



**AN ACT ESTABLISHING THE CONNECTICUT INFRASTRUCTURE BANK.**

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

1 Section 1. (NEW) (*Effective October 1, 2019*) (a) For purposes of this  
2 section "infrastructure improvement" means the acquisition, removal,  
3 construction, equipping, reconstruction, repair, rehabilitation and  
4 improvement of, and acquisition of easements and rights-of-way with  
5 respect to, roadways, highways, bridges, commuter and freight  
6 railways, transit and intermodal systems, airports and aeronautic  
7 facilities, ports, harbors, navigable waterways, energy transmission  
8 and distribution resources, telecommunication networks and transit-  
9 oriented development.

10 (b) There is hereby created an Infrastructure Improvement Fund  
11 which shall be within the Connecticut Infrastructure Bank. The fund  
12 may receive any amount required by law to be deposited into the fund  
13 and may receive any federal funds as may become available to the  
14 state for infrastructure improvement investments. Upon authorization  
15 of the Connecticut Infrastructure Bank established pursuant to  
16 subsection (c) of this section, any amount in said fund may be used for  
17 expenditures that promote investment in infrastructure improvement  
18 in accordance with a comprehensive plan developed by said bank to  
19 foster the growth, development and commercialization of  
20 infrastructure improvement and related enterprises. Such expenditures

21 may include, but not be limited to, providing low-cost financing and  
22 credit enhancement mechanisms for projects and technologies,  
23 reimbursement of the operating expenses, including administrative  
24 expenses incurred by the Connecticut Infrastructure Bank, and capital  
25 costs incurred by the Connecticut Infrastructure Bank in connection  
26 with the operation of the fund, the implementation of the plan  
27 developed pursuant to subsection (c) of this section or the other  
28 permitted activities of the Connecticut Infrastructure Bank,  
29 disbursements from the fund to develop and carry out the plan  
30 developed pursuant to subsection (c) of this section, grants, direct or  
31 equity investments, contracts or other actions which support research,  
32 development, manufacture, commercialization, deployment and  
33 installation of infrastructure improvement, and actions which expand  
34 the expertise of individuals, businesses and lending institutions with  
35 regard to infrastructure improvement.

36 (c) (1) (A) There is established the Connecticut Infrastructure Bank,  
37 which shall be within the Connecticut Green Bank for administrative  
38 purposes only. The Connecticut Infrastructure Bank is hereby  
39 established and created as a body politic and corporate, constituting a  
40 public instrumentality and political subdivision of the state of  
41 Connecticut established and created for the performance of an  
42 essential public and governmental function. The Connecticut  
43 Infrastructure Bank shall not be construed to be a department,  
44 institution or agency of the state.

45 (B) The Connecticut Infrastructure Bank shall (i) develop programs  
46 to finance and otherwise support infrastructure improvement; (ii)  
47 support financing or other expenditures that promote investment in  
48 infrastructure improvement in accordance with a comprehensive plan  
49 developed by it to foster the growth, development and  
50 commercialization of infrastructure improvement and related  
51 enterprises; and (iii) stimulate demand for infrastructure  
52 improvement.

53 (C) The Connecticut Infrastructure Bank shall constitute a successor

54 agency to the Connecticut Green Bank, for the purposes of  
55 administering the Infrastructure Improvement Fund in accordance  
56 with section 4-38d of the general statutes. The Connecticut  
57 Infrastructure Bank shall have all the privileges, immunities, tax  
58 exemptions and other exemptions of the Connecticut Green Bank with  
59 respect to said fund. The Connecticut Infrastructure Bank shall be  
60 subject to suit and liability solely from the assets, revenues and  
61 resources of said bank and without recourse to the general funds,  
62 revenues and resources or other assets of the Connecticut Green Bank.  
63 The Connecticut Infrastructure Bank may provide financial assistance  
64 in the form of grants, loans, loan guarantees or debt and equity  
65 investments, as approved in accordance with written procedures  
66 adopted pursuant to section 1-121 of the general statutes. The  
67 Connecticut Infrastructure Bank may assume or take title to any real  
68 property and may mortgage, convey or dispose of its assets and pledge  
69 its revenues to secure any borrowing, for the purpose of developing,  
70 acquiring, constructing, refinancing, rehabilitating or improving its  
71 assets or supporting its programs, provided each such borrowing or  
72 mortgage, unless otherwise provided by the board of said bank, shall  
73 be a special obligation of said bank, which obligation may be in the  
74 form of bonds, bond anticipation notes or other obligations which  
75 evidence an indebtedness to the extent permitted under this chapter to  
76 fund, refinance and refund the same and provide for the rights of  
77 holders thereof, and to secure the same by pledge of revenues, notes  
78 and mortgages of others, and which shall be payable solely from the  
79 assets, revenues and other resources of said bank and such bonds may  
80 be secured by a special capital reserve fund contributed to by the state.  
81 The Connecticut Infrastructure Bank shall have the purposes as  
82 provided by resolution of said bank's board of directors, which  
83 purposes shall be consistent with this section. No further action is  
84 required for the establishment of the Connecticut Infrastructure Bank,  
85 except the adoption of a resolution for said bank.

86 (D) In addition to, and not in limitation of, any other power of the  
87 Connecticut Infrastructure Bank set forth in this section or any other

88 provision of the general statutes, said bank shall have and may  
89 exercise the following powers in furtherance of or in carrying out its  
90 purposes:

91 (i) To have perpetual succession as a body corporate and to adopt  
92 bylaws, policies and procedures for the regulation of its affairs and the  
93 conduct of its business;

94 (ii) To make and enter into all contracts and agreements that are  
95 necessary or incidental to the conduct of its business;

96 (iii) To invest in, acquire, lease, purchase, own, manage, hold, sell  
97 and dispose of real or personal property or any interest therein;

98 (iv) To borrow money or guarantee a return to investors or lenders;

99 (v) To hold patents, copyrights, trademarks, marketing rights,  
100 licenses or other rights in intellectual property;

101 (vi) (I) To employ such assistants, agents and employees as may be  
102 necessary or desirable, who shall be exempt from the classified service  
103 and shall not be employees, as defined in subsection (b) of section 5-  
104 270 of the general statutes; (II) establish all necessary or appropriate  
105 personnel practices and policies, including those relating to hiring,  
106 promotion, compensation and retirement, and said bank shall not be  
107 an employer, as defined in subsection (a) of section 5-270 of the general  
108 statutes; and (III) engage consultants, attorneys, financial advisers,  
109 appraisers and other professional advisers as may be necessary or  
110 desirable;

111 (vii) To invest any funds not needed for immediate use or  
112 disbursement pursuant to investment policies adopted by said bank's  
113 board of directors;

114 (viii) To procure insurance against any loss or liability with respect  
115 to its property or business of such types, in such amounts and from  
116 such insurers as it deems desirable;

117 (ix) To enter into joint ventures and invest in, and participate with  
118 any person, including, without limitation, government entities and  
119 private corporations, in the formation, ownership, management and  
120 operation of a northeast regional infrastructure bank or any other  
121 business entities, including stock and nonstock corporations, limited  
122 liability companies and general or limited partnerships, formed to  
123 advance the purposes of the Connecticut Infrastructure Bank, provided  
124 members of the board of directors or officers or employees of said  
125 bank may serve as directors, members or officers of any such regional  
126 infrastructure bank or business entity, and such service shall be  
127 deemed to be in the discharge of the duties or within the scope of the  
128 employment of any such director, officer or employee, as the case may  
129 be, so long as such director, officer or employee does not receive any  
130 compensation or financial benefit as a result of serving in such role;

131 (x) To enter into a memorandum of understanding or other  
132 arrangements with Connecticut Green Bank, with respect to the  
133 provision or sharing of space, office systems or staff administrative  
134 support, on such terms as may be agreed to between said bank and  
135 Connecticut Green Bank; and

136 (xi) To do all other acts and things necessary or convenient to carry  
137 out the purposes of said bank.

