



Senate

General Assembly

File No. 201

January Session, 2011

Substitute Senate Bill No. 1003

Senate, March 24, 2011

The Committee on Commerce reported through SEN. LEBEAU of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE CONNECTICUT AIRPORT AUTHORITY.

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

1 Section 1. (NEW) (*Effective July 1, 2011*) "General aviation airports"
2 means the state-owned and operated airports, including Danielson
3 Airport, Groton/New London Airport, Hartford Brainard Airport,
4 Waterbury-Oxford Airport and Windham Airport.

5 Sec. 2. Section 15-101mm of the general statutes is repealed and the
6 following is substituted in lieu thereof (*Effective July 1, 2011*):

7 (a) There is established a [Bradley Board of Directors] Connecticut
8 Airport Authority to oversee the operation and development of
9 Bradley International Airport, Danielson Airport, Groton/New
10 London Airport, Hartford Brainard Airport, Waterbury-Oxford
11 Airport and Windham Airport.

12 (b) The [Bradley Board of Directors] Connecticut Airport Authority
13 Board of Directors shall consist of [seven] nine members, appointed as

14 follows, with the advice and consent of the General Assembly: The
15 Commissioner of Transportation and the Commissioner of Economic
16 and Community Development, each serving ex-officio, a
17 representative appointed by the speaker of the House of
18 Representatives, [from the Connecticut Transportation Strategy Board,
19 created by section 13b-57e] who shall be a representative of one of the
20 general aviation airports, a representative appointed by the minority
21 leader of the House of Representatives from among the members of
22 the Bradley International Community Advisory Board, as created by
23 section 15-101pp and [three] five private sector members appointed as
24 follows: [(A)] (1) The Governor shall appoint [one member, who shall
25 be the chairperson, and whose first term shall expire on June 30, 2005]
26 three members, one of whom shall be designated as the chairperson,
27 [(B)] (2) the president pro tempore of the Senate shall appoint one
28 member, [whose first term shall expire on June 30, 2005,] and [(C)] (3)
29 the minority leader of the Senate shall appoint one member, [whose
30 first term shall expire on June 30, 2005.] The term of office of each
31 [successor] member shall be four years from the date of appointment
32 or until such member's successor is appointed and has qualified,
33 whichever is later. In the initial term of the authority, at least one
34 appointment by the Governor shall be from the authority's
35 predecessor, the Bradley Board of Directors.

36 (c) Each member before entering upon the member's duties shall
37 take and subscribe to the oath required by article XI, section 1 of the
38 State Constitution.

39 (d) The appointed members shall be senior business leaders or
40 executives who have management experience with corporate or
41 institutional organizations, and shall include individuals who have
42 expertise and experience in one or more of the following areas:
43 Financial planning, budgeting and assessment, marketing, master
44 planning, strategic planning and transportation management.

45 (e) A member who misses three consecutive meetings shall be
46 deemed to have resigned.

47 (f) The [Bradley Board of Directors] Connecticut Airport Authority
48 Board of Directors shall elect a vice-chairperson annually from among
49 the appointed members.

50 (g) The powers of the [Bradley Board of Directors] Connecticut
51 Airport Authority Board of Directors shall be vested in and exercised
52 by not less than five of its members. Such number of members shall
53 constitute a quorum and the affirmative vote of a majority of the
54 members present at a meeting of the board shall be necessary for any
55 action of the [Bradley Board of Directors] Connecticut Airport
56 Authority.

57 (h) Members of the [Bradley Board of Directors] Connecticut
58 Airport Authority Board of Directors shall receive no compensation.
59 The [Bradley Board of Directors] Connecticut Airport Authority is a
60 public agency, as defined in section 1-200, for purposes of the Freedom
61 of Information Act, and is a quasi-public agency, as defined in section
62 1-79, for purposes of chapter 10.

63 (i) It shall not constitute a conflict of interest for a trustee, director,
64 partner or officer of any person, firm or corporation, or any individual
65 having a financial interest in a person, firm or corporation, to serve as a
66 member of the authority's board of directors, provided such trustee,
67 director, partner, officer or individual shall abstain from deliberation,
68 action or vote by the authority in specific respect to such person, firm
69 or corporation.

70 (j) No officer or employee of this state shall be deemed to have
71 forfeited or shall forfeit his or her office or employment by reason of
72 acceptance of membership on the board of directors of the authority or
73 service thereon.

74 Sec. 3. Section 15-101nn of the general statutes is repealed and the
75 following is substituted in lieu thereof (*Effective July 1, 2011*):

76 The [Bradley Board of Directors] Connecticut Airport Authority
77 shall have the duty, power and authority to: (1) [In consultation with

78 the Commissioner of Transportation, develop] Develop an
79 organizational and management structure that will best accomplish the
80 goals of Bradley International Airport and the general aviation
81 airports; (2) approve the annual capital and operating budget of
82 Bradley International Airport and the general aviation airports; (3) [act
83 in cooperation with the Connecticut Transportation Strategy Board,
84 created pursuant to section 13b-57e; (4) advocate for Bradley
85 International Airport's interests and] ensure that Bradley International
86 Airport's potential as an economic development resource for the state
87 and region [are] is fully realized; [(5)] (4) ensure that an appropriate
88 mission statement and set of strategic goals for Bradley International
89 Airport and the general aviation airports are established and that
90 progress toward accomplishing the mission and strategic goals is
91 regularly assessed; [(6)] (5) approve a master plan for Bradley
92 International [Airport's master plan] Airport and the general aviation
93 airports; [(7)] (6) establish and review policies and plans for marketing
94 the airport and for determining the best use of airport property; [(8)]
95 ensure appropriate independent expertise is available to advise the
96 Bradley Board of Directors, particularly in the areas of strategy and
97 marketing and select consultants as necessary, for purposes related to
98 strategy and marketing, pursuant to procedures established by the
99 board; (9)] (7) ensure customer service standards, performance targets
100 and performance assessment systems are established for the airport
101 enterprise; [(10)] (8) approve community relations policies and ensure
102 that the community advisory board, created pursuant to section 15-
103 101pp, operates effectively to ensure that community comment and
104 information is regularly and fully considered in decisions related to
105 Bradley International Airport and the general aviation airports; [(11)]
106 (9) create a code of conduct for the [Bradley Board of Directors]
107 Connecticut Airport Authority Board of Directors consistent with part
108 I of chapter 10; [(12)] (10) report to the Governor and the General
109 Assembly on an annual basis; [(13)] establish procedures to review
110 significant contracts, other than collective bargaining agreements,
111 relating to the operation of Bradley International Airport prior to
112 approval, which procedures shall require completion of each such

113 review no later than ten business days after the board receives the
114 contract; and (14)] (11) adopt rules for the conduct of its business
115 which shall not be considered regulations, as defined in subdivision
116 (13) of section 4-166; (12) receive and accept aid or contributions from
117 any source of money, property, labor or other things of value, to be
118 held, used and applied to carry out the purposes of this chapter subject
119 to such conditions upon which such grants and contributions may be
120 made, including, but not limited to, gifts or grants from any
121 department, agency or instrumentality of the United States or this state
122 for any purpose consistent with this chapter and chapter 242; (13) enter
123 into agreements with any department, agency or instrumentality of the
124 United States or this state to carry out the purposes of this chapter and
125 chapter 242; (14) the extent permitted under this chapter and chapter
126 242, borrow money or secure credit on a temporary, short-term,
127 interim or long-term basis; (15) issue bonds, bond anticipation notes
128 and other obligations of the authority to the extent permitted under
129 this chapter and chapter 266a, to fund and refund the same and
130 provide for the rights of the holders thereof; and to secure the same by
131 pledge of revenues, notes and mortgages of others; (16) acquire, lease,
132 hold and dispose of personal property for its corporate purposes; (17)
133 employ such assistants, agents and other employees and to engage
134 consultants and such other independent professionals as may be
135 necessary or desirable to carry out its purposes in accordance with this
136 chapter and chapter 242 and to fix their compensation; and to provide
137 technical assistance as provided in this chapter and chapter 242; (18)
138 make and enter into all contracts and agreements necessary or
139 incidental to the performance of its duties and the execution of its
140 powers under this chapter; and (19) do all acts and things necessary or
141 convenient to carry out the purposes of this chapter and chapters 242
142 and 266a and the powers expressly granted by this chapter and
143 chapters 242 and 266a.

144 Sec. 4. (NEW) (*Effective July 1, 2011*) The Connecticut Airport
145 Authority Board of Directors shall appoint an executive director who
146 shall not be a member of the board and who shall serve at the pleasure
147 of the board and receive such compensation as shall be fixed by the

148 board. The executive director shall be the chief administrative officer of
149 the authority and shall direct and supervise administrative affairs and
150 technical activities in accordance with the directives of the board. The
151 executive director shall approve all accounts for salaries, allowable
152 expenses of the authority or of any employee or consultant thereof,
153 and expenses incidental to the operation of the authority. The
154 executive director shall perform such other duties as may be directed
155 by the board in carrying out the purposes of chapter 266c of the
156 general statutes. The executive director shall be exempt from the
157 classified service. The executive director shall attend all meetings of
158 the board, keep a record of the proceedings of the authority and shall
159 maintain and be custodian of all books, documents and papers filed
160 with the authority and of the minute book or journal of the authority
161 and of its official seal. The executive director may cause copies to be
162 made of all minutes and other records and documents of the authority
163 and may give certificates under the official seal of the authority to the
164 effect that such copies are true copies, and all persons dealing with the
165 authority may rely upon such certificates.

