



Senate Bill No. 1502

June Special Session, Public Act No. 15-5

AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2017, CONCERNING GENERAL GOVERNMENT, EDUCATION, HEALTH AND HUMAN SERVICES AND BONDS OF THE STATE.

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

Section 1. (NEW) (*Effective July 1, 2015*) (a) There is hereby established and created a body politic and corporate, constituting a public instrumentality and political subdivision of the state of Connecticut established and created for the performance of an essential public and governmental function, to be known as the Connecticut Port 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 fifteen voting members as follows: (1) The State Treasurer, or the Treasurer's designee, the Commissioner of Energy and Environmental Protection, or the commissioner's designee, the Commissioner of Transportation, or the commissioner's designee, the Commissioner of Economic and Community Development, or the commissioner's designee, and the Secretary of the Office of Policy and Management, or the secretary's designee, all of whom shall serve ex officio; (2) one appointed by the speaker of the House of Representatives for a term of four years; (3) one appointed by the majority leader of the House of Representatives for a term of two years; (4) one appointed by the minority leader of the House of Representatives for a term of two years; (5) one appointed by the president pro tempore of the Senate for a term of four years; (6) one appointed by the majority leader of the Senate for a term of two years; (7) one appointed by the minority leader of the Senate for a term of four years; and (8) four appointed by the Governor, two for a term of four years and two for a term of two years. Thereafter, said members of the General Assembly and the Governor shall appoint members of the board to succeed such appointees whose terms expire and each member so appointed shall hold office for a period of four years from the first day of

July in the year of his or her appointment. Appointed members shall include: (A) Individuals who have experience and expertise in one or more of the following areas: (i) International trade; (ii) marine transportation; (iii) finance; or (iv) economic development; (B) one member or employee of a local port authority; (C) one elected or appointed municipal official from a coastal municipality with a population not greater than one hundred thousand; and (D) one elected or appointed municipal official from a coastal community with a population not greater than fifty thousand. 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) No appointed member of the board of directors may designate a representative to perform his or her respective duties under this section in such member's absence. Any appointed member who fails to attend three consecutive meetings of the board or who fails to attend fifty per cent of all meetings of the board held during any calendar year shall be deemed to have resigned from the board. Any vacancy occurring other than by expiration of term shall be filled not later than thirty days following the occurrence of such vacancy 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, neglect of duty or misconduct in office after giving the member a copy of the charges against the member and an opportunity to be heard, in person or by counsel, in the member's defense, upon not less than ten days' notice. If any member shall be so removed, the appointing authority for such member shall file in the office of the Secretary of the State a complete statement of charges made against such member and the appointing authority's findings on such statement of charges, together with a complete record of the proceedings.

(d) The members of the board of directors shall appoint an executive director of the authority who shall not be a member of the board and shall serve at the pleasure of the board and receive such compensation as shall be fixed by the board. The executive director shall: (1) Be the chief administrative officer of the authority and direct and supervise administrative affairs and technical activities in accordance with the directives of the board; (2) approve all accounts for salaries, allowable expenses of the authority or of any employee or consultant thereof, and expenses incidental to the operation of the authority; (3) perform such other duties as may be directed by the board in carrying out the purposes of this section; and (4) attend all meetings of the board, keep a record of the proceedings of the authority and maintain and be custodian of all books, documents and papers filed with the authority and of the minute book or journal of the authority and of its official seal. The executive director may cause copies to be made of all minutes and other records and documents of the authority and may give certificates under the official seal of the authority to the effect that such copies are true copies, and all persons dealing with the authority may rely upon such certificates.

(e) Each member of the board of directors shall serve without compensation, but shall be reimbursed for such member's actual and necessary expenses incurred during the performance of such member's official duties.

(f) Members of the board of directors 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.

(g) Notwithstanding any provision of the general statutes, 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.

(h) Eight members of the board of directors of the authority 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, the authority may act by a majority of the members present at any meeting at which a quorum is in attendance.

(i) The board may delegate to eight or more members such board powers and duties as it may deem necessary and proper in conformity with the provisions of this section and its bylaws.

(j) The initial members of the board may begin service immediately upon appointment, but shall not serve past the sixth Wednesday of the next regular session of the General Assembly unless qualified in the manner provided in section 4-7 of the general statutes. Thereafter, all appointments shall be made with the advice and consent of both houses of the General Assembly, in the manner provided in section 4-19 of the general statutes.

(k) On or before December fifteenth of each year, the board shall report, in accordance with the provisions of section 11-4a of the general statutes, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to transportation, commerce and the environment, summarizing the authority's activities, disclosing operating and financial statements and recommending legislation to promote the authority's purposes.

(l) Not later than seven days after receiving an audit of the authority conducted by an independent auditing firm, the board shall submit, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, commerce, the environment and transportation a copy of each such audit.

(m) The board shall: (1) Develop and recommend to the Governor and the joint standing committee of the General Assembly having cognizance of matters relating to transportation a maritime policy for the state; (2) advise the Governor and such committee concerning the state's maritime policies and operations; (3) support the development of the state's maritime commerce and industries, including its ports and harbors; (4) recommend investments and actions, including dredging, required in order to preserve and enhance maritime commerce and industries; and (5) conduct studies and present recommendations concerning maritime issues.

(n) At least once each year, the board shall hold a public hearing for the purpose of evaluating the adequacy of the state's maritime policies, facilities and support for maritime commerce and industry.

(o) On or before January 1, 2017, and annually thereafter, the board of directors shall submit, in writing, to the Governor (1) a list of projects which, if undertaken by the state, would support the state's maritime policies and encourage maritime commerce and industry; (2) recommendations for improvements to existing maritime policies, programs and facilities; and (3) such other recommendations as the board considers appropriate. Copies of such report shall be submitted to the joint standing committee of the General Assembly having cognizance of matters relating to transportation, in accordance with the provisions of section 11-4a of the general statutes.

