



General Assembly

**Substitute Bill No. 19**

February Session, 2016

\* SB00019PD 031516 \*

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

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

1 Section 1. (NEW) (*Effective October 1, 2016*) (a) For purposes of this  
2 section and sections 2 to 6, inclusive, of this act:

3 (1) "Authority" means the Transit Corridor Development Assistance  
4 Authority created pursuant to this section;

5 (2) "Authority development project" means a project occurring  
6 within the boundaries of a development district in which the authority  
7 is involved;

8 (3) "Development district" means an area around a transit station,  
9 determined by a memorandum of agreement between the authority  
10 and the chief executive officer of the municipality where such transit  
11 station is located and approved by the legislative body of the  
12 municipality where such transit station is located, provided such area  
13 shall not exceed a one-half mile radius of such transit station;

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

15 (5) "State-wide transportation investment program" means the  
16 planning document developed and updated at least every four years

17 by the department in compliance with the requirements of 23 USC 135,  
18 listing all transportation projects in the state expected to receive federal  
19 funding during the four-year period covered by the program; and

20 (6) "Transit station" means any passenger railroad station or  
21 Hartford-New Britain busway project station that is operational, or for  
22 which the department has initiated planning or that is included in the  
23 state-wide transportation investment program.

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

31 (c) (1) The powers of the authority shall be vested in and exercised  
32 by a board of directors, which shall consist of fifteen members: (A) Five  
33 appointed by the Governor; (B) one appointed by the speaker of the  
34 House of Representatives; (C) one appointed by the president pro  
35 tempore of the Senate; (D) one appointed by the majority leader of the  
36 House of Representatives; (E) one appointed by the majority leader of  
37 the Senate; (F) one appointed by the minority leader of the House of  
38 Representatives; (G) one appointed by the minority leader of the  
39 Senate; and (H) the Secretary of the Office of Policy and Management,  
40 the Commissioner of Transportation, the Commissioner of Housing,  
41 and the Commissioner of Economic and Community Development, or  
42 their designees, who shall serve as ex-officio members of the board,  
43 with the right to vote.

44 (2) In addition to the members listed under subdivision (1) of this  
45 subsection, the chief elected official of each municipality in which an  
46 authority development project is planned, or such official's designee,  
47 shall serve as an ad hoc, voting member of the board solely for matters  
48 directly affecting such municipality and not including matters

49 pertaining to the general operations of the authority.

50 (3) In addition to the members listed under subdivisions (1) and (2)  
51 of this subsection, the executive director of the regional council of  
52 governments for the planning region in which an authority  
53 development project is planned, or such executive director's designee,  
54 shall serve as an ad hoc, nonvoting member of the board solely for  
55 matters directly affecting such region and not including matters  
56 pertaining to the general operations of the authority.

57 (4) In addition to the members listed under subdivisions (1) to (3),  
58 inclusive, of this subsection, the legislative body of the municipality in  
59 which an authority development project is planned shall appoint a  
60 representative of the minority community to serve as an ad hoc,  
61 nonvoting member of the board solely for matters directly affecting  
62 such community and not including matters pertaining to the general  
63 operations of the authority.

64 (5) The Governor shall designate the chairperson of the board from  
65 among the voting members. All initial appointments shall be made not  
66 later than November 1, 2016. The terms of the initial board members  
67 shall be as follows: (A) The five members appointed by the Governor  
68 shall serve terms of four years from the date of appointment; (B) the  
69 members appointed by the speaker of the House of Representatives  
70 and the president pro tempore of the Senate shall serve a term of two  
71 years from the date of appointment; (C) the members appointed by the  
72 majority leaders of the House of Representatives and the Senate shall  
73 serve a term of two years from the date of appointment; and (D) the  
74 members appointed by the minority leaders of the House of  
75 Representatives and the Senate shall serve a term of two years from the  
76 date of appointment. Thereafter, all members shall be appointed by the  
77 original appointing authority for four-year terms. Any member of the  
78 board shall be eligible for reappointment. Any vacancy occurring other  
79 than by expiration of term shall be filled in the same manner as the  
80 original appointment for the balance of the unexpired term. The  
81 appointing authority for any member may remove such member for

82 misfeasance, malfeasance or wilful neglect of duty.

