



General Assembly

January Session, 2015

**Governor's Bill No. 6851**

LCO No. 3905



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:

REP. SHARKEY, 88<sup>th</sup> Dist.  
REP. ARESIMOWICZ, 30<sup>th</sup> Dist.  
SEN. LOONEY, 11<sup>th</sup> Dist.  
SEN. DUFF, 25<sup>th</sup> Dist.

***AN ACT ESTABLISHING THE CONNECTICUT TRANSIT CORRIDOR DEVELOPMENT AUTHORITY.***

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

- 1 Section 1. (NEW) (*Effective October 1, 2015*) (a) For purposes of this  
2 section and sections 2 to 9, inclusive, of this act:
- 3 (1) "Authority" means the Connecticut Transit Corridor  
4 Development Authority created pursuant to this section;
- 5 (2) "Authority development project" means a project occurring  
6 within the boundaries of a Connecticut Transit Corridor Development  
7 Authority development district;
- 8 (3) "Connecticut Transit Corridor Development Authority  
9 development district" or "development district" means the area within  
10 a one-half mile radius of any transit station;

11 (4) "Department" means the Department of Transportation;

12 (5) "State-wide transportation investment program" means the  
13 planning document developed and updated at least every four years  
14 by the department in compliance with the requirements of 23 USC 135,  
15 listing all transportation projects in the state expected to receive federal  
16 funding during the four-year period covered by the program; and

17 (6) "Transit station" means any passenger railroad station or bus  
18 rapid transit station that is operational, or for which the department  
19 has initiated planning or that is included in the state-wide  
20 transportation investment program.

21 (b) There is hereby established and created a body politic and  
22 corporate, constituting a public instrumentality and political  
23 subdivision of the state established and created for the performance of  
24 an essential public and governmental function, to be known as the  
25 Connecticut Transit Corridor Development Authority. The authority  
26 shall not be construed to be a department, institution or agency of the  
27 state.

28 (c) (1) The powers of the authority shall be vested in and exercised  
29 by a board of directors, which shall consist of eleven members: (A)  
30 Four appointed by the Governor; (B) one appointed jointly by the  
31 speaker of the House of Representatives and the president pro tempore  
32 of the Senate; (C) one appointed jointly by the majority leaders of the  
33 House of Representatives and the Senate; (D) one appointed jointly by  
34 the minority leaders of the House of Representatives and the Senate;  
35 and (E) the Secretary of the Office of Policy and Management and the  
36 Commissioners of Transportation, Housing and Economic and  
37 Community Development, or their designees, who shall serve as ex  
38 officio members of the board, with the right to vote.

39 (2) In addition to the members listed under subdivision (1) of this  
40 subsection, the chief elected official of each municipality in which an  
41 authority development project is planned shall serve as an ad hoc,

42 nonvoting member of the board for matters affecting such project.

43 (3) The Governor shall designate the chairperson of the board from  
44 among the voting members. All initial appointments shall be made not  
45 later than thirty days after the effective date of this section. The terms  
46 of the initial board members shall be as follows: (A) The four members  
47 appointed by the Governor shall serve terms of four years from the  
48 date of appointment; (B) the member appointed jointly by the speaker  
49 of the House of Representatives and the president pro tempore of the  
50 Senate shall serve a term of two years from the date of appointment;  
51 (C) the member appointed jointly by the majority leaders of the House  
52 of Representatives and the Senate shall serve a term of two years from  
53 the date of appointment; and (D) the member appointed jointly by the  
54 minority leaders of the House of Representatives and the Senate shall  
55 serve a term of two years from the date of appointment. Thereafter, all  
56 members shall be appointed by the original appointing authority for  
57 four-year terms. Any member of the board shall be eligible for  
58 reappointment. Any vacancy occurring other than by expiration of  
59 term shall be filled in the same manner as the original appointment for  
60 the balance of the unexpired term. The appointing authority for any  
61 member may remove such member for misfeasance, malfeasance or  
62 wilful neglect of duty.

63 (4) Each member of the board, before commencing such member's  
64 duties, shall take and subscribe the oath or affirmation required by  
65 article XI, section 1, of the state Constitution. A record of each such  
66 oath shall be filed in the office of the Secretary of the State.

67 (5) The board of directors shall maintain a record of its proceedings  
68 in such form as it determines, provided such record indicates  
69 attendance and all votes cast by each member. Any member who fails  
70 to attend three consecutive meetings or who fails to attend fifty per  
71 cent of all meetings held during any calendar year shall be deemed to  
72 have resigned from the board. A majority of the members of the board  
73 shall constitute a quorum, and an affirmative vote by a majority of the

74 members present at a meeting of the board shall be sufficient for any  
75 action taken by the board. No vacancy in the membership of the board  
76 shall impair the right of a quorum to exercise all the rights and  
77 perform all the duties of the board. Any action taken by the board may  
78 be authorized by resolution at any regular or special meeting and shall  
79 take effect immediately unless otherwise provided in the resolution.  
80 The board may delegate to three or more of its members, or its officers,  
81 agents or employees, such board powers and duties as it may deem  
82 proper.

83 (d) (1) The board of directors shall annually elect one of its members  
84 as a vice-chairperson, and shall elect other of its members as officers,  
85 adopt a budget and bylaws, designate an executive committee, report  
86 semiannually to the appointing authorities with respect to operations,  
87 finances and achievement of its economic development objective, be  
88 accountable to and cooperate with the state whenever the state may  
89 audit the Connecticut Transit Corridor Development Authority or an  
90 authority development project or at any other time as the state may  
91 inquire as to either, including allowing the state reasonable access to  
92 any such project and to the records of the authority.