Sec. 2. (NEW) (*Effective July 1, 2015*) (a) The purposes of the Connecticut Port Authority shall be to coordinate the development of Connecticut's ports and harbors, with a focus on private and public investments, pursue federal and state funds for dredging and other infrastructure improvements to increase cargo movement through the ports and maintain navigability of all ports and harbors, market the economic development of such ports and harbors, work with the Department of Economic and Community Development and other state, local and private entities to maximize the economic potential of the ports and harbors, support and enhance the overall development of the state's maritime commerce and industries, coordinate the planning and funding of capital projects promoting the development of the ports and harbors, develop strategic entrepreneurial initiatives that may be available to the state, coordinate the state's maritime policy activities, serve as the Governor's principal maritime policy advisor and undertake such other responsibilities as may be assigned to it. To accomplish the purposes of the authority, the authority shall have the duty and power 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) Develop an organizational and management structure that will best accomplish the goals of the authority concerning Connecticut ports and harbors;
 - (6) Create a code of conduct for the board of directors of the authority consistent with part I of chapter 10 of the general statutes;
 - (7) Adopt rules for the conduct of its business, which shall not be considered regulations as defined in section 4-166 of the general statutes;
 - (8) Adopt an annual budget and plan of operations, including a requirement of board approval before the budget or plan may take effect;
 - (9) Employ such assistants, agents and other employees as may be necessary or desirable to carry out its purposes. (A) The executive director and such employees shall be exempt from the classified service and, except as provided in subparagraph (B) of this subdivision, shall not be employees, as defined in subsection (b) of section 5-270 of the general statutes. The authority shall fix appropriate compensation for such employees and establish all necessary or appropriate personnel practices and policies, including those relating to hiring, promotion, compensation, retirement and collective bargaining, which need not be in accordance with chapter 68 of the general statutes, and the authority shall not be an employer, as defined in subsection (a) of section 5-270 of the general statutes, and may engage consultants, attorneys and appraisers as may be necessary or desirable to carry out its purposes in accordance with sections 1 to 9, inclusive, of this act. (B) For purposes of group welfare benefits and retirement, including, but not limited to, those provided under chapter 66 of the general statutes and sections 5-257 and 5-259 of the general statutes, the officers and all other employees of the authority shall be state employees. The authority shall reimburse the appropriate state agencies for all costs incurred by such designation; and
 - (10) 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 sections 1 to 9, inclusive, 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, except the authority shall not convey fee simple ownership in any property associated with the ports or harbors under its jurisdiction and control without the approval of the State Properties Review Board and the Attorney General.
- (b) 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.

Sec. 3. (NEW) (*Effective July 1, 2016*) (a) The Connecticut Port Authority may authorize the issuance of bonds in one or more series and in principal amounts necessary to carry out the purposes of sections 1 to 9, inclusive, of this act. Such bonds shall be payable from all or a portion of the revenues of the ports and harbors of the state as may be specified in the proceedings authorizing such bonds, and may include, among other types of bonds, special purpose revenue bonds payable solely from revenues derived from special purpose facilities and bonds payable from particular sources of revenues. The authority may request such assistance from the Treasurer as may be necessary or desirable for the issuance by the authority of bonds to finance such projects and other improvements. The expense of such assistance shall be payable from the proceeds of such bonds and the State Treasurer may provide such assistance. The authority may appoint a finance or other committee of the board or one or more officers or employees to serve as the board's authorized delegate in connection with the issuance of bonds pursuant to this section.

(b) Bonds issued pursuant to this section shall be obligations of the authority and shall neither be payable from nor charged upon any funds other than the revenues of the authority pledged to the payment thereof, nor shall the state or any political subdivision thereof be subject to any liability thereon except to the extent of such pledged revenues. The issuance of bonds under the provisions of this section and sections 4 to 6, inclusive, of this act shall not directly or indirectly or contingently obligate the state or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the state or of any political subdivision thereof, except the property of the authority or the state mortgaged or otherwise encumbered under the provisions and for the purposes of sections 1 to 9, inclusive, of this act. The substance of such limitation shall be plainly stated on the face of each bond. Bonds issued pursuant to this section and sections 4 to 6, inclusive, of this act shall not be subject to any statutory limitation on the indebtedness of the state and such bonds, when issued, shall not be included in computing the aggregate indebtedness of the state in respect to and to the extent of any such limitation.

(c) The bonds referred to in this section may be executed and delivered at such time or times, shall be dated, shall bear interest at such rate or rates, including variable rates to be determined in such manner as set forth in the proceedings authorizing the issuance of the bonds, provide for payment of interest on such dates, whether before or at maturity, shall mature at such time or times not exceeding thirty years from their date, have such rank or priority, be payable in such medium of payment, be issued in

coupon, registered or book entry form, carry such registration and transfer privileges and be subject to purchase or redemption before maturity at such price or prices and under such terms and conditions, including the condition that such bonds be subject to purchase or redemption on the demand of the owner thereof, all as may be determined by the authority. The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, the manner of execution of the bonds, the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. Prior to the preparation of definitive bonds, the authority may, under like restrictions, provide for the issuance of interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. If any of the officers whose signatures appear on the bonds or coupons cease to be officers before the delivery of any such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if they had remained in office until delivery.

(d) Any bonds issued under the authority of this section and sections 4 to 6, inclusive, of this act may be sold at public sale on sealed proposals or by negotiation in such manner, at such price and at such time or times as may be determined by the authority. The authority may pay from the proceeds of the bonds all costs and expenses which the authority may deem necessary or advantageous in connection with the authorization, sale and issuance thereof, including the cost of interest on any short-term financing authorized under subsection (b) of section 4 of this act.

(e) The principal of and interest on any bonds issued pursuant to this section shall be secured by a pledge of the revenues out of which such bonds shall be made payable. They may be secured by a mortgage covering all or any part of the project from which the revenues so pledged may be derived or by a pledge of one or more leases, sale contracts or loan agreements with respect to such project or by a pledge of one or more notes, debentures, bonds or other secured or unsecured debt obligations of any lessee or contracting party under a loan agreement or sale contract or by a pledge of reserve and sinking funds established pursuant to the resolution authorizing the issuance of the bonds and any other funds and accounts, including proceeds from investment of any of the foregoing, established pursuant to this chapter or the proceedings authorizing the issuance of such bonds, and by moneys paid under a credit facility, including, but not limited to, a letter of credit or policy of bond insurance, issued by a financial institution pursuant to an agreement authorized by such proceedings.

(f) The proceedings under which the bonds are authorized to be issued pursuant to this section, and any mortgage given to secure the same, may, subject to the provisions of the general statutes, contain any agreements and provisions customarily contained in instruments securing bonds, including, but not limited to: (1) Provisions respecting custody of the proceeds from the sale of the bonds, including their investment and

reinvestment until used for the cost of the project; (2) provisions respecting the fixing and collection of rents or payments with respect to the facilities of the ports and harbors of the state and any facility charges; (3) the terms to be incorporated in the lease, sale contract or loan agreement with respect to the project; (4) the maintenance and insurance of the project; (5) the creation, maintenance, custody, investment and reinvestment, and use of the revenues derived from the operation of the ports and harbors of the state; (6) establishment of reserves or sinking funds, and such accounts thereunder as may be established by the authority, and the regulation and disposition thereof; (7) the rights and remedies available in case of a default to the bondholders or to any trustee under any lease, sale contract, loan agreement, mortgage or trust indenture; (8) reimbursement agreements, remarketing agreements, standby bond purchase agreements or similar agreements in connection with obtaining any credit or liquidity facilities including, but not limited to, letters of credit or policies of bond insurance and such other agreements entered into pursuant to section 3-20a of the general statutes; (9) provisions for the issuance of additional bonds on a parity with bonds theretofore issued, including establishment of coverage requirements with respect thereto; (10) covenants to do or to refrain from doing such acts and things as may be necessary or convenient or desirable in order to better secure any bonds or to maintain any federal or state exemption from tax of the interest on such bonds; and (11) provisions or covenants of like or different character from the foregoing which are consistent with the provisions of sections 1 to 9, inclusive, of this act and which the authority determines in such proceedings are necessary, convenient or desirable in order to better secure the bonds or bond anticipation notes, or will tend to make the bonds or bond anticipation notes more marketable, and which are in the best interests of the state. The proceedings under which the bonds are authorized, and any mortgage given to secure the same, may further provide that any cash balances not necessary (A) to pay the cost of maintaining, repairing and operating the facilities of the ports and harbors of the state, (B) to pay the principal of and interest on the bonds as the same shall become due and payable, and (C) to create and maintain reserve and sinking funds as provided in any authorizing resolution or other proceedings shall be deposited into one or more specifically designated working funds to be held in trust by the authority and applied to future debt service requirements or other port authority purposes.