138 (E) (i) The Connecticut Infrastructure Bank may form one or more  
139 subsidiaries to carry out the purposes of said bank, as described in  
140 subparagraph (B) of this subdivision, and may transfer to any such  
141 subsidiary any moneys and real or personal property of any kind or  
142 nature. Any subsidiary may be organized as a stock or nonstock  
143 corporation or a limited liability company. Each such subsidiary shall  
144 have and may exercise such powers of said bank, as set forth in the  
145 resolution of the board of directors of said bank prescribing the  
146 purposes for which such subsidiary is formed, and such other powers  
147 provided to it by law.

148 (ii) No such subsidiary of said bank shall be deemed a quasi-public

149 agency for purposes of chapter 12 of the general statutes and no such  
150 subsidiary shall have all the privileges, immunities, tax exemptions  
151 and other exemptions of said bank. In no event shall any such  
152 subsidiary have the power to hire or otherwise retain employees. The  
153 governing documents of any such subsidiary shall provide for the  
154 dissolution of such subsidiary upon the completion of the purpose for  
155 which such subsidiary was formed. Each such subsidiary may sue and  
156 shall be subject to suit, provided its liability shall be limited solely to  
157 the assets, revenues and resources of the subsidiary and without  
158 recourse to the general funds, revenues, resources or any other assets  
159 of said bank. Each such subsidiary is authorized to assume or take title  
160 to property subject to any existing lien, encumbrance or mortgage and  
161 to mortgage, convey or dispose of its assets and pledge its revenues to  
162 secure any borrowing, provided each such borrowing or mortgage  
163 shall be a special obligation of the subsidiary, which obligation may be  
164 in the form of bonds, bond anticipation notes and other obligations, to  
165 fund and refund the same and provide for the rights of the holders  
166 thereof, and to secure the same by a pledge of revenues, notes and  
167 other assets and which shall be payable solely from the revenues,  
168 assets and other resources of the subsidiary. The Connecticut  
169 Infrastructure Bank may assign to a subsidiary any rights, moneys or  
170 other assets it has under any governmental program. No subsidiary of  
171 said bank shall borrow without the approval of the board of directors  
172 of said bank.

173 (iii) Each such subsidiary shall act through its board of directors or  
174 managing members, at least one-half of which shall be members of the  
175 board of directors of said bank or their designees or officers or  
176 employees of said bank.

177 (iv) The provisions of section 1-125 of the general statutes, as  
178 amended by this act, and this subsection shall apply to any officer,  
179 director, designee or employee appointed as a member, director or  
180 officer of any such subsidiary. Any such person so appointed shall not  
181 be personally liable for the debts, obligations or liabilities of any such

182 subsidiary as provided in section 1-125 of the general statutes, as  
183 amended by this act. The subsidiary shall, and said bank may, save  
184 harmless and indemnify such officer, director, designee or employee as  
185 provided by section 1-125 of the general statutes, as amended by this  
186 act.

187 (v) The Connecticut Infrastructure Bank, or such subsidiary, may  
188 take such actions as are necessary to comply with the provisions of the  
189 Internal Revenue Code of 1986, or any subsequent corresponding  
190 internal revenue code of the United States, as amended from time to  
191 time, to qualify and maintain any such subsidiary as a corporation  
192 exempt from taxation under said code.

193 (vi) The Connecticut Infrastructure Bank may make loans to each  
194 such subsidiary from its assets and the proceeds of its bonds, notes and  
195 other obligations, provided the source and security for the repayment  
196 of such loans is derived from the assets, revenues and resources of the  
197 subsidiary.

198 (2) (A) The Connecticut Infrastructure Bank may seek to qualify as a  
199 Community Development Financial Institution under 12 USC 4702, as  
200 amended from time to time. If approved as a Community  
201 Development Financial Institution, said bank would be treated as a  
202 qualified community development entity for purposes of Section 45D  
203 and Section 1400N(m) of the Internal Revenue Code of 1986, or any  
204 subsequent corresponding internal revenue code of the United States,  
205 as amended from time to time.

206 (B) Before making any loan, loan guarantee or such other form of  
207 financing support or risk management for an infrastructure  
208 improvement project, the Connecticut Infrastructure Bank shall  
209 develop standards to govern the administration of said bank through  
210 rules, policies and procedures that specify borrower eligibility, terms  
211 and conditions of support and other relevant criteria, standards or  
212 procedures.

213 (C) Funding sources specifically authorized include, but are not  
214 limited to:

215 (i) Funds received by the state from transportation-related fees,  
216 including, but not limited to, fees for bus, rail or ferry service, parking  
217 and electric vehicle charging;

218 (ii) Proceeds from the sale of bonds authorized pursuant to section  
219 3-20 of the general statutes;

220 (iii) Funds from the Special Transportation Fund, provided any such  
221 funds are used solely for transportation purposes;

222 (iv) Any federal funds that can be used for the purposes specified in  
223 subsection (b) of this section;

224 (v) Charitable gifts, grants and contributions as well as loans from  
225 individuals, corporations, university endowments and philanthropic  
226 foundations;

227 (vi) Earnings and interest derived from financing support activities  
228 for infrastructure improvement projects backed by the Connecticut  
229 Infrastructure Bank;

230 (vii) If and to the extent that the Connecticut Infrastructure Bank  
231 qualifies as a Community Development Financial Institution under 12  
232 USC 4702, as amended from time to time, funding from the  
233 Community Development Financial Institution Fund administered by  
234 the United States Department of Treasury, as well as loans from and  
235 investments by depository institutions seeking to comply with their  
236 obligations under the United States Community Reinvestment Act of  
237 1977; and

238 (viii) The Connecticut Infrastructure Bank may enter into contracts  
239 with private sources to raise capital. The average rate of return on such  
240 debt or equity shall be set by the board of directors of said bank.



241 (D) The Connecticut Infrastructure Bank may provide financing  
242 support under this subsection if said bank determines that the amount  
243 to be financed by said bank and other nonequity financing sources do  
244 not exceed eighty per cent of the cost to develop and implement an  
245 infrastructure improvement project or up to one hundred per cent of  
246 the cost of refinancing an investment improvement project.