93 (2) The chairperson of the board, with the approval of the members  
94 of the board of directors, shall appoint an executive director of the  
95 authority who shall be an employee of the authority and paid a salary  
96 prescribed by the members. The executive director shall be the chief  
97 administrative officer of the authority and shall supervise the  
98 administrative affairs and technical activities of the authority in  
99 accordance with the directives of the board. The executive director  
100 shall not be a member of the board.

101 (3) Each member of the board of directors shall be entitled to  
102 reimbursement for such member's actual and necessary expenses  
103 incurred during the performance of such member's official duties, but  
104 shall receive no compensation for the performance of such duties.

105 (e) Each member of the board of directors of the authority and the  
106 executive director shall execute a surety bond in the penal sum of at  
107 least one hundred thousand dollars, or, in lieu thereof, the chairperson  
108 of the board shall execute a blanket position bond covering each  
109 member, the executive director and the employees of the authority.  
110 Each surety bond shall be conditioned upon the faithful performance  
111 of the duties of the office or offices covered, executed by a surety  
112 company authorized to transact business in this state as a surety and to  
113 be approved by the Attorney General and filed in the office of the  
114 Secretary of the State. The cost of each bond shall be paid by the  
115 authority.

116 (f) No board member shall have or acquire any financial interest in  
117 (1) any authority development project, or (2) any property included or  
118 planned to be included in any such project or in any contract or  
119 proposed contract for materials or services to be used in such project.

120 (g) The authority shall have perpetual succession and shall adopt  
121 procedures for the conduct of its affairs in accordance with section 3 of  
122 this act. Such succession shall continue as long as the authority has  
123 bonds, notes or other obligations outstanding and until its existence is  
124 terminated by law, provided no such termination shall affect any  
125 outstanding contractual obligation of the authority and the state shall  
126 succeed to the obligations of the authority under any contract. Upon  
127 the termination of the existence of the authority, all its rights and  
128 properties shall pass to and be vested in the state.

129 Sec. 2. (NEW) (*Effective October 1, 2015*) (a) The purposes of the  
130 Connecticut Transit Corridor Development Authority shall be to: (1)  
131 Stimulate new investment and economic and transit-oriented  
132 development within Connecticut Transit Corridor Development  
133 Authority development districts; (2) stimulate tourism, art, culture,  
134 history, education and entertainment in such development districts  
135 through cooperation and coordination with the municipalities wherein  
136 each such development district is located, regional organizations and

137 the Department of Economic and Community Development; (3)  
138 manage facilities related to authority development projects through  
139 contractual agreement or other legal instrument; (4) upon request from  
140 the legislative body of a municipality wherein a development district is  
141 located, work with such municipality to assist in the development and  
142 redevelopment efforts to stimulate the economy of the region; and (5)  
143 upon request of the Secretary of the Office of Policy and Management,  
144 enter into an agreement for funding to facilitate development or  
145 redevelopment within a development district.

146 (b) For the purposes enumerated in subsection (a) of this section, the  
147 authority is authorized and empowered to:

148 (1) Have perpetual succession as a body politic and corporate and to  
149 adopt procedures for the regulation of its affairs and the conduct of its  
150 business, as provided in section 3 of this act;

151 (2) Adopt a corporate seal and alter the same at pleasure;

152 (3) Maintain an office at such place or places as it may designate;

153 (4) Sue and be sued in its own name, plead and be impleaded;

154 (5) Contract and be contracted with;

155 (6) (A) Employ such assistants, agents and other employees as may  
156 be necessary or desirable to carry out its purposes, which employees  
157 shall not be employees, as defined in subsection (b) of section 5-270 of  
158 the general statutes; (B) establish all necessary or appropriate  
159 personnel practices and policies, including those relating to hiring,  
160 promotion, compensation, retirement and collective bargaining, which  
161 need not be in accordance with chapter 68 of the general statutes, and  
162 the authority shall not be an employer as defined in subsection (a) of  
163 section 5-270 of the general statutes; (C) negotiate and enter into  
164 collective bargaining agreements with labor unions; and (D) engage  
165 consultants, attorneys and appraisers as may be necessary or desirable

166 to carry out its purposes in accordance with sections 1 to 9, inclusive,  
167 of this act;

168 (7) Acquire, lease, purchase, own, manage, hold and dispose of  
169 personal property, and lease, convey or deal in or enter into  
170 agreements with respect to such property on any terms necessary or  
171 incidental to carrying out the purposes set forth in this section;

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

175 (9) Invest any funds not needed for immediate use or disbursement  
176 in obligations issued or guaranteed by the United States of America or  
177 the state of Connecticut, including the Short Term Investment Fund  
178 and the Tax-Exempt Proceeds Fund, and in other obligations that are  
179 legal investments for savings banks in this state, and in time deposits  
180 or certificates of deposit or other similar banking arrangements  
181 secured in such manner as the authority determines;

182 (10) Enter into such memoranda of understanding as the authority  
183 deems appropriate to carry out its responsibilities under this section;  
184 and

185 (11) Do all acts and things necessary or convenient to carry out the  
186 purposes of, and the powers expressly granted by, this section.