83 (6) Each member of the board, before commencing such member's  
84 duties, shall take and subscribe the oath or affirmation required by  
85 article XI, section 1, of the state Constitution. A record of each such  
86 oath shall be filed in the office of the Secretary of the State.

87 (7) The board of directors shall maintain a record of its proceedings  
88 in such form as it determines, provided such record indicates  
89 attendance and all votes cast by each member. Any member who fails  
90 to attend three consecutive meetings or who fails to attend fifty per  
91 cent of all meetings held during any calendar year shall be deemed to  
92 have resigned from the board. A majority of the members of the board  
93 shall constitute a quorum, and an affirmative vote by a majority of the  
94 members present at a meeting of the board shall be sufficient for any  
95 action taken by the board. No vacancy in the membership of the board  
96 shall impair the right of a quorum to exercise all the rights and  
97 perform all the duties of the board. Any action taken by the board may  
98 be authorized by resolution at any regular or special meeting and shall  
99 take effect immediately unless otherwise provided in the resolution.  
100 The board may delegate to three or more of its members, or its officers,  
101 agents or employees, such board powers and duties as it may deem  
102 proper.

103 (d) (1) The board of directors shall annually elect one of its members  
104 as a vice-chairperson, and shall elect other of its members as officers,  
105 adopt a budget and bylaws, designate an executive committee, report  
106 semiannually to the appointing authorities with respect to operations,  
107 finances and achievement of its economic development objective, be  
108 accountable to and cooperate with the state whenever the state may  
109 audit the Transit Corridor Development Assistance Authority or an  
110 authority development project or at any other time as the state may  
111 inquire as to either, including allowing the state reasonable access to  
112 any such project and to the records of the authority.

113 (2) The chairperson of the board, with the approval of the members

114 of the board of directors, shall appoint an executive director of the  
115 authority who shall be an employee of the authority and paid a salary  
116 prescribed by the members. The executive director shall be the chief  
117 administrative officer of the authority and shall supervise the  
118 administrative affairs and technical activities of the authority in  
119 accordance with the directives of the board. The executive director  
120 shall not be a member of the board.

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

125 (e) No board member shall have or acquire any financial interest in  
126 (1) any authority development project, or (2) any property included or  
127 planned to be included in any such project or in any contract or  
128 proposed contract for materials or services to be used in such project.

129 (f) The authority shall have perpetual succession and shall adopt  
130 procedures for the conduct of its affairs in accordance with section 3 of  
131 this act. Such succession shall continue as long as the authority has  
132 bonds, notes or other obligations outstanding and until its existence is  
133 terminated by law, provided no such termination shall affect any  
134 outstanding contractual obligation of the authority and the state shall  
135 succeed to the obligations of the authority under any contract. Upon  
136 the termination of the existence of the authority, all its rights and  
137 properties shall pass to and be vested in the state.

138 Sec. 2. (NEW) (*Effective October 1, 2016*) (a) The purposes of the  
139 Transit Corridor Development Assistance Authority shall be to: (1)  
140 Stimulate new investment and economic and transit-oriented  
141 development, as defined in section 13b-79kk of the general statutes,  
142 within development districts through cooperation and coordination  
143 with the municipalities wherein each such development district is  
144 located; (2) stimulate tourism, art, culture, history, education and  
145 entertainment in such development districts through cooperation and

146 coordination with the municipalities wherein each such development  
147 district is located, regional organizations and the Department of  
148 Economic and Community Development; (3) manage facilities through  
149 contractual agreement or other legal instrument; (4) upon request from  
150 the legislative body of a municipality wherein a development district is  
151 located, work with such municipality to assist in the development and  
152 redevelopment efforts to stimulate the economy of the region; and (5)  
153 upon request of the Secretary of the Office of Policy and Management,  
154 enter into an agreement to facilitate development or redevelopment  
155 within a development district.