247 (E) The Connecticut Infrastructure Bank may assess reasonable fees  
248 on its financing activities to cover its reasonable costs and expenses, as  
249 determined by the board.

250 (F) The Connecticut Infrastructure Bank shall make information  
251 regarding the rates, terms and conditions for all of its financing  
252 support transactions available to the public for inspection, including  
253 formal annual reviews by both a private auditor conducted pursuant  
254 to subdivision (2) of subsection (e) of this section and the Comptroller,  
255 and providing details to the public on the Internet, provided public  
256 disclosure shall be restricted for patentable ideas, trade secrets,  
257 proprietary or confidential commercial or financial information,  
258 disclosure of which may cause commercial harm to a  
259 nongovernmental recipient of such financing support and for other  
260 information exempt from public records disclosure pursuant to section  
261 1-210 of the general statutes.

262 (3) No director, officer, employee or agent of the Connecticut  
263 Infrastructure Bank, while acting within the scope of his or her  
264 authority, shall be subject to any personal liability resulting from  
265 exercising or carrying out any of the Connecticut Infrastructure Bank's  
266 purposes or powers.

267 (d) (1) The powers of the Connecticut Infrastructure Bank shall be  
268 vested in and exercised by a board of directors, which shall consist of  
269 eleven voting and one nonvoting members each with knowledge and  
270 expertise in matters related to the purpose and activities of said bank  
271 appointed as follows: The Treasurer or the Treasurer's designee, the  
272 Commissioner of Transportation or the commissioner's designee and

273 the Commissioner of Economic and Community Development or the  
274 commissioner's designee, each serving ex officio, one member who  
275 shall have experience in the finance or development of infrastructure  
276 improvement projects appointed by the speaker of the House of  
277 Representatives for a term of four years, one member who shall have  
278 experience in investment fund management appointed by the minority  
279 leader of the House of Representatives for a term of three years, one  
280 member who shall represent an environmental organization appointed  
281 by the president pro tempore of the Senate for a term of four years,  
282 and one member who shall represent a business development  
283 organization appointed by the minority leader of the Senate for a term  
284 of four years. Thereafter, such members of the General Assembly shall  
285 appoint members of the board to succeed such appointees whose  
286 terms expire and each member so appointed shall hold office for a  
287 period of four years from the first day of July in the year of his or her  
288 appointment. The Governor shall appoint four members to the board  
289 as follows: Two for two years who shall have experience in the finance  
290 or development of infrastructure improvement projects; one for four  
291 years who shall be a representative of a labor organization; and one  
292 who shall have experience in the planning and installation of  
293 infrastructure improvement projects. Thereafter, the Governor shall  
294 appoint members of the board to succeed such appointees whose  
295 terms expire and each member so appointed shall hold office for a  
296 period of four years from the first day of July in the year of his or her  
297 appointment. The president of the Connecticut Infrastructure Bank  
298 shall be elected by the members of the board. The president of the  
299 Connecticut Infrastructure Bank shall serve on the board in an ex-  
300 officio, nonvoting capacity. The Governor shall appoint the  
301 chairperson of the board. The board shall elect from its members a  
302 vice-chairperson and such other officers as it deems necessary and  
303 shall adopt such bylaws and procedures it deems necessary to carry  
304 out its functions. The board may establish committees and  
305 subcommittees as necessary to conduct its business.

306 (2) The members of the board of directors of the Connecticut

307 Infrastructure Bank shall adopt written procedures, in accordance with  
308 the provisions of section 1-121 of the general statutes, for: (A)  
309 Adopting an annual budget and plan of operations, including a  
310 requirement of board approval before the budget or plan may take  
311 effect; (B) hiring, dismissing, promoting and compensating employees  
312 of said bank, including an affirmative action policy and a requirement  
313 of board approval before a position may be created or a vacancy filled;  
314 (C) acquiring real and personal property and personal services,  
315 including a requirement of board approval for any nonbudgeted  
316 expenditure in excess of five thousand dollars; (D) contracting for  
317 financial, legal, bond underwriting and other professional services,  
318 including a requirement that said bank solicit proposals at least once  
319 every three years for each such service that it uses; (E) issuing and  
320 retiring bonds, bond anticipation notes and other obligations of said  
321 bank; (F) awarding loans, grants and other financial assistance,  
322 including eligibility criteria, the application process and the role  
323 played by said bank's staff and board of directors; and (G) the use of  
324 surplus funds to the extent authorized under this section or other  
325 provisions of the general statutes.

326 (3) No member of the board of directors of the Connecticut  
327 Infrastructure Bank shall be a trustee, director, partner or officer of any  
328 person, firm or corporation, or have a financial interest in a person,  
329 firm or corporation that participates in or otherwise receives support  
330 from programs developed, administered or otherwise supported by  
331 the Connecticut Infrastructure Bank. The holding of any such position  
332 as a trustee, director, partner or officer, or any financial interest by a  
333 member of the board of directors of the Connecticut Infrastructure  
334 Bank shall be deemed a conflict of interest, provided it shall not  
335 constitute a conflict of interest for a member of the board of directors  
336 of the Connecticut Infrastructure Bank to serve as a director, member  
337 or officer of a joint venture entered into by the Connecticut  
338 Infrastructure Bank pursuant to subsection (c) of this section.

339 (e) (1) The board shall issue annually a report to the Department of

340 Transportation reviewing the activities of the Connecticut  
341 Infrastructure Bank in detail and shall provide a copy of such report, in  
342 accordance with the provisions of section 11-4a of the general statutes,  
343 to the joint standing committees of the General Assembly having  
344 cognizance of matters relating to banking, commerce, energy,  
345 environment and transportation. The report shall include a description  
346 of the programs and activities undertaken during the reporting period.

347 (2) The Infrastructure Improvement Fund shall be audited annually.  
348 Such audits shall be conducted with generally accepted auditing  
349 standards by independent certified public accountants certified by the  
350 State Board of Accountancy. Such accountants may be the accountants  
351 for the Connecticut Infrastructure Bank.

352 (3) Any entity that receives financing for an infrastructure  
353 improvement project from the fund shall provide the board an annual  
354 statement, certified as correct by the chief financial officer of the  
355 recipient of such financing, setting forth all sources and uses of funds  
356 in such detail as may be required by the bank for such project. The  
357 Connecticut Infrastructure Bank shall maintain any such audits for not  
358 less than five years.

359 (f) (1) The state of Connecticut does hereby pledge to and agree with  
360 any person with whom the Connecticut Infrastructure Bank may enter  
361 into contracts pursuant to the provisions of this section that the state  
362 will not limit or alter the rights hereby vested in said bank until such  
363 contracts and the obligations thereunder are fully met and performed  
364 on the part of said bank, provided nothing herein contained shall  
365 preclude such limitation or alteration if adequate provision shall be  
366 made by law for the protection of such persons entering into contracts  
367 with said bank. The pledge provided by this subsection shall be  
368 interpreted and applied broadly to effectuate and maintain the bank's  
369 financial capacity to perform its essential public and governmental  
370 function.