166 Sec. 5. (NEW) (*Effective July 1, 2011*) Each member of the Connecticut
167 Airport Authority Board of Directors shall execute a surety bond in the
168 penal sum of fifty thousand dollars and the executive director shall
169 execute a surety bond in the penal sum of one hundred thousand
170 dollars, or, in lieu thereof, the chairman of the board shall execute a
171 blanket position bond covering each member, the executive director
172 and the employees of the authority, each surety bond to be
173 conditioned upon the faithful performance of the duties of the office or
174 offices covered, to be executed by a surety company authorized to
175 transact business in this state as surety and to be approved by the
176 Attorney General and filed in the office of the Secretary of the State.
177 The cost of each such bond shall be paid by the authority.

178 Sec. 6. Section 15-101k of the general statutes is repealed and the
179 following is substituted in lieu thereof (*Effective July 1, 2011*):

180 It is found and determined that the acquisition and construction of a

181 modern and improved Bradley International Airport and the
182 maintenance of the general aviation airports, including, but not limited
183 to, renovation and expansion of passenger terminal facilities,
184 improvements to sewer and water delivery systems, installation of
185 enplaning and deplaning devices, construction of new auto parking
186 structures, improvements to the runway and taxiway system,
187 expansion of the aircraft apron area adjacent to the passenger terminal
188 and construction, renovation and expansion of any self-sustaining
189 special facilities appurtenant thereto, including facilities for the
190 provision of cargo, aircraft maintenance, hotel, and other aviation-
191 related functions, are an important inducement for industrial and
192 commercial enterprises to remain or locate in this state and therefore
193 for the benefit of the people of the state, and for the increase of their
194 commerce, welfare and prosperity, the necessity in the public interest
195 of providing such improved facilities is hereby declared as a matter of
196 legislative determination.

197 Sec. 7. Section 15-101l of the general statutes is repealed and the
198 following is substituted in lieu thereof (*Effective July 1, 2011*):

199 The [State Bond Commission] Connecticut Airport Authority may
200 authorize the issuance of bonds [of the state] in one or more series and
201 in principal amounts necessary to carry out the purposes of sections
202 15-101k to 15-101p, inclusive, as amended by this act. Such bonds shall
203 be payable from all or a portion of the revenues of Bradley
204 International Airport and the general aviation airports, as may be
205 specified in the proceedings authorizing such bonds, and may include,
206 among other types of bonds, special purpose revenue bonds payable
207 solely from revenues derived from special purpose facilities, bonds
208 payable from particular sources of revenues and bonds payable in
209 whole or in part from passenger facility charges to the extent permitted
210 under applicable federal law. The [Commissioner of Transportation]
211 Connecticut Airport Authority shall evidence a request to issue bonds
212 by filing with the Treasurer a resolution duly adopted by the board
213 identifying the projects or other improvements to be acquired,
214 constructed and installed at Bradley International Airport or the

215 general aviation airports and requesting issuance by the state of bonds
216 to finance such projects and other improvements; the Treasurer
217 thereupon shall file a request for the issuance of such bonds with the
218 [secretary of the State Bond Commission] Connecticut Airport
219 Authority. The board of directors may appoint a finance or other
220 committee of the board of one or more officers or employees to serve
221 as the board's authorized delegate in connection with the issuance of
222 bonds pursuant to this section.

223 (b) Bonds issued pursuant to this section shall be [special]
224 obligations of the [state] Connecticut Airport Authority and shall not
225 be payable from nor charged upon any funds other than the revenues
226 pledged to the payment thereof, nor shall the state or any political
227 subdivision thereof be subject to any liability thereon except to the
228 extent of such pledged revenues. The issuance of bonds under the
229 provisions of sections 15-101k to 15-101p, inclusive, as amended by
230 this act, shall not directly or indirectly or contingently obligate the
231 state or any political subdivision thereof to levy or to pledge any form
232 of taxation whatever therefor or to make any appropriation for their
233 payment. The bonds shall not constitute a charge, lien or encumbrance,
234 legal or equitable, upon any property of the state or of any political
235 subdivision thereof, except the property mortgaged or otherwise
236 encumbered under the provisions and for the purposes of sections 15-
237 101k to 15-101p, inclusive, as amended by this act. The substance of
238 such limitation shall be plainly stated on the face of each bond. Bonds
239 issued pursuant to sections 15-101k to 15-101p, inclusive, as amended
240 by this act, shall not be subject to any statutory limitation on the
241 indebtedness of the state and such bonds, when issued, shall not be
242 included in computing the aggregate indebtedness of the state in
243 respect to and to the extent of any such limitation.

244 (c) The bonds referred to in this section may be executed and
245 delivered at such time or times, shall be dated, shall bear interest at
246 such rate or rates, including variable rates to be determined in such
247 manner as set forth in the proceedings authorizing the issuance of the
248 bonds, provide for payment of interest on such dates, whether before

249 or at maturity, shall mature at such time or times not exceeding forty
250 years from their date, have such rank or priority, be payable in such
251 medium of payment, be issued in coupon, registered or book entry
252 form, carry such registration and transfer privileges and be subject to
253 purchase or redemption before maturity at such price or prices and
254 under such terms and conditions, including the condition that such
255 bonds be subject to purchase or redemption on the demand of the
256 owner thereof, all as may be determined by the [State Bond
257 Commission] Connecticut Airport Authority. The [State Bond
258 Commission] Connecticut Airport Authority shall determine the form
259 of the bonds, including any interest coupons to be attached thereto, the
260 manner of execution of the bonds, the denomination or denominations
261 of the bonds and the place or places of payment of principal and
262 interest, which may be at any bank or trust company within or without
263 the state. Prior to the preparation of definitive bonds, the [State Bond
264 Commission] Connecticut Airport Authority may, under like
265 restrictions, provide for the issuance of interim receipts or temporary
266 bonds, with or without coupons, exchangeable for definitive bonds
267 when such bonds have been executed and are available for delivery. If
268 any of the officers whose signatures appear on the bonds or coupons
269 cease to be officers before the delivery of any such bonds, such
270 signatures shall, nevertheless, be valid and sufficient for all purposes,
271 the same as if they had remained in office until delivery.

272 (d) Any bonds issued under the authority of sections 15-101k to 15-
273 101p, inclusive, as amended by this act, may be sold at public sale on
274 sealed proposals or by negotiation in such manner, at such price and at
275 such time or times as may be determined by the [Treasurer to be most
276 advantageous, subject to the approval of the State Bond Commission]
277 Connecticut Airport Authority. The state may pay from the proceeds
278 of the bonds all costs and expenses which the Treasurer may deem
279 necessary or advantageous in connection with the authorization, sale
280 and issuance thereof, including the cost of interest on any short-term
281 financing authorized under subsection (b) of section 15-101n, as
282 amended by this act.

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

299 (f) The proceedings under which the bonds are authorized to be
300 issued pursuant to this section, and any mortgage given to secure the
301 same, may, subject to the provisions of the general statutes, contain
302 any agreements and provisions customarily contained in instruments
303 securing bonds, including, but not limited to: (1) Provisions respecting
304 custody of the proceeds from the sale of the bonds, including their
305 investment and reinvestment until used for the cost of the project; (2)
306 provisions respecting the fixing and collection of rents or payments
307 with respect to the facilities of Bradley International Airport and the
308 general aviation airports and the application and use of passenger
309 facility charges; (3) the terms to be incorporated in the lease, sale
310 contract or loan agreement with respect to the project; (4) the
311 maintenance and insurance of the project; (5) the creation,
312 maintenance, custody, investment and reinvestment and use of the
313 revenues derived from the operation of Bradley International Airport
314 and the general aviation airports; (6) establishment of reserves or
315 sinking funds, and such accounts thereunder as may be established by
316 the [State Bond Commission] Connecticut Airport Authority, and the
317 regulation and disposition thereof; (7) the rights and remedies

318 available in case of a default to the bondholders or to any trustee under
319 any lease, sale contract, loan agreement, mortgage or trust indenture;
320 (8) reimbursement agreements remarketing agreements, standby bond
321 purchase agreements or similar agreements in connection with
322 obtaining any credit or liquidity facilities including, but not limited to,
323 letters of credit or policies of bond insurance and such other
324 agreements entered into pursuant to section 3-20a; (9) provisions for
325 the issuance of additional bonds on a parity with bonds theretofore
326 issued, including establishment of coverage requirements with respect
327 thereto; (10) covenants to do or to refrain from doing such acts and
328 things as may be necessary or convenient or desirable in order to better
329 secure any bonds or to maintain any federal or state exemption from
330 tax of the interest on such bonds; and (11) provisions or covenants of
331 like or different character from the foregoing which are consistent with
332 the provisions of this chapter and which the [State Bond Commission]
333 authority determines in such proceedings are necessary, convenient or
334 desirable in order to better secure the bonds or bond anticipation
335 notes, or will tend to make the bonds or bond anticipation notes more
336 marketable, and which are in the best interests of the state. The
337 proceedings under which the bonds are authorized, and any mortgage
338 given to secure the same, may further provide that any cash balances
339 not necessary (A) to pay the cost of maintaining, repairing and
340 operating the facilities of Bradley International Airport and the general
341 aviation airports, (B) to pay the principal of and interest on the bonds
342 as the same shall become due and payable, and (C) to create and
343 maintain reserve and sinking funds as provided in any authorizing
344 resolution, or other proceedings shall be deposited into a Bradley
345 International Airport working fund or a General Aviation Airport
346 working fund to be held in trust by the treasurer and applied to future
347 debt service requirements or other general airport purposes.