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

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

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

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

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

164 (5) Contract and be contracted with;

165 (6) (A) Employ such assistants, agents and other employees as may  
166 be necessary or desirable to carry out its purposes, which employees  
167 shall be exempt from the classified service and, except as provided in  
168 subparagraph (D) of this subdivision, shall not be employees, as  
169 defined in subsection (b) of section 5-270 of the general statutes; (B)  
170 establish all necessary or appropriate personnel practices and policies,  
171 including those relating to hiring, promotion, compensation,  
172 retirement and collective bargaining, which need not be in accordance  
173 with chapter 68 of the general statutes, and the authority shall not be  
174 an employer as defined in subsection (a) of section 5-270 of the general  
175 statutes; (C) engage consultants, attorneys and appraisers as may be

176 necessary or desirable to carry out its purposes in accordance with  
177 sections 1 to 6, inclusive, of this act; and (D) for purposes of group  
178 welfare benefits and retirement, including, but not limited to, those  
179 provided under chapter 66 of the general statutes and sections 5-257  
180 and 5-259 of the general statutes, the officers and all other employees  
181 of the authority shall be state employees;

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

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

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

196 (10) Enter into memoranda of understanding as the authority deems  
197 appropriate to carry out its responsibilities under this section; and

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

200 (c) In addition to the powers enumerated in subsection (b) of this  
201 section, the Transit Corridor Development Assistance Authority shall  
202 have the following powers with respect to authority development  
203 projects:

204 (1) (A) To acquire by gift, purchase, lease or transfer, lands or rights-  
205 in-land and to sell and lease or sublease, as lessor or lessee or sublessor

206 or sublessee, any portion of its real property rights, including air space  
207 above, and enter into related common area maintenance, easement,  
208 access, support and similar agreements, and own and operate facilities  
209 associated with authority development projects, provided such activity  
210 is consistent with all applicable federal tax covenants of the authority;  
211 (B) to transfer or dispose of any property or interest therein acquired  
212 by the authority at any time; and (C) to receive and accept aid or  
213 contributions from any source of money, labor, property or other thing  
214 of value, to be held, used and applied to carry out the purposes of this  
215 section, subject to the conditions upon which such grants and  
216 contributions are made, including, but not limited to, gifts or grants  
217 from any department, agency or instrumentality of the United States or  
218 this state for any purpose consistent with this section;

219 (2) To formulate plans for, acquire, finance and develop, lease,  
220 purchase, construct, reconstruct, repair, improve, expand, extend,  
221 operate, maintain and market facilities associated with authority  
222 development projects, provided such activities are consistent with all  
223 applicable federal tax covenants of the authority;

224 (3) To contract and be contracted with, provided if management,  
225 operating or promotional contracts or agreements or other contracts or  
226 agreements are entered into with nongovernmental parties with  
227 respect to property financed with the proceeds of obligations, the  
228 interest on which is excluded from gross income for federal income  
229 taxation, the board of directors shall ensure that such contracts or  
230 agreements are in compliance with the covenants of the authority  
231 upon which such tax exclusion is conditioned;

232 (4) To fix and revise, from time to time, and to charge and collect  
233 fees, rents and other charges for the use, occupancy or operation of  
234 authority development projects, and to establish and revise from time  
235 to time procedures concerning the use, operation and occupancy of  
236 facilities associated with such projects, including parking rates, rules  
237 and procedures, provided such arrangements are consistent with all  
238 applicable federal tax covenants of the authority, and to utilize net



239 revenues received by the authority from the operation of such  
240 facilities, after allowance for operating expenses and other charges  
241 related to the ownership, operation or financing thereof, for other  
242 proper purposes of the authority, including, but not limited to,  
243 funding of operating deficiencies or operating or capital replacement  
244 reserves for such facilities and related parking facilities, as determined  
245 to be appropriate by the authority;

246 (5) To engage architects, engineers, attorneys, accountants,  
247 consultants and such other independent professionals as may be  
248 necessary or desirable to carry out authority development projects;

249 (6) To contract for construction, development, concessions and the  
250 procurement of goods and services, and to establish and modify  
251 procurement procedures from time to time in accordance with the  
252 provisions of section 3 of this act to implement the foregoing;

253 (7) To borrow money; and

254 (8) To engage in and contract for marketing and promotional  
255 activities for authority development projects under the operation or  
256 jurisdiction of the authority.

