section 2 of this act.

Sec. 22. Section 13b-42 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The commissioner shall have entire charge, control, operation and management of any airport or restricted landing area owned or leased by the state, except any air navigation facility operated exclusively by the Military Department, and may act with the consent of the State Properties Review Board as agent of the state in any negotiations with the federal government concerning land or other property used or to be used by the state for aeronautical purposes.

(b) With the approval of the Attorney General, the Secretary of the Office of Policy and Management and the State Properties Review Board, the commissioner may sell or lease or grant any interest in any airport or airport site or any part thereof, hangars, shops or other buildings or other property owned or held under lease by the state, except that after initiating such approval, the commissioner may temporarily lease any such interest. A temporary lease shall be effective only until a final decision is made by the Attorney General, the secretary and the Properties Review Board. Leases of land of the state shall be for periods determined by the commissioner with the approval of the State Properties Review Board and may provide for the construction of buildings on the land. The commissioner may confer the privilege of concessions of supplying, upon the airports, goods, commodities, service and facilities. The commissioner shall grant no exclusive right for the use of any airway, airport, restricted landing area or other air navigation facility under his jurisdiction.

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(c) The commissioner may, subject to the provisions of section 4b-23, purchase or take and, in the name of the state, may acquire title in fee simple to, or any lesser estate, interest or right in, any airport, restricted landing area or other air navigation facility owned or controlled by any municipality or by any two or more municipalities jointly or by any other person, if he finds that the acquisition of such airport, restricted landing area or other air navigation facility is necessary to the maintenance of adequate air transportation in the state or is required by public convenience and safety, except that no such purchase, taking or acquisition may be made by the commissioner of any such airport, restricted landing area or other air navigation facility which is owned or controlled by and used as a part of a research, development or manufacturing activity, unless with the consent of the one owning or controlling such airport, area or facility. In connection with the purchase or taking by the commissioner of any such property owned by any person other than a municipality, the determination by the commissioner and the Commissioner of Public Works that the purchase or taking is necessary shall be conclusive. The taking shall be in the manner prescribed in section 48-12 for the taking of land for state institutions. The commissioner may, subject to the approval of the State Properties Review Board, the Connecticut Airport Authority and the Attorney General, transfer any interest or right in any airport, restricted landing area or other air navigation facility acquired pursuant to this section to the Connecticut Airport Authority.

(d) In connection with the purchase or taking by the commissioner of any such property in a municipality, the commissioner shall file with the chief executive officer or first selectman of the municipality a written statement finding that the purchase or taking is necessary, setting forth the reasons supporting such finding and requesting approval by the municipality of the purchase or taking, which approval shall be by vote of the municipality at a referendum held at the next regular election held in the municipality. If the municipality

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by vote disapproves the purchase or taking, the commissioner may, within thirty days following the vote, appeal to the superior court for the judicial district in which the municipality is located and the appeal shall be accorded a privileged status. The court shall, after hearing, determine whether the commissioner has proven the necessity for the purchase or taking and the burden of proving such necessity shall be upon the commissioner. If the court after hearing, deems that the commissioner has not sustained such burden of proof, the court shall enter judgment for, and may award reasonable costs to, the municipality. If the court, after hearing, determines that the commissioner has sustained such burden of proof, the court may set aside the action of the municipality disapproving the purchase or taking and may enter an order upon terms and conditions that it deems appropriate to safeguard the rights of the parties and the public. After a purchase or taking has been legally approved, or its disapproval has been set aside by the Superior Court, the state may proceed with the purchase or taking upon paying just compensation to the municipality. In case the state cannot agree with the municipality upon the amount of the compensation, the amount shall be determined in the manner prescribed in section 48-12. An appeal from the amount so determined shall not act as a stay of the purchase or taking.

(e) The commissioner may, in the name of the state, purchase, take or acquire any interest, in whole or in part, in land, buildings, equipment or facilities that he has sold, leased or granted in any state airport, state airport site or any part thereof pursuant to subsection (b) of this section and, at the request of the Connecticut Airport Authority, in the name of the state, purchase, take or acquire any interest, in whole or in part, in land, buildings, equipment or facilities that the Connecticut Airport Authority has sold, leased or granted in any airport, airport site or any part thereof, pursuant to section 13 of this act. The commissioner's determination that such purchase, taking or acquisition is necessary shall be conclusive. Any taking shall be in a

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manner prescribed in section 13a-73 for the taking of land for highway purposes. The commissioner may, subject to approval of the State Properties Review Board, the Connecticut Airport Authority and the Attorney General, transfer any interest or right in any airport, restricted landing area or other navigation facility acquired pursuant to this section to the Connecticut Airport Authority.