348 (g) In the discretion of the [State Bond Commission] Connecticut
349 Airport Authority, bonds issued pursuant to this section may be
350 secured by a trust indenture by and between the state and a corporate
351 trustee, which may be any trust company or bank having the powers
352 of a trust company within or without the state. Such trust indenture

353 may contain such provisions for protecting and enforcing the rights
354 and remedies of the bondholders as may be reasonable and proper and
355 not in violation of law, including covenants setting forth the duties of
356 the state in relation to the exercise of its powers pursuant to sections
357 15-101k to 15-101p, inclusive, as amended by this act, and the custody,
358 safeguarding and application of all moneys. The [state] authority may
359 provide by such trust indenture for the payment of the proceeds of the
360 bonds and the revenues from the operation of Bradley International
361 Airport and general aviation airports to the trustee under such trust
362 indenture or other depository, and for the method of disbursement
363 thereof, with such safeguards and restrictions as it may determine. All
364 expenses incurred in carrying out such trust indenture may be treated
365 as a part of the operating expenses of the project. If the bonds shall be
366 secured by a trust indenture, the bondholders shall have no authority
367 to appoint a separate trustee to represent them.

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

377 (i) The [Treasurer] Connecticut Airport Authority shall have power
378 out of any funds available therefor to purchase bonds or notes of the
379 state issued pursuant to this section and section 15-101n, as amended
380 by this act. The [Treasurer] authority may hold, pledge, cancel or resell
381 such bonds, subject to and in accordance with agreements with
382 bondholders.

383 (j) Whether or not the notes and bonds are of such form and
384 character as to be negotiable instruments under the terms of the
385 Uniform Commercial Code, the notes and bonds are hereby made

386 negotiable instruments within the meaning of and for all purposes of
387 the Uniform Commercial Code, subject only to the provisions of the
388 notes and bonds for registration.

389 (k) Any moneys held by the [Treasurer] Connecticut Airport
390 Authority with respect to Bradley International Airport and the
391 general aviation airports, or by a trustee pursuant to a trust indenture,
392 subject to the provisions of such indenture, including proceeds from
393 the sale of any bonds and notes, and revenues, receipts and income
394 from the operation of Bradley International Airport and the general
395 aviation airports may be invested and reinvested in such obligations,
396 securities, and other investments, including without limitation
397 participation certificates in the Short Term Investment Fund created in
398 section 3-27a, or deposited or redeposited in such bank or banks, all as
399 shall be authorized by the [State Bond Commission] authority in the
400 proceedings authorizing the issuance of the bonds and notes.

401 (l) For the purposes of sections 15-101k to 15-101p, inclusive, as
402 amended by this act, the costs of the project payable out of the
403 proceeds of bonds issued pursuant to this section shall include: (i)
404 Expenses and obligations incurred for labor and materials in
405 connection with the construction of the project; (ii) the cost of
406 acquiring by purchase, if such purchase shall be deemed expedient,
407 and the amount of any award or final judgment in any proceedings to
408 acquire by condemnation, such land, property rights, rights-of-way,
409 franchises, easements and other interests in land as may be deemed
410 necessary or convenient in connection with such construction or with
411 the operation of the project, and the amount of any damages incident
412 thereto; (iii) the costs of all machinery and equipment acquired in
413 connection with the project; (iv) reserves for the payment of the
414 principal of and interest on any notes and bonds issued pursuant to
415 this section and section 15-101n, as amended by this act, and interest
416 accruing on any such notes, during construction of the project and for
417 six months after completion of such construction; (v) initial working
418 capital, expenses of administration properly chargeable to the
419 construction or acquisition of the project, legal, architectural and

420 engineering expenses and fees, costs of audits, costs of preparing and
421 issuing any notes and bonds pursuant to this section and section 15-
422 101n, as amended by this act; and (vi) all other items of expense not
423 elsewhere specified incident to the planning, acquisition and
424 construction of the project or of the placing of the same in operation.

425 [(m) None of the bonds authorized pursuant to this section shall be
426 issued and sold except upon a finding by the State Bond Commission
427 that there has been filed with it a request for such authorization, which
428 is signed by the Secretary of the Office of Policy and Management or
429 on said secretary's behalf and stating such terms and conditions as said
430 commission, in its discretion, may require.]

431 [(n)] (m) For purposes of sections 15-101k to 15-101p, inclusive, as
432 amended by this act, the term "project" shall refer to the renovations
433 and improvements to be acquired and constructed at Bradley
434 International Airport and the general aviation airports as may be
435 specified from time to time by the board in a resolution as
436 contemplated by subsection (a) of this section.

437 Sec. 8. Section 15-101m of the general statutes is repealed and the
438 following is substituted in lieu thereof (*Effective July 1, 2011*):

439 (a) Subject to the provisions of the general statutes and resolution
440 authorizing the issuance of bonds pursuant to subsection (a) of section
441 15-101l, as amended by this act, the [Commissioner of Transportation]
442 Connecticut Airport Authority is authorized to fix, revise, charge and
443 collect rates, rents, fees and charges for the use of and for the services
444 furnished or to be furnished by the facilities of Bradley International
445 Airport and the general aviation airports and to contract with any
446 person, partnership, association or corporation, or other body, public
447 or private, in respect thereof except that [,] the [commissioner]
448 authority shall not impose any fee, charge or commission on the gross
449 revenues of off-airport parking operators for the right to access said
450 airport that exceeds five per cent of such gross revenues for calendar
451 quarters commencing on or after July 1, 1997, and prior to July 1, 1998,
452 and four per cent of such gross revenues for calendar quarters

453 commencing on or after July 1, 1998. Such rates, rents, fees and charges
454 shall be fixed and adjusted in respect of the aggregate of rates, rents,
455 fees and charges from the operation of Bradley International Airport
456 and the general aviation airports so as to provide funds sufficient with
457 other revenues or moneys available therefor, if any, (1) to pay the cost
458 of maintaining, repairing and operating the facilities of Bradley
459 International Airport and the general aviation airports and each and
460 every portion thereof, to the extent that the payment of such cost has
461 not otherwise been adequately provided for, (2) to pay the principal of
462 and the interest on any outstanding revenue obligations of the [state]
463 authority issued in respect of the project as the same shall become due
464 and payable, and (3) to create and maintain reserves and sinking funds
465 required or provided for in any resolution authorizing, or trust
466 agreement securing, such bonds. A sufficient amount of the revenues
467 as may be necessary to pay the cost of maintenance, repair and
468 operation and to provide reserves and for renewals, replacements,
469 extensions, enlargements and improvements as may be provided for in
470 the resolution authorizing the issuance of any bonds or in the trust
471 agreement securing the same, shall be set aside at such regular
472 intervals as may be provided in such resolution or trust agreement in a
473 reserve, sinking or other similar fund which is hereby pledged to, and
474 charged with, the payment of the principal of and the interest on such
475 bonds as the same shall become due, and the redemption price or the
476 purchase price of bonds retired by call or purchase as therein
477 provided. The use and disposition of moneys to the credit of such
478 reserve, sinking or other similar fund shall be subject to the provisions
479 of the resolution authorizing the issuance of such bonds or of such
480 trust agreement.

481 (b) The [Department of Transportation] Connecticut Airport
482 Authority shall designate the beginning and ending dates of the fiscal
483 year for the operation of Bradley International Airport and the general
484 aviation airports. Each year, within ninety days prior to the beginning
485 of the next ensuing fiscal year, the [Department of Transportation]
486 Connecticut Airport Authority shall prepare and submit to the
487 Secretary of the Office of Policy and Management an annual operating

488 budget for Bradley International Airport for such fiscal year, providing
489 for (1) payment of the costs of maintaining, repairing and operating
490 the facilities of Bradley International Airport and each and every
491 portion thereof during such fiscal year, to the extent that the payment
492 of such costs has not otherwise been adequately provided for, (2) the
493 payment of the principal of and interest on any outstanding revenue
494 obligations of the state issued in respect of the project and becoming
495 due and payable in such fiscal year, and (3) the creation and
496 maintenance of reserves and sinking funds required or provided for in
497 any resolution authorizing, or trust agreement securing, such bonds.
498 Such annual operating budget shall include an estimate of revenues
499 from the rates, rents, fees and charges fixed by the [Department of
500 Transportation] authority pursuant to subsection (a), and from any
501 and all other sources, to meet the estimated expenditures of Bradley
502 International Airport and the general aviation airports for such fiscal
503 year. Within thirty days prior to the first day of such fiscal year the
504 Secretary of the Office of Policy and Management shall approve said
505 annual operating budget, with such changes, amendments, additions
506 and deletions as shall be agreed upon prior to that date by the
507 [Department of Transportation] authority and the Secretary of the
508 Office of Policy and Management. The annual operating budget of
509 Bradley International Airport and the general aviation airports as so
510 approved shall take effect as of the date of its approval. On or before
511 the twentieth day of each month, including the month next preceding
512 the first month of the fiscal year to which the annual operating budget
513 applies, the [Treasurer] authority or the trustee under any trust
514 indenture securing the bonds issued under subsection (a) of section 15-
515 101l, as amended by this act, shall pay to the [Department of
516 Transportation] Connecticut Airport Authority out of the funds
517 available for such purpose such amount as may be necessary to make
518 the amount then held by said department for the payment of operating
519 expenses of Bradley International Airport and the general aviation
520 airports equal to such amount as shall be necessary for the payment of
521 such operating expenses during the next ensuing two months, as
522 shown by the annual operating budget for such fiscal year. Except as

523 otherwise provided in sections 15-101k to 15-101p, inclusive, as
524 amended by this act, either expressly or by implication, all provisions
525 of the general statutes governing state employees and state property,
526 and all other provisions of the general statutes applicable to Bradley
527 International Airport and the general aviation airports, shall continue
528 in effect. All pension, retirement or other similar benefits vested or
529 acquired at any time before or after July 1, 1981, with respect to any
530 state employees shall continue unaffected and as if the salaries and
531 wages of such employees continued to be paid out of the general funds
532 of the state.

