

**Proposed Substitute
Bill No. 19**

LCO No. 3167

**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), (2) and
58 (3) of this subsection, the legislative body of the municipality in which
59 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 such memoranda of understanding as the authority
197 deems appropriate to carry out its responsibilities under this section;
198 and

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

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

205 (1) (A) To acquire by gift, purchase, lease or transfer, lands or rights-
206 in-land and to sell and lease or sublease, as lessor or lessee or sublessor
207 or sublessee, any portion of its real property rights, including air space
208 above, and enter into related common area maintenance, easement,
209 access, support and similar agreements, and own and operate facilities
210 associated with authority development projects, provided such activity

211 is consistent with all applicable federal tax covenants of the authority;
212 (B) to transfer or dispose of any property or interest therein acquired
213 by the authority at any time; and (C) to receive and accept aid or
214 contributions from any source of money, labor, property or other thing
215 of value, to be held, used and applied to carry out the purposes of this
216 section, subject to the conditions upon which such grants and
217 contributions are made, including, but not limited to, gifts or grants
218 from any department, agency or instrumentality of the United States or
219 this state for any purpose consistent with this section;

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

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

233 (4) To fix and revise, from time to time, and to charge and collect
234 fees, rents and other charges for the use, occupancy or operation of
235 authority development projects, and to establish and revise from time
236 to time procedures concerning the use, operation and occupancy of
237 facilities associated with such projects, including parking rates, rules
238 and procedures, provided such arrangements are consistent with all
239 applicable federal tax covenants of the authority, and to utilize net
240 revenues received by the authority from the operation of such
241 facilities, after allowance for operating expenses and other charges
242 related to the ownership, operation or financing thereof, for other
243 proper purposes of the authority, including, but not limited to,

244 funding of operating deficiencies or operating or capital replacement
245 reserves for such facilities and related parking facilities, as determined
246 to be appropriate by the authority;

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

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

254 (7) To borrow money;

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

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

276 appropriate.

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

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

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

306 Sec. 3. (NEW) (*Effective October 1, 2016*) The board of directors of the
307 Transit Corridor Development Assistance Authority shall adopt
308 written procedures, in accordance with the provisions of section 1-121

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

324 Sec. 4. (NEW) (*Effective October 1, 2016*) (a) In lieu of the report
325 required under section 1-123 of the general statutes, within the first
326 ninety days of each fiscal year of the Transit Corridor Development
327 Assistance Authority, the board of directors of the authority shall
328 submit a report to the Governor, the Auditors of Public Accounts and
329 the joint standing committee of the General Assembly having
330 cognizance of matters relating to planning and development. Such
331 report shall include, but not be limited to, the following: (1) A
332 description of each authority development project in which the
333 authority is involved, its location and the amount of funds, if any,
334 provided by the authority with respect to the construction of such
335 project; (2) a list of all outside individuals and firms, including
336 principal and other major stockholders, receiving in excess of five
337 thousand dollars as payments for services; (3) a comprehensive annual
338 financial report prepared in accordance with generally accepted
339 accounting principles for governmental enterprises; (4) the affirmative
340 action policy statement, a description of the composition of the work
341 force of the Transit Corridor Development Assistance Authority by
342 race, sex and occupation and a description of the affirmative action
343 efforts of the authority; and (5) a description of planned activities for

344 the current fiscal year.

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

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

364 Sec. 5. (NEW) (*Effective October 1, 2016*) (a) Any person, including,
365 but not limited to, a state or municipal agency, requesting funds from
366 the state, including, but not limited to, any authority created by the
367 general statutes or any public or special act, with respect to any
368 authority development project shall, at the time it makes such request
369 for funds from the state, present a full and complete copy of its
370 application or request along with any supporting documents or
371 exhibits to the authority for its recommendation and to the Secretary of
372 the Office of Policy and Management. The Transit Corridor
373 Development Assistance Authority shall, not later than ninety days
374 after receipt of such application or request, prepare and adopt an
375 economic development statement summarizing its recommendations
376 with respect to such application or request and deliver such statement

377 to the state officer, official, employee or agent of the state or authority
378 to whom such application or request was made. In preparing such
379 economic development statement, the Transit Corridor Development
380 Assistance Authority shall consider any written statement submitted
381 by the regional council of governments for the planning region in
382 which the authority development project is planned or the
383 neighborhood revitalization zone committee for the area that includes
384 or is proximate to the location in which the authority development
385 project is planned. The recommendations in such statement shall
386 include contract provisions regarding performance standards,
387 including, but not limited to, project timelines.