187 (c) In addition to the powers enumerated in subsection (b) of this  
188 section, the Connecticut Transit Corridor Development Authority shall  
189 have the following powers with respect to authority development  
190 projects:

191 (1) (A) To acquire by gift, purchase, condemnation, lease or transfer,  
192 lands or rights-in-land and to sell and lease or sublease, as lessor or  
193 lessee or sublessor or sublessee, any portion of its real property rights,  
194 including air space above, and enter into related common area

195 maintenance, easement, access, support and similar agreements, and  
196 own and operate facilities associated with authority development  
197 projects, provided such activity is consistent with all applicable federal  
198 tax covenants of the authority; (B) to transfer or dispose of any  
199 property or interest therein acquired by the authority at any time; and  
200 (C) to receive and accept aid or contributions from any source of  
201 money, labor, property or other thing of value, to be held, used and  
202 applied to carry out the purposes of this section, subject to the  
203 conditions upon which such grants and contributions are made,  
204 including, but not limited to, gifts or grants from any department,  
205 agency or instrumentality of the United States or this state for any  
206 purpose consistent with this section;

207 (2) In consultation with the chief elected official of the municipality  
208 in which an authority development project is located, to condemn  
209 properties that may be necessary or desirable to effectuate the  
210 purposes of the authority, in accordance with the provisions of part I  
211 of chapter 835 of the general statutes;

212 (3) To formulate plans for, acquire, finance and develop, lease,  
213 purchase, construct, reconstruct, repair, improve, expand, extend,  
214 operate, maintain and market facilities associated with authority  
215 development projects, provided such activities are consistent with all  
216 applicable federal tax covenants of the authority;

217 (4) To contract and be contracted with, provided if management,  
218 operating or promotional contracts or agreements or other contracts or  
219 agreements are entered into with nongovernmental parties with  
220 respect to property financed with the proceeds of obligations, the  
221 interest on which is excluded from gross income for federal income  
222 taxation, the board of directors shall ensure that such contracts or  
223 agreements are in compliance with the covenants of the authority  
224 upon which such tax exclusion is conditioned;

225 (5) To fix and revise, from time to time, and to charge and collect

226 fees, rents and other charges for the use, occupancy or operation of  
227 authority development projects, and to establish and revise from time  
228 to time procedures concerning the use, operation and occupancy of  
229 facilities associated with such projects, including parking rates, rules  
230 and procedures, provided such arrangements are consistent with all  
231 applicable federal tax covenants of the authority, and to utilize net  
232 revenues received by the authority from the operation of such  
233 facilities, after allowance for operating expenses and other charges  
234 related to the ownership, operation or financing thereof, for other  
235 proper purposes of the authority, including, but not limited to,  
236 funding of operating deficiencies or operating or capital replacement  
237 reserves for such facilities and related parking facilities, as determined  
238 to be appropriate by the authority;

239 (6) To engage architects, engineers, attorneys, accountants,  
240 consultants and such other independent professionals as may be  
241 necessary or desirable to carry out authority development projects;

242 (7) To contract for construction, development, concessions and the  
243 procurement of goods and services, and to establish and modify  
244 procurement procedures from time to time in accordance with the  
245 provisions of section 3 of this act to implement the foregoing;

246 (8) To borrow money and to issue bonds, notes and other  
247 obligations of the authority to the extent permitted under section 6 of  
248 this act, to fund and refund the same and to provide for the rights of  
249 the holders thereof and to secure the same by pledge of assets,  
250 revenues and notes;

251 (9) To do anything necessary and desirable, including executing  
252 reimbursement agreements or similar agreements in connection with  
253 credit facilities, including, but not limited to, letters of credit or policies  
254 of bond insurance, remarketing agreements and agreements for the  
255 purpose of moderating interest rate fluctuations, to render any bonds  
256 to be issued pursuant to section 6 of this act more marketable; and

257 (10) To engage in and contract for marketing and promotional  
258 activities for authority development projects under the operation or  
259 jurisdiction of the authority.

260 (d) The Connecticut Transit Corridor Development Authority and  
261 the Capital Region Development Authority established pursuant to  
262 chapter 588x of the general statutes, may enter into a memorandum of  
263 understanding pursuant to which: (1) Administrative support and  
264 services, including all staff support necessary for the operations of the  
265 Connecticut Transit Corridor Development Authority may be  
266 provided by the Capital Region Development Authority, and (2)  
267 provision is made for the coordination of management and operational  
268 activities that may include: (A) Joint procurement and contracting; (B)  
269 the sharing of services and resources; (C) the coordination of  
270 promotional activities; and (D) other arrangements designed to  
271 enhance revenues, reduce operating costs or achieve operating  
272 efficiencies. The terms and conditions of such memorandum of  
273 understanding, including provisions with respect to the  
274 reimbursement by the Connecticut Transit Corridor Development  
275 Authority to the Capital Region Development Authority of the costs of  
276 such administrative support and services, shall be as the Connecticut  
277 Transit Corridor Development Authority and the Capital Region  
278 Development Authority determine to be appropriate.

279 Sec. 3. (*Effective October 1, 2015*) The board of directors of the  
280 Connecticut Transit Corridor Development Authority shall adopt  
281 written procedures, in accordance with the provisions of section 1-121  
282 of the general statutes, for: (1) Adopting an annual budget and plan of  
283 operations, which shall include a requirement of board approval  
284 before the budget or plan may take effect; (2) hiring, dismissing,  
285 promoting and compensating employees of the authority, which shall  
286 include an affirmative action policy and a requirement of board  
287 approval before a position may be created or a vacancy filled; (3)  
288 acquiring real and personal property and personal services, which  
289 shall include a requirement of board approval for any nonbudgeted

290 expenditure in excess of five thousand dollars; (4) contracting for  
291 financial, legal, bond underwriting and other professional services,  
292 including a requirement that the authority solicit proposals at least  
293 once every three years for each such service that it uses; (5) issuing and  
294 retiring bonds, notes and other obligations of the authority; (6)  
295 providing loans, grants and other financial assistance, which shall  
296 include eligibility criteria, the application process and the role played  
297 by the authority's staff and board of directors; and (7) the use of  
298 surplus funds.