533 [(c) On the day the Department of Transportation submits an annual
534 operating budget for Bradley International Airport to the Secretary of
535 the Office of Policy and Management pursuant to subsection (b) of this
536 section, the department shall submit a copy of such budget to the joint
537 standing committee of the General Assembly having cognizance of
538 matters relating to appropriations and the budgets of state agencies,
539 through the legislative Office of Fiscal Analysis. Upon the approval of
540 the annual operating budget, the department shall submit a copy of
541 the budget as so approved to said joint standing committee, through
542 the Office of Fiscal Analysis.]

543 Sec. 9. (NEW) (*Effective July 1, 2011*) Within the first ninety days of
544 each calendar year, the Connecticut Airport Authority shall report on
545 its operations for the preceding calendar year to the Governor. The
546 authority shall make a report to the General Assembly on or before
547 March fifteenth in each year. The report shall include a summary of the
548 activities of the authority, a complete operating and financial statement
549 and recommendations for legislation to promote the purposes of the
550 authority. The accounts of the authority shall be subject to annual
551 audits by the State Auditors of Public Accounts.

552 Sec. 10. Section 15-101n of the general statutes is repealed and the
553 following is substituted in lieu thereof (*Effective July 1, 2011*):

554 (a) Any bonds issued under the provisions of section 15-101l, as
555 amended by this act, or to refund any such bonds issued under such

556 section, and at any time outstanding may at any time from time to time
557 be refunded by the [state] Connecticut Airport Authority by the
558 issuance of its refunding bonds in such amounts as the [State Bond
559 Commission] Connecticut Airport Authority may deem necessary, but
560 not exceeding an amount sufficient to refund the principal of the
561 bonds to be so refunded, any unpaid interest thereon and any
562 premiums and commissions necessary to be paid in connection
563 therewith and to pay costs and expenses which the Treasurer may
564 deem necessary or advantageous in connection with the authorization,
565 sale and issuance of refunding bonds. Any such refunding may be
566 effected whether the bonds to be refunded shall have matured or shall
567 thereafter mature. All refunding bonds issued hereunder shall be
568 payable and shall be subject to and may be secured in accordance with
569 the provisions of section 15-101l, as amended by this act.

570 (b) Whenever the [State Bond Commission] Connecticut Airport
571 Authority has adopted a resolution authorizing bonds pursuant to
572 section 15-101l, as amended by this act, the [Treasurer] authority may,
573 pending the issue of such bonds [, issue, in the name of the state,]
574 temporary notes and any renewals thereof in anticipation of the
575 proceeds from the sale of such bonds, which notes and any renewals
576 thereof shall be designated "Bond Anticipation Notes". Such portion of
577 the proceeds from the sale of such bonds as may be so required shall
578 be applied to the payment of the principal of and interest on any such
579 bond anticipation notes which have been issued. The principal of and
580 interest on any bond anticipation notes issued pursuant to this
581 subsection may be repaid from pledged revenues or other receipts,
582 funds or moneys pledged to the repayment of the bonds in
583 anticipation of which the bond anticipation notes are issued, to the
584 extent not paid from the proceeds of renewals thereof or of the bonds.

585 Sec. 11. Section 15-101o of the general statutes is repealed and the
586 following is substituted in lieu thereof (*Effective July 1, 2011*):

587 (a) It is hereby determined that the purposes of sections 15-101k to
588 15-101p, inclusive, as amended by this act, are public purposes and

589 that the [state] Connecticut Airport Authority will be performing an
590 essential governmental function in the exercise of the powers
591 conferred upon it hereunder. The [state] authority covenants with the
592 purchasers and all subsequent holders and transferees of notes and
593 bonds issued by the [state] authority pursuant to sections 15-101l, as
594 amended by this act, and 15-101n, as amended by this act, in
595 consideration of the acceptance of and payment for the notes and
596 bonds, that the principal and interest of such notes and bonds shall at
597 all times be free from taxation, except for estate and gift taxes, imposed
598 by the state or by any political subdivision thereof but the interest on
599 such notes and bonds shall be included in the computation of any
600 excise or franchise tax. The Treasurer is authorized to include this
601 covenant of the [state] authority in any agreement with the holder of
602 such notes or bonds. Any notes or bonds issued by the [state] authority
603 pursuant to sections 15-101l, as amended by this act, and 15-101n, as
604 amended by this act, may be issued on a basis that provides that the
605 interest thereon is intended to be exempt or not to be exempt from
606 federal income taxation, as may be determined by the Treasurer.

607 (b) Bonds issued under the authority of section 15-101l, as amended
608 by this act, are hereby made securities in which all public officers and
609 public bodies of the state and its political subdivisions, all insurance
610 companies, credit unions, building and loan associations, investment
611 companies, banking associations, trust companies, executors,
612 administrators, trustees and other fiduciaries and pension, profit-
613 sharing and retirement funds may properly and legally invest funds,
614 including capital in their control or belonging to them. Such bonds are
615 hereby made securities which may properly and legally be deposited
616 with and received by any state or municipal officer or any agency or
617 political subdivision of the state for any purpose for which the deposit
618 of bonds or obligations of the state is now or may hereafter, be
619 authorized by law.

620 Sec. 12. Section 15-101p of the general statutes is repealed and the
621 following is substituted in lieu thereof (*Effective July 1, 2011*):

622 (a) All revenue from the operation of Bradley International Airport
623 shall be paid to the State Treasurer to be held in trust, and the
624 Treasurer shall not commingle such moneys with any other moneys.
625 Such moneys shall be deposited in a separate account or accounts in
626 banks or trust companies organized under the law of the state or in
627 national banking associations doing business in the state, provided
628 that the Treasurer shall have power to contract with the holders of any
629 notes or bonds issued pursuant to section 15-101l, as amended by this
630 act, or 15-101n, as amended by this act, or with a trustee acting
631 pursuant to a trust indenture for the benefit of such holders, as to the
632 custody, collection, securing, investment and application of the
633 proceeds of such notes and bonds and of the revenue from the
634 operation of Bradley International Airport, and to carry out such
635 contracts. Such account or accounts shall constitute a separate
636 nonlapsing enterprise fund to be known as the "Bradley Enterprise
637 Fund".

638 (b) All revenue from the operation of the general aviation airports
639 shall be paid to the State Treasurer to be held in trust, and the
640 Treasurer shall not commingle such moneys with any other moneys.
641 Such moneys shall be deposited in a separate account or accounts in
642 banks or trust companies organized under the law of the state or in
643 national banking associations doing business in this state, provided
644 that the Treasurer shall have power to contract with the holders of any
645 notes or bonds issued pursuant to section 15-101l, as amended by this
646 act, or 15-101n, as amended by this act, or with a trustee acting
647 pursuant to a trust indenture for the benefit of such holders, as to the
648 custody, collection, securing, investment and application of the
649 proceeds of such notes and bonds and of the revenue from the
650 operation of the general aviation airports and to carry out such
651 contracts. Such account or accounts shall constitute a separate
652 nonlapsing enterprise fund to be known as the "General Aviation
653 Airports Enterprise Fund".

654 Sec. 13. Section 15-101t of the general statutes is repealed and the
655 following is substituted in lieu thereof (*Effective July 1, 2011*):

656 Notwithstanding the provisions of section 13a-95 and other statutes
657 related to competitive bidding procedures, the [Commissioner of
658 Transportation] Connecticut Airport Authority may direct the
659 construction manager for the Bradley International Airport terminal
660 improvement and renovation project to solicit and prequalify
661 responsible and qualified contractors. The list of prequalified
662 contractors shall be approved by the [commissioner] Connecticut
663 Airport Authority, in consultation with the Commissioner of
664 Transportation. The construction manager shall obtain bids on the
665 different construction elements of the project from the contractors on
666 said list. The construction manager shall evaluate all such bids that are
667 fair and reasonable with regard to the state's interest, from at least
668 three prequalified contractors, and make a recommendation for
669 selection to the commissioner. The [commissioner] authority shall
670 make the final selection and the construction manager shall award the
671 contract to the selected bidder. Any contractor awarded said contract
672 pursuant to this section shall be subject to the same requirements
673 concerning the furnishing of bonds as a contractor awarded a contract
674 pursuant to section 13a-95.

675 Sec. 14. (NEW) (*Effective July 1, 2011*) (a) The Connecticut Airport
676 Authority shall be a successor employer to the state and shall
677 recognize existing bargaining units and collective bargaining
678 agreements existing at the time of transfer of the six state-owned
679 airports to the authority. The employees of the authority shall be
680 considered state employees under the provisions of sections 5-270 to 5-
681 280, inclusive, of the general statutes. The authority shall not be
682 required to comply with personnel policies and procedures of the
683 Department of Administrative Services and the Office of Policy and
684 Management with regard to approval for the creation of new positions,
685 the number of such positions, the decision to fill such positions or the
686 time for filling such positions. The authority, not the executive branch,
687 shall have the power to determine whether an individual is qualified
688 to fill a vacancy at the authority. Nonmanagerial employees of the
689 authority shall be members of the classified service. Managerial
690 employees shall be exempt from the classified service. The authority

691 shall have the ability to determine the qualifications and set the terms
692 and conditions of employment of managerial employees including the
693 establishment of incentive plans.

694 (b) Existing aviation employees of the Department of Transportation
695 in collective bargaining units shall be offered the opportunity to
696 transfer with their position to the authority. If the authority elects to
697 employ a smaller number of persons in such positions at the authority
698 than exist in aviation and ports at the Department of Transportation,
699 the opportunity to transfer to the authority shall be offered on the basis
700 of seniority. Employees who are offered the opportunity to transfer to
701 the authority may decline to do so. Any person who is covered by a
702 collective bargaining agreement as an employee of the Department of
703 Transportation who accepts employment with the authority shall
704 transfer with his or her position and shall remain in the same
705 bargaining unit of which he or she was a member as an employee of
706 the Department of Transportation.