257 (d) The Transit Corridor Development Assistance Authority and the  
258 Capital Region Development Authority, established pursuant to  
259 chapter 588x of the general statutes, may enter into a memorandum of  
260 agreement pursuant to which: (1) Administrative support and services,  
261 including all staff support necessary for the operations of the Transit  
262 Corridor Development Assistance Authority may be provided by the  
263 Capital Region Development Authority, and (2) provision is made for  
264 the coordination of management and operational activities that may  
265 include: (A) Joint procurement and contracting; (B) the sharing of  
266 services and resources; (C) the coordination of promotional activities;  
267 and (D) other arrangements designed to enhance revenues, reduce  
268 operating costs or achieve operating efficiencies. The terms and  
269 conditions of such memorandum of agreement, including provisions

270 with respect to the reimbursement by the Transit Corridor  
271 Development Assistance Authority to the Capital Region Development  
272 Authority of the costs of such administrative support and services,  
273 shall be as the Transit Corridor Development Assistance Authority and  
274 the Capital Region Development Authority determine to be  
275 appropriate.

276 (e) Prior to taking any action in a development district, the Transit  
277 Corridor Development Assistance Authority and municipality where  
278 such development district is located shall enter into a memorandum of  
279 agreement. Such memorandum shall include, but not be limited to, (1)  
280 defined responsibilities of the authority and the municipality with  
281 regard to such development district; (2) identification of the properties  
282 within such development district that are controlled or owned by the  
283 authority, the state, the municipality or a private entity; (3) long and  
284 short range plans for the development district, including any  
285 foreseeable changes of use or control of properties located therein; (4)  
286 identification and allocation of revenue sources for projects within  
287 such development district, including, but not limited to, taxes, fees,  
288 rental income or parking; (5) agreement as to the types of activities that  
289 will require a public hearing and the types of requests that will require  
290 a public hearing, which may include a request submitted by the  
291 neighborhood revitalization committee for the area that includes or is  
292 proximate to the development district; (6) agreement as to additional  
293 methods for soliciting community involvement; and (7) specifications  
294 regarding how the memorandum of agreement may be terminated.

295 (f) Nothing in sections 1 to 6, inclusive, of this act shall be construed  
296 as exempting development projects of the Transit Corridor  
297 Development Assistance Authority on privately or municipally owned  
298 property from municipal zoning, subdivision or wetland regulations,  
299 municipal plans of conservation and development or any municipal  
300 ordinance.

301 (g) Nothing in sections 1 to 6, inclusive, of this act shall be construed  
302 as limiting the authority of the Transit Corridor Development

303 Assistance Authority to enter into agreements to facilitate  
304 development or redevelopment of state property or facilities.

305 Sec. 3. (NEW) (*Effective October 1, 2016*) The board of directors of the  
306 Transit Corridor Development Assistance Authority shall adopt  
307 written procedures, in accordance with the provisions of section 1-121  
308 of the general statutes, for: (1) Adopting an annual budget and plan of  
309 operations, which shall include a requirement of board approval  
310 before the budget or plan may take effect; (2) hiring, dismissing,  
311 promoting and compensating employees of the authority, which shall  
312 include an affirmative action policy and a requirement of board  
313 approval before a position may be created or a vacancy filled; (3)  
314 acquiring real and personal property and personal services, which  
315 shall include a requirement of board approval for any nonbudgeted  
316 expenditure in excess of five thousand dollars; (4) contracting for  
317 financial, legal and other professional services, including a  
318 requirement that the authority solicit proposals at least once every  
319 three years for each such service that it uses; (5) providing loans,  
320 grants and other financial assistance, which shall include eligibility  
321 criteria, the application process and the role played by the authority's  
322 staff and board of directors; and (6) the use of surplus funds.