371 (2) The contracts and obligations thereunder of said bank shall be

372 obligatory upon the bank, and the bank may appropriate in each year  
373 during the term of such contracts an amount of money that, together  
374 with other funds of the bank available for such purposes, shall be  
375 sufficient to pay such contracts and obligations or meet any contractual  
376 covenants or warranties.

377 (g) The powers enumerated in this section shall be interpreted  
378 broadly to effectuate the purposes established in this section and shall  
379 not be construed as a limitation of powers.

380 (h) To the extent that the provisions of this section are inconsistent  
381 with the provisions of any general statute or special act or parts  
382 thereof, the provisions of this section shall be deemed controlling.

383 Sec. 2. (NEW) (*Effective October 1, 2019*) (a) For purposes of this  
384 section, "required minimum capital reserve" means the maximum  
385 amount permitted to be deposited in a special capital reserve fund by  
386 the Internal Revenue Code of 1986, or any subsequent corresponding  
387 internal revenue code of the United States, as amended from time to  
388 time, to permit the interest on such bonds to be excluded from gross  
389 income for federal tax purposes and secured by such special capital  
390 reserve fund.

391 (b) In connection with the issuance of bonds or to refund bonds  
392 previously issued by the Connecticut Infrastructure Bank, or in  
393 connection with the issuance of bonds to effect a refinancing or other  
394 restructuring with respect to one or more projects, said bank may  
395 create and establish one or more reserve funds to be known as special  
396 capital reserve funds, and may pay into such special capital reserve  
397 funds (1) any moneys appropriated and made available by the state for  
398 the purposes of such special capital reserve funds, (2) any proceeds of  
399 the sale of notes or bonds, to the extent provided in the resolution of  
400 said bank authorizing the issuance thereof, and (3) any other moneys  
401 that may be made available to said bank for the purpose of such  
402 special capital reserve funds from any other source or sources.

403 (c) The moneys held in or credited to any special capital reserve  
404 fund established under this section, except as hereinafter provided,  
405 shall be used for (1) the payment of the principal of and interest, when  
406 due, whether at maturity or by mandatory sinking fund installments,  
407 on bonds of the Connecticut Infrastructure Bank secured by such  
408 special capital reserve fund as such payments become due, or (2) the  
409 purchase of such bonds of said bank and the payment of any  
410 redemption premium required to be paid when such bonds are  
411 redeemed prior to maturity, including in any such case by way of  
412 reimbursement of a provider of bond insurance or of a credit or  
413 liquidity facility that has paid such redemption premiums.  
414 Notwithstanding the provisions of subdivisions (1) and (2) of this  
415 subsection, said bank may provide that moneys in any such special  
416 capital reserve fund shall not be withdrawn therefrom at any time in  
417 such amount as would reduce the amount of such moneys to less than  
418 the maximum amount of principal and interest becoming due by  
419 reasons of maturity or a required sinking fund installment in the then  
420 current or any succeeding calendar year on the bonds of said bank  
421 then outstanding, or less than the required minimum capital reserve,  
422 except for the purpose of paying such principal of, redemption  
423 premium and interest on such bonds of said bank secured by such  
424 special capital reserve becoming due and for the payment of which  
425 other moneys of said bank are not available. Said bank may provide  
426 that it shall not issue bonds secured by a special capital reserve fund at  
427 any time if the required minimum capital reserve on the bonds  
428 outstanding and the bonds then to be issued and secured by the same  
429 special capital reserve fund at the time of issuance exceeds the moneys  
430 in the special capital reserve fund, unless said bank, at the time of the  
431 issuance of such bonds, deposits in such special capital reserve fund  
432 from the proceeds of the bonds so to be issued, or from other sources,  
433 an amount which, together with the amount then in such special  
434 capital reserve fund, will be not less than the required minimum  
435 capital reserve.

436 (d) Prior to December first, annually, the Connecticut Infrastructure

437 Bank shall deposit into any special capital reserve fund, the balance of  
438 which has fallen below the required minimum capital reserve of such  
439 fund, the full amount required to meet the minimum capital reserve of  
440 such fund, as available to said bank from any resources of said bank  
441 not otherwise pledged or dedicated to another purpose. On or before  
442 December first, annually, but after said bank has made such required  
443 deposit, there is deemed to be appropriated from the General Fund  
444 such sums, if any, as shall be certified by the chairperson or vice-  
445 chairperson of the Connecticut Infrastructure Bank to the State  
446 Treasurer and the joint standing committees of the General Assembly  
447 having cognizance of matters relating to finance, revenue and bonding  
448 and transportation, as necessary to restore each such special capital  
449 reserve fund to the amount equal to the required minimum capital  
450 reserve of such fund, and such amounts shall be allotted and paid to  
451 said bank. For the purpose of evaluation of any such special capital  
452 reserve fund, obligations acquired as an investment for any such  
453 special capital reserve fund shall be valued at market. Nothing  
454 contained in this section shall preclude said bank from establishing  
455 and creating other debt service reserve funds in connection with the  
456 issuance of bonds or notes of said bank that are not special capital  
457 reserve funds. Subject to any agreement or agreements with holders of  
458 outstanding notes and bonds of said bank, any amount or amounts  
459 allotted and paid to said bank pursuant to this subsection shall be  
460 repaid to the state from moneys of said bank at such time as such  
461 moneys are not required for any other of said bank's corporate  
462 purposes, and in any event shall be repaid to the state on the date one  
463 year after all bonds and notes of said bank theretofore issued on the  
464 date or dates such amount or amounts are allotted and paid to said  
465 bank or thereafter issued, together with interest on such bonds and  
466 notes, with interest on any unpaid installments of interest and all costs  
467 and expenses in connection with any action or proceeding by or on  
468 behalf of the holders thereof, are fully met and discharged.

469 (e) No bonds secured by a special capital reserve fund shall be  
470 issued to pay project costs unless the Connecticut Infrastructure Bank

471 is of the opinion and determines that the revenues from the project  
472 shall be sufficient to (1) pay the principal of and interest on the bonds  
473 issued to finance the project, (2) establish, increase and maintain any  
474 reserves deemed by said bank to be advisable to secure the payment of  
475 the principal of and interest on such bonds, (3) pay the cost of  
476 maintaining the project in good repair and keeping it properly insured,  
477 and (4) pay such other costs of the project as may be required.

478 (f) Notwithstanding the provisions of this section, no bonds secured  
479 by a special capital reserve fund shall be issued by the Connecticut  
480 Infrastructure Bank unless and until such issuance has been approved  
481 by the State Treasurer or the Deputy State Treasurer. Any such  
482 approval by the Treasurer pursuant to this subsection shall be in  
483 addition to (1) the opinion of sufficiency by said bank otherwise  
484 required under subsection (e) of this section, and (2) the  
485 documentation by said bank otherwise required under subsection (a)  
486 of section 1-124 of the general statutes, as amended by this act. Such  
487 approval may provide for the waiver or modification of such other  
488 requirements of this section as the Treasurer determines to be  
489 necessary or appropriate in order to effectuate such issuance, subject to  
490 all applicable tax covenants of said bank and the state.