707 (c) No employee covered by a collective bargaining agreement as an
708 employee of the Department of Transportation shall be laid off as a
709 result of the creation of the authority. Each employee of the
710 Department of Transportation who does not transfer to the authority
711 and who, by virtue of sections 15-101l to 15-101n, inclusive, of the
712 general statutes, as amended by this act, is no longer employed by the
713 Department of Transportation shall be assigned with his or her
714 position to another state agency. Such opportunities shall be offered in
715 the order of seniority. Seniority shall be defined in the same way as
716 cases of transfer under the appropriate collective bargaining
717 agreements. Such assignments shall be made only with the approval of
718 the Office of Policy and Management and shall be reported at the end
719 of the fiscal year to the Finance Advisory Committee. Employees may
720 choose to be laid off in lieu of accepting any such assignment. In such
721 case, they shall be entitled to all collective bargaining rights under
722 their respective collective bargaining agreements including the State
723 Employees Bargaining Agent Coalition (SEBAC). Sections 1-120, as
724 amended by this act, 1-121, 1-125, as amended by this act, 12-557e, 12-

725 563, 12-563a, 12-564, 12-566, 12-567, 12-568a and 12-569 of the general
726 statutes, subsection (d) of section 12-574 of the general statutes and
727 sections 12-800 to 12-818, inclusive, of the general statutes shall in no
728 way affect the collective bargaining rights of employees of the
729 Department of Transportation.

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

735 (2) For the period commencing on July 1, 2011, until the expiration
736 of the collective bargaining agreement in effect for transferred
737 employees or the date of approval by the legislature of any interim
738 agreement, whichever is earlier, the authority may hire employees into
739 a new classification without regard to any collective bargaining
740 agreement then in effect and may set the initial terms and conditions of
741 employment for all employees in a new classification.

742 (3) Six months after the hiring of the first employee in any such new
743 classification, the collective bargaining agent of the transferred
744 employees and the executive branch on behalf of the authority shall
745 engage in midterm bargaining for such classification at the request of
746 either party. The scope of such midterm bargaining shall include all
747 terms of employment, except that provisions relating to compensation
748 shall not be subject to arbitration, provided that the average
749 annualized compensation for such classification shall not be less than
750 the average annualized compensation for transferred employees.

751 (4) Upon the expiration of the collective bargaining agreement
752 covering transferred employees, all terms and conditions of
753 employment in a new classification shall be subject to collective
754 bargaining as part of the negotiation of a common successor
755 agreement.

756 (e) The executive branch shall be authorized and empowered to

757 negotiate on behalf of the authority for employees of the authority
758 covered by collective bargaining and represent the authority in all
759 other collective bargaining matters. The authority shall be entitled to
760 have a representative present at all such bargaining.

761 (f) In any interest arbitration regarding employees of the authority,
762 the arbitrator shall take into account as a factor, in addition to those
763 factors specified in section 5-276a of the general statutes, the purposes
764 of sections 1-120, as amended by this act, 1-121, 1-125, as amended by
765 this act, 12-557e, 12-563, 12-563a, 12-564, 12-566, 12-567, 12-568a and 12-
766 569 of the general statutes, subsection (d) of section 12-574 of the
767 general statutes and sections 12-800 to 12-818, inclusive, of the general
768 statutes the entrepreneurial mission of the authority and the necessity
769 to provide flexibility and innovation to facilitate the success of the
770 Connecticut Airport Authority in the marketplace.

771 (g) The officers and all other employees of the authority shall be
772 state employees for the purposes of group welfare benefits and
773 retirement, including, but not limited to, those provided under chapter
774 66 of the general statutes and sections 5-257 and 5-259 of the general
775 statutes. The authority shall reimburse the appropriate state agencies
776 for all costs incurred by such designation.

777 Sec. 15. Section 1-120 of the general statutes is repealed and the
778 following is substituted in lieu thereof (*Effective July 1, 2011*):

779 As used in sections 1-120 to 1-123, inclusive, as amended by this act:

780 (1) "Quasi-public agency" means the Connecticut Development
781 Authority, Connecticut Innovations, Incorporated, Connecticut Health
782 and Educational Facilities Authority, Connecticut Higher Education
783 Supplemental Loan Authority, Connecticut Housing Finance
784 Authority, Connecticut Housing Authority, Connecticut Resources
785 Recovery Authority, Capital City Economic Development Authority,
786 Connecticut Lottery Corporation, [and] Health Information
787 Technology Exchange of Connecticut and the Connecticut Airport
788 Authority.

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

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

801 Sec. 16. Section 1-125 of the general statutes is repealed and the
802 following is substituted in lieu thereof (*Effective July 1, 2011*):

803 The directors, officers and employees of the Connecticut
804 Development Authority, Connecticut Innovations, Incorporated,
805 Connecticut Higher Education Supplemental Loan Authority,
806 Connecticut Housing Finance Authority, Connecticut Housing
807 Authority, Connecticut Resources Recovery Authority, including ad
808 hoc members of the Connecticut Resources Recovery Authority, the
809 Connecticut Airport Authority, Connecticut Health and Educational
810 Facilities Authority, Capital City Economic Development Authority,
811 the Health Information Technology Exchange of Connecticut and
812 Connecticut Lottery Corporation and any person executing the bonds
813 or notes of the agency shall not be liable personally on such bonds or
814 notes or be subject to any personal liability or accountability by reason
815 of the issuance thereof, nor shall any director or employee of the
816 agency, including ad hoc members of the Connecticut Resources
817 Recovery Authority, be personally liable for damage or injury, not
818 wanton, reckless, wilful or malicious, caused in the performance of his
819 or her duties and within the scope of his or her employment or
820 appointment as such director, officer or employee, including ad hoc
821 members of the Connecticut Resources Recovery Authority. The

822 agency shall protect, save harmless and indemnify its directors,
823 officers or employees, including ad hoc members of the Connecticut
824 Resources Recovery Authority, from financial loss and expense,
825 including legal fees and costs, if any, arising out of any claim, demand,
826 suit or judgment by reason of alleged negligence or alleged
827 deprivation of any person's civil rights or any other act or omission
828 resulting in damage or injury, if the director, officer or employee,
829 including ad hoc members of the Connecticut Resources Recovery
830 Authority, is found to have been acting in the discharge of his or her
831 duties or within the scope of his or her employment and such act or
832 omission is found not to have been wanton, reckless, wilful or
833 malicious.

834 Sec. 17. Section 13b-4 of the general statutes is repealed and the
835 following is substituted in lieu thereof (*Effective July 1, 2011*):

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

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

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

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

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

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

853 plans and programs for this purpose;

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

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

861 [(8)] (7) To cooperate with federal, state, interstate and local
862 agencies, organizations and persons performing activities relating to
863 transportation;

864 [(9)] (8) To exercise and perform such other duties and
865 responsibilities as may be conferred under this chapter and title 13a or
866 as may otherwise be conferred by law;

867 [(10)] (9) To prepare a plan setting forth a recommendation for a
868 restructured system of regional transit districts within the state. Said
869 plan shall be based on: (A) Established patterns of commuter traffic
870 within the state; (B) federal requirements for receiving aid under the
871 Urban Mass Transportation Act of 1964; [,] and (C) present planning
872 regions. On or before February 1, 1978, the commissioner shall present
873 such plan to the General Assembly;

874 [(11)] (10) To prepare pertinent reports, including but not limited to,
875 detailed reports of energy use analysis by mode of transportation;

876 [(12)] (11) To provide for the planning and construction of any
877 capital improvements and the remodeling, alteration, repair or
878 enlargement of any real asset that may be required for the
879 development and operation of a safe, efficient system of highway,
880 mass transit, marine and aviation transportation, provided (A) the
881 acquisition, other than by condemnation, or the sale or lease, of any
882 property that is used for such purposes shall be subject to the review
883 and approval of the State Properties Review Board in accordance with

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

889 [(13)] (12) To participate, subject to the availability of funds, in
890 transit-oriented development projects at or near transit facilities.

891 Sec. 18. Section 13b-42 of the general statutes is repealed and the
892 following is substituted in lieu thereof (*Effective July 1, 2011*):

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

901 (b) With the approval of the Attorney General, the Secretary of the
902 Office of Policy and Management and the State Properties Review
903 Board, the [commissioner] Connecticut Airport Authority may sell or
904 lease or grant any interest in any airport or airport site or any part
905 thereof, hangars, shops or other buildings or other property owned or
906 held under lease by the state, except that after initiating such approval,
907 the [commissioner] Connecticut Airport Authority may temporarily
908 lease any such interest. A temporary lease shall be effective only until a
909 final decision is made by the Attorney General, the secretary and the
910 Properties Review Board. Leases of land of the state shall be for
911 periods determined by the [commissioner] Connecticut Airport
912 Authority with the approval of the State Properties Review Board and
913 may provide for the construction of buildings on the land. The
914 commissioner may confer the privilege of concessions of supplying,
915 upon the airports, goods, commodities, service and facilities. The
916 [commissioner] Connecticut Airport Authority shall grant no exclusive

917 right for the use of any airway, airport, restricted landing area or other
918 air navigation facility under his jurisdiction.