323 Sec. 4. (NEW) (*Effective October 1, 2016*) (a) In lieu of the report  
324 required under section 1-123 of the general statutes, within the first  
325 ninety days of each fiscal year of the Transit Corridor Development  
326 Assistance Authority, the board of directors of the authority shall  
327 submit a report to the Governor, the Auditors of Public Accounts and  
328 the joint standing committee of the General Assembly having  
329 cognizance of matters relating to planning and development. Such  
330 report shall include, but not be limited to, the following: (1) A  
331 description of each authority development project in which the  
332 authority is involved, its location and the amount of funds, if any,  
333 provided by the authority with respect to the construction of such  
334 project; (2) a list of all outside individuals and firms, including  
335 principal and other major stockholders, receiving in excess of five

336 thousand dollars as payments for services; (3) a comprehensive annual  
337 financial report prepared in accordance with generally accepted  
338 accounting principles for governmental enterprises; (4) the affirmative  
339 action policy statement, a description of the composition of the work  
340 force of the Transit Corridor Development Assistance Authority by  
341 race, sex and occupation and a description of the affirmative action  
342 efforts of the authority; and (5) a description of planned activities for  
343 the current fiscal year.

344 (b) The board of directors of the authority shall annually contract  
345 with a firm of certified public accountants to undertake an  
346 independent financial audit of the Transit Corridor Development  
347 Assistance Authority in accordance with generally accepted auditing  
348 standards. The board shall submit the audit report to the Governor  
349 and the Auditors of Public Accounts.

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

363 Sec. 5. (NEW) (*Effective October 1, 2016*) (a) Any person, including,  
364 but not limited to, a state or municipal agency, requesting funds from  
365 the state, including, but not limited to, any authority created by the  
366 general statutes or any public or special act, with respect to any  
367 authority development project shall, at the time it makes such request  
368 for funds from the state, present a full and complete copy of its

369 application or request along with any supporting documents or  
370 exhibits to the authority for its recommendation and to the Secretary of  
371 the Office of Policy and Management. The Transit Corridor  
372 Development Assistance Authority shall, not later than ninety days  
373 after receipt of such application or request, prepare and adopt an  
374 economic development statement summarizing its recommendations  
375 with respect to such application or request and deliver such statement  
376 to the state officer, official, employee or agent of the state or authority  
377 to whom such application or request was made. In preparing such  
378 economic development statement, the Transit Corridor Development  
379 Assistance Authority shall consider any written statement submitted  
380 by the regional council of governments for the planning region in  
381 which the authority development project is planned or the  
382 neighborhood revitalization zone committee for the area that includes  
383 or is proximate to the location in which the authority development  
384 project is planned. The recommendations in such statement shall  
385 include contract provisions regarding performance standards,  
386 including, but not limited to, project timelines.

387 (b) Notwithstanding any provision of the general statutes, public or  
388 special acts, any regulation or procedure or any other law, no officer,  
389 official, employee or agent of the state or any authority created by the  
390 general statutes or any public or special act, shall expend any funds on  
391 any authority development project, unless such officer, official,  
392 employee or agent has received an economic development statement  
393 adopted by the Transit Corridor Development Assistance Authority  
394 pursuant to subsection (a) of this section, except that if no such  
395 statement is received by the date ninety days from the date of the  
396 initial application or request for such funds, such funds may be  
397 expended. If funds are expended pursuant to this subsection in a  
398 manner not consistent with the recommendations contained in an  
399 economic development statement for such expenditure, the officer,  
400 official, employee or agent of the state expending such funds shall  
401 respond in writing to the authority, providing an explanation of the  
402 decision with respect to such expenditure.

403 (c) The Transit Corridor Development Assistance Authority shall  
404 coordinate the use of all state, municipal and quasi-public agency  
405 planning and financial resources that are made available for any  
406 authority development project in which the authority is involved.

407 (d) All state agencies, departments, boards, commissions, councils  
408 and quasi-public agencies shall cooperate with the Transit Corridor  
409 Development Assistance Authority in carrying out the purposes set  
410 forth in section 2 of this act.