491 (g) Notwithstanding any other provision contained in this section,  
492 the aggregate amount of bonds secured by such special capital reserve  
493 fund authorized to be created and established by this section shall not  
494 exceed one hundred million dollars.

495 Sec. 3. (NEW) (*Effective October 1, 2019*) (a) The Connecticut  
496 Infrastructure Bank is authorized from time to time to issue its  
497 negotiable bonds for any corporate purpose. In anticipation of the sale  
498 of such bonds, the Connecticut Infrastructure Bank may issue  
499 negotiable bond anticipation notes and may renew the same from time  
500 to time. Such notes shall be paid from any revenues of said bank or  
501 other moneys available for such purposes and not otherwise pledged,  
502 or from the proceeds of sale of the bonds of said bank in anticipation of  
503 which they were issued. The notes shall be issued in the same manner



504 as the bonds. Such notes and the resolution or resolutions authorizing  
505 the same may contain any provisions, conditions or limitations that a  
506 bond resolution of said bank may contain.

507 (b) Every issue of the bonds, notes or other obligations issued by the  
508 Connecticut Infrastructure Bank shall be special obligations of said  
509 bank payable from any revenues or moneys of said bank available for  
510 such purposes and not otherwise pledged, subject to any agreements  
511 with the holders of particular bonds, notes or other obligations  
512 pledging any particular revenues or moneys, and subject to any  
513 agreements with any individual, partnership, corporation or  
514 association or other body, public or private. Notwithstanding that such  
515 bonds, notes or other obligations may be payable from a special fund,  
516 such bonds, notes or other obligations shall be deemed to be for all  
517 purposes negotiable instruments, subject only to the provisions of such  
518 bonds, notes or other obligations for registration.

519 (c) The bonds may be issued as serial bonds or as term bonds, or the  
520 Connecticut Infrastructure Bank, in its discretion, may issue bonds of  
521 both types. The bonds shall be authorized by resolution of the  
522 members of the board of directors of said bank and shall bear such  
523 date or dates, mature at such time or times, not exceeding twenty years  
524 from their respective dates, bear interest at such rate or rates, be  
525 payable at such time or times, be in such denominations, be in such  
526 form, either coupon or registered, carry such registration privileges, be  
527 executed in such manner, be payable in lawful money of the United  
528 States at such place or places and be subject to such terms of  
529 redemption, as such resolution or resolutions may provide. The bonds  
530 or notes may be sold at public or private sale for such price or prices as  
531 said bank shall determine. The power to fix the date of sale of bonds,  
532 to receive bids or proposals, to award and sell bonds and to take all  
533 other necessary action to sell and deliver bonds may be delegated to  
534 the chairperson or vice-chairperson of the board, a subcommittee of  
535 the board or other officers of said bank by resolution of the board. The  
536 exercise of such delegated powers may be made subject to the

537 approval of a majority of the members of the board which approval  
538 may be given in the manner provided in the bylaws of said bank.  
539 Pending preparation of the definitive bonds, said bank may issue  
540 interim receipts or certificates which shall be exchanged for such  
541 definitive bonds.

542 (d) Any resolution or resolutions authorizing any bonds or any  
543 issue of bonds may contain provisions, which shall be a part of the  
544 contract with the holders of the bonds to be authorized, as to: (1)  
545 Pledges of the full faith and credit of the Connecticut Infrastructure  
546 Bank, the full faith and credit of any individual, partnership,  
547 corporation or association or other body, public or private, all or any  
548 part of the revenues of a project or any revenue-producing contract or  
549 contracts made by said bank with any individual, partnership,  
550 corporation or association or other body, public or private, any  
551 federally guaranteed security and moneys received therefrom  
552 purchased with bond proceeds or any other property, revenues, funds  
553 or legally available moneys to secure the payment of the bonds or of  
554 any particular issue of bonds, subject to such agreements with  
555 bondholders as may then exist; (2) the rentals, fees and other charges  
556 to be charged, and the amounts to be raised in each year thereby, and  
557 the use and disposition of the revenues; (3) the setting aside of reserves  
558 or sinking funds, and the regulation and disposition thereof; (4)  
559 limitations on the right of said bank or its agent to restrict and regulate  
560 the use of the project funded by such bonds or issue of bonds; (5) the  
561 purpose and limitations to which the proceeds of sale of any issue of  
562 bonds then or thereafter to be issued may be applied, including as  
563 authorized purposes all costs and expenses necessary or incidental to  
564 the issuance of bonds, to the acquisition of or commitment to acquire  
565 any federally guaranteed security and to the issuance and obtaining of  
566 any federally insured mortgage note, and pledging such proceeds to  
567 secure the payment of the bonds or any issue of the bonds; (6)  
568 limitations on the issuance of additional bonds, the terms upon which  
569 additional bonds may be issued and secured and the refunding of  
570 outstanding bonds; (7) the procedure, if any, by which the terms of any

571 contract with bondholders may be amended or abrogated, the amount  
572 of bonds the holders of which must consent thereto, and the manner in  
573 which such consent may be given; (8) limitations on the amount of  
574 moneys derived from such project to be expended for operating,  
575 administrative or other expenses of said bank; (9) definitions of the acts  
576 or omissions to act that shall constitute a default in the duties of said  
577 bank to holders of its obligations and the rights and remedies of such  
578 holders in the event of a default; and (10) the mortgaging of a project  
579 and the site thereof for the purpose of securing the bondholders.

580 (e) Neither the members of the board of directors of the Connecticut  
581 Infrastructure Bank nor any person executing the bonds, notes or other  
582 obligations shall be liable personally on the bonds, notes or other  
583 obligations or be subject to any personal liability or accountability by  
584 reason of the issuance thereof.

585 (f) The Connecticut Infrastructure Bank shall have the power to  
586 purchase bonds, notes or other obligations out of any funds available  
587 for such purposes. Said bank may hold, pledge, cancel or resell such  
588 bonds, notes or other obligations, subject to and in accordance with  
589 agreements with bondholders. Said bank may sell, transfer or assign  
590 any of the bank's loan assets to a trustee or other third party for the  
591 purposes of providing security for the bank's bonds, notes or other  
592 obligations, or for bonds, notes or other obligations issued by the  
593 trustee or other third party on its behalf.

594 (g) The Connecticut Infrastructure Bank is further authorized and  
595 empowered to issue bonds, notes or other obligations under this  
596 section, the interest on which may be includable in the gross income of  
597 the holder or holders thereof under the Internal Revenue Code of 1986,  
598 or any subsequent corresponding internal revenue code of the United  
599 States, as amended from time to time, to the same extent and in the  
600 same manner that interest on bills, notes, bonds or other obligations of  
601 the United States is includable in the gross income of the holder or  
602 holders thereof under said internal revenue code. Any such bonds,  
603 notes or other obligations may be issued only upon a finding by said

604 bank that such issuance is necessary, is in the public interest, and is in  
605 furtherance of the purposes and powers of said bank. The state hereby  
606 consents to such inclusion only for the bonds, notes or other  
607 obligations of said bank so issued.