919 (c) The [commissioner] Connecticut Airport Authority may, subject
920 to the provisions of section 4b-23, purchase or take and, in the name of
921 the state, may acquire title in fee simple to, or any lesser estate, interest
922 or right in, any airport, restricted landing area or other air navigation
923 facility owned or controlled by any municipality or by any two or
924 more municipalities jointly or by any other person, if he finds that the
925 acquisition of such airport, restricted landing area or other air
926 navigation facility is necessary to the maintenance of adequate air
927 transportation in the state or is required by public convenience and
928 safety, except that no such purchase, taking or acquisition may be
929 made by the [commissioner] Connecticut Airport Authority of any
930 such airport, restricted landing area or other air navigation facility
931 which is owned or controlled by and used as a part of a research,
932 development or manufacturing activity, unless with the consent of the
933 one owning or controlling such airport, area or facility. In connection
934 with the purchase or taking by the [commissioner] Connecticut Airport
935 Authority of any such property owned by any person other than a
936 municipality, the determination by the [commissioner] Connecticut
937 Airport Authority and the Commissioner of Public Works that the
938 purchase or taking is necessary shall be conclusive. The taking shall be
939 in the manner prescribed in section 48-12 for the taking of land for
940 state institutions.

941 (d) In connection with the purchase or taking by the [commissioner]
942 Connecticut Airport Authority of any such property in a municipality,
943 the [commissioner] authority shall file with the chief executive officer
944 or first selectman of the municipality a written statement finding that
945 the purchase or taking is necessary, setting forth the reasons
946 supporting such finding and requesting approval by the municipality
947 of the purchase or taking, which approval shall be by vote of the
948 municipality at a referendum held at the next regular election held in
949 the municipality. If the municipality by vote disapproves the purchase
950 or taking, the [commissioner] Connecticut Airport Authority may,

951 within thirty days following the vote, appeal to the superior court for
952 the judicial district in which the municipality is located and the appeal
953 shall be accorded a privileged status. The court shall, after hearing,
954 determine whether the [commissioner] Connecticut Airport Authority
955 has proven the necessity for the purchase or taking and the burden of
956 proving such necessity shall be upon the commissioner. If the court
957 after hearing, deems that the [commissioner] Connecticut Airport
958 Authority has not sustained such burden of proof, the court shall enter
959 judgment for, and may award reasonable costs to, the municipality. If
960 the court, after hearing, determines that the [commissioner]
961 Connecticut Airport Authority has sustained such burden of proof, the
962 court may set aside the action of the municipality disapproving the
963 purchase or taking and may enter an order upon terms and conditions
964 that it deems appropriate to safeguard the rights of the parties and the
965 public. After a purchase or taking has been legally approved, or its
966 disapproval has been set aside by the Superior Court, the state may
967 proceed with the purchase or taking upon paying just compensation to
968 the municipality. In case the state cannot agree with the municipality
969 upon the amount of the compensation, the amount shall be determined
970 in the manner prescribed in section 48-12. An appeal from the amount
971 so determined shall not act as a stay of the purchase or taking.

972 (e) The [commissioner] Connecticut Airport Authority may, in the
973 name of the state, purchase, take or acquire any interest, in whole or in
974 part, in land, buildings, equipment or facilities that [he] it has sold,
975 leased or granted in any state airport, state airport site or any part
976 thereof pursuant to subsection (b) of this section. The [commissioner's]
977 Connecticut Airport Authority's determination that such purchase,
978 taking or acquisition is necessary shall be conclusive. Any taking shall
979 be in a manner prescribed in section 13a-73 for the taking of land for
980 highway purposes.

981 (f) The [commissioner] Connecticut Airport Authority may (1)
982 prohibit, limit or restrict the parking of vehicles, (2) determine speed
983 limits with the approval of the State Traffic Commission, (3) restrict
984 roads or portions thereof to one-way traffic, (4) designate the location

985 of crosswalks, on any portion of any road or highway upon the
986 grounds of any airport owned or held under lease by the state, and (5)
987 erect and maintain signs designating such prohibitions or restrictions.
988 Any person who fails to comply with any such prohibition or
989 restriction shall be subject to a fine of not more than twenty-five
990 dollars, and on and after July 1, 1985, not more than thirty-eight
991 dollars, on and after July 1, 1989, not more than fifty-six dollars, on and
992 after July 1, 1991, not more than seventy dollars, and on and after July
993 1, 1993, not more than eighty-eight dollars.

994 (g) The [commissioner] Connecticut Airport Authority may enter
995 into an agreement with any municipality within or near which any
996 airport owned or leased by the state is located, for the purpose of
997 mutual assistance for fire protection.

998 (h) Any lease which involves the construction, reconstruction,
999 alteration, remodeling, repair or demolition of any public building
1000 which is estimated to cost more than five hundred thousand dollars
1001 shall be advertised and awarded in accordance with section 13b-20n.

1002 Sec. 19. Section 13b-44 of the general statutes is repealed and the
1003 following is substituted in lieu thereof (*Effective July 1, 2011*):

1004 (a) The [state] Connecticut Airport Authority may establish,
1005 maintain and operate, and may expand, an airport at any location
1006 within the state in the following manner. The [commissioner]
1007 Connecticut Airport Authority shall conduct and complete a study of
1008 the adequacy of existing airports, which study may be based upon the
1009 study authorized under section 13b-16, and shall determine the
1010 necessity for the establishment of additional airports or the expansion
1011 of existing airports. The [commissioner] Connecticut Airport Authority
1012 shall, within one year of the completion of such study, formulate and
1013 adopt a plan of development which shall incorporate the findings of
1014 such study, showing the necessity for such establishment or expansion,
1015 in a manner consistent with the comprehensive long-range master
1016 transportation plan. The plan of development shall specify the lands or
1017 interests in such lands the acquisition of which the commissioner

1018 deems necessary for such establishment or expansion and a copy of
1019 such plan of development shall be filed in the office of the town clerk
1020 of each municipality in which such establishment or expansion is
1021 proposed.

1022 (b) The [commissioner] Connecticut Airport Authority shall cause a
1023 public hearing to be held at the expense of the [department] authority
1024 in each municipality in which such lands or interests in such lands are
1025 located. At such hearing, the [commissioner] Connecticut Airport
1026 Authority shall present and explain the plan of development, and any
1027 persons who are opposed to such plan may be heard and may state
1028 their reasons for such opposition. Such hearing shall be held not earlier
1029 than thirty days after such plan has been filed in the office of the town
1030 clerk of the municipality. Notice of the time and place of such hearing
1031 shall be published in a newspaper having a substantial circulation in
1032 such municipality at least twice, at intervals of not less than two days,
1033 the first not more than fifteen days or less than ten days and the
1034 second not less than two days before such hearing.

1035 (c) Upon the completion of such hearing, the [commissioner]
1036 Connecticut Airport Authority shall consider all the evidence relevant
1037 to the proposed plan of development, and if the [commissioner]
1038 Connecticut Airport Authority determines that the airport
1039 establishment or expansion provided in the plan is necessary, shall
1040 make such changes or modifications in the plan as are in the public
1041 interest. The [commissioner] Connecticut Airport Authority shall file a
1042 copy of the revised plan, showing the changes or modifications made,
1043 in the office of the town clerk of the municipality and shall notify and
1044 send a copy of such revised plan to the chief executive officer or first
1045 selectman of such municipality. Such notice shall contain the request
1046 that the municipality approve the proposed establishment or
1047 expansion, which approval shall be by vote of a town or borough, and
1048 by vote of the city council of a city.

1049 (d) If the municipality fails or neglects to act upon a request for
1050 approval within sixty days after the receipt of such request by its chief

1051 executive officer or first selectman, the municipality shall be deemed to
1052 have approved of such establishment or expansion. If the municipality
1053 by vote disapproves of the establishment or expansion, the
1054 [commissioner] Connecticut Airport Authority may, within thirty days
1055 following such vote, appeal to the superior court for the judicial
1056 district in which the municipality is located and the appeal shall be
1057 accorded a privileged status. The court shall, after hearing, determine
1058 whether the [commissioner] authority has proven the necessity for the
1059 establishment or expansion of an airport within the municipality and
1060 the burden of proving such necessity shall be upon the [commissioner]
1061 authority. If the court, after hearing, determines that the
1062 [commissioner] authority has not sustained such burden of proof, the
1063 court shall enter judgment for, and may award reasonable costs to, the
1064 municipality. If the court, after hearing, determines that the
1065 [commissioner] authority has sustained such burden of proof, the
1066 court may set aside the action of the municipality disapproving the
1067 establishment or expansion and may enter such order upon such terms
1068 and conditions as it deems appropriate to safeguard the rights of the
1069 parties and the public.

1070 (e) After a plan has been legally approved, or its disapproval has
1071 been set aside by the Superior Court, the [state] authority may take any
1072 lands or interests in such lands contained in the plan upon paying just
1073 compensation to the owner. In case the [state] authority cannot agree
1074 with such owner on the amount of such compensation, the amount
1075 shall be determined in the manner prescribed in section 48-12. An
1076 appeal from the amount so determined shall not act as a stay of the
1077 taking of such land, provided no facility or land or interest in such
1078 land held by a public service company for service to the public shall be
1079 so taken or removed unless, at the expense of the [state] authority, an
1080 adequate and equal substitute approved by the Department of Public
1081 Utility Control shall first be provided.

1082 Sec. 20. Section 1-124 of the general statutes is repealed and the
1083 following is substituted in lieu thereof (*Effective July 1, 2011*):

1084 (a) The Connecticut Development Authority, the Connecticut
1085 Health and Educational Facilities Authority, the Connecticut Higher
1086 Education Supplemental Loan Authority, the Connecticut Housing
1087 Finance Authority, the Connecticut Housing Authority, the
1088 Connecticut Resources Recovery Authority, the Health Information
1089 Technology Exchange of Connecticut, the Connecticut Airport
1090 Authority and the Capital City Economic Development Authority shall
1091 not borrow any money or issue any bonds or notes which are
1092 guaranteed by the state of Connecticut or for which there is a capital
1093 reserve fund of any kind which is in any way contributed to or
1094 guaranteed by the state of Connecticut until and unless such
1095 borrowing or issuance is approved by the State Treasurer or the
1096 Deputy State Treasurer appointed pursuant to section 3-12. The
1097 approval of the State Treasurer or said deputy shall be based on
1098 documentation provided by the authority that it has sufficient
1099 revenues to (1) pay the principal of and interest on the bonds and notes
1100 issued, (2) establish, increase and maintain any reserves deemed by the
1101 authority to be advisable to secure the payment of the principal of and
1102 interest on such bonds and notes, (3) pay the cost of maintaining,
1103 servicing and properly insuring the purpose for which the proceeds of
1104 the bonds and notes have been issued, if applicable, and (4) pay such
1105 other costs as may be required.