411 Sec. 6. (NEW) (*Effective October 1, 2016*) The state shall protect, save  
412 harmless and indemnify the Transit Corridor Development Assistance  
413 Authority and its directors, officers and employees from financial loss  
414 and expense, including legal fees and costs, if any, arising out of any  
415 claim, demand, suit or judgment based upon any alleged act or  
416 omission of the authority or any such director, officer or employee in  
417 connection with, or any other legal challenge to, authority  
418 development projects within a development district, provided any  
419 such director, officer or employee is found to have been acting in the  
420 discharge of such director, officer or employee's duties or within the  
421 scope of such director, officer or employee's employment and any such  
422 act or omission is found not to have been wanton, reckless, wilful or  
423 malicious.

424 Sec. 7. Subdivision (12) of section 1-79 of the 2016 supplement to the  
425 general statutes is repealed and the following is substituted in lieu  
426 thereof (*Effective October 1, 2016*):

427 (12) "Quasi-public agency" means Connecticut Innovations,  
428 Incorporated, the Connecticut Health and Education Facilities  
429 Authority, the Connecticut Higher Education Supplemental Loan  
430 Authority, the Connecticut Student Loan Foundation, the Connecticut  
431 Housing Finance Authority, the State Housing Authority, the Materials  
432 Innovation and Recycling Authority, the Capital Region Development  
433 Authority, the Connecticut Lottery Corporation, the Connecticut  
434 Airport Authority, the Connecticut Health Insurance Exchange, the

435 Connecticut Green Bank, the Connecticut Port Authority, [and] the  
436 State Education Resource Center and the Transit Corridor  
437 Development Assistance Authority.

438 Sec. 8. Subdivision (1) of section 1-120 of the 2016 supplement to the  
439 general statutes is repealed and the following is substituted in lieu  
440 thereof (*Effective October 1, 2016*):

441 (1) "Quasi-public agency" means Connecticut Innovations,  
442 Incorporated, the Connecticut Health and Educational Facilities  
443 Authority, the Connecticut Higher Education Supplemental Loan  
444 Authority, the Connecticut Student Loan Foundation, the Connecticut  
445 Housing Finance Authority, the Connecticut Housing Authority, the  
446 Materials Innovation and Recycling Authority, the Capital Region  
447 Development Authority, the Connecticut Lottery Corporation, the  
448 Connecticut Airport Authority, the Connecticut Health Insurance  
449 Exchange, the Connecticut Green Bank, the Connecticut Port  
450 Authority, [and] the State Education Resource Center and the Transit  
451 Corridor Development Assistance Authority.

452 Sec. 9. Section 1-124 of the 2016 supplement to the general statutes is  
453 repealed and the following is substituted in lieu thereof (*Effective*  
454 *October 1, 2016*):

455 (a) Connecticut Innovations, Incorporated, the Connecticut Health  
456 and Educational Facilities Authority, the Connecticut Higher  
457 Education Supplemental Loan Authority, the Connecticut Student  
458 Loan Foundation, the Connecticut Housing Finance Authority, the  
459 Connecticut Housing Authority, the Materials Innovation and  
460 Recycling Authority, the Connecticut Airport Authority, the Capital  
461 Region Development Authority, the Connecticut Health Insurance  
462 Exchange, the Connecticut Green Bank, the Connecticut Port  
463 Authority, [and] the State Education Resource Center and the Transit  
464 Corridor Development Assistance Authority shall not borrow any  
465 money or issue any bonds or notes which are guaranteed by the state  
466 of Connecticut or for which there is a capital reserve fund of any kind

467 which is in any way contributed to or guaranteed by the state of  
468 Connecticut until and unless such borrowing or issuance is approved  
469 by the State Treasurer or the Deputy State Treasurer appointed  
470 pursuant to section 3-12. The approval of the State Treasurer or said  
471 deputy shall be based on documentation provided by the authority  
472 that it has sufficient revenues to (1) pay the principal of and interest on  
473 the bonds and notes issued, (2) establish, increase and maintain any  
474 reserves deemed by the authority to be advisable to secure the  
475 payment of the principal of and interest on such bonds and notes, (3)  
476 pay the cost of maintaining, servicing and properly insuring the  
477 purpose for which the proceeds of the bonds and notes have been  
478 issued, if applicable, and (4) pay such other costs as may be required.