608 (h) At the discretion of the Connecticut Infrastructure Bank, any  
609 bonds issued under the provisions of this section may be secured by a  
610 trust agreement by and between said bank and a corporate trustee or  
611 trustees, which may be any trust company or bank having the powers  
612 of a trust company within or without the state. Such trust agreement or  
613 the resolution providing for the issuance of such bonds or other  
614 instrument of said bank may secure such bonds by a pledge or  
615 assignment of any revenues to be received, any contract or proceeds of  
616 any contract, or any other property, revenues, moneys or funds  
617 available to said bank for such purpose. Any pledge made by said  
618 bank pursuant to this subsection shall be valid and binding from the  
619 time when the pledge is made. The lien of any such pledge shall be  
620 valid and binding as against all parties having claims of any kind in  
621 tort, contract or otherwise against said bank, irrespective of whether  
622 the parties have notice of the claims. Notwithstanding any provision of  
623 the Uniform Commercial Code, no instrument by which such pledge is  
624 created need be recorded or filed except in the records of said bank.  
625 Any revenues, contract or proceeds of any contract, or other property,  
626 revenues, moneys or funds so pledged and thereafter received by said  
627 bank shall be subject immediately to the lien of the pledge without any  
628 physical delivery thereof or further act, and such lien shall have  
629 priority over all other liens. Such trust agreement or resolution may  
630 mortgage, assign or convey any real property to secure such bonds.  
631 Such trust agreement or resolution providing for the issuance of such  
632 bonds may contain such provisions for protecting and enforcing the  
633 rights and remedies of the bondholders as may be reasonable and  
634 proper and not in violation of law, including such provisions as have  
635 been specifically authorized by this section to be included in any  
636 resolution of said bank authorizing bonds thereof. Any bank or trust  
637 company incorporated under the laws of this state, which may act as

638 depository of the proceeds of bonds or of revenues or other moneys,  
639 may furnish such indemnifying bonds or pledge such securities as may  
640 be required by said bank. Any such trust agreement or resolution may  
641 set forth the rights and remedies of the bondholders and of the trustee  
642 or trustees, and may restrict the individual right of action by  
643 bondholders. In addition to the foregoing, any such trust agreement or  
644 resolution may contain such other provisions as said bank may deem  
645 reasonable and proper for the security of the bondholders. All  
646 expenses incurred in carrying out the provisions of such trust  
647 agreement or resolution may be treated as a part of the cost of the  
648 operation of a project.

649 (i) Bonds issued under the provisions of this section shall not be  
650 deemed to constitute a debt or liability of the state or of any political  
651 subdivision thereof, other than the Connecticut Infrastructure Bank, or  
652 a pledge of the full faith and credit of the state or any of its political  
653 subdivisions other than said bank, but shall be payable solely from the  
654 funds provided for such purposes by this section. All such bonds shall  
655 contain on the face thereof a statement to the effect that neither the  
656 state of Connecticut nor any political subdivision thereof, other than  
657 said bank, shall be obligated to pay the same or the interest thereon  
658 except from revenues of the project or the portion thereof for which  
659 such bonds are issued, and that neither the full faith and credit nor the  
660 taxing power of the state of Connecticut or of any political subdivision  
661 thereof, other than said bank, is pledged to the payment of the  
662 principal of or the interest on such bonds. The issuance of bonds under  
663 the provisions of this section shall not directly, indirectly or  
664 contingently obligate the state or any political subdivision thereof to  
665 levy or to pledge any form of taxation or to make any appropriation  
666 for the payment of such bonds. Nothing contained in this section shall  
667 prevent or be construed to prevent said bank from pledging its full  
668 faith and credit or the full faith and credit of any individual,  
669 partnership, corporation or association or other body, public or  
670 private, to the payment of bonds or issue of bonds authorized  
671 pursuant to this section.

672 (j) The state of Connecticut does hereby pledge to and agree with  
673 the holders of any bonds, notes or other obligations issued under this  
674 section and with those parties who may enter into contracts with the  
675 Connecticut Infrastructure Bank or its successor agency pursuant to  
676 the provisions of this section that the state shall not limit or alter the  
677 rights hereby vested in said bank until such obligations, together with  
678 the interest thereon, are fully met and discharged and such contracts  
679 are fully performed on the part of said bank, provided nothing  
680 contained in this subsection shall preclude such limitation or alteration  
681 if and when adequate provision is made by law for the protection of  
682 the holders of such bonds, notes or other obligations of said bank or  
683 those entering into such contracts with said bank. Said bank is  
684 authorized to include this pledge and undertaking for the state in such  
685 bonds, notes or other obligations, or contracts.

686 (k) (1) The Connecticut Infrastructure Bank is authorized to fix,  
687 revise, charge and collect rates, rents, fees and charges for the use of  
688 and for the services furnished or to be furnished by each project, and  
689 to contract with any individual, partnership, corporation or  
690 association, or other body, public or private, in respect thereof. Such  
691 rates, rents, fees and charges shall be fixed and adjusted in respect of  
692 the aggregate of rates, rents, fees and charges from such project so as to  
693 provide funds sufficient with other revenues or moneys available for  
694 such purposes, if any, (A) to pay the cost of maintaining, repairing and  
695 operating the project and each and every portion thereof, to the extent  
696 that the payment of such cost has not otherwise been adequately  
697 provided for, (B) to pay the principal of and the interest on  
698 outstanding bonds of said bank issued in respect of such project as the  
699 same shall become due and payable, and (C) to create and maintain  
700 reserves required or provided for in any resolution authorizing, or  
701 trust agreement securing, such bonds of said bank. Such rates, rents,  
702 fees and charges shall not be subject to supervision or regulation by  
703 any department, commission, board, body, bureau or agency of this  
704 state other than said bank.

705 (2) A sufficient amount of the revenues derived in respect of a  
706 project, except such part of such revenues as may be necessary to pay  
707 the cost of maintenance, repair and operation and to provide reserves  
708 and for renewals, replacements, extensions, enlargements and  
709 improvements as may be provided for in the resolution authorizing  
710 the issuance of any bonds of the Connecticut Infrastructure Bank or in  
711 the trust agreement securing the same, shall be set aside at such  
712 regular intervals as may be provided in such resolution or trust  
713 agreement in a sinking or other similar fund which is hereby pledged  
714 to, and charged with, the payment of the principal of and the interest  
715 on such bonds as the same shall become due, and the redemption price  
716 or the purchase price of bonds retired by call or purchase as therein  
717 provided. Such pledge shall be valid and binding from the time when  
718 the pledge is made. The rates, rents, fees and charges and other  
719 revenues or other moneys so pledged and thereafter received by said  
720 bank shall immediately be subject to the lien of such pledge without  
721 any physical delivery thereof or further act, and the lien of any such  
722 pledge shall be valid and binding as against all parties having claims  
723 of any kind in tort, contract or otherwise against said bank, irrespective  
724 of whether such parties have notice of such claims. Notwithstanding  
725 any provision of the Connecticut Uniform Commercial Code, neither  
726 the resolution nor any trust agreement nor any other agreement nor  
727 any lease by which a pledge is created need be filed or recorded except  
728 in the records of said bank. The use and disposition of moneys to the  
729 credit of such sinking or other similar fund shall be subject to the  
730 provisions of the resolution authorizing the issuance of such bonds or  
731 of such trust agreement. Except as may otherwise be provided in such  
732 resolution or such trust agreement, such sinking or other similar fund  
733 may be a fund for all such bonds issued to finance projects for any  
734 individual, partnership, corporation or association, or other body,  
735 public or private, without distinction or priority of one over another;  
736 provided said bank in any such resolution or trust agreement may  
737 provide that such sinking or other similar fund shall be the fund for a  
738 particular project for any individual, partnership, corporation or  
739 association, or other body, public or private, and for the bonds issued