(g) In the discretion of the authority, bonds issued pursuant to this section may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the exercise of its powers pursuant to sections 1 to 9, inclusive, of this act and the custody, safeguarding and application of all moneys. The authority may provide by such trust indenture for the payment of the proceeds of the bonds and

the revenues from the operation of the ports and harbors of the state to the trustee under such trust indenture or other depository, and for the method of disbursement thereof, with such safeguards and restrictions as it may determine. All expenses incurred in carrying out such trust indenture may be treated as a part of the operating expenses of the applicable project. If the bonds shall be secured by a trust indenture, the bondholders shall have no authority to appoint a separate trustee to represent them.

(h) In connection with the issuance of bonds to finance a project or to refund bonds previously issued by the authority or the state to finance a project, the authority may create and establish one or more reserve funds to be known as special capital reserve funds and may pay into such special capital reserve funds (1) any moneys appropriated and made available by the state for the purposes of such funds, (2) any proceeds of sale of notes or bonds for a project, to the extent provided in the resolution of the authority authorizing the issuance thereof, and (3) any other moneys which may be made available to the authority for the purpose of such funds from any other source or sources. The moneys held in or credited to any special capital reserve fund established under this section, except as hereinafter provided, shall be used solely for the payment of the principal of and interest on, when due, whether at maturity or by mandatory sinking fund installments, on bonds of the authority secured by such capital reserve fund as the same become due, the purchase of such bonds of the authority, the payment of any redemption premium required to be paid when such bonds are redeemed prior to maturity; provided the authority shall have power to provide that moneys in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such funds to less than the maximum amount of principal and interest becoming due by reasons of maturity or a required sinking fund installment in the then current or any succeeding calendar year on the bonds of the authority then outstanding or the maximum amount permitted to be deposited in such fund by the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, to permit the interest on said bonds to be excluded from gross income for federal tax purposes and secured by such special capital reserve fund, such amount being herein referred to as the "required minimum capital reserve", except for the purpose of paying such principal of, redemption premium and interest on such bonds of the authority secured by such special capital reserve becoming due and for the payment of which other moneys of the authority are not available. The authority may provide that it shall not issue bonds secured by a special capital reserve fund at any time if the required minimum capital reserve on the bonds outstanding and the bonds then to be issued and secured by the same special capital reserve fund at the time of issuance, unless the authority, at the time of the issuance of such bonds, shall deposit in such special capital reserve fund from the proceeds of the bonds so to be issued, or otherwise, an amount which, together with the amount then in such special capital reserve fund, will be not less than the required minimum capital reserve. On or before December first, annually, there is deemed to be appropriated from the state General Fund such sums, if any, as shall be certified by the

chairperson or vice-chairperson of the authority to the Secretary of the Office of Policy and Management and the Treasurer, as necessary to restore each such special capital reserve fund to the amount equal to the required minimum capital reserve of such fund, and such amounts shall be allotted and paid to the authority. For the purpose of evaluation of any such special capital reserve fund, obligations acquired as an investment for any such fund shall be valued at market. Nothing contained in this section shall preclude the authority from establishing and creating other debt service reserve funds in connection with the issuance of bonds or notes of the authority which are not special capital reserve funds. Subject to any agreement or agreements with holders of outstanding notes and bonds of the authority, any amount or amounts allotted and paid to the authority pursuant to this section shall be repaid to the state from moneys of the authority at such time as such moneys are not required for any other of its corporate purposes and in any event shall be repaid to the state on the date one year after all bonds and notes of the authority theretofore issued on the date or dates such amount or amounts are allotted and paid to the authority or thereafter issued, together with interest on such bonds and notes, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders thereof, are fully met and discharged. No bonds secured by a special capital reserve fund shall be issued to pay project costs unless the authority is of the opinion and determines that revenues pledged to secure such bonds shall be sufficient to (A) pay the principal of and interest on the bonds issued to finance the project, (B) 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, (C) pay the cost of maintaining the project in good repair and keeping it properly insured, and (D) pay such other costs of the project as may be required. No bonds secured by a special capital reserve fund shall be issued unless the issuance of such bonds is approved by the Treasurer. Notwithstanding any other provision contained in this section, the aggregate amount of bonds secured by the special capital reserve funds authorized to be created and established by this subsection shall not exceed fifty million dollars.

(i) Any pledge made by the authority shall be valid and binding from the time when the pledge is made, and the revenues or property so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

(j) The authority shall have power out of any funds available therefor to purchase bonds or notes of the authority or the state issued pursuant to this section. The authority may hold, pledge, cancel or resell such bonds, subject to and in accordance with agreements with bondholders.

(k) Whether or not the notes and bonds are of such form and character as to be negotiable instruments under the terms of the Uniform Commercial Code, the notes and bonds are hereby made negotiable instruments within the meaning of and for all purposes of the Uniform Commercial Code, subject only to the provisions of the notes and bonds for registration.

(l) Any moneys held by the authority with respect to the ports and harbors of the state or by a trustee pursuant to a trust indenture, subject to the provisions of such indenture, including proceeds from the sale of any bonds and notes, and revenues, receipts and income from the operation of the ports and harbors of the state may be invested and reinvested in such obligations, securities and other investments, including, without limitation, participation certificates in the Short Term Investment Fund created in section 3-27a of the general statutes, or deposited or redeposited in such bank or banks, all as shall be authorized by the authority in the proceedings authorizing the issuance of the bonds and notes.

(m) For the purposes of sections 1 to 9, inclusive, of this act, the costs of the project payable out of the proceeds of bonds issued pursuant to this section shall include: (1) Expenses and obligations incurred for labor and materials in connection with the construction of the project; (2) the cost of acquiring by purchase, if such purchase shall be deemed expedient, and the amount of any award or final judgment in any proceedings to acquire by condemnation, such land, property rights, rights-of-way, franchises, easements and other interests in land as may be deemed necessary or convenient in connection with such construction or with the operation of the project, and the amount of any damages incident thereto; (3) the costs of all machinery and equipment acquired in connection with the project; (4) reserves for the payment of the principal of and interest on any notes and bonds issued pursuant to this section and interest accruing on any such notes, during construction of the project and for six months after completion of such construction; (5) initial working capital, expenses of administration properly chargeable to the construction or acquisition of the project, legal, architectural and engineering expenses and fees, costs of audits, costs of preparing and issuing any notes and bonds pursuant to this section; and (6) all other items of expense not elsewhere specified incident to the planning, acquisition and construction of the project or of the placing of the same in operation.