299       Sec. 4. (*Effective October 1, 2015*) (a) In lieu of the report required  
300 under section 1-123 of the general statutes, as amended by this act,  
301 within the first ninety days of each fiscal year of the Connecticut  
302 Transit Corridor Development Authority, the board of directors of the  
303 authority shall submit a report to the Governor, the Auditors of Public  
304 Accounts and the joint standing committee of the General Assembly  
305 having cognizance of matters relating to finance, revenue and bonding.  
306 Such report shall include, but not be limited to, the following: (1) A list  
307 of all bonds issued during the preceding fiscal year, including, for each  
308 such issue, the financial advisor and underwriters, whether the issue  
309 was competitive, negotiated or privately placed, and the issue's face  
310 value and net proceeds; (2) a description of each authority  
311 development project in which the authority is involved, its location  
312 and the amount of funds, if any, provided by the authority with  
313 respect to the construction of such project; (3) a list of all outside  
314 individuals and firms, including principal and other major  
315 stockholders, receiving in excess of five thousand dollars as payments  
316 for services; (4) a comprehensive annual financial report prepared in  
317 accordance with generally accepted accounting principles for  
318 governmental enterprises; (5) the cumulative value of all bonds issued,  
319 the value of outstanding bonds and the amount of the state's  
320 contingent liability; (6) the affirmative action policy statement, a  
321 description of the composition of the work force of the Connecticut  
322 Transit Corridor Development Authority by race, sex and occupation

323 and a description of the affirmative action efforts of the authority; and  
324 (7) a description of planned activities for the current fiscal year.

325 (b) The board of directors of the authority shall annually contract  
326 with a person, firm or corporation for a compliance audit of the  
327 authority's activities during the preceding authority fiscal year. The  
328 audit shall determine whether the authority has complied with its  
329 policies and procedures concerning affirmative action, personnel  
330 practices, the purchase of goods and services and the use of surplus  
331 funds. The board shall submit the audit report to the Governor, the  
332 Auditors of Public Accounts and the joint standing committee of the  
333 General Assembly having cognizance of matters relating to finance,  
334 revenue and bonding.

335 (c) The board of directors of the Connecticut Transit Corridor  
336 Development Authority shall annually contract with a firm of certified  
337 public accountants to undertake an independent financial audit of the  
338 Connecticut Transit Corridor Development Authority in accordance  
339 with generally accepted auditing standards. The board shall submit  
340 the audit report to the Governor, the Auditors of Public Accounts and  
341 the joint standing committee of the General Assembly having  
342 cognizance of matters relating to finance, revenue and bonding.

343 (d) The authority shall designate a contract compliance officer from  
344 its staff to monitor compliance of the operations of facilities and  
345 parking facilities associated with authority development projects that  
346 are under the management or control of the authority, with (1) the  
347 provisions of state law applicable to such operations, and (2)  
348 applicable requirements of contracts entered into by the authority  
349 relating to set-asides for small contractors and minority business  
350 enterprises and required efforts to hire available and qualified  
351 members of minorities, as defined in section 32-9n of the general  
352 statutes. Each year during the period of operations of facilities  
353 associated with authority development projects, such officer shall file a  
354 written report with the authority as to findings and recommendations

355 regarding such compliance.

356       Sec. 5. (*Effective October 1, 2015*) (a) Any person, including, but not  
357 limited to, a state or municipal agency, requesting funds from the state,  
358 including, but not limited to, any authority created by the general  
359 statutes or any public or special act, with respect to any authority  
360 development project shall, at the time it makes such request for funds  
361 from the state, present a full and complete copy of its application or  
362 request along with any supporting documents or exhibits to the  
363 authority for its recommendation and to the Secretary of the Office of  
364 Policy and Management. The Connecticut Transit Corridor  
365 Development Authority shall, not later than ninety days after receipt  
366 of such application or request, prepare and adopt an economic  
367 development statement summarizing its recommendations with  
368 respect to such application or request and deliver such statement to the  
369 state officer, official, employee or agent of the state or authority to  
370 whom such application or request was made. The recommendations in  
371 such statement shall include contract provisions regarding  
372 performance standards, including, but not limited to, project timelines.

373       (b) Notwithstanding any provision of the general statutes, public or  
374 special acts, any regulation or procedure or any other law, no officer,  
375 official, employee or agent of the state or any authority created by the  
376 general statutes or any public or special act shall expend any funds on  
377 any authority development project, unless such officer, official,  
378 employee or agent has received an economic development statement  
379 adopted by the Connecticut Transit Corridor Development Authority  
380 pursuant to subsection (a) of this section, except that if no such  
381 statement is received by the date ninety days from the date of the  
382 initial application or request for such funds, such funds may be  
383 expended. If funds are expended pursuant to this subsection in a  
384 manner not consistent with the recommendations contained in an  
385 economic development statement for such expenditure, the officer,  
386 official, employee or agent of the state expending such funds shall  
387 respond in writing to the authority, providing an explanation of the

388 decision with respect to such expenditure.

389 (c) The Connecticut Transit Corridor Development Authority shall  
390 coordinate the use of all state and municipal planning and financial  
391 resources that are or can be made available for any authority  
392 development project in which the authority is involved, including any  
393 resources available from any quasi-public agency.

394 (d) All state and municipal agencies, departments, boards,  
395 commissions and councils shall cooperate with the Connecticut Transit  
396 Corridor Development Authority in carrying out the purposes  
397 enumerated in section 2 of this act.