479 (b) To the extent Connecticut Innovations, Incorporated, the  
480 Connecticut Higher Education Supplemental Loan Authority, the  
481 Connecticut Student Loan Foundation, the Connecticut Housing  
482 Finance Authority, the Connecticut Housing Authority, the Materials  
483 Innovation and Recycling Authority, the Connecticut Health and  
484 Educational Facilities Authority, the Connecticut Airport Authority,  
485 the Capital Region Development Authority, the Connecticut Health  
486 Insurance Exchange, the Connecticut Green Bank, the Connecticut Port  
487 Authority, [or] the State Education Resource Center or the Transit  
488 Corridor Development Assistance Authority is permitted by statute  
489 and determines to exercise any power to moderate interest rate  
490 fluctuations or enter into any investment or program of investment or  
491 contract respecting interest rates, currency, cash flow or other similar  
492 agreement, including, but not limited to, interest rate or currency swap  
493 agreements, the effect of which is to subject a capital reserve fund  
494 which is in any way contributed to or guaranteed by the state of  
495 Connecticut, to potential liability, such determination shall not be  
496 effective until and unless the State Treasurer or his or her deputy  
497 appointed pursuant to section 3-12 has approved such agreement or  
498 agreements. The approval of the State Treasurer or his or her deputy  
499 shall be based on documentation provided by the authority that it has  
500 sufficient revenues to meet the financial obligations associated with the



501 agreement or agreements.

502 Sec. 10. Section 1-125 of the 2016 supplement to the general statutes  
503 is repealed and the following is substituted in lieu thereof (*Effective*  
504 *October 1, 2016*):

505 The directors, officers and employees of Connecticut Innovations,  
506 Incorporated, the Connecticut Higher Education Supplemental Loan  
507 Authority, the Connecticut Student Loan Foundation, the Connecticut  
508 Housing Finance Authority, the Connecticut Housing Authority, the  
509 Materials Innovation and Recycling Authority, including ad hoc  
510 members of the Materials Innovation and Recycling Authority, the  
511 Connecticut Health and Educational Facilities Authority, the Capital  
512 Region Development Authority, the Connecticut Airport Authority,  
513 the Connecticut Lottery Corporation, the Connecticut Health Insurance  
514 Exchange, the Connecticut Green Bank, the Connecticut Port  
515 Authority, [and] the State Education Resource Center and the Transit  
516 Corridor Development Assistance Authority and any person executing  
517 the bonds or notes of the agency shall not be liable personally on such  
518 bonds or notes or be subject to any personal liability or accountability  
519 by reason of the issuance thereof, nor shall any director or employee of  
520 the agency, including ad hoc members of the Materials Innovation and  
521 Recycling Authority, be personally liable for damage or injury, not  
522 wanton, reckless, wilful or malicious, caused in the performance of his  
523 or her duties and within the scope of his or her employment or  
524 appointment as such director, officer or employee, including ad hoc  
525 members of the Materials Innovation and Recycling Authority. The  
526 agency shall protect, save harmless and indemnify its directors,  
527 officers or employees, including ad hoc members of the Materials  
528 Innovation and Recycling Authority, from financial loss and expense,  
529 including legal fees and costs, if any, arising out of any claim, demand,  
530 suit or judgment by reason of alleged negligence or alleged  
531 deprivation of any person's civil rights or any other act or omission  
532 resulting in damage or injury, if the director, officer or employee,  
533 including ad hoc members of the Materials Innovation and Recycling

534 Authority, is found to have been acting in the discharge of his or her  
535 duties or within the scope of his or her employment and such act or  
536 omission is found not to have been wanton, reckless, wilful or  
537 malicious.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016</i>	New section
Sec. 2	<i>October 1, 2016</i>	New section
Sec. 3	<i>October 1, 2016</i>	New section
Sec. 4	<i>October 1, 2016</i>	New section
Sec. 5	<i>October 1, 2016</i>	New section
Sec. 6	<i>October 1, 2016</i>	New section
Sec. 7	<i>October 1, 2016</i>	1-79(12)
Sec. 8	<i>October 1, 2016</i>	1-120(1)
Sec. 9	<i>October 1, 2016</i>	1-124
Sec. 10	<i>October 1, 2016</i>	1-125

**PD**      *Joint Favorable Subst.*