(n) For purposes of sections 1 to 9, inclusive, of this act, the term "project" shall refer to the renovations and improvements to be acquired and constructed at the ports and harbors of the state as may be specified from time to time by the board in a resolution as contemplated by subsection (a) of this section.

Sec. 4. (NEW) (*Effective July 1, 2016*) (a) Any bonds issued by the authority under sections 3 to 6, inclusive, of this act and at any time outstanding may at any time be refunded by the authority by the issuance of its refunding bonds in such amounts as the

authority may deem necessary, but not exceeding an amount sufficient to refund the principal of the bonds to be so refunded, any unpaid interest thereon and any premiums, related termination payments and commissions necessary to be paid in connection therewith and to pay costs and expenses which the authority may deem necessary or advantageous in connection with the authorization, sale and issuance of refunding bonds. Any such refunding may be effected whether the bonds to be refunded shall have matured or shall thereafter mature. All refunding bonds issued hereunder shall be payable and shall be subject to and may be secured in accordance with the provisions of section 3 of this act.

(b) Whenever the authority has adopted a resolution authorizing bonds pursuant to section 3 of this act, the authority may, pending the issue of such bonds, issue temporary notes and any renewals thereof in anticipation of the proceeds from the sale of such bonds, which notes and any renewals thereof shall be designated "Bond Anticipation Notes". Such portion of the proceeds from the sale of such bonds as may be so required shall be applied to the payment of the principal of and interest on any such bond anticipation notes which have been issued. The principal of and interest on any bond anticipation notes issued pursuant to this subsection may be repaid from pledged revenues or other receipts, funds or moneys pledged to the repayment of the bonds in anticipation of which the bond anticipation notes are issued, to the extent not paid from the proceeds of renewals thereof or of the bonds.

Sec. 5. (NEW) (*Effective July 1, 2016*) (a) It is hereby determined that the purposes of sections 1 to 9, inclusive, of this act are public purposes and that the authority will be performing an essential governmental function in the exercise of the powers conferred upon it hereunder. The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the authority under sections 3 to 6, inclusive, of this act in consideration of the acceptance of and payment for the notes and bonds, that the principal and interest of such notes and bonds shall at all times be free from taxation, except for estate and gift taxes, imposed by the state or by any political subdivision thereof but the interest on such notes and bonds shall be included in the computation of any excise or franchise tax. The authority is authorized to include this covenant of the state in any agreement with the holder of such notes or bonds. Any notes or bonds issued by the authority pursuant to sections 3 to 6, inclusive, of this act may be issued on a basis that provides that the interest thereon is intended to be exempt or not to be exempt from federal income taxation, as may be determined by the authority.

(b) Bonds issued under the authority of sections 3 to 6, inclusive, of this act are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, credit unions, building and loan associations, investment companies, banking associations, trust companies, executors, administrators, trustees and other fiduciaries and pension, profit-sharing and

retirement funds may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the state is now or may hereafter be authorized by law.

Sec. 6. (NEW) (*Effective July 1, 2016*) The state of Connecticut does hereby pledge to and agree with the holders of any bonds and notes issued under this section and sections 3 to 5, inclusive, of this act and with those parties who may enter into contracts with the authority pursuant to the provisions of sections 1 to 9, inclusive, of this act that the state will not limit or alter the rights hereby vested in the authority until such obligations, together with the interest thereon, are fully met and discharged and such contracts are fully performed on the part of the authority, provided nothing contained herein shall preclude such limitation or alteration if and when adequate provision shall be made by law for the protection of the holders of such bonds and notes of the authority or those entering into such contracts with the authority. The authority is authorized to include this pledge and undertaking for the state in such bonds and notes or contracts.

Sec. 7. (*Effective July 1, 2016*) The exercise of the powers granted by sections 1 to 9, inclusive, of this act shall be in all respects for the benefit of the people of the state, for the increase of their commerce, welfare and prosperity, and as the improvement of their infrastructure, navigability and transportation systems by the authority or its agent shall constitute the performance of an essential public function, neither the authority nor its agent shall be required to pay any taxes or assessments, including mortgage recording taxes, upon or with respect to any property acquired or used by the authority or its agent under the provisions of sections 1 to 9, inclusive, of this act or upon the income therefrom. On and before June 30, 2018, property and facilities owned by the authority shall be deemed to be state-owned real property for purposes of sections 12-19a and 12-19b of the general statutes, and the state shall make grants in lieu of taxes with respect to such property and facilities to the municipality in which such property and facilities are located as provided by said sections 12-19a and 12-19b.

Sec. 8. (*Effective July 1, 2015*) The Department of Economic and Community Development and the Connecticut Port Authority established pursuant to section 1 of this act may enter into a memorandum of understanding pursuant to which: (1) Administrative support and services, including all staff support necessary for the operations of the authority may be provided by the department, and (2) provision is made for the coordination of management and operational activities that may include: (A) Joint procurement and contracting; (B) the sharing of services and resources; (C) the coordination of promotional activities; and (D) other arrangements designed to enhance revenues, reduce operating costs or achieve operating efficiencies. The terms and conditions of such memorandum of understanding, including provisions with respect to the reimbursement by the authority to the department of the costs of such

administrative support and services, shall be as the authority and the department determine to be appropriate. Such memorandum of understanding shall terminate as of June 30, 2018.

Sec. 9. (NEW) (*Effective July 1, 2015*) (a) The Connecticut Port Authority and the Commissioner of Transportation shall enter into one or more memoranda of understanding that will facilitate the authority's governance of the ports and harbors of the state, and provide for an orderly transition and transfer of ownership, jurisdiction or authority to control, operate and maintain such ports and harbors from the Department of Transportation to the authority. Such memoranda of understanding shall include, but not be limited to: (1) Those assets, funds and accounts, contracts and liabilities, powers and duties associated with the ports and harbors of the state that will be transferred to the authority, whether by deed, lease, management contract, agency agreement, assignment or assumption, and the manner of such transfer; (2) the time or times when such transfers shall be effective; and (3) the reimbursement to the state for the services provided under any memorandum of understanding. The memoranda of understanding shall provide for the lease, assignment or transfer of ownership, jurisdiction or authority to control the ports and harbors, together with all assets, funds and accounts, contracts and liabilities, powers and duties and the manner and timing of any such lease, assignment or transfer. The authority, from time to time, shall advise the Department of Transportation of its readiness to accept any such lease, assignment or transfer in accordance with such memoranda of understanding, and such leases, assignments or transfers shall not be unreasonably delayed or withheld. If any bonds or other obligations issued under any provision of the general statutes for projects or purposes relating to ports and harbors remain outstanding, the Treasurer shall also be party to any such memorandum of understanding. Once any such power, duty, asset, fund or account, contract or liability shall have been transferred to the authority, the commissioner shall not thereafter exercise any such power, perform such duty or take action with respect to any such asset, fund or account, contract or liability.