398 Sec. 6. (*Effective October 1, 2015*) (a) The board of directors of the  
399 Connecticut Transit Corridor Development Authority is authorized  
400 from time to time to issue its bonds, notes and other obligations in  
401 such principal amounts as in the opinion of the board shall be  
402 necessary to provide sufficient funds for carrying out the purposes set  
403 forth in section 2 of this act, including the payment, funding or  
404 refunding of the principal of, or interest or redemption premiums on,  
405 any bonds, notes and other obligations issued by it, whether the bonds,  
406 notes or other obligations or interest to be funded or refunded have or  
407 have not become due, the establishment of reserves to secure such  
408 bonds, notes and other obligations, loans made by the authority and all  
409 other expenditures of the authority incident to and necessary or  
410 convenient to carry out the purposes set forth in section 2 of this act.

411 (b) Every issue of bonds, notes or other obligations shall be a  
412 general obligation of the authority payable out of any moneys or  
413 revenues of the authority and subject only to any agreements with the  
414 holders of particular bonds, notes or other obligations pledging any  
415 particular moneys or revenues. Any such bonds, notes or other  
416 obligations may be additionally secured by any grant or contributions  
417 from any department, agency or instrumentality of the United States or  
418 person or a pledge of any moneys, income or revenues of the authority

419 from any source whatsoever.

420 (c) Notwithstanding any other provision of any law, any bonds,  
421 notes or other obligations issued by the authority pursuant to this  
422 section shall be fully negotiable within the meaning and for all  
423 purposes of title 42a of the general statutes. Any such bonds, notes or  
424 other obligations shall be legal investments for all trust companies,  
425 banks, investment companies, savings banks, building and loan  
426 associations, executors, administrators, guardians, conservators,  
427 trustees and other fiduciaries and pension, profit-sharing and  
428 retirement funds.

429 (d) Bonds, notes or other obligations of the authority shall be  
430 authorized by resolution of the board of directors of the authority and  
431 may be issued in one or more series and shall bear such date or dates,  
432 mature at such time or times, in the case of any such note, or any  
433 renewal thereof, not exceeding the term of years as the board shall  
434 determine from the date of the original issue of such notes, and, in the  
435 case of bonds, not exceeding thirty years from the date thereof, bear  
436 interest at such rate or rates, be in such denomination or  
437 denominations, be in such form, either coupon or registered, carry  
438 such conversion or registration privileges, have such rank or priority,  
439 be executed in such manner, be payable from such sources in such  
440 medium of payment at such place or places within or without this  
441 state, and be subject to such terms of redemption, with or without  
442 premium, as such resolution or resolutions may provide.

443 (e) Bonds, notes or other obligations of the authority may be sold at  
444 public or private sale at such price or prices as the board shall  
445 determine.

446 (f) Bonds, notes or other obligations of the authority may be  
447 refunded and renewed from time to time as may be determined by  
448 resolution of the board, provided any such refunding or renewal shall  
449 be in conformity with any rights of the holders of such bonds, notes or

450 other obligations.

451 (g) Bonds, notes or other obligations of the authority issued under  
452 the provisions of this section shall not be deemed to constitute a debt  
453 or liability of the state or of any political subdivision thereof other than  
454 the authority, or a pledge of the faith and credit of the state or of any  
455 such political subdivision other than the authority, and shall not  
456 constitute bonds or notes issued or guaranteed by the state within the  
457 meaning of section 3-21 of the general statutes, but shall be payable  
458 solely from the funds as provided in this section. All such bonds, notes  
459 or other obligations shall contain on the face thereof a statement to the  
460 effect that neither the state of Connecticut nor any political subdivision  
461 thereof other than the authority shall be obligated to pay the same or  
462 the interest thereof except from revenues or other funds of the  
463 authority and that neither the faith and credit nor the taxing power of  
464 the state of Connecticut or of any political subdivision thereof other  
465 than the authority is pledged to the payment of the principal of, or the  
466 interest on, such bonds, notes or other obligations.

467 (h) Any resolution or resolutions authorizing the issuance of bonds,  
468 notes or other obligations may contain provisions, except as limited by  
469 existing agreements with the holders of bonds, notes or other  
470 obligations, which shall be a part of the contract with the holders  
471 thereof, as to the following: (1) The pledging of all or any part of the  
472 moneys received by the authority to secure the payment of the  
473 principal of and interest on any bonds, notes or other obligations or of  
474 any issue thereof; (2) the pledging of all or part of the assets of the  
475 authority to secure the payment of the principal and interest on any  
476 bonds, notes or other obligations or of any issue thereof; (3) the  
477 establishment of reserves or sinking funds, the making of charges and  
478 fees to provide for the same, and the regulation and disposition  
479 thereof; (4) limitations on the purpose to which the proceeds of sale of  
480 bonds, notes or other obligations may be applied and pledging such  
481 proceeds to secure the payment of the bonds, notes or other  
482 obligations, or of any issues thereof; (5) limitations on the issuance of