1106 (b) To the extent the Connecticut Development Authority,
1107 Connecticut Innovations, Incorporated, Connecticut Higher Education
1108 Supplemental Loan Authority, Connecticut Housing Finance
1109 Authority, Connecticut Housing Authority, Connecticut Resources
1110 Recovery Authority, Connecticut Health and Educational Facilities
1111 Authority, the Health Information Technology Exchange of
1112 Connecticut, the Connecticut Airport Authority or the Capital City
1113 Economic Development Authority is permitted by statute and
1114 determines to exercise any power to moderate interest rate fluctuations
1115 or enter into any investment or program of investment or contract
1116 respecting interest rates, currency, cash flow or other similar
1117 agreement, including, but not limited to, interest rate or currency swap
1118 agreements, the effect of which is to subject a capital reserve fund

1119 which is in any way contributed to or guaranteed by the state of
1120 Connecticut, to potential liability, such determination shall not be
1121 effective until and unless the State Treasurer or his or her deputy
1122 appointed pursuant to section 3-12 has approved such agreement or
1123 agreements. The approval of the State Treasurer or his or her deputy
1124 shall be based on documentation provided by the authority that it has
1125 sufficient revenues to meet the financial obligations associated with the
1126 agreement or agreements.

1127 Sec. 21. Subsection (f) of section 4b-3 of the general statutes is
1128 repealed and the following is substituted in lieu thereof (*Effective July*
1129 *1, 2011*):

1130 (f) The State Properties Review Board shall review real estate
1131 acquisitions, sales, leases and subleases proposed by the
1132 Commissioner of Public Works, the acquisition, other than by
1133 condemnation, or the sale or lease of any property by the
1134 Commissioner of Transportation under subdivision [(12)] (11) of
1135 section 13b-4, as amended by this act, subject to section 4b-23 and
1136 subsection (h) of section 13a-73 and review, for approval or
1137 disapproval, any contract for a project described in subsection (h) of
1138 section 4b-91. Such review shall consider all aspects of the proposed
1139 actions, including feasibility and method of acquisition and the
1140 prudence of the business method proposed. The board shall also
1141 cooperate with and advise and assist the Commissioner of Public
1142 Works and the Commissioner of Transportation in carrying out their
1143 duties. The board shall have access to all information, files and records,
1144 including financial records, of the Commissioner of Public Works and
1145 the Commissioner of Transportation, and shall, when necessary, be
1146 entitled to the use of personnel employed by said commissioners. The
1147 board shall approve or disapprove any acquisition of development
1148 rights of agricultural land by the Commissioner of Agriculture under
1149 section 22-26cc. The board shall hear any appeal under section 8-273a
1150 and shall render a final decision on the appeal within thirty days
1151 thereafter. The written decision of the board shall be a final decision
1152 for the purposes of sections 4-180 and 4-183.

1153 Sec. 22. Section 15-101oo of the general statutes is repealed. (*Effective*
1154 *July 1, 2011*)

| | | |
|---|---------------------|------------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2011</i> | New section |
| Sec. 2 | <i>July 1, 2011</i> | 15-101mm |
| Sec. 3 | <i>July 1, 2011</i> | 15-101nn |
| Sec. 4 | <i>July 1, 2011</i> | New section |
| Sec. 5 | <i>July 1, 2011</i> | New section |
| Sec. 6 | <i>July 1, 2011</i> | 15-101k |
| Sec. 7 | <i>July 1, 2011</i> | 15-101l |
| Sec. 8 | <i>July 1, 2011</i> | 15-101m |
| Sec. 9 | <i>July 1, 2011</i> | New section |
| Sec. 10 | <i>July 1, 2011</i> | 15-101n |
| Sec. 11 | <i>July 1, 2011</i> | 15-101o |
| Sec. 12 | <i>July 1, 2011</i> | 15-101p |
| Sec. 13 | <i>July 1, 2011</i> | 15-101t |
| Sec. 14 | <i>July 1, 2011</i> | New section |
| Sec. 15 | <i>July 1, 2011</i> | 1-120 |
| Sec. 16 | <i>July 1, 2011</i> | 1-125 |
| Sec. 17 | <i>July 1, 2011</i> | 13b-4 |
| Sec. 18 | <i>July 1, 2011</i> | 13b-42 |
| Sec. 19 | <i>July 1, 2011</i> | 13b-44 |
| Sec. 20 | <i>July 1, 2011</i> | 1-124 |
| Sec. 21 | <i>July 1, 2011</i> | 4b-3(f) |
| Sec. 22 | <i>July 1, 2011</i> | Repealer section |

Statement of Legislative Commissioners:

In section 2(b), "a representative of one of the general aviation airports" was changed to "who shall be a representative of one of the general aviation airports" for clarity; in section 9, after "March fifteenth each year" the words "that the General Assembly meets in general session" were removed for adherence to current statutory standards; and in section 14(c), "Each employee of the Department of Transportation not employed by the authority and by virtue of" was changed to "Each employee of the Department of Transportation who does not transfer to the authority and, who by virtue of" for accuracy.

CE Joint Favorable Subst.-LCO

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 12 \$ | FY 13 \$ |
|------------------------------|------------------------|-----------|-----------|
| Department of Transportation | TF - Potential Savings | 4,625,000 | 4,822,000 |
| Department of Transportation | TF - Revenue Loss | 1,621,000 | 1,630,000 |

Note: TF=Transportation Fund

Municipal Impact: None

Explanation

Transferring operations of the state's five general aviation airports from the Department of Transportation (DOT) to the Connecticut Airport Authority (CAA) will result in a net impact to the Special Transportation Fund (STF) of approximately \$3.0 million per year. This is a combination of savings of \$4.6 million in operating and maintenance costs and a \$1.6 million revenue loss, as shown in the table below. However, if an appropriation is made to the CAA to support airport operations, there may be no net impact to the STF.

| Fiscal Impact to the Special Transportation Fund (STF) From Provisions in SB 1003 | | |
|--|---------------|---------------|
| | <u>FY 12</u> | <u>FY 13</u> |
| Operating Budget Savings | \$4,625,000 | \$4,822,000 |
| Revenue Loss | (\$1,621,000) | (\$1,630,000) |
| Net Impact to STF | \$3,004,000 | \$3,192,000 |
| Potential Assistance to CAA ¹ | (\$3,004,000) | (\$3,192,000) |
| Potential Net Impact To STF | \$0 | \$0 |

Hiring and Staffing

The bill gives the CAA board the power to hire employees and consultants to assist in either the Bradley International Airport (BIA) or the state's general aviation airports' development and operations. To the extent the CAA decides to hire new employees this is expected to result in a cost of approximately \$180,000 to \$200,000 per year for each position² in the appropriate enterprise fund.

Bonding

Sections 7, 8, 10, 11, 12, & 20: These provisions have no General Fund impact because bonds issued to support activities at the Bradley International Airport are not general obligations of the state.

¹ The subsidy to CAA could be provided in two ways:

1. An Special Transportation Fund appropriation to the CAA
2. FAA regulations permit the CAA to utilize revenues generated through operations at the Bradley International Airport (BIA) to pay for the costs general aviation airport operations. Revenues are projected to exceed BIA operations expenditures by \$7.9 million in FY 12.

² Estimate based on average salary and fringe benefit costs of upper level management staff funded from the Bradley Airport Enterprise Fund.

The bill transfers outstanding bonds issued to support activities at Bradley International Airport and the authority for issuing future bonds from DOT to the Connecticut Airport Authority. This is not anticipated to have any fiscal impact because the bill imposes the same procedural requirements and terms and conditions that currently apply to the bonds and uses the same pledged revenue sources for paying debt service on them.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

*Sources: Bradley International Airport Audit Report FY 10
Core-CT Financial Accounting System*

OLR Bill Analysis

SB 1003

AN ACT CONCERNING THE CONNECTICUT AIRPORT AUTHORITY.

SUMMARY:

This bill establishes the Connecticut Airport Authority (CAA) to develop, improve, and operate Bradley International Airport and the state's five other general aviation airports (Danielson, Groton/New London, Hartford Brainard, Waterbury-Oxford, and Windham airports). It does this by transferring the existing statutory powers to perform these tasks to CAA and authorizing it to issue bonds under its own authority for developing and improving the airports, which remain state property.

The bill creates a nine-member board to govern CAA and replace the existing Bradley International Airport Board of Directors. It gives the new board most of the Bradley Board's powers plus the power to hire staff, retain consultants, procure goods and services, apply for federal and state funds, enter into contracts, borrow money, and issue CAA's bonds.

When it hires personnel, the board must recognize state bargaining units and collective bargaining agreements and offer existing Department of Transportation (DOT) employees the opportunity to transfer, with their positions, to the authority. The bill prohibits any DOT employee in a bargaining unit from being laid off because of CAA's creation.

The bill makes many conforming changes.

EFFECTIVE DATE: July 1, 2011

QUASI-PUBLIC AGENCY

The bill establishes CAA as a quasi-public agency (§ 15) to develop and operate the state's airport, functions currently performed by DOT and the Bradley Board of Directors. It does this by transferring to CAA (1) the DOT commissioner's statutory authority to establish, maintain, operate, and expand airports anywhere in Connecticut (§ 19) and (2) the Bradley Board's authority to oversee Bradley's operation and development (§ 2).