(b) No memorandum of understanding entered into between the authority, the commissioner and the Treasurer, if applicable, shall provide for any powers to be ceded to the authority, any duties to be assumed by the authority or any transfer of assets, funds or accounts, contracts or liabilities to the authority if such cession, assumption or transfer shall contravene any contract now extant between the state and any other party including, without limitation, any bonds or other obligations issued pursuant to any provision of the general statutes for projects or purposes relating to ports and harbors or any trust indenture or other agreement with respect to such bonds or other obligations. The Treasurer, the commissioner and the authority, and each of them, shall enter into such agreements, amendments, consents, assignments, supplemental indentures and other documents and instruments necessary to provide for such cession, assumption or transfer. The authority may, with the consent and approval of the Treasurer, assume the obligations of the state as issuer of any bonds, notes or other

obligations issued under any provision of the general statutes for projects or purposes relating to ports and harbors that remain outstanding, and thereafter to indemnify and release the state from all liability and expense relating to such obligations. Any such assumption by the authority and release of the state shall be subject to the terms and provisions of any indenture securing such bonds, notes or other obligations of the state and approval of the State Bond Commission.

(c) The authority shall further do all acts and things necessary by federal or state law, rule or regulation or relevant contractual requirements to effect the lease, assignment or transfer of ownership, jurisdiction or authority to control, operate and maintain the ports and harbors of the state in the manner deemed by the authority to be in its best interests whether by deed, lease, management contract, agency agreement, assignment or assumption, all to the extent contemplated by such memoranda of understanding. The Department of Transportation shall receive no compensation in consideration of any such leases, assignments or transfers. Upon satisfaction of all such requirements, the authority, from time to time, shall notify the Department of Transportation of its readiness to accept such leases, assignments or transfers with respect to the ports and harbors of the state and all documents and contracts necessary to effect such leases, assignments or transfers shall be executed.

Sec. 10. Subsection (a) of section 2 of public act 14-222 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015*):

(a) There is established a Port Authority Working Group. Such working group shall prepare and submit recommendations to the Department of Economic and Community Development on the powers and duties of the board of directors of the Connecticut Port Authority, established pursuant to section 1 of [\[this act\] public act 14-222](#), regarding: (1) Employment and personnel practices and policies, including those relating to hiring, promotion, compensation, retirement and collective bargaining; (2) issuance of bonds; (3) authority to acquire, lease, purchase, own, manage, hold and dispose of personal and real property; (4) authority to make and enter into contracts and agreements; and (5) any other powers, duties or functions of the Connecticut Port Authority. The Port Authority Working Group shall terminate on [\[October 1, 2015\] July 1, 2015](#).

Sec. 11. Section 3 of public act 14-222 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015*):

[\(a\)](#) The Commissioner of Economic and Community Development, after consultation with the Commissioner of Transportation, the Commissioner of Energy and Environmental Protection, the Secretary of the Office of Policy and Management and the Port Authority Working Group established pursuant to section 2 of [\[this act\] public act 14-222](#), shall, within available appropriations, (1) develop a plan to transition the maritime functions of the Department of Transportation to the Connecticut Port

Authority; (2) review and make recommendations for state policies that affect Connecticut's ports; (3) coordinate state, regional and local efforts to encourage the growth of Connecticut's ports; (4) develop a plan to transition the functions of the Connecticut Maritime Commission to the Connecticut Port Authority after the establishment of the Connecticut Port Authority; (5) develop a plan concerning the bonding authority of the Connecticut Port Authority; (6) develop a proposed business and operating plan for the consideration of the board of directors of the Connecticut Port Authority upon its creation; and (7) prepare and submit, on or before March 1, 2015, a report of activities, findings and recommendations concerning the establishment of the Connecticut Port Authority to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to commerce, transportation and the environment, in accordance with the provisions of section 11-4a of the general statutes.

[\(b\) On and after July 1, 2015, no further actions shall be required pursuant to this section.](#)

Sec. 12. Section 13b-51 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

[The commissioner] [The Connecticut Port Authority](#) shall have jurisdiction over the harbors [and navigable waterways] of the state, with all the powers and duties prescribed in this chapter [in title 15,] and as otherwise provided by law. The powers and duties of all existing harbor boards or boards of harbor commissioners under either the general statutes or special acts of this state shall be vested in the [commissioner] [Commissioner of Energy and Environmental Protection](#) but all such boards shall continue [in the department] to assist the commissioner in an advisory capacity, and to perform such duties as [he] [the commissioner](#) may delegate to them. Harbor masters and deputy harbor masters appointed by the Governor under section 15-1 shall be subject to the direction and control of the commissioner, and shall be responsible to [him] [the commissioner](#) for the safe and efficient operation of the harbors over which [they] [the harbor masters and deputy harbor masters](#) have jurisdiction. Nothing in this chapter shall be construed to limit or in any way derogate from the powers and authority of the Commissioner of Energy and Environmental Protection under title 25.

Sec. 13. Section 13b-53 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

The commissioner [and the Connecticut Port Authority](#) may, on behalf of the state, acquire, own, construct, maintain or operate, upon, at or near the seaboard or any navigable waterway, land, or any harbor, wharf, dock, pier, quay, canal, slip or basin, or any appropriate harbor facility, shed, warehouse of any kind, vault, railroad track, yard, terminal or equipment, or such other facility related to the transportation of goods or

people by water as [he] [the commissioner or the authority, as appropriate](#), deems necessary to the fulfillment of the purposes of this chapter. The commissioner, with the approval of the State Properties Review Board, the Office of Policy and Management and the Attorney General, may lease or grant any interest at the State Pier in New London or any navigation property owned or under the control of the Department of Transportation to any person and in any manner, as [he] [the commissioner](#) deems appropriate, except that after initiating such approval, the commissioner may temporarily lease any such interest with the approval of the Secretary of the Office of Policy and Management. A temporary lease shall be effective only until a final decision is made by the Office of Policy and Management, the State Properties Review Board and the Attorney General. Leases of land of the state shall be for periods determined by the commissioner with the approval of the State Properties Review Board and may provide for the construction of buildings on the land. The commissioner [or the authority, as appropriate](#), may confer the privilege of concessions of supplying, upon such facilities, goods, commodities, service and facilities.

Sec. 14. Section 13b-55a of the general statutes, as amended by section 8 of public act 14-222, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) In addition to municipal requests for a grant-in-aid pursuant to section 13b-57, [as amended by this act](#), harbor improvement projects may be initiated by the [\[Commissioner of Transportation\] Connecticut Port Authority](#) on behalf of the state or for the state on behalf of the federal government. Recommendations on the prioritization or inclusion of projects shall be submitted to the [\[commissioner by the Connecticut Port Authority\] board of directors of the authority by the executive director of the authority](#). The [\[department\] authority](#) shall contract for the provision of goods and services to harbors and waterways for such improvements, and shall provide the funding required under such contracts, except that the [\[commissioner\] authority](#) may enter into agreements with other state agencies or municipalities for such agencies or municipalities to provide the funding for any of such contracts. The [\[department\] authority](#) shall administer all contracts entered into under this section.