(f) The commissioner may (1) prohibit, limit or restrict the parking of vehicles, (2) determine speed limits with the approval of the State Traffic Commission, (3) restrict roads or portions thereof to one-way traffic, (4) designate the location of crosswalks, on any portion of any road or highway upon the grounds of any airport owned or held under lease by the state, and (5) erect and maintain signs designating such prohibitions or restrictions. Any person who fails to comply with any such prohibition or restriction shall be subject to a fine of not more than twenty-five dollars, and on and after July 1, 1985, not more than thirty-eight dollars, on and after July 1, 1989, not more than fifty-six dollars, on and after July 1, 1991, not more than seventy dollars, and on and after July 1, 1993, not more than eighty-eight dollars.

(g) The commissioner may enter into an agreement with any municipality within or near which any airport owned or leased by the state is located, for the purpose of mutual assistance for fire protection.

(h) Any lease which involves the construction, reconstruction, alteration, remodeling, repair or demolition of any public building which is estimated to cost more than five hundred thousand dollars shall be advertised and awarded in accordance with section 13b-20n.

(i) Except as specifically set forth in this section, the provision of this section shall not apply to any airport, airport site or any part thereof operated by the Connecticut Airport Authority.

Sec. 23. Subsection (a) of section 13b-44 of the general statutes is

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repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The state may, directly or indirectly through the Connecticut Airport Authority, establish, maintain and operate, and may expand, an airport at any location within the state in the following manner. The commissioner shall conduct and complete a study of the adequacy of existing airports, which study may be based upon the study authorized under section 13b-16, and shall determine the necessity for the establishment of additional airports or the expansion of existing airports. The commissioner shall, within one year of the completion of such study, formulate and adopt a plan of development which shall incorporate the findings of such study, showing the necessity for such establishment or expansion, in a manner consistent with the comprehensive long-range master transportation plan. The plan of development shall specify the lands or interests in such lands the acquisition of which the commissioner deems necessary for such establishment or expansion and a copy of such plan of development shall be filed in the office of the town clerk of each municipality in which such establishment or expansion is proposed.

Sec. 24. Section 15-101aa of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

Any land, building or easement belonging to or held in trust for the state of Connecticut or the Connecticut Airport Authority and forming a part of Bradley International Airport that is leased to a person or to an organization shall be subject to real property taxation under this chapter, except that no such tax shall be imposed with regard to any of the following:

(a) All leases for concessions or similar arrangements in any terminal facilities of the airport;

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(b) All leases for facilities directly related to aviation, located in Bradley International Airport, including, but not limited to: (1) Navigation and landing aids and other air aviation facilities; (2) facilities for storage of aircraft, spacecraft and related appurtenances; (3) passenger and cargo terminal buildings, hangars and control towers; (4) the portion of food service facilities servicing airlines, not exempt under subsection (a) of this section; (5) car rental agencies; (6) maintenance facilities; (7) parking facilities; and (8) office facilities existing on September 30, 1992, in which end uses that are directly related to aviation equal not less than forty per cent of the total gross leasable space in any such facility;

(c) A lease for a single hotel to be located on property at Bradley International Airport adjacent to and attached by common partition to the passenger terminal complex, notwithstanding that a lease of such property may not be executed and in effect as of June 12, 1984;

(d) All leases on facilities located in Bradley International Airport, executed and in effect as of September 30, 1992, including all future renewals, assignments and transfers of such leases, or portions thereof, whether with the same or a substitute lessee, without regard to whether such leases or any terms and provisions thereof shall be changed, provided that such renewal, assignment or transfer is for the same or similar facilities; and

(e) Any property leased to any organization which, if the property were owned by or held in trust for such organization, would not be liable for taxes with respect to such property under any of the subdivisions of section 12-81, provided such property is used exclusively for the purposes of such organization as stated in the applicable subdivision of said section.

Sec. 25. Sections 15-101mm, 15-101nn and 15-101oo of the general statutes are repealed. (*Effective July 1, 2011*)

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Approved June 30, 2011