483 additional bonds, notes or other obligations, the terms upon which  
484 additional bonds, bond anticipation notes or other obligations may be  
485 issued and secured, the refunding or purchase of outstanding bonds,  
486 notes or other obligations of the authority; (6) the procedure, if any, by  
487 which the terms of any contract with the holders of any bonds, notes or  
488 other obligations of the authority may be amended or abrogated, the  
489 amount of bonds, notes or other obligations the holders of which must  
490 consent thereto and the manner in which such consent may be given;  
491 (7) limitations on the amount of moneys to be expended by the  
492 authority for operating, administrative or other expenses of the  
493 authority; (8) the vesting in a trustee or trustees of such property,  
494 rights, powers and duties in trust as the authority may determine,  
495 which may include any or all of the rights, powers and duties of any  
496 trustee appointed by the holders of any bonds, notes or other  
497 obligations and limiting or abrogating the right of the holders of any  
498 bonds, notes or other obligations of the authority to appoint a trustee  
499 or limiting the rights, powers and duties of such trustee; (9) provision  
500 for a trust agreement by and between the authority and a corporate  
501 trustee which may be any trust company or bank having the powers of  
502 a trust company within or without the state, which agreement may  
503 provide for the pledging or assigning of any assets or income from  
504 assets to which or in which the authority has any rights or interest, and  
505 may further provide for such other rights and remedies exercisable by  
506 the trustee as may be proper for the protection of the holders of any  
507 bonds, notes or other obligations of the authority and not otherwise in  
508 violation of law. Such agreement may provide for the restriction of the  
509 rights of any individual holder of bonds, notes or other obligations of  
510 the authority. All expenses incurred in carrying out the provisions of  
511 such trust agreement may be treated as a part of the cost of operation  
512 of the authority. The trust agreement may contain any further  
513 provisions which are reasonable to delineate further the respective  
514 rights, duties, safeguards, responsibilities and liabilities of the  
515 authority, individual and collective holders of bonds, notes and other  
516 obligations of the authority and the trustees; (10) covenants to do or

517 refrain from doing such acts and things as may be necessary or  
518 convenient or desirable in order to better secure any bonds, notes or  
519 other obligations of the authority, or which, in the discretion of the  
520 authority, will tend to make any bonds, notes or other obligations to be  
521 issued more marketable, notwithstanding that such covenants, acts or  
522 things may not be enumerated herein; and (11) any other matters of  
523 like or different character, which in any way affect the security or  
524 protection of the bonds, notes or other obligations.

525 (i) Any pledge made by the authority of income, revenues or other  
526 property shall be valid and binding from the time the pledge is made.  
527 The income, revenue, such state taxes as the authority shall be entitled  
528 to receive or other property so pledged and thereafter received by the  
529 authority shall immediately be subject to the lien of such pledge  
530 without any physical delivery thereof or further act, and the lien of any  
531 such pledge shall be valid and binding as against all parties having  
532 claims of any kind in tort, contract or otherwise against the authority,  
533 irrespective of whether such parties have notice thereof.

534 (j) The board of directors of the authority is authorized and  
535 empowered to obtain from any department, agency or instrumentality  
536 of the United States any insurance or guarantee as to, or of or for the  
537 payment or repayment of, interest or principal or both, or any part  
538 thereof, on any bonds, notes or other obligations issued by the  
539 authority pursuant to the provisions of this section and,  
540 notwithstanding any other provisions of sections 1 to 9, inclusive, of  
541 this act, to enter into any agreement, contract or any other instrument  
542 whatsoever with respect to any such insurance or guarantee except to  
543 the extent that such action would in any way impair or interfere with  
544 the authority's ability to perform and fulfill the terms of any agreement  
545 made with the holders of the bonds, bond anticipation notes or other  
546 obligations of the authority.

547 (k) Neither the members of the board of directors of the authority  
548 nor any person executing bonds, notes or other obligations of the

549 authority issued pursuant to this section shall be liable personally on  
550 such bonds, notes or other obligations or be subject to any personal  
551 liability or accountability by reason of the issuance thereof, nor shall  
552 any director, officer or employee of the authority be personally liable  
553 for damage or injury caused in the performance of such director,  
554 officer or employee's duties and within the scope of employment or  
555 appointment as such director, officer or employee, provided the  
556 conduct of such director, officer or employee was found not to have  
557 been wanton, reckless, wilful or malicious. The authority shall protect,  
558 save harmless and indemnify its directors, officers or employees from  
559 financial loss and expense, including legal fees and costs, if any, arising  
560 out of any claim, demand, suit or judgment by reason of alleged  
561 negligence or alleged deprivation of any person's civil rights or any  
562 other act or omission resulting in damage or injury, if the director,  
563 officer or employee is found to have been acting in the discharge of his  
564 or her duties or within the scope of his or her employment and such  
565 act or omission is found not to have been wanton, reckless, wilful or  
566 malicious.

567 (l) The board of directors of the authority shall have power to  
568 purchase bonds, notes or other obligations of the authority out of any  
569 funds available for such purpose. The authority may hold, cancel or  
570 resell such bonds, notes or other obligations subject to and in  
571 accordance with agreements with holders of its bonds, notes and other  
572 obligations.

573 (m) All moneys received pursuant to the authority of this section,  
574 whether as proceeds from the sale of bonds or as revenues, shall be  
575 deemed to be trust funds to be held and applied solely as provided in  
576 this section. Any officer with whom, or any bank or trust company  
577 with which, such moneys shall be deposited shall act as trustee of such  
578 moneys and shall hold and apply the same for the purposes of section  
579 2 of this act, and the resolution authorizing the bonds of any issue or  
580 the trust agreement securing such bonds may provide.

581 (n) Any holder of bonds, notes or other obligations issued under the  
582 provisions of this section, and the trustee or trustees under any trust  
583 agreement, except to the extent the rights herein given may be  
584 restricted by any resolution authorizing the issuance of or any such  
585 trust agreement securing such bonds, may, either at law or in equity,  
586 by suit, action, mandamus or other proceeding, protect and enforce  
587 any and all rights under the laws of the state or granted under this  
588 section or under such resolution or trust agreement and may enforce  
589 and compel the performance of all duties required by this section or by  
590 such resolution or trust agreement to be performed by the authority or  
591 by any officer, employee or agent of the authority, including the fixing,  
592 charging and collecting of the rates, rents, fees and charges herein  
593 authorized and required by the provisions of such resolution or trust  
594 agreement to be fixed, established and collected.