(b) All contracts are subject to final negotiation of the scope and budget for a given project. Contracting periods may vary depending on each project. Payments shall be made on a reimbursement basis for deliverables completed no later than the dates of service of an executed contract. Appropriate back-up information shall be included with each payment request indicating that services have been rendered. The [\[department\] authority](#) may elect to provide part or all of the funds necessary as an upfront payment, provided funds are held in a separate, noninterest bearing account and are expended not later than sixty days after such funds are provided.

(c) Harbor improvement projects include the preparation of plans, studies and construction for the alteration and improvement of various state, municipal and other

properties in or adjacent to the waters of the state, for the purpose of improving the economy and infrastructure of the state.

Sec. 15. Section 13b-55b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) There is established an account to be known as the "harbor improvement account" which shall be a separate, nonlapsing account within the General Fund. There shall be deposited in the account: (1) The proceeds of notes, bonds or other obligations issued by the state for the purpose of deposit therein and use in accordance with the permissible uses thereof; (2) funds appropriated by the General Assembly for the purpose of deposit therein and ~~use~~ used in accordance with the permissible uses thereof; and (3) any other funds required or permitted by law to be deposited in the account. The funds in said account shall be expended by the ~~[Commissioner of Transportation]~~ Connecticut Port Authority for the purpose of initiating harbor improvement projects in accordance with section 13b-55a and for the purposes described in subsection (b) of this section.

(b) The harbor improvement account may be used for federal dredging projects (1) to support, in full or in part, local and state matching requirements for such projects; (2) to cover the incremental costs associated with applicable environmental regulatory requirements or management practices, including beneficial use; and (3) to cover part or all of the costs of such projects in the absence of adequate federal funds. If any account funds are used for the purpose described in subdivision (3) of this subsection, the ~~[commissioner]~~ authority shall pursue reimbursement to the account from the federal government.

Sec. 16. Section 13b-56 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) For the purposes of this section and section 13b-57, as amended by this act, "harbor improvement agency" means any board, commission, agency or department of any municipality designated by the chief executive officer of such municipality and approved by the governing body thereof for the purpose of carrying out a harbor improvement project under this section.

(b) Any municipality may undertake a harbor improvement project, including the development, improvement, construction and installation of berthing areas, channels to berthing areas, sea walls, piers, docks, navigation aids, bridges and other related facilities and structures, pursuant to a harbor improvement plan. The harbor improvement agency may prepare or cause to be prepared a harbor improvement plan, and may approve such plan after (1) obtaining the approval of the planning agency of the municipality, and (2) holding a public hearing thereon, notice of which shall be published at least twice in a newspaper of general circulation in the municipality, the

first publication of notice to be not less than two weeks before the date of the public hearing.

(c) Such harbor improvement plan shall include: [(a)] (1) A description of the harbor improvement area and the condition, type and use of the structures and facilities therein; [(b)] (2) the location and extent of the proposed land uses and harbor uses in such area; [(c)] (3) the location and extent of streets and public utilities, facilities and works within the area; [(d)] (4) schedules showing the number of families and businesses to be displaced by the proposed improvement, the method of relocating such families and businesses and the availability of sufficient suitable living accommodations at prices and rentals within the financial means of such families and located within a reasonable distance of the area from which they are displaced; [(e)] (5) present and proposed zoning regulations in the harbor improvement area; [(f)] (6) a description of all land to be acquired and buildings and improvements to be demolished and removed or rehabilitated; [(g)] (7) a description of all improvements to be constructed, installed or made; [(h)] (8) the plan's relationship to definite local objectives; [(i)] (9) financial aspects of the project; and [(j)] (10) a ratio of the costs of the project to the benefits to be derived therefrom.

(d) After approval of the harbor improvement plan by the harbor improvement agency, the plan shall be submitted to the [Commissioner of Transportation] [Connecticut Port Authority](#) and the Commissioner of Energy and Environmental Protection and, if approved by [each] [the authority and the](#) commissioner, may be adopted by the governing body of the municipality. A harbor development plan may be modified at any time by a harbor improvement agency, provided such modification is consented to in writing by each purchaser or lessee of land in the harbor improvement project affected by such modification, and such modification does not substantially change the plan; otherwise any modification to such plan shall be approved in the same manner as the plan. Any municipality and its harbor improvement agency may exercise, for the purposes of undertaking a harbor improvement project, all the powers and authority granted to a municipality and to a redevelopment agency for the purposes of a redevelopment or urban renewal project pursuant to chapter 130.

Sec. 17. Section 13b-57 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

The state, acting by and in the discretion of the [Commissioner of Transportation] [Connecticut Port Authority](#), may enter into a contract with a municipality, or any federal or state agency acting on behalf of such municipality, for state financial assistance in the form of a state grant-in-aid for a harbor improvement project pursuant to section 13b-55a, provided such project is approved by the [Commissioner of Transportation] [authority](#). Any such application for state financial assistance under this section shall be submitted by the [Commissioner of Transportation] [authority](#) to the

Commissioner of Energy and Environmental Protection for [\[his\] said commissioner's](#) review. Said [\[Commissioner of Energy and Environmental Protection\] commissioner](#) shall submit a written report to the [\[Commissioner of Transportation\] authority](#), setting forth [\[his\] said commissioner's](#) findings regarding such application.

Sec. 18. Section 15-1 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

The Governor shall appoint a harbor master, and may appoint a deputy harbor master, for each of the harbors of New Haven, Norwich, Bridgeport, Stamford, Norwalk, Stonington, New London and Branford, and may appoint a suitable number of harbor masters and deputy harbor masters in any town in this state which has navigable waters within its limits, provided the appointment of a harbor master or deputy harbor master for the harbor of any municipality which has adopted a harbor management plan, pursuant to chapter 444a, shall be made by the Governor from a list of not less than three nominees submitted by the municipality's harbor management commission. Appointments shall be for terms of three years from July first in the year of the appointment and until a successor is appointed and qualified except the term of office of any person appointed before or after July first in any year to a newly created office of harbor master or deputy harbor master shall begin on the day of the appointment and expire on July first next succeeding the completion of the person's third full year in office. Any appointment to fill a vacancy shall be for the remainder of the term of the original appointee and until a successor is appointed and qualified. Harbor masters shall have the general care and supervision of the harbors and navigable waterways over which they have jurisdiction, subject to the direction and control of the Commissioner of [\[Transportation\] Energy and Environmental Protection](#), and shall be responsible to the commissioner for the safe and efficient operation of such harbors and navigable waterways in accordance with the provisions of this chapter. The harbor masters or deputy harbor masters shall exercise their duties in a manner consistent with any harbor management plan adopted pursuant to section 22a-113m for a harbor over which they have jurisdiction. The commissioner may delegate any of his powers and duties under this chapter to such harbor masters or to any existing board of harbor commissioners, but shall at all times be vested with responsibility for the overall supervision of the harbors and navigable waterways of the state.