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

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

408 (d) All state agencies, departments, boards, commissions, councils
409 and quasi-public agencies shall cooperate with the Transit Corridor

410 Development Assistance Authority in carrying out the purposes set
411 forth in section 2 of this act.

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

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

428 (12) "Quasi-public agency" means Connecticut Innovations,
429 Incorporated, the Connecticut Health and Education Facilities
430 Authority, the Connecticut Higher Education Supplemental Loan
431 Authority, the Connecticut Student Loan Foundation, the Connecticut
432 Housing Finance Authority, the State Housing Authority, the Materials
433 Innovation and Recycling Authority, the Capital Region Development
434 Authority, the Connecticut Lottery Corporation, the Connecticut
435 Airport Authority, the Connecticut Health Insurance Exchange, the
436 Connecticut Green Bank, the Connecticut Port Authority, [and] the
437 State Education Resource Center and the Transit Corridor
438 Development Assistance Authority.

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

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

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

456 (a) Connecticut Innovations, Incorporated, the Connecticut Health
457 and Educational Facilities Authority, the Connecticut Higher
458 Education Supplemental Loan Authority, the Connecticut Student
459 Loan Foundation, the Connecticut Housing Finance Authority, the
460 Connecticut Housing Authority, the Materials Innovation and
461 Recycling Authority, the Connecticut Airport Authority, the Capital
462 Region Development Authority, the Connecticut Health Insurance
463 Exchange, the Connecticut Green Bank, the Connecticut Port
464 Authority, [and] the State Education Resource Center and the Transit
465 Corridor Development Assistance Authority shall not borrow any
466 money or issue any bonds or notes which are guaranteed by the state
467 of Connecticut or for which there is a capital reserve fund of any kind
468 which is in any way contributed to or guaranteed by the state of
469 Connecticut until and unless such borrowing or issuance is approved
470 by the State Treasurer or the Deputy State Treasurer appointed
471 pursuant to section 3-12. The approval of the State Treasurer or said
472 deputy shall be based on documentation provided by the authority
473 that it has sufficient revenues to (1) pay the principal of and interest on
474 the bonds and notes issued, (2) establish, increase and maintain any
475 reserves deemed by the authority to be advisable to secure the

476 payment of the principal of and interest on such bonds and notes, (3)
477 pay the cost of maintaining, servicing and properly insuring the
478 purpose for which the proceeds of the bonds and notes have been
479 issued, if applicable, and (4) pay such other costs as may be required.

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

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

506 The directors, officers and employees of Connecticut Innovations,
507 Incorporated, the Connecticut Higher Education Supplemental Loan
508 Authority, the Connecticut Student Loan Foundation, the Connecticut

509 Housing Finance Authority, the Connecticut Housing Authority, the
510 Materials Innovation and Recycling Authority, including ad hoc
511 members of the Materials Innovation and Recycling Authority, the
512 Connecticut Health and Educational Facilities Authority, the Capital
513 Region Development Authority, the Connecticut Airport Authority,
514 the Connecticut Lottery Corporation, the Connecticut Health Insurance
515 Exchange, the Connecticut Green Bank, the Connecticut Port
516 Authority, [and] the State Education Resource Center and the Transit
517 Corridor Development Assistance Authority and any person executing
518 the bonds or notes of the agency shall not be liable personally on such
519 bonds or notes or be subject to any personal liability or accountability
520 by reason of the issuance thereof, nor shall any director or employee of
521 the agency, including ad hoc members of the Materials Innovation and
522 Recycling Authority, be personally liable for damage or injury, not
523 wanton, reckless, wilful or malicious, caused in the performance of his
524 or her duties and within the scope of his or her employment or
525 appointment as such director, officer or employee, including ad hoc
526 members of the Materials Innovation and Recycling Authority. The
527 agency shall protect, save harmless and indemnify its directors,
528 officers or employees, including ad hoc members of the Materials
529 Innovation and Recycling Authority, from financial loss and expense,
530 including legal fees and costs, if any, arising out of any claim, demand,
531 suit or judgment by reason of alleged negligence or alleged
532 deprivation of any person's civil rights or any other act or omission
533 resulting in damage or injury, if the director, officer or employee,
534 including ad hoc members of the Materials Innovation and Recycling
535 Authority, is found to have been acting in the discharge of his or her
536 duties or within the scope of his or her employment and such act or
537 omission is found not to have been wanton, reckless, wilful or
538 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

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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