595 (o) The authority may make representations and agreements for the  
596 benefit of the holders of any bonds, notes or other obligations of the  
597 state which are necessary or appropriate to ensure the exclusion from  
598 gross income for federal income tax purposes of interest on bonds,  
599 notes or other obligations of the state from taxation under the Internal  
600 Revenue Code of 1986 or any subsequent corresponding internal  
601 revenue code of the United States, as from time to time amended,  
602 including agreement to pay rebates to the federal government of  
603 investment earnings derived from the investment of the proceeds of  
604 the bonds, notes or other obligations of the authority. Any such  
605 agreement may include: (1) A covenant to pay rebates to the federal  
606 government of investment earnings derived from the investment of the  
607 proceeds of the bonds, notes or other obligations of the authority; (2) a  
608 covenant that the authority will not limit or alter its rebate obligations  
609 until its obligations to the holders or owners of such bonds, notes or  
610 other obligations are finally met and discharged; and (3) provisions to  
611 (A) establish trust and other accounts which may be appropriate to  
612 carry out such representations and agreements, (B) retain fiscal agents  
613 as depositories for such funds and accounts, and (C) provide that such

614 fiscal agents may act as trustee of such funds and accounts.

615       Sec. 7. (*Effective October 1, 2015*) The state of Connecticut does  
616 hereby pledge to and agree with the holders of any bonds, notes and  
617 other obligations issued under section 6 of this act and with those  
618 parties who may enter into contracts with the Connecticut Transit  
619 Corridor Development Authority or its successor agency, that the state  
620 will not limit or alter the rights hereby vested in the authority or in the  
621 holders of any bonds, notes or other obligations of the authority to  
622 which contract assistance is pledged pursuant to this section until such  
623 obligations, together with the interest thereon, are fully met and  
624 discharged and such contracts are fully performed on the part of the  
625 authority, provided nothing contained herein shall preclude such  
626 limitation or alteration if and when adequate provision shall be made  
627 by law for the protection of the holders of such bonds, notes and other  
628 obligations of the authority or those entering into contracts with the  
629 authority. The authority is authorized to include this pledge and  
630 undertaking for the state in such bonds, notes and other obligations or  
631 contracts.

632       Sec. 8. (*Effective October 1, 2015*) The state shall protect, save  
633 harmless and indemnify the Connecticut Transit Corridor  
634 Development Authority and its directors, officers and employees from  
635 financial loss and expense, including legal fees and costs, if any, arising  
636 out of any claim, demand, suit or judgment based upon any alleged act  
637 or omission of the authority or any such director, officer or employee  
638 in connection with, or any other legal challenge to, authority  
639 development projects within a Connecticut Transit Corridor  
640 Development Authority development district, provided any such  
641 director, officer or employee is found to have been acting in the  
642 discharge of such director, officer or employee's duties or within the  
643 scope of such director, officer or employee's employment and any such  
644 act or omission is found not to have been wanton, reckless, wilful or  
645 malicious.

646 Sec. 9. Subdivision (12) of section 1-79 of the general statutes, as  
647 amended by section 4 of public act 14-222, is repealed and the  
648 following is substituted in lieu thereof (*Effective October 1, 2015*):

649 (12) "Quasi-public agency" means Connecticut Innovations,  
650 Incorporated, the Connecticut Health and Education Facilities  
651 Authority, the Connecticut Higher Education Supplemental Loan  
652 Authority, the Connecticut Housing Finance Authority, the State  
653 Housing Authority, the Materials Innovation and Recycling Authority,  
654 the Capital Region Development Authority, the Connecticut Lottery  
655 Corporation, the Connecticut Airport Authority, the Health  
656 Information Technology Exchange of Connecticut, the Connecticut  
657 Health Insurance Exchange, the Connecticut Green Bank, [and] the  
658 Connecticut Port Authority, and the Connecticut Transit Corridor  
659 Development Authority.

660 Sec. 10. Subdivision (1) of section 1-120 of the general statutes, as  
661 amended by section 5 of public act 14-222, is repealed and the  
662 following is substituted in lieu thereof (*Effective October 1, 2015*):

663 (1) "Quasi-public agency" means Connecticut Innovations,  
664 Incorporated, the Connecticut Health and Educational Facilities  
665 Authority, the Connecticut Higher Education Supplemental Loan  
666 Authority, the Connecticut Housing Finance Authority, the  
667 Connecticut Housing Authority, the Materials Innovation and  
668 Recycling Authority, the Capital Region Development Authority, the  
669 Connecticut Lottery Corporation, the Connecticut Airport Authority,  
670 the Health Information Technology Exchange of Connecticut, the  
671 Connecticut Health Insurance Exchange, the Connecticut Green Bank,  
672 [and] the Connecticut Port Authority, and the Connecticut Transit  
673 Corridor Development Authority.