Sec. 19. Section 15-7 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) The harbor master shall have the general care and supervision of Bridgeport Harbor and its tidewaters and its rivers and of all the flats and lands flowed thereby, and all other tidewaters, flats and rivers which are within the city limits of said city but are not adjacent to said harbor in order to limit, prevent and abate sources of water pollution, to prevent or remove any unauthorized encroachment and other obstruction which is

likely to interfere with the full navigation of said harbor, or in any way injure its channels or cause any reduction in its tidewaters, or prevent, abate or remove any unauthorized landfills upon or affecting the tidewaters located within the city limits of Bridgeport. The harbor master shall exercise his responsibility in a manner consistent with any harbor management plan for the Bridgeport Harbor adopted pursuant to section 22a-113m.

(b) Each person who contemplates the building over said harbor and tidewaters of any bridge, wharf, pier dam or bulkheads, or the dredging or filling in of any flats or tidewaters, or the driving or placement of any piles, dolphins or bumpers below high-water mark shall, before beginning such work, give written notice upon forms provided by said master of his intention to do such work to the Commissioner of [\[Transportation\] Energy and Environmental Protection](#) and to said harbor master and shall submit plans or drawings of any proposed wharf or any other structure, and of the flats to be dredged or filled, and of the mode in which the work is to be performed; and no such work shall be commenced until the plan or drawing and the mode of performing the same is approved in writing by the commissioner. The commissioner may reject or alter such plans at his discretion and prescribe the direction, limits and mode of building of the wharf and other structures, and all such works shall be executed under the supervision of the commissioner and the harbor master.

(c) Any erection made or work done in any manner not sanctioned by said commissioner, when his direction is required as hereinbefore provided, shall be deemed a public nuisance. Said commissioner may order suits in the name of the city and prevent or stop or abate, by injunction or otherwise, any such erection or other nuisance and such suits shall be conducted by and at the expense of the city of Bridgeport.

(d) Any person aggrieved by any action taken or order issued by said commissioner under authority of this section may within thirty days appeal to the superior court for the judicial district of Fairfield and said court shall take such action in the premises as equity may require.

(e) Any person who violates or assists in violating any of the provisions of subsection (b) of this section or any direction or order of the commissioner made pursuant thereto shall be guilty of a class C misdemeanor.

Sec. 20. Section 15-9 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) When the master or owner of any vessel lying within the navigable waters of this state, or the person having the same in charge, wilfully neglects or refuses to obey the order of any harbor master performing his duties under the provisions of this chapter, such harbor master may cause such vessel to be removed at the expense of the owner.

Any such master, owner or person in violation of this section shall be deemed to have committed an infraction and shall be fined eighty-five dollars.

(b) A harbor master may notify any officer attached to an organized police department or any state police officer that a master or owner of a vessel is in violation of the provisions of subsection (a) of this section. Any such officer may remove and take such vessel into custody and shall give written notice by certified mail to the owner or master of such vessel, if known, which notice shall state (1) that the vessel has been taken into custody and stored, (2) the location of storage of the vessel, (3) that such vessel may be sold after fifteen days if the market value of such vessel does not exceed five hundred dollars or after ninety days if the value of such vessel exceeds five hundred dollars, and (4) that the owner has a right to contest the validity of such taking by application, on a form prescribed by the Commissioner of [\[Transportation\] Energy and Environmental Protection](#), to the hearing officer named in such notice within ten days from the date of such notice. Such application forms shall be made readily available to the public at all offices of the Department of [\[Transportation\] Energy and Environmental Protection](#) and at all state and local police departments.

(c) The chief executive officer of each town may appoint a suitable person, who shall not be a member of any state or local police department, to be a hearing officer to hear applications to determine whether or not the taking was authorized under the provisions of this section. Two or more towns may join in appointing such officer; provided any such hearing shall be held at a location which is as near to the town where such vessel was located as is reasonable and practicable. The commissioner shall establish by regulation the qualifications necessary for hearing officers and procedures for the holding of such hearings. If it is determined at such hearing that the owner or master was in violation of subsection (a) of this section, the owner or master of such vessel shall be liable for any expenses incurred as a result of such removal, or the costs and expenses incident to such removal, including legal expenses and court costs incurred in such recovery. If it is determined at such hearing that the owner or master was not in violation of subsection (a) of this section, the owner or master of such vessel shall not be liable for any expenses incurred as a result of such removal or for the costs and expenses incident to such removal, including legal expenses and court costs incurred in such recovery. Any person aggrieved by the decision of such hearing officer may, within fifteen days of the notice of such decision, appeal to the superior court for the judicial district wherein such hearing was held.

(d) The state or local police department which has custody of the removed vessel shall have the power to sell such vessel at public auction in accordance with the provisions of this section. The state or local police department shall apply the avails of such sale toward the payment of its charges, any storage charges and the payment of any debt or obligation incurred by the officer who placed the same in storage. Such sale shall be advertised in a newspaper published or having a circulation in the town where such

vessel is stored or other place is located three times, commencing at least five days before such sale; and, if the last place of abode of the owner of such vessel is known to or may be ascertained by the state or local police by the exercise of reasonable diligence, notice of the time and place of sale shall be given him by mailing such notice to him in a registered or certified letter, postage paid, at such last usual place of abode, at least five days before the time of sale. The state or local police department shall report the sales price, storing and towing charges, if any; buyer's name and address; identification of the vessel and such other information as may be required in regulations which shall be adopted by the Commissioner of [\[Transportation\]](#) [Energy and Environmental Protection](#) in accordance with the provisions of chapter 54, to the commissioner within fifteen days after the sale of the vessel. The proceeds of such sale, after deducting the amount due for any storage and all expenses connected with such sale, including the expenses of the officer who placed such vessel in storage, shall be paid to the owner of such vessel or his legal representatives, if claimed by him or them at any time within one year from the date of such sale. If such balance is not claimed within said period, it shall escheat to the municipality from which the vessel was removed. If the expenses incurred by the municipality for such removal and towing and the sale of such vessel and any fines exceed the proceeds of such sale, the owner of the vessel shall be liable for such excess amount. A vessel may not be sold in accordance with the provisions of this section until: (1) The expiration of the time period under subdivision (3) of subsection (b) of this section and (2) a final decision has been rendered in connection with an application filed pursuant to subdivision (4) of subdivision (b) of this section.

(e) The Commissioner of [\[Transportation\]](#) [Energy and Environmental Protection](#) shall adopt regulations in accordance with the provisions of chapter 54, to carry out the provisions of this section.

Sec. 21. Section 15-11a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) A duly authorized harbor master shall determine whether a vessel is a derelict vessel. Upon such determination, the Commissioner of [\[Transportation\]](#) [Energy and Environmental Protection](#), such harbor master or a duly authorized representative of a municipality may cause such derelict vessel to be removed at the expense of any owner, agent or operator of such derelict vessel and may recover the expense of such removal, together with the costs and expenses incident to such removal, including legal expenses and court costs incurred in such recovery, from the owner, agent or operator of such vessel in an action founded upon this section. The last owner of record of such vessel shall be responsible for such vessel. [\[After consultation with the Commissioner of Transportation, the\]](#) [The](#) Commissioner of Energy and Environmental Protection may consider any such vessel to be an encroachment subject to the provisions of sections 22a-359 to 22a-363f, inclusive.