740 to finance a particular project and may, additionally, permit and  
741 provide for the issuance of bonds having a subordinate lien in respect  
742 of the security authorized by this subsection to other bonds of said  
743 bank, and, in such case, said bank may create separate sinking or other  
744 similar funds in respect of such subordinate lien bonds.

745 (l) All moneys received pursuant to the provisions of this section,  
746 whether as proceeds from the sale of bonds or as revenues, shall be  
747 deemed to be trust funds to be held and applied solely as provided in  
748 this section. Any officer with whom, or any bank or trust company  
749 with which, such moneys are deposited shall act as trustee of such  
750 moneys and shall hold and apply the same for the purposes of this  
751 section, subject to the resolution authorizing the bonds of any issue or  
752 the trust agreement securing such bonds.

753 (m) Any holder of bonds, bond anticipation notes, other notes or  
754 other obligations issued under the provisions of this section, or any of  
755 the coupons appertaining thereto, and the trustee or trustees under  
756 any trust agreement, except to the extent the rights given by this  
757 section may be restricted by any resolution authorizing the issuance of,  
758 or any such trust agreement securing, such bonds, may, either at law  
759 or in equity, by suit, action, mandamus or other proceedings, protect  
760 and enforce any and all rights under the laws of the state or granted by  
761 this section or under such resolution or trust agreement, and may  
762 enforce and compel the performance of all duties required by this  
763 section or by such resolution or trust agreement to be performed by the  
764 Connecticut Infrastructure Bank or by any officer, employee or agent  
765 thereof, including the fixing, charging and collecting of the rates, rents,  
766 fees and charges authorized by this section and required by the  
767 provisions of such resolution or trust agreement to be fixed,  
768 established and collected.

769 (n) The Connecticut Infrastructure Bank shall have power to  
770 contract with the holders of any of the bank's bonds or notes as to the  
771 custody, collection, securing, investment and payment of any reserve  
772 funds of said bank, or of any moneys held in trust or otherwise for the



773 payment of bonds or notes, and to carry out such contracts. Any officer  
774 with whom, or any bank or trust company with which, such moneys  
775 shall be deposited as trustee thereof shall hold, invest, reinvest and  
776 apply such moneys for the purposes thereof, subject to such provisions  
777 as this section and the resolution authorizing the issue of the bonds or  
778 notes or the trust agreement securing such bonds or notes may  
779 provide.

780 (o) The exercise of the powers granted by this section shall be in all  
781 respects for the benefit of the people of this state, for the increase of  
782 their commerce, welfare and prosperity, and for the improvement of  
783 their health and living conditions, and, as the exercise of such powers  
784 shall constitute the performance of an essential public function, neither  
785 the Connecticut Infrastructure Bank, any affiliate of said bank, nor any  
786 collection or other agent of said bank nor any such affiliate shall be  
787 required to pay any taxes or assessments upon or in respect of any  
788 revenues or property received, acquired, transferred or used by said  
789 bank, any affiliate of said bank or any collection or other agent of said  
790 bank or any such affiliate or upon or in respect of the income from  
791 such revenues or property. Any bonds, notes or other obligations  
792 issued under the provisions of this section, their transfer and the  
793 income therefrom, including any profit made on the sale of such  
794 bonds, notes or other obligations, shall at all times be free from  
795 taxation of every kind by the state and by the municipalities and other  
796 political subdivisions in the state, except for estate and succession  
797 taxes. The interest on such bonds, notes or other obligations shall be  
798 included in the computation of any excise or franchise tax.

799 (p) (1) The Connecticut Infrastructure Bank is hereby authorized to  
800 provide for the issuance of bonds of said bank for the purpose of  
801 refunding any bonds of said bank then outstanding, including the  
802 payment of any redemption premium thereon and any interest  
803 accrued or to accrue to the earliest or subsequent date of redemption,  
804 purchase or maturity of such bonds, and, if deemed advisable by said  
805 bank, for the additional purpose of paying all or any part of the cost of

806 constructing and acquiring additions, improvements, extensions or  
807 enlargements of a project or any portion thereof.

808 (2) The proceeds of any such bonds issued for the purpose of  
809 refunding outstanding bonds may, at the discretion of the Connecticut  
810 Infrastructure Bank, be applied to the purchase or retirement at  
811 maturity or redemption of such outstanding bonds either on their  
812 earliest or any subsequent redemption date or upon the purchase or at  
813 the maturity thereof and may, pending such application, be placed in  
814 escrow to be applied to such purchase or retirement at maturity or  
815 redemption on such date as may be determined by said bank.

816 (3) Any such escrowed proceeds, pending such use, may be  
817 invested and reinvested in direct obligations of, or obligations  
818 unconditionally guaranteed by, the United States and certificates of  
819 deposit or time deposits secured by direct obligations of, or obligations  
820 unconditionally guaranteed by, the United States, or obligations of a  
821 state, a territory or a possession of the United States, or any political  
822 subdivision of any of the foregoing, within the meaning of Section  
823 103(a) of the Internal Revenue Code of 1986, or any subsequent  
824 corresponding internal revenue code of the United States, as amended  
825 from time to time, the full and timely payment of the principal of and  
826 interest on which are secured by an irrevocable deposit of direct  
827 obligations of the United States that, if the outstanding bonds are then  
828 rated by a nationally recognized rating agency, are rated in the highest  
829 rating category by such rating agency, maturing at such time or times  
830 as shall be appropriate to assure the prompt payment, as to principal,  
831 interest and redemption premium, if any, of the outstanding bonds to  
832 be so refunded. The interest, income and profits, if any, earned or  
833 realized on any such investment or reinvestment may also be applied  
834 to the payment of the outstanding bonds to be so refunded. After the  
835 terms of the escrow have been fully satisfied and carried out, any  
836 balance of such proceeds and interest, income and profits, if any,  
837 earned or realized on the investments or reinvestments thereof may be  
838 returned to the Connecticut Infrastructure Bank for use by it in any

839 lawful manner.