674 Sec. 11. Section 1-124 of the general statutes, as amended by section  
675 6 of public act 14-222, is repealed and the following is substituted in  
676 lieu thereof (*Effective October 1, 2015*):

677 (a) Connecticut Innovations, Incorporated, the Connecticut Health  
678 and Educational Facilities Authority, the Connecticut Higher  
679 Education Supplemental Loan Authority, the Connecticut Housing  
680 Finance Authority, the Connecticut Housing Authority, the Materials  
681 Innovation and Recycling Authority, the Health Information  
682 Technology Exchange of Connecticut, the Connecticut Airport  
683 Authority, the Capital Region Development Authority, the  
684 Connecticut Health Insurance Exchange, the Connecticut Green Bank,  
685 [and] the Connecticut Port Authority and the Connecticut Transit  
686 Corridor Development Authority shall not borrow any money or issue  
687 any bonds or notes which are guaranteed by the state of Connecticut or  
688 for which there is a capital reserve fund of any kind which is in any  
689 way contributed to or guaranteed by the state of Connecticut until and  
690 unless such borrowing or issuance is approved by the State Treasurer  
691 or the Deputy State Treasurer appointed pursuant to section 3-12. The  
692 approval of the State Treasurer or said deputy shall be based on  
693 documentation provided by the authority that it has sufficient  
694 revenues to (1) pay the principal of and interest on the bonds and notes  
695 issued, (2) establish, increase and maintain any reserves deemed by the  
696 authority to be advisable to secure the payment of the principal of and  
697 interest on such bonds and notes, (3) pay the cost of maintaining,  
698 servicing and properly insuring the purpose for which the proceeds of  
699 the bonds and notes have been issued, if applicable, and (4) pay such  
700 other costs as may be required.

701 (b) To the extent Connecticut Innovations, Incorporated, the  
702 Connecticut Higher Education Supplemental Loan Authority, the  
703 Connecticut Housing Finance Authority, the Connecticut Housing  
704 Authority, the Materials Innovation and Recycling Authority, the  
705 Connecticut Health and Educational Facilities Authority, the Health  
706 Information Technology Exchange of Connecticut, the Connecticut  
707 Airport Authority, the Capital Region Development Authority, the  
708 Connecticut Health Insurance Exchange, the Connecticut Green Bank,  
709 [or] the Connecticut Port Authority or the Connecticut Transit

710 Corridor Development Authority is permitted by statute and  
711 determines to exercise any power to moderate interest rate fluctuations  
712 or enter into any investment or program of investment or contract  
713 respecting interest rates, currency, cash flow or other similar  
714 agreement, including, but not limited to, interest rate or currency swap  
715 agreements, the effect of which is to subject a capital reserve fund  
716 which is in any way contributed to or guaranteed by the state of  
717 Connecticut, to potential liability, such determination shall not be  
718 effective until and unless the State Treasurer or his or her deputy  
719 appointed pursuant to section 3-12 has approved such agreement or  
720 agreements. The approval of the State Treasurer or his or her deputy  
721 shall be based on documentation provided by the authority that it has  
722 sufficient revenues to meet the financial obligations associated with the  
723 agreement or agreements.

724 Sec. 12. Section 1-125 of the general statutes, as amended by section  
725 7 of public act 14-222, is repealed and the following is substituted in  
726 lieu thereof (*Effective October 1, 2015*):

727 The directors, officers and employees of Connecticut Innovations,  
728 Incorporated, the Connecticut Higher Education Supplemental Loan  
729 Authority, the Connecticut Housing Finance Authority, the  
730 Connecticut Housing Authority, the Materials Innovation and  
731 Recycling Authority, including ad hoc members of the Materials  
732 Innovation and Recycling Authority, the Connecticut Health and  
733 Educational Facilities Authority, the Capital Region Development  
734 Authority, the Health Information Technology Exchange of  
735 Connecticut, the Connecticut Airport Authority, the Connecticut  
736 Lottery Corporation, the Connecticut Health Insurance Exchange, the  
737 Connecticut Green Bank, [and] the Connecticut Port Authority and the  
738 Connecticut Transit Corridor Development Authority and any person  
739 executing the bonds or notes of the agency shall not be liable  
740 personally on such bonds or notes or be subject to any personal  
741 liability or accountability by reason of the issuance thereof, nor shall  
742 any director or employee of the agency, including ad hoc members of

743 the Materials Innovation and Recycling Authority, be personally liable  
 744 for damage or injury, not wanton, reckless, wilful or malicious, caused  
 745 in the performance of his or her duties and within the scope of his or  
 746 her employment or appointment as such director, officer or employee,  
 747 including ad hoc members of the Materials Innovation and Recycling  
 748 Authority. The agency shall protect, save harmless and indemnify its  
 749 directors, officers or employees, including ad hoc members of the  
 750 Materials Innovation and Recycling Authority, from financial loss and  
 751 expense, including legal fees and costs, if any, arising out of any claim,  
 752 demand, suit or judgment by reason of alleged negligence or alleged  
 753 deprivation of any person's civil rights or any other act or omission  
 754 resulting in damage or injury, if the director, officer or employee,  
 755 including ad hoc members of the Materials Innovation and Recycling  
 756 Authority, is found to have been acting in the discharge of his or her  
 757 duties or within the scope of his or her employment and such act or  
 758 omission is found not to have been wanton, reckless, wilful or  
 759 malicious.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	New section
Sec. 2	<i>October 1, 2015</i>	New section
Sec. 3	<i>October 1, 2015</i>	New section
Sec. 4	<i>October 1, 2015</i>	New section
Sec. 5	<i>October 1, 2015</i>	New section
Sec. 6	<i>October 1, 2015</i>	New section
Sec. 7	<i>October 1, 2015</i>	New section
Sec. 8	<i>October 1, 2015</i>	New section
Sec. 9	<i>October 1, 2015</i>	1-79(12)
Sec. 10	<i>October 1, 2015</i>	1-120(1)
Sec. 11	<i>October 1, 2015</i>	1-124
Sec. 12	<i>October 1, 2015</i>	1-125

**Statement of Purpose:**

To implement the Governor's budget recommendations.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*