(b) Prior to removing and taking such derelict vessel into custody, the Commissioner of [\[Transportation\] Energy and Environmental Protection](#), a duly authorized harbor master or a duly authorized representative of a municipality shall make a reasonable attempt to notify the owner, agent or operator of the vessel and shall allow such owner, agent or operator to make arrangements for removal of the vessel. Such notification shall inform the owner, agent or operator that, pursuant to this section, if the vessel is not removed within twenty-four hours of notification, it shall be removed, taken into custody and stored at the owner's, agent's or operator's expense.

(c) Prior to removing a derelict vessel, the Commissioner of [\[Transportation\] Energy and Environmental Protection](#), a duly authorized harbor master or a duly authorized representative of a municipality shall affix to such vessel a readily visible notification sticker. The notification sticker shall contain the following information: (1) The date and time the notification sticker was affixed to the vessel, (2) a statement that, pursuant to this section, if the vessel is not removed within twenty-four hours of the time the sticker was affixed, it shall be taken into custody and stored at the owner's expense, (3) the location and telephone number where additional information may be obtained, and (4) the identity of the person who affixed the sticker.

(d) If the derelict vessel is not removed by the owner, agent or operator within the time period provided in subsection (c) of this section, the Commissioner of [\[Transportation\] Energy and Environmental Protection](#), a duly authorized harbor master or a duly authorized representative of a municipality may direct that such vessel be removed and taken into custody and may cause the same to be stored in a suitable place.

(e) If a derelict vessel is removed and taken into custody pursuant to subsection (d) of this section, the Commissioner of [\[Transportation\] Energy and Environmental Protection](#), a duly authorized harbor master or a duly authorized representative of a municipality shall give written notice, by certified mail, return receipt requested, to the owner, agent or operator of such vessel, if known, which notice shall state: (1) The vessel has been removed, taken into custody and stored, (2) the location from which the vessel was removed, and (3) that the vessel may be disposed of after fifteen days if the market value of such vessel, as determined by a certified marine surveyor, does not exceed two thousand dollars or that the vessel may be sold after ninety days, pursuant to the provisions of subsection (f) of this section.

(f) Ninety days or more after written notice has been given pursuant to subsection (e) of this section, the Commissioner of [\[Transportation\] Energy and Environmental Protection](#), a duly authorized harbor master or a duly authorized representative of a municipality may sell a derelict vessel at public auction in accordance with the provisions of this section. The commissioner, harbor master or authorized agent of a municipality shall apply the proceeds of such sale toward the payment of its charges, any storage charges and the payment of any debt or obligation incurred by the

commissioner, harbor master or agent who placed the vessel in storage. Such sale shall be advertised twice in a newspaper published or having a circulation in the town where such vessel is stored or is located, commencing at least five days before such sale; and, if the last place of abode of the owner, agent or operator of such vessel is known to or ascertained by the commissioner, harbor master or agent by the exercise of reasonable diligence, notice of the time and place of sale shall be given to such owner, agent or operator by sending such notice to the owner, agent or operator, by certified mail, return receipt requested, at such last place of abode at least five days before the day of the sale. The proceeds of such sale, after deducting any amount due for removal and storage charges and all expenses connected with such sale, shall be paid to the owner, agent or operator of such vessel or the owner's, agent's or operator's legal representatives, if claimed by the owner, agent or operator or the owner's, agent's or operator's legal representative at any time within one year from the date of such sale. If such balance is not claimed within said period, it shall escheat to the municipality from which the vessel was removed. If the expenses incurred by the commissioner, harbor master or agent for such removal and storage and sale of such vessel and any fines exceed the proceeds of such sale, the owner, agent or operator of the vessel shall be liable for such excess expenses.

(g) The Commissioner of [\[Transportation\]](#) [Energy and Environmental Protection](#) may require the owner, agent or operator to furnish a performance bond in an amount sufficient to cover the estimated costs of removal as determined by the commissioner.

Sec. 22. Section 15-13 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) The [\[Commissioner of Transportation\]](#) [Connecticut Port Authority](#) shall license as many residents of this state and any other state as said [\[commissioner\]](#) [authority](#) deems necessary and finds qualified to act as pilots for one year in any of the ports and waters of this state including the Connecticut waters of Long Island Sound. A license shall be denied to any person holding a license or authority under the laws of any other state [\[which\]](#) [that](#) does not issue a license or authority to pilots licensed by the [\[Connecticut Department of Transportation\]](#) [authority](#). Except as [\[hereinafter\]](#) provided [in this section](#), no person shall be so licensed unless [\[he\]](#) [such person](#) possesses a federal masters license and has procured a federal first class pilot's license of unlimited tonnage issued by the United States Coast Guard covering the sections of the waters of this state for which application is being made to said [\[commissioner\]](#) [authority](#). Each applicant for a license to act as a pilot for any port or waterway of the state including the Connecticut waters of Long Island Sound shall document that [\[he\]](#) [such applicant](#) has made the following passages on ocean-going vessels of not less than four thousand gross tons, through the port or waterway for which application is being made during the thirty-six months immediately preceding [\[his\]](#) [such](#) application: (1) Twelve round trips on American vessels under enrollment as pilot of record, on which the applicant is

not a crew member; or (2) twenty-four round trips as observing pilot on foreign or registered vessels during which the applicant does the piloting work under the supervision and authority of a pilot licensed by this state, provided the applicant possesses a first class pilot's license issued by the United States Coast Guard for the port or waterway; or (3) any combination of the above requirements for trips, substituting two observer trips for each trip as pilot of record.

(b) An extension of route for waters of this state including the Connecticut waters of Long Island Sound, for which application is being made by a pilot currently licensed by the authority for eastern Long Island Sound and at least one of the ports of New London, New Haven or Bridgeport, shall be granted provided the applicant (1) has procured a federal first class pilot's license of unlimited tonnage issued by the United States Coast Guard covering the sections of the waters of this state including the Connecticut waters of Long Island Sound, for which application for an extension of route is being made, and (2) can document that, within the thirty-six months immediately preceding such application, the applicant has made six round trips through the port or waterway for which application is being made as observing pilot on vessels under enrollment or vessels under register subject to compulsory pilotage under sections 15-15 and 15-15c, during which the applicant does the piloting work under the supervision and authority of a pilot licensed by this state.

[(b)] (c) Each pilot shall, upon the granting of [his] a license, pay a fee of thirty dollars to said [commissioner] authority and shall give a bond of one thousand dollars to the [State] Treasurer and [his] the Treasurer's successors in office, with surety, to the acceptance of the [commissioner] authority, conditioned for the faithful performance of his or her duties as a pilot, upon which bond suit may be brought in the name of said Treasurer for the benefit of any person who may suffer loss or damage, by reason of the ignorance, neglect or misconduct of such pilot in the discharge of