



General Assembly

Substitute Bill No. 19

February Session, 2016

* SB00019TRA__041216__ *

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. "Transit station" does
24 not mean any Hartford-New Britain busway project station located
25 wholly within a municipality that (A) is included in the capital region,
26 as defined in section 32-600 of the general statutes, and (B) has a
27 Hartford-New Britain busway project station that is operational on
28 January 1, 2016.

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

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

49 (2) In addition to the members listed under subdivision (1) of this
50 subsection, the chief elected official of each municipality in which an
51 authority development project is planned, or such official's designee,
52 shall serve as an ad hoc, voting member of the board solely for matters
53 directly affecting such municipality and not including matters
54 pertaining to the general operations of the authority.

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

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

69 (5) The Governor shall designate the chairperson of the board from
70 among the voting members. All initial appointments shall be made not
71 later than November 1, 2016. The terms of the initial board members
72 shall be as follows: (A) The five members appointed by the Governor
73 shall serve terms of four years from the date of appointment; (B) the
74 members appointed by the speaker of the House of Representatives
75 and the president pro tempore of the Senate shall serve a term of two
76 years from the date of appointment; (C) the members appointed by the
77 majority leaders of the House of Representatives and the Senate shall
78 serve a term of two years from the date of appointment; and (D) the
79 members appointed by the minority leaders of the House of
80 Representatives and the Senate shall serve a term of two years from the
81 date of appointment. Thereafter, all members shall be appointed by the

82 original appointing authority for four-year terms. Any member of the
83 board shall be eligible for reappointment. Any vacancy occurring other
84 than by expiration of term shall be filled in the same manner as the
85 original appointment for the balance of the unexpired term. The
86 appointing authority for any member may remove such member for
87 misfeasance, malfeasance or wilful neglect of duty.

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

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

108 (d) (1) The board of directors shall annually elect one of its members
109 as a vice-chairperson, and shall elect other of its members as officers,
110 adopt a budget and bylaws, designate an executive committee, report
111 semiannually to the appointing authorities with respect to operations,
112 finances and achievement of its economic development objective, be
113 accountable to and cooperate with the state whenever the state may
114 audit the Transit Corridor Development Assistance Authority or an

115 authority development project or at any other time as the state may
116 inquire as to either, including allowing the state reasonable access to
117 any such project and to the records of the authority.

118 (2) The chairperson of the board, with the approval of the members
119 of the board of directors, shall appoint an executive director of the
120 authority who shall be an employee of the authority and paid a salary
121 prescribed by the members. The executive director shall be the chief
122 administrative officer of the authority and shall supervise the
123 administrative affairs and technical activities of the authority in
124 accordance with the directives of the board. The executive director
125 shall not be a member of the board.

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

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

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

143 Sec. 2. (NEW) (*Effective October 1, 2016*) (a) The purposes of the
144 Transit Corridor Development Assistance Authority shall be to: (1)
145 Stimulate new investment and economic and transit-oriented

146 development, as defined in section 13b-79kk of the general statutes,
147 within development districts through cooperation and coordination
148 with the municipalities wherein each such development district is
149 located; (2) stimulate tourism, art, culture, history, education and
150 entertainment in such development districts through cooperation and
151 coordination with the municipalities wherein each such development
152 district is located, regional organizations and the Department of
153 Economic and Community Development; (3) manage facilities through
154 contractual agreement or other legal instrument; (4) upon request from
155 the legislative body of a municipality wherein a development district is
156 located, work with such municipality to assist in the development and
157 redevelopment efforts to stimulate the economy of the region; and (5)
158 upon request of the Secretary of the Office of Policy and Management,
159 enter into an agreement to facilitate development or redevelopment
160 within a development district.

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

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

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

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

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

169 (5) Contract and be contracted with;

170 (6) (A) Employ such assistants, agents and other employees as may
171 be necessary or desirable to carry out its purposes, which employees
172 shall be exempt from the classified service and, except as provided in
173 subparagraph (D) of this subdivision, shall not be employees, as
174 defined in subsection (b) of section 5-270 of the general statutes; (B)
175 establish all necessary or appropriate personnel practices and policies,

176 including those relating to hiring, promotion, compensation,
177 retirement and collective bargaining, which need not be in accordance
178 with chapter 68 of the general statutes, and the authority shall not be
179 an employer as defined in subsection (a) of section 5-270 of the general
180 statutes; (C) engage consultants, attorneys and appraisers as may be
181 necessary or desirable to carry out its purposes in accordance with
182 sections 1 to 6, inclusive, of this act; and (D) for purposes of group
183 welfare benefits and retirement, including, but not limited to, those
184 provided under chapter 66 of the general statutes and sections 5-257
185 and 5-259 of the general statutes, the officers and all other employees
186 of the authority shall be state employees;

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

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

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

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

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

205 (c) In addition to the powers enumerated in subsection (b) of this
206 section, the Transit Corridor Development Assistance Authority shall

207 have the following powers with respect to authority development
208 projects:

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

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

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

237 (4) To fix and revise, from time to time, and to charge and collect
238 fees, rents and other charges for the use, occupancy or operation of

239 authority development projects, and to establish and revise from time
240 to time procedures concerning the use, operation and occupancy of
241 facilities associated with such projects, including parking rates, rules
242 and procedures, provided such arrangements are consistent with all
243 applicable federal tax covenants of the authority, and to utilize net
244 revenues received by the authority from the operation of such
245 facilities, after allowance for operating expenses and other charges
246 related to the ownership, operation or financing thereof, for other
247 proper purposes of the authority, including, but not limited to,
248 funding of operating deficiencies or operating or capital replacement
249 reserves for such facilities and related parking facilities, as determined
250 to be appropriate by the authority;

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

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

258 (7) To borrow money; and

259 (8) To engage in and contract for marketing and promotional
260 activities for authority development projects under the operation or
261 jurisdiction of the authority.

262 (d) The Transit Corridor Development Assistance Authority and the
263 Capital Region Development Authority, established pursuant to
264 chapter 588x of the general statutes, may enter into a memorandum of
265 agreement pursuant to which: (1) Administrative support and services,
266 including all staff support necessary for the operations of the Transit
267 Corridor Development Assistance Authority may be provided by the
268 Capital Region Development Authority, and (2) provision is made for
269 the coordination of management and operational activities that may

270 include: (A) Joint procurement and contracting; (B) the sharing of
271 services and resources; (C) the coordination of promotional activities;
272 and (D) other arrangements designed to enhance revenues, reduce
273 operating costs or achieve operating efficiencies. The terms and
274 conditions of such memorandum of agreement, including provisions
275 with respect to the reimbursement by the Transit Corridor
276 Development Assistance Authority to the Capital Region Development
277 Authority of the costs of such administrative support and services,
278 shall be as the Transit Corridor Development Assistance Authority and
279 the Capital Region Development Authority determine to be
280 appropriate.

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

300 (f) Nothing in sections 1 to 6, inclusive, of this act shall be construed
301 as exempting development projects of the Transit Corridor
302 Development Assistance Authority on privately or municipally owned

303 property from municipal zoning, subdivision or wetland regulations,
304 municipal plans of conservation and development or any municipal
305 ordinance.

306 (g) Nothing in sections 1 to 6, inclusive, of this act shall be construed
307 as limiting the authority of the Transit Corridor Development
308 Assistance Authority to enter into agreements to facilitate
309 development or redevelopment of state property or facilities.

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

328 Sec. 4. (NEW) (*Effective October 1, 2016*) (a) In lieu of the report
329 required under section 1-123 of the general statutes, within the first
330 ninety days of each fiscal year of the Transit Corridor Development
331 Assistance Authority, the board of directors of the authority shall
332 submit a report to the Governor, the Auditors of Public Accounts and
333 the joint standing committee of the General Assembly having
334 cognizance of matters relating to planning and development. Such
335 report shall include, but not be limited to, the following: (1) A

336 description of each authority development project in which the
337 authority is involved, its location and the amount of funds, if any,
338 provided by the authority with respect to the construction of such
339 project; (2) a list of all outside individuals and firms, including
340 principal and other major stockholders, receiving in excess of five
341 thousand dollars as payments for services; (3) a comprehensive annual
342 financial report prepared in accordance with generally accepted
343 accounting principles for governmental enterprises; (4) the affirmative
344 action policy statement, a description of the composition of the work
345 force of the Transit Corridor Development Assistance Authority by
346 race, sex and occupation and a description of the affirmative action
347 efforts of the authority; and (5) a description of planned activities for
348 the current fiscal year.

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

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

368 Sec. 5. (NEW) (*Effective October 1, 2016*) (a) Any person, including,

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

392 (b) Notwithstanding any provision of the general statutes, public or
393 special acts, any regulation or procedure or any other law, no officer,
394 official, employee or agent of the state or any authority created by the
395 general statutes or any public or special act, shall expend any funds on
396 any authority development project, unless such officer, official,
397 employee or agent has received an economic development statement
398 adopted by the Transit Corridor Development Assistance Authority
399 pursuant to subsection (a) of this section, except that if no such
400 statement is received by the date ninety days from the date of the
401 initial application or request for such funds, such funds may be
402 expended. If funds are expended pursuant to this subsection in a

403 manner not consistent with the recommendations contained in an
404 economic development statement for such expenditure, the officer,
405 official, employee or agent of the state expending such funds shall
406 respond in writing to the authority, providing an explanation of the
407 decision with respect to such expenditure.

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

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

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

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

432 (12) "Quasi-public agency" means Connecticut Innovations,
433 Incorporated, the Connecticut Health and Education Facilities

434 Authority, the Connecticut Higher Education Supplemental Loan
435 Authority, the Connecticut Student Loan Foundation, the Connecticut
436 Housing Finance Authority, the State Housing Authority, the Materials
437 Innovation and Recycling Authority, the Capital Region Development
438 Authority, the Connecticut Lottery Corporation, the Connecticut
439 Airport Authority, the Connecticut Health Insurance Exchange, the
440 Connecticut Green Bank, the Connecticut Port Authority, [and] the
441 State Education Resource Center and the Transit Corridor
442 Development Assistance Authority.