840 (4) The portion of the proceeds of any such bonds issued for the  
841 additional purpose of paying all or any part of the cost of constructing  
842 and acquiring additions, improvements, extensions or enlargements of  
843 a project or any portion thereof may be invested and reinvested as the  
844 provisions of this section and the resolution authorizing the issuance  
845 of such bonds or the trust agreement securing such bonds may  
846 provide. The interest, income and profits, if any, earned or realized on  
847 such investment or reinvestment may be applied to the payment of all  
848 or any part of such cost or may be used by the Connecticut  
849 Infrastructure Bank in any lawful manner.

850 (5) All such bonds shall be subject to the provisions of this section in  
851 the same manner and to the same extent as other bonds issued  
852 pursuant to this section or sections 2 and 3 of this act.

853 (q) Bonds issued by the Connecticut Infrastructure Bank under the  
854 provisions of this section are hereby made securities in which all  
855 public officers and public bodies of the state and its political  
856 subdivisions, all insurance companies, state banks and trust  
857 companies, national banking associations, savings banks, savings and  
858 loan associations, investment companies, executors, administrators,  
859 trustees and other fiduciaries may properly and legally invest funds,  
860 including capital in their control or belonging to them. Such bonds are  
861 hereby made securities that may properly and legally be deposited  
862 with and received by any state or municipal officer or any agency or  
863 political subdivision of the state for any purpose for which the deposit  
864 of bonds or obligations of the state is now or may hereafter be  
865 authorized by law.

866 (r) In conjunction with the issuance of the bonds, notes or other  
867 obligations, the Connecticut Infrastructure Bank may: (1) Make  
868 representations and agreements for the benefit of the holders of the  
869 bonds, notes or other obligations to make secondary market  
870 disclosures; (2) enter into interest rate swap agreements and other

871 agreements for the purpose of moderating interest rate risk on the  
872 bonds, notes or other obligations; (3) enter into such other agreements  
873 and instruments to secure the bonds, notes or other obligations; and (4)  
874 take such other actions as necessary or appropriate for the issuance  
875 and distribution of the bonds, notes or other obligations and may make  
876 representations and agreements for the benefit of the holders of the  
877 bonds, notes or other obligations that are necessary or appropriate to  
878 ensure exclusion of the interest payable on the bonds, notes or other  
879 obligations from gross income under the Internal Revenue Code of  
880 1986, or any subsequent corresponding internal revenue code of the  
881 United States, as amended from time to time.

882 Sec. 4. Subdivision (12) of section 1-79 of the general statutes is  
883 repealed and the following is substituted in lieu thereof (*Effective*  
884 *October 1, 2019*):

885 (12) "Quasi-public agency" means Connecticut Innovations,  
886 Incorporated, the Connecticut Health and Education Facilities  
887 Authority, the Connecticut Higher Education Supplemental Loan  
888 Authority, the Connecticut Student Loan Foundation, the Connecticut  
889 Housing Finance Authority, the State Housing Authority, the Materials  
890 Innovation and Recycling Authority, the Capital Region Development  
891 Authority, the Connecticut Lottery Corporation, the Connecticut  
892 Airport Authority, the Connecticut Health Insurance Exchange, the  
893 Connecticut Green Bank, the Connecticut Infrastructure Bank, the  
894 Connecticut Retirement Security Authority, the Connecticut Port  
895 Authority and the State Education Resource Center.

896 Sec. 5. Subdivision (1) of section 1-120 of the general statutes is  
897 repealed and the following is substituted in lieu thereof (*Effective October*  
898 *1, 2019*):

899 (1) "Quasi-public agency" means Connecticut Innovations,  
900 Incorporated, the Connecticut Health and Educational Facilities  
901 Authority, the Connecticut Higher Education Supplemental Loan  
902 Authority, the Connecticut Student Loan Foundation, the Connecticut

903 Housing Finance Authority, the Connecticut Housing Authority, the  
904 Materials Innovation and Recycling Authority, the Capital Region  
905 Development Authority, the Connecticut Lottery Corporation, the  
906 Connecticut Airport Authority, the Connecticut Health Insurance  
907 Exchange, the Connecticut Green Bank, the Connecticut Infrastructure  
908 Bank, the Connecticut Retirement Security Authority, the Connecticut  
909 Port Authority and the State Education Resource Center.

910 Sec. 6. Section 1-124 of the general statutes is repealed and the  
911 following is substituted in lieu thereof (*Effective October 1, 2019*):

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

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

959 Sec. 7. Section 1-125 of the general statutes is repealed and the  
960 following is substituted in lieu thereof (*Effective October 1, 2019*):

961 The directors, officers and employees of Connecticut Innovations,  
962 Incorporated, the Connecticut Higher Education Supplemental Loan  
963 Authority, the Connecticut Student Loan Foundation, the Connecticut  
964 Housing Finance Authority, the Connecticut Housing Authority, the  
965 Materials Innovation and Recycling Authority, including ad hoc  
966 members of the Materials Innovation and Recycling Authority, the  
967 Connecticut Health and Educational Facilities Authority, the Capital  
968 Region Development Authority, the Connecticut Airport Authority,

969 the Connecticut Lottery Corporation, the Connecticut Health Insurance  
 970 Exchange, the Connecticut Green Bank, the Connecticut Infrastructure  
 971 Bank, the Connecticut Retirement Security Authority, the Connecticut  
 972 Port Authority and the State Education Resource Center and any  
 973 person executing the bonds or notes of the agency shall not be liable  
 974 personally on such bonds or notes or be subject to any personal  
 975 liability or accountability by reason of the issuance thereof, nor shall  
 976 any director or employee of the agency, including ad hoc members of  
 977 the Materials Innovation and Recycling Authority, be personally liable  
 978 for damage or injury, not wanton, reckless, wilful or malicious, caused  
 979 in the performance of his or her duties and within the scope of his or  
 980 her employment or appointment as such director, officer or employee,  
 981 including ad hoc members of the Materials Innovation and Recycling  
 982 Authority. The agency shall protect, save harmless and indemnify its  
 983 directors, officers or employees, including ad hoc members of the  
 984 Materials Innovation and Recycling Authority, from financial loss and  
 985 expense, including legal fees and costs, if any, arising out of any claim,  
 986 demand, suit or judgment by reason of alleged negligence or alleged  
 987 deprivation of any person's civil rights or any other act or omission  
 988 resulting in damage or injury, if the director, officer or employee,  
 989 including ad hoc members of the Materials Innovation and Recycling  
 990 Authority, is found to have been acting in the discharge of his or her  
 991 duties or within the scope of his or her employment and such act or  
 992 omission is found not to have been wanton, reckless, wilful or  
 993 malicious.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	New section
Sec. 2	<i>October 1, 2019</i>	New section
Sec. 3	<i>October 1, 2019</i>	New section
Sec. 4	<i>October 1, 2019</i>	1-79(12)
Sec. 5	<i>October 1, 2019</i>	1-120(1)
Sec. 6	<i>October 1, 2019</i>	1-124
Sec. 7	<i>October 1, 2019</i>	1-125

**BA**      *Joint Favorable Subst. -LCO*

**GAE**     *Joint Favorable*