In establishing CAA, the bill distinguishes Bradley International Airport from the other five state-owned airports by designating the latter "general aviation airports."

ORGANIZATION STRUCTURE

§§ 2 & 5 — CAA Board of Directors

The bill creates a nine-member board to govern CAA in place of the current Bradley Board of Directors. As Table 1 shows, the structure of the proposed new board is similar to that of the Bradley Board.

Table 1: Boards of Directors

| <i>Appointing Authority</i> | <i>Bradley Airport Board Current Law</i> | <i>CAA's Board The Bill</i> |
|------------------------------|--|--|
| Ex officio | DOT and Department of Economic and Community Development commissioners | Same |
| House Speaker | Transportation Strategy Board representative | Representative of a state-owned general aviation airport |
| House Minority Leader | Bradley International Community Advisory Board representative | Same |
| Governor | Private sector representative | Three private sector representative |
| Senate President Pro Tempore | Private sector representative | Same |
| Senate Minority Leader | Private sector representative | Same |
| Total | 7 members | 9 members |

The bill eliminates from the new board a representative of the

Transportation Strategy Board; adds one representative of the general aviation airports; and expands, from one to three, the number of gubernatorial appointees. One of the governor's appointees must be designated chairman. Members serve four-year terms, and in the initial four-year term, at least one of the governor's appointees must be from the Bradley Board of Directors. Unlike the current Bradley Board members, the CAA board members must be approved by the legislature.

As under current law, appointed members must be business leaders or executives with corporate or institutional experience. They must include experts in financial planning, budgeting and assessment, marketing, master planning, strategic planning, and transportation management. All members must comply with same rules governing Bradley Board members, including those for taking an oath, attending meetings, and electing a vice chairperson. Members serve without compensation.

The bill specifies how board members can serve without incurring a conflict of interest. Members with a financial interest in a person, firm, or corporation or who serve as trustees, directors, partners, or officers of these entities can avoid such conflicts by not deliberating, acting, or voting on any matter affecting the entities.

§ 4 — Executive Director

The board appoints CAA's executive director, who serves at its pleasure and is exempt from the classified service. The director must generally direct and supervise CAA's administrative affairs and technical activities and perform several administrative and managerial tasks the bill specifies. The board determines the director's compensation.

§ 5 — Surety Bonds

The board members and the executive director must post surety bonds, and the bill provides two options for doing so: (1) the board chairman can execute a bond covering all members and the director or

(2) each member posts a \$50,000 bond and the director a \$100,000 one.

POWERS

§ 3 — Administrative

The bill transfers to CAA many airport-related powers currently exercised by the Bradley Board of Directors and the DOT commissioner with respect to Bradley International Airport. These include developing organizational and management structures, approving annual capital and operating budgets, approving airport master plans, and establishing and reviewing marketing policies.

In transferring the former's powers to CAA, the bill extends them to the general aviation airports. The bill also supplements these powers with those generally exercised by quasi-public agencies. These include:

1. accepting aid and contributions from any source,
2. executing agreements with government agencies to fulfill CAA's mission,
3. issuing bonds and incurring other similar debt,
4. acquiring personal property,
5. hiring employees and retaining consultants,
6. entering into contracts and other agreements to fulfill CAA mission, and
7. taking other actions to fulfill that mission.

The Bradley Board currently reviews major DOT contracts for airport operation.

§ 18 & 19 — Airport Development and Operations

The bill transfers to CAA the DOT commissioner's powers to develop and operate airports. These include selling or leasing airport property, acquiring or taking land by eminent domain, providing

parking and managing traffic at the airports, and executing mutual fire protection service assistance agreements with municipalities. The transfer does not include cooperating with the Transportation Strategy Board, currently a duty of the Bradley Board that the bill eliminates.

In transferring the authority to prepare these plans, the bill requires CAA to follow the same procedures DOT currently follows when implementing a plan. These include holding public hearings on proposed plans, filing copies of amended plans with the affected municipalities, and complying with judicial procedures when municipalities oppose a plan.

§§ 7, 8, 10, 11, 12, & 20 — Bonding

The bill authorizes CAA to issue bonds for financing improvements at Bradley and the general aviation airports and requires CAA to repay them with airport revenues. It does this by:

1. eliminating DOT's role in the process for requesting bonds,
2. transferring the current statutory authorization for issuing Bradley improvements bonds from DOT and the State Bond Commission to CAA,
3. extending that authorization to include improvements at the general aviation airports, and
4. making CAA wholly liable for the bonds it issues.

The bill similarly transfers the authority to refund the bonds from the State Bond Commission to CAA.

When issuing bonds, CAA must comply with the same procedural requirements and terms and conditions that currently apply when the State Bond Commission issues bonds for Bradley improvements. But under the bill, CAA decides when to issue the bonds, not the treasurer.

Lastly, the bill transfers to CAA bonds the tax-exempt status of the Bradley bonds.

§ 14 — PERSONNEL***Successor Agency***

The bill makes the authority a successor employer to the state and requires it to recognize existing state bargaining units and collective bargaining agreements (CBA). The bill deems CAA's employees to be state employees, and its officers and employees are considered state employees for collective bargaining and health and retirement benefits.

Hiring

The bill authorizes CAA, not the Executive Branch, to determine if an individual is qualified to fill a vacancy. It exempts CAA from complying with state hiring policies and procedures and from needing the Executive Branch's approval to create new positions and fill them. Under the bill, CAA's non-managerial employees are in the classified service; managerial employees are exempt from the classified service. The bill allows CAA to establish incentive plans for managers.

Transfers

The bill requires existing DOT aviation employees to be offered the opportunity to transfer, with their positions, to CAA. If CAA does not create enough positions for all of them, it must base its offers to transfer on seniority. Anyone covered by a CBA who transfers to CAA retains his or her position and remains in the same bargaining unit as at DOT.

No DOT employee in a bargaining unit can be laid off because of CAA's creation. Employees no longer employed by DOT must be assigned, with their position, to another state agency, based on seniority. The Office of Policy and Management (OPM) secretary must approve all transfers.

DOT employees may decline to transfer; those who do will be laid off and then entitled to be rehired according to their respective union contracts and the CBA. Laws concerning quasi-public agencies, the Division of Special Revenue, and the Connecticut Lottery Corporation will not affect DOT employees' collective bargaining rights.

New Classifications

CAA's board of directors may create new employee classifications. Starting July 1, 2011, and until either the CBA for transferred employees expires or the legislature approves an interim agreement, whichever is earlier, the authority may hire employees and set the initial terms and conditions of employment without regard to a CBA.

Six months after hiring the first employee in a new classification, the union representing transferred employees and the Executive Branch, on behalf of CAA, must engage in mid-term bargaining for classification at either party's request. The bargaining must include all employment terms, but cannot subject compensation to arbitration. The bargaining cannot result in an average annual compensation for the classification that is less than the average annualized compensation for the transferred employees.

Collective Bargaining

When the CBA covering transferred employees expires, all terms and conditions of employment in a new classification must be subject to collective bargaining as part of the negotiation of a common successor agreement. The Executive Branch negotiates for the authority and represents it in collective bargaining; the authority may have a representative present at the bargaining meetings.

Arbitrators dealing with CAA employees must consider the laws governing arbitration for state employees and the laws concerning quasi-public agencies, the Division of Special Revenue and Gaming Policy Board, and Connecticut Lottery Corporation; the authority's entrepreneurial mission; and the need for flexibility and innovation.

ACCOUNTABILITY***§ 8 — Management and Budgeting***

The bill transfers certain management and budgeting requirements to CAA. The current laws authorizing bonds for Bradley improvements require DOT to fix, revise, charge, and collect rates, rents, fees, and charges for using Bradley's facilities and services. It

must do so to generate enough revenue to cover operating costs, make principal and interest payments on bonds, and create and maintain reserves and sinking funds. The bill extends this power to cover the general aviation airports.

Current law also requires DOT to prepare an annual operating budget for Bradley Airport estimating rate, rental, and fee revenues and showing anticipated operating costs, scheduled bond payments, and required reserves and sinking funds. It also requires DOT to submit the budget to the OPM secretary for approval.

The bill requires CAA to prepare a combined budget for Bradley and the general aviation airports. But it is not clear if CAA must submit the combined budget to the secretary for approval or only a separate budget for Bradley.

Lastly, the bill transfers to CAA the DOT commissioner's authority to approve prequalified Bradley contractors. Current law authorizes him to direct Bradley's construction manager to solicit and prequalify responsible and qualified contractors. Although the bill transfers these powers to CAA, it requires CAA to consult with the commissioner when approving prequalified contractors.

§ 12 — Airport Revenues

Bradley and the general aviation airports generate revenues from the fees, rents, and charges they collect. Under current law, DOT must pay this revenue to the treasurer, who must deposit it in the separate, nonlapsing Bradley Enterprise Fund. The bill transfers this requirement to CAA and imposes a similar requirement with respect to the revenue the other airports generate. She must deposit it a separate non-lapsing account called the General Aviation Airports Enterprise Fund.

§ 9 — Annual Reporting

The bill requires the authority, within the first 90 days of each calendar year, to report on its operation for the previous year to the governor. It must report to the legislature annually by March 15. The

report must include a summary of the authority's activities, a complete operating and financial statement, and recommended legislation. The bill subjects the authority's accounts to annual audits by the State Auditors.

BACKGROUND

Related Bill

SB 925 revamps Bradley International Airport's board of directors, increasing its membership and making it more independent of DOT. It also requires the board to identify any law that prevents it from fulfilling its statutory duties and responsibilities and report its findings and recommendations to the legislature by February 15, 2012. The Commerce Committee reported the bill favorably to the floor on March 8.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 17 Nay 0 (03/08/2011)