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

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

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

460 (a) Connecticut Innovations, Incorporated, the Connecticut Health
461 and Educational Facilities Authority, the Connecticut Higher
462 Education Supplemental Loan Authority, the Connecticut Student
463 Loan Foundation, the Connecticut Housing Finance Authority, the
464 Connecticut Housing Authority, the Materials Innovation and
465 Recycling Authority, the Connecticut Airport Authority, the Capital

466 Region Development Authority, the Connecticut Health Insurance
467 Exchange, the Connecticut Green Bank, the Connecticut Port
468 Authority, [and] the State Education Resource Center and the Transit
469 Corridor Development Assistance Authority shall not borrow any
470 money or issue any bonds or notes which are guaranteed by the state
471 of Connecticut or for which there is a capital reserve fund of any kind
472 which is in any way contributed to or guaranteed by the state of
473 Connecticut until and unless such borrowing or issuance is approved
474 by the State Treasurer or the Deputy State Treasurer appointed
475 pursuant to section 3-12. The approval of the State Treasurer or said
476 deputy shall be based on documentation provided by the authority
477 that it has sufficient revenues to (1) pay the principal of and interest on
478 the bonds and notes issued, (2) establish, increase and maintain any
479 reserves deemed by the authority to be advisable to secure the
480 payment of the principal of and interest on such bonds and notes, (3)
481 pay the cost of maintaining, servicing and properly insuring the
482 purpose for which the proceeds of the bonds and notes have been
483 issued, if applicable, and (4) pay such other costs as may be required.

484 (b) To the extent Connecticut Innovations, Incorporated, the
485 Connecticut Higher Education Supplemental Loan Authority, the
486 Connecticut Student Loan Foundation, the Connecticut Housing
487 Finance Authority, the Connecticut Housing Authority, the Materials
488 Innovation and Recycling Authority, the Connecticut Health and
489 Educational Facilities Authority, the Connecticut Airport Authority,
490 the Capital Region Development Authority, the Connecticut Health
491 Insurance Exchange, the Connecticut Green Bank, the Connecticut Port
492 Authority, [or] the State Education Resource Center or the Transit
493 Corridor Development Assistance Authority is permitted by statute
494 and determines to exercise any power to moderate interest rate
495 fluctuations or enter into any investment or program of investment or
496 contract respecting interest rates, currency, cash flow or other similar
497 agreement, including, but not limited to, interest rate or currency swap
498 agreements, the effect of which is to subject a capital reserve fund
499 which is in any way contributed to or guaranteed by the state of

500 Connecticut, to potential liability, such determination shall not be
501 effective until and unless the State Treasurer or his or her deputy
502 appointed pursuant to section 3-12 has approved such agreement or
503 agreements. The approval of the State Treasurer or his or her deputy
504 shall be based on documentation provided by the authority that it has
505 sufficient revenues to meet the financial obligations associated with the
506 agreement or agreements.

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

510 The directors, officers and employees of Connecticut Innovations,
511 Incorporated, the Connecticut Higher Education Supplemental Loan
512 Authority, the Connecticut Student Loan Foundation, the Connecticut
513 Housing Finance Authority, the Connecticut Housing Authority, the
514 Materials Innovation and Recycling Authority, including ad hoc
515 members of the Materials Innovation and Recycling Authority, the
516 Connecticut Health and Educational Facilities Authority, the Capital
517 Region Development Authority, the Connecticut Airport Authority,
518 the Connecticut Lottery Corporation, the Connecticut Health Insurance
519 Exchange, the Connecticut Green Bank, the Connecticut Port
520 Authority, [and] the State Education Resource Center and the Transit
521 Corridor Development Assistance Authority and any person executing
522 the bonds or notes of the agency shall not be liable personally on such
523 bonds or notes or be subject to any personal liability or accountability
524 by reason of the issuance thereof, nor shall any director or employee of
525 the agency, including ad hoc members of the Materials Innovation and
526 Recycling Authority, be personally liable for damage or injury, not
527 wanton, reckless, wilful or malicious, caused in the performance of his
528 or her duties and within the scope of his or her employment or
529 appointment as such director, officer or employee, including ad hoc
530 members of the Materials Innovation and Recycling Authority. The
531 agency shall protect, save harmless and indemnify its directors,
532 officers or employees, including ad hoc members of the Materials

533 Innovation and Recycling Authority, from financial loss and expense,
534 including legal fees and costs, if any, arising out of any claim, demand,
535 suit or judgment by reason of alleged negligence or alleged
536 deprivation of any person's civil rights or any other act or omission
537 resulting in damage or injury, if the director, officer or employee,
538 including ad hoc members of the Materials Innovation and Recycling
539 Authority, is found to have been acting in the discharge of his or her
540 duties or within the scope of his or her employment and such act or
541 omission is found not to have been wanton, reckless, wilful or
542 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

TRA *Joint Favorable Subst.*