AN ACT CONCERNING SUPPORT FOR TRANSPORTATION INFRASTRUCTURE AND THE CREATION OF THE CONNECTICUT TRANSPORTATION FINANCE AUTHORITY.

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

1. Section 1. (NEW) (Effective from passage) As used in this section and sections 2 to 8, inclusive, of this act:

   (1) "Electronic tolling system" means an electronic system for recording, monitoring, collecting and paying for tolls on the highways of this state, including, but not limited to, video toll transaction systems, transponders or other electronic transaction or payment technology or devices;

   (2) "Department" means the Department of Transportation; and

   (3) "Toll operator" means a private entity that operates an electronic tolling system pursuant to an agreement with the department and whose duties may include, but need not be limited to, collecting tolls, administrative charges and penalties.
Sec. 2. (NEW) (Effective from passage) (a) (1) The Commissioner of Transportation shall (A) conduct studies and satisfy other requirements pursuant to the National Environmental Policy Act and other provisions of applicable federal law for the purposes of developing electronic tolling systems on the highways of this state, (B) procure a program manager and other consultants or experts as needed to assist in the development of the electronic tolling systems, and (C) prepare a tolling proposal that (i) implements electronic tolling systems on Interstate 84, Interstate 91, Interstate 95 and portions of Connecticut Route 15, (ii) may include implementing electronic tolling systems on any other limited access highway, or portions thereof, if the commissioner determines such implementation is necessary and provides the rationale for such implementation, (iii) identifies the specific locations where the proposed tolls may be located, the toll amounts that may be charged, including the use of value pricing and discounts, if any, and the time periods for peak and off-peak travel, and (iv) estimates the capital and operating costs associated with the electronic tolling systems.

(2) In developing a tolling proposal, the commissioner shall consider: (A) A phase-in for the operation of any electronic tolling system; (B) discounts, income tax credits and credits to a toll customer account for (i) persons who are residents of this state, (ii) persons with a transponder or similar device issued by the department or a toll operator, (iii) frequent users of a tolled highway, (iv) persons of low income, and (v) high-occupancy vehicles; and (C) in consultation with the Commissioner of Economic and Community Development, ways to assist small businesses impacted by the implementation of tolls.

(b) (1) The commissioner shall file the tolling proposal with the clerks of the House of Representatives and the Senate. If the tolling proposal is filed when the General Assembly is in regular session, the joint standing committee of the General Assembly having cognizance of matters relating to transportation shall hold an informational hearing regarding the tolling proposal not later than ten days after such filing. If the tolling proposal is filed when the General Assembly
is not in session, the joint standing committee of the General Assembly
having cognizance of matters relating to transportation shall hold an
informational hearing regarding the tolling proposal not later than ten
days after the first day of the next regular session. The committee shall
receive comments from members of the public during the
informational hearing.

(2) Not later than fifteen days after the joint standing committee of
the General Assembly having cognizance of matters relating to
transportation holds an informational hearing regarding the tolling
proposal, the General Assembly shall vote to approve or reject the
tolling proposal. The tolling proposal shall be approved in whole by a
majority vote of each house or rejected by a majority vote in either
house. If both houses fail to vote during such fifteen-day period, the
tolling proposal shall be deemed approved by the General Assembly.
Such fifteen-day period shall not expire unless the General Assembly is
in regular session. If the regular session adjourns prior to such fifteenth
day and the tolling proposal has not been acted upon, the tolling
proposal shall be deemed filed on the first day of the next regular
session.

(c) If the General Assembly rejects the tolling proposal, the
commissioner may revise the tolling proposal. Any such revised
tolling proposal shall be submitted to the clerks of the House of
Representatives and the Senate and subject to an informational hearing
and approval or rejection by the General Assembly in the same manner
as described in subsection (b) of this section.

(d) If the tolling proposal is approved or deemed approved by the
General Assembly in accordance with this section, the commissioner
shall submit the tolling proposal to the Federal Highway
Administration. In no event shall the commissioner submit a tolling
proposal to the Federal Highway Administration unless the tolling
proposal has been approved or deemed approved by the General
Assembly.
Sec. 3. (NEW) (Effective from passage) (a) After a tolling proposal to implement electronic tolling systems has been approved or deemed approved by the General Assembly pursuant to section 2 of this act, the department may construct, maintain and operate electronic tolling systems on Interstate 84, Interstate 91, Interstate 95 and portions of Connecticut Route 15 in accordance with such proposal. The department may enter into an agreement with a toll operator to operate such systems.

(b) To carry out its duties and responsibilities under this section and sections 4 to 7, inclusive, of this act, and any regulations adopted under section 8 of this act, the department may enter into tolling agreements with the Federal Highway Administration and coordination agreements, intergovernmental agreements or other implementation agreements with any other federal, state or municipal entity or agency.

(c) The department may procure, retain and expend funds for technical, traffic, revenue and financial consultants, attorneys and other consultants and experts to assist in the development, implementation, maintenance and operation of electronic tolling systems.

(d) The department may procure, retain and expend funds for toll operators, vendors, suppliers, designers, engineers, software designers, installers, contractors, maintenance personnel, customer service personnel and other equipment, materials, personnel and services for the development, implementation, maintenance and operation of electronic tolling systems and for the collection and enforcement of tolls.

(e) The department may enter into agreements for the provision of any service specified in subsections (c) and (d) of this section, or any combination thereof, pursuant to an open, competitive process.

(f) (1) The department and the Department of Motor Vehicles, either jointly or separately, may enter into reciprocal agreements with other
states, jurisdictions and operators of toll facilities in other states to
obtain and share any toll operator information regarding an out-of-
state registered owner of a vehicle that has used a tolled highway,
including the make of the motor vehicle, the motor vehicle's number
plate and the name and address of the registered owner of the motor
vehicle.

(2) The department and the Department of Motor Vehicles may
enter into, or authorize a toll operator on behalf of the departments to
enter into, reciprocal agreements with other states, jurisdictions and
operators of toll facilities in other states for the efficient collection of
tolls incurred by residents of states other than this state.

Sec. 4. (NEW) (Effective from passage) (a) After a tolling proposal to
implement electronic tolling systems has been approved or deemed
approved by the General Assembly pursuant to section 2 of this act,
the department may collect the amount of all tolls for transit over or
use of the highways specified in such proposal.

(b) Prior to commencing construction of an electronic tolling system
on any highway, or portion thereof, of this state, the department shall
hold at least one public informational meeting in the general vicinity of
the proposed toll corridor to receive comments on the proposed toll.

(c) The department shall place and maintain signs in advance of any
tolled highways to notify motor vehicle operators (1) that a toll will be
charged on such highway, and (2) how to pay such toll.

(d) All revenues received by the department from tolls and the
imposition of civil penalties associated with toll nonpayment, toll
evasion or other toll-related violations shall be deposited into the
Special Transportation Fund, established pursuant to section 13b-68 of
the general statutes and section 19 of article third of the Constitution of
the state, and shall not be commingled with other funds and revenues.
Such revenues shall be expended only for the purposes and subject to
the provisions of 23 USC 129(a)(3), as amended from time to time.
(e) Tolls shall not be subject to and shall be exempt from taxation of every kind by the state and by the municipalities and all other political subdivisions or special districts having taxing powers in the state.

Sec. 5. (NEW) (Effective from passage) Any electronic tolling system operated by the department or a toll operator shall be interoperable with all other electronic tolling systems in this state and shall comply with all state and federal interoperability requirements and standards. Such tolling system interoperability shall extend to system technology and the transfer of funds. The Commissioners of Transportation and Motor Vehicles, in consultation with the Commissioner of Administrative Services, shall ensure the coordination and compatibility of information system technology and data of any electronic tolling system. The provisions of chapters 58 and 61 of the general statutes shall not apply to this section.

Sec. 6. (NEW) (Effective from passage) (a) Except as provided in subsection (b) of this section, neither the department nor any toll operator shall sell or use any toll customer information or other data for commercial purposes unrelated to the charging, collection and enforcement of tolls, administrative fees and penalties.

(b) The department may release toll customer information and other data that does not directly or indirectly identify a toll customer for research purposes authorized by the department.

(c) (1) Except as required by applicable law or in connection with an administrative or court proceeding, all information that specifically identifies a toll customer and relates to a specific tolling transaction shall be destroyed not later than one year after the later of the tolling transaction or the collection of the toll, whether through normal processes or enforcement.

(2) Except as required by applicable law or in connection with an administrative or court proceeding, all information relating to a toll customer account that specifically identifies a toll customer shall be destroyed not later than one year after the collection of all tolls and
fees incurred by such toll customer, whether through normal processes, enforcement or closing of such account.

(d) Toll customer information and data shall not be deemed a public record, as defined in section 1-200 of the general statutes.

(e) Toll operators shall be subject to the provisions of chapter 62a of the general statutes.

Sec. 7. (NEW) (Effective from passage) (a) Any person who contests the amount of a toll or an associated charge shall be afforded an opportunity for a hearing with the department in accordance with the provisions of chapter 54 of the general statutes.

(b) The department, after notice and hearing, may impose a civil penalty of not more than twenty-five dollars for a first violation, not more than fifty dollars for a second violation and not more than one hundred dollars for a third or subsequent violation of a provision of the regulations adopted pursuant to section 8 of this act on any of the following persons with respect to toll nonpayment, toll evasion or related fees: (1) The operator of a motor vehicle on a tolled highway; (2) the registered owner of a motor vehicle operated on a tolled highway, if other than the operator, if such vehicle was used or operated with the express or implied permission of the registered owner at the time of the tolling transaction; (3) the lessee of a motor vehicle operated on a tolled highway, if other than the operator, if such vehicle was used or operated with the express or implied permission of the lessee at the time of the tolling transaction; and (4) the lessor of a motor vehicle operated on a tolled highway.

(c) A copy of the motor vehicle rental agreement, lease, other contract document or affidavit identifying the lessee of the motor vehicle at the time of the tolling transaction shall be prima facie evidence that the person named in the rental agreement, lease, other contract document or affidavit was operating the motor vehicle at all relevant times relating to the tolling transaction. A lessor shall cooperate with the department or the toll operator, as the case may be,
in providing the department or toll operator any requested
information concerning the lessee contained in the lessor's record.

(d) The Department of Motor Vehicles shall provide the Department
of Transportation and any toll operator with the information necessary
to collect tolls and enforce penalties for toll nonpayment, toll evasion
or other toll-related violations, including, but not limited to,
information regarding the registered owner of a motor vehicle that was
operated on a tolled highway and the make of the motor vehicle, the
motor vehicle's number plate and the name and address of the
registered owner of the motor vehicle.

Sec. 8. (NEW) (Effective from passage) (a) The Commissioner of
Transportation shall adopt regulations, in accordance with the
provisions of chapter 54 of the general statutes, to implement the
provisions of sections 3 to 7, inclusive, of this act. Such regulations
may include, but need not be limited to: (1) Provisions to protect and
appropriately limit access to toll customer information and other data
collected, received, maintained, archived, accessed and disclosed by
the department, and (2) the manner in which a transponder or similar
device shall be located in or on a motor vehicle entering an electronic
tolling system if such system uses a transponder or similar device.

(b) The Commissioner of Motor Vehicles, in consultation with the
Commissioner of Transportation, shall adopt regulations, in
accordance with the provisions of chapter 54 of the general statutes, to
implement the provisions of sections 3 to 7, inclusive, of this act. Such
regulations shall include restrictions on issuing a registration to the
owner of a motor vehicle who owes tolls for transit over or use of a
tolled highway or owes administrative charges or penalties for the late
payment of tolls or toll evasion.

Sec. 9. (NEW) (Effective from passage) (a) (1) When the Treasurer
determines the resources of the Special Transportation Fund
established under section 13b-69 of the general statutes exceed three
times the estimated payments of debt service on obligations of the state
incurred for transportation purposes, the Treasurer shall provide
written notice to the Commissioner of Revenue Services of such
determination.

(2) Not later than fifteen days after the commencement of any
electronic tolling systems on the highways of this state, as defined in
section 1 of this act, the Commissioner of Transportation shall provide
written notice to the Commissioner of Revenue Services of the date of
such commencement.

(b) Notwithstanding the provisions of subdivision (2) of subsection
(a) of section 12-458 of the general statutes and section 12-458h of the
general statutes, on July first after the first full fiscal year that follows
the later of the notices required under subdivisions (1) and (2) of
subsection (a) of this section, and for each of the following four fiscal
years, the amount of the tax imposed by section 12-458 of the general
statutes shall be decreased by one cent. The Commissioner of Revenue
Services shall calculate the applicable tax rate per gallon of fuel, as
defined in section 12-455a of the general statutes, that is sold or used in
this state and notify each distributor, the chairpersons and ranking
members of the joint standing committee of the General Assembly
having cognizance of matters relating to finance, revenue and bonding
and the Secretary of the Office of Policy and Management of the
applicable tax rate for each such fiscal year.

Sec. 10. (NEW) (Effective from passage) (a) There is hereby established
and created a body politic and corporate, constituting a public
instrumentality and political subdivision of the state established and
created for the performance of an essential public and governmental
function, to be known as the Connecticut Transportation Finance
Authority. The authority shall not be construed to be a department,
institution or agency of the state.

(b) The powers of the authority shall be vested in and exercised by a
board of directors, which shall consist of thirteen members, appointed
as follows: Three members of the Senate, one appointed by the
president pro tempore of the Senate, one appointed by the majority
leader of the Senate and one appointed by the minority leader of the
Senate; three members of the House of Representatives, one appointed
by the speaker of the House of Representatives, one appointed by the
majority leader of the House of Representatives, and one appointed by
the minority leader of the House of Representatives; the
Commissioners of Transportation, Economic and Community
Development, Energy and Environmental Protection and Housing, or
their designees; the State Treasurer, or the Treasurer's designee; and
two members appointed by the Governor who shall serve for a term of
four years. Members of the board who are members of the General
Assembly shall serve for the terms for which they were elected. The
board of directors shall select the chairperson from among the
members of the board, who shall serve for a term of two years. The
board of directors shall select a vice-chairperson from among its
members and such other officers as it deems necessary.

(c) Members of the board of directors, unless otherwise provided,
may not designate a representative to perform in their absence their
respective duties under this section and sections 11 and 12 of this act.
Any vacancy occurring other than by expiration of term shall be filled
in the same manner as the original appointment for the balance of the
unexpired term. The appointing authority for any member may
remove such member for inefficiency, wilful neglect of duty,
misfeasance or malfeasance.

(d) The chairperson shall, with the approval of the members of the
board of directors, appoint an executive director of the authority who
shall be an employee of the authority and paid a salary prescribed by
the members. The executive director shall supervise the administrative
affairs and technical activities of the authority in accordance with the
directives of the board.

(e) Members may engage in private employment, or in a profession
or business, subject to any applicable laws, rules and regulations of the
state regarding official ethics or conflict of interest.
(f) Seven members of the board of directors of the authority, provided three such members are members of the General Assembly, shall constitute a quorum for the transaction of any business or the exercise of any power of the authority. For the transaction of any business or the exercise of any power of the authority, and except as otherwise provided in this section and sections 11 and 12 of this act, the authority may act by a majority of the members present at any meeting at which a quorum is in attendance.

(g) The authority shall continue as long as it has bonds or other obligations outstanding and until its existence is terminated by law, provided no such termination shall affect any outstanding contractual obligation of the authority and the state shall succeed to the obligations of the authority under any contract. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state of Connecticut.

(h) It shall not constitute a conflict of interest for a trustee, director, partner or officer of any person, firm or corporation, or any individual having a financial interest in a person, firm or corporation, to serve as a member of the board of directors of the authority, provided such trustee, director, partner, officer or individual shall comply with all applicable provisions of chapter 10 of the general statutes.

Sec. 11. (NEW) (Effective from passage) (a) The purposes of the Connecticut Transportation Finance Authority shall be to:

(1) Approve the state-wide transportation improvement plan, the five-year transportation capital plan for the state and the long-range transportation plan developed by the Department of Transportation after evaluating whether such plans assure the development and maintenance of an adequate, safe and efficient transportation system that meets the present and future transportation needs of the state and assessing the impact of such plans on economic development, transit-oriented development, housing development, access to employment, the environment and the specific needs of the geographic areas of the
(2) Establish a Connecticut Transportation Infrastructure Bank to assist in financing transportation infrastructure projects by providing loans and other financial assistance to public and private entities in order to improve transportation infrastructure in the state, including, but not limited to, the acquisition, removal, construction, equipping, reconstruction, repair, rehabilitation and improvement of, and acquisition of easements and rights-of-ways with respect to, roadways, highways, bridges, commuter and freight railways, transit and intermodal systems, airports and aeronautic facilities, ports, harbors and navigable waterways; and

(3) After a tolling proposal to implement electronic tolling systems is approved or deemed approved by the General Assembly pursuant to section 2 of this act, establish and adjust, as necessary, toll rates for transit over or use of the highways, of portions thereof, so as to provide, at a minimum, funding that is sufficient to: (A) Pay costs related to tolled highways in this state, including, but not limited to, the cost of owning, maintaining, repairing, reconstructing, improving, rehabilitating, using, administering, controlling and operating such highways; (B) pay the principal of, redemption premium, if any, and interest on notes or bonds relating to tolled highways, as such principal, premium or interest become due and payable; and (C) create and maintain reserves established for any of the Department of Transportation's highway and bridge responsibilities under titles 13a and 13b of the general statutes for the operation and maintenance of tolled highways. Such sufficiency of funding may take into account the availability of funds from other sources. Prior to fixing or adjusting the amount of tolls for transit over or use of the highways, or portions thereof, the authority shall hold not less than one public hearing.

(b) For such purposes, the authority is authorized and empowered to:

(1) Have perpetual succession as a body politic and corporate and to
adopt bylaws for the regulation of its affairs and the conduct of its business;

(2) Adopt an official seal and alter the same at pleasure;

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

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

(5) (A) Employ such assistants, agents and other employees as may be necessary or desirable who shall be employees, as defined in subsection (b) of section 5-270 of the general statutes; (B) establish all necessary or appropriate personnel practices and policies, including those relating to hiring, promotion, compensation, retirement and collective bargaining, which shall be in accordance with chapter 68 of the general statutes, and the authority shall be an employer as defined in subsection (a) of section 5-270 of the general statutes; and (C) engage consultants, attorneys and appraisers as may be necessary or desirable to carry out its purposes in accordance with this section and sections 10, 12 and 13 of this act;

(6) Issue bonds, bond anticipation notes and other obligations of the authority for any of its corporate purposes, and to fund or refund the same and provide for the rights of the holders thereof, and to secure the same by pledge or revenues, notes and mortgages of others;

(7) Receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied to carry out the purposes of this section and sections 10, 12 and 13 of this act subject to such conditions upon which such grants and contributions may be made, including, but not limited to, gifts or grants from any department, agency or instrumentality of the United States or this state for any purpose consistent with this section and sections 10, 12 and 13 of this act;

(8) Borrow money for the purpose of obtaining working capital;

(9) Make and enter into all contracts and agreements necessary or
incidental to the performance of its duties and the execution of its powers under this section and sections 10, 12 and 13 of this act, including contracts and agreements for the establishment of the Connecticut Transportation Infrastructure Bank and for the provision of professional services as the authority deems necessary, including, but not limited to, financial consultants, bond counsel, underwriters and technical specialists;

(10) Acquire, lease, purchase, own, manage, hold and dispose of personal property, and lease, convey or deal in or enter into agreements with respect to such property on any terms necessary or incidental to the carrying out of these purposes;

(11) Invest in, acquire, lease, purchase, own, manage, hold and dispose of real property and lease, convey or deal in or enter into agreements with respect to such property on any terms necessary or incidental to carrying out the purposes of this section and sections 10, 12 and 13 of this act, provided such transactions shall not be subject to approval, review or regulation by any state agency pursuant to title 4b of the general statutes or any other provision of the general statutes;

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

(13) Account for and audit funds of the authority and funds of any recipients of funds from the authority;

(14) Establish advisory committees to assist in accomplishing its duties under this section and sections 10, 12 and 13 of this act, which may include one or more members of the board of directors and persons other than members;

(15) Pursue public-private partnerships for the design, development, operation or maintenance of transportation systems, transit-oriented development and related infrastructure; and
(16) Do all acts and things necessary or convenient to carry out the purposes of this section and sections 10, 12 and 13 of this act and the powers expressly granted by said sections.

Sec. 12. (NEW) (Effective from passage) The members of the board of directors of the Connecticut Transportation Finance Authority shall adopt written procedures, in accordance with the provisions of section 1-121 of the general statutes, for: (1) Adopting an annual budget and plan of operations, including a requirement of board approval before the budget or plan may take effect; (2) hiring, dismissing, promoting and compensating employees of the authority, including an affirmative action policy and a requirement of board approval before a position may be created or a vacancy filled; (3) acquiring real and personal property and personal services, including a requirement of board approval for any nonbudgeted expenditure in excess of an amount to be determined by the board; (4) contracting for financial, legal, bond underwriting and other professional services, including a requirement that the authority solicit proposals at least once every three years for each such service that it uses; (5) issuing and retiring bonds, bond anticipation notes and other obligations of the authority; (6) awarding loans, grants and other financial assistance, including eligibility criteria, the application process and the role played by the authority's staff and board of directors; (7) the use of surplus funds to the extent authorized under this section and sections 10 and 11 of this act or other provisions of the general statutes; and (8) with regards to toll rates for transit over or use of the highways, or portions thereof, establishing (A) variable toll rates that take into consideration the day of the week, level of congestion or anticipated congestion, (B) different fees based on the type of vehicle classification, size, weight, number of axles or vehicle occupancy, (C) discounts and credits to a toll customer account for persons with a transponder or similar technology issued by the Department of Transportation or a toll operator, (D) exemptions for certain types of motor vehicles, including, but not limited to, high-occupancy vehicles, motor vehicles leased or owned by the state, motor vehicles used by a law enforcement unit, firefighter or a
member of an emergency medical service organization and motor
vehicles used to provide public transit services, (E) surcharges,
premiums or additional fees for designated users or classes of users of
a tolled highway who travel on such highway without a transponder
or similar technology issued by the department or a toll operator, and
(F) administrative charges and penalties for the late payment of tolls
and toll evasion, which shall be not more than twenty-five dollars for a
first violation, not more than fifty dollars for a second violation and
not more than one hundred dollars for a third or subsequent violation.

Sec. 13. (NEW) (Effective from passage) There is established a
Connecticut Transportation Infrastructure Bank Fund, which shall be
within the Connecticut Transportation Finance Authority. The fund
may receive any amount required by law to be deposited into the fund,
including, but not limited to, payments of principal and interest on any
loans, investment earnings, proceeds from the issuance of bonds and
any federal funds as may become available to the state for
transportation infrastructure investments. Any balance remaining in
the fund at the end of any fiscal year shall be carried forward for the
next fiscal year. The fund shall be used by the Connecticut
Transportation Finance Authority for expenditures that promote
investment in transportation infrastructure projects. Such expenditures
may include, but need not be limited to: (1) Providing low interest
loans or other financial assistance for the purpose of financing all or a
portion of the costs incurred for the acquisition, removal, construction,
equipping, reconstruction, repair, rehabilitation and improvement of a
transportation infrastructure project, (2) reimbursement of the
operating expenses, including administrative expenses incurred by the
authority, and (3) capital costs incurred by the authority in connection
with the operation of the fund, other permitted activities of the
Connecticut Transportation Infrastructure Bank, grants, direct or
equity investments, contracts or other actions that support
transportation infrastructure projects in the state.

Sec. 14. Subdivision (12) of section 1-79 of the general statutes is
repealed and the following is substituted in lieu thereof (Effective from
(12) "Quasi-public agency" means Connecticut Innovations, Incorporated, the Connecticut Health and Education Facilities Authority, the Connecticut Higher Education Supplemental Loan Authority, the Connecticut Student Loan Foundation, the Connecticut Housing Finance Authority, the State Housing Authority, the Materials Innovation and Recycling Authority, the Capital Region Development Authority, the Connecticut Lottery Corporation, the Connecticut Airport Authority, the Connecticut Health Insurance Exchange, the Connecticut Green Bank, the Connecticut Retirement Security Authority, the Connecticut Port Authority, and the State Education Resource Center and the Connecticut Transportation Finance Authority.

Sec. 15. Section 1-120 of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

As used in sections 1-120 to 1-123, inclusive:

(1) "Quasi-public agency" means Connecticut Innovations, Incorporated, the Connecticut Health and Educational Facilities Authority, the Connecticut Higher Education Supplemental Loan Authority, the Connecticut Student Loan Foundation, the Connecticut Housing Finance Authority, the Connecticut Housing Authority, the Materials Innovation and Recycling Authority, the Capital Region Development Authority, the Connecticut Lottery Corporation, the Connecticut Airport Authority, the Connecticut Health Insurance Exchange, the Connecticut Green Bank, the Connecticut Retirement Security Authority, the Connecticut Port Authority, and the State Education Resource Center and the Connecticut Transportation Finance Authority.

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

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

Sec. 16. Section 1-124 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective from passage):

(a) Connecticut Innovations, Incorporated, the Connecticut Health
and Educational Facilities Authority, the Connecticut Higher
Education Supplemental Loan Authority, the Connecticut Student
Loan Foundation, the Connecticut Housing Finance Authority, the
Connecticut Housing Authority, the Materials Innovation and
Recycling Authority, the Connecticut Airport Authority, the Capital
Region Development Authority, the Connecticut Health Insurance
Exchange, the Connecticut Green Bank, the Connecticut Retirement
Security Authority, the Connecticut Port Authority, [and] the State
Education Resource Center and the Connecticut Transportation
Finance Authority shall not borrow any money or issue any bonds or
notes which are guaranteed by the state of Connecticut or for which
there is a capital reserve fund of any kind which is in any way
contributed to or guaranteed by the state of Connecticut until and
unless such borrowing or issuance is approved by the State Treasurer
or the Deputy State Treasurer appointed pursuant to section 3-12. The
approval of the State Treasurer or said deputy shall be based on
documentation provided by the authority that it has sufficient
revenues to (1) pay the principal of and interest on the bonds and notes
issued, (2) establish, increase and maintain any reserves deemed by the
authority to be advisable to secure the payment of the principal of and
interest on such bonds and notes, (3) pay the cost of maintaining,
servicing and properly insuring the purpose for which the proceeds of
the bonds and notes have been issued, if applicable, and (4) pay such
other costs as may be required.

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

Sec. 17. Section 1-125 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective from passage):

The directors, officers and employees of Connecticut Innovations,
Incorporated, the Connecticut Higher Education Supplemental Loan
Authority, the Connecticut Student Loan Foundation, the Connecticut
Housing Finance Authority, the Connecticut Housing Authority, the
Materials Innovation and Recycling Authority, including ad hoc
members of the Materials Innovation and Recycling Authority, the
Connecticut Health and Educational Facilities Authority, the Capital Region Development Authority, the Connecticut Airport Authority, the Connecticut Lottery Corporation, the Connecticut Health Insurance Exchange, the Connecticut Green Bank, the Connecticut Retirement Security Authority, the Connecticut Port Authority, [and] the State Education Resource Center and the Connecticut Transportation Finance Authority and any person executing the bonds or notes of the agency shall not be liable personally on such bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof, nor shall any director or employee of the agency, including ad hoc members of the Materials Innovation and Recycling Authority, be personally liable for damage or injury, not wanton, reckless, wilful or malicious, caused in the performance of his or her duties and within the scope of his or her employment or appointment as such director, officer or employee, including ad hoc members of the Materials Innovation and Recycling Authority. The agency shall protect, save harmless and indemnify its directors, officers or employees, including ad hoc members of the Materials Innovation and Recycling Authority, from financial loss and expense, including legal fees and costs, if any, arising out of any claim, demand, suit or judgment by reason of alleged negligence or alleged deprivation of any person's civil rights or any other act or omission resulting in damage or injury, if the director, officer or employee, including ad hoc members of the Materials Innovation and Recycling Authority, is found to have been acting in the discharge of his or her duties or within the scope of his or her employment and such act or omission is found not to have been wanton, reckless, wilful or malicious.

This act shall take effect as follows and shall amend the following sections:

<table>
<thead>
<tr>
<th>Section</th>
<th>From Passage</th>
<th>New Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sec. 1</td>
<td></td>
<td>New section</td>
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<tr>
<td>Sec. 2</td>
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<td>Sec. 5</td>
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<tr>
<td>Sec. 6</td>
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</tr>
</tbody>
</table>
Sec. 7 from passage New section
Sec. 8 from passage New section
Sec. 9 from passage New section
Sec. 10 from passage New section
Sec. 11 from passage New section
Sec. 12 from passage New section
Sec. 13 from passage New section
Sec. 14 from passage 1-79(12)
Sec. 15 from passage 1-120
Sec. 16 from passage 1-124
Sec. 17 from passage 1-125

**Statement of Purpose:**
To (1) require the Commissioner of Transportation to submit a tolling proposal to the General Assembly; and (2) create the Connecticut Transportation Finance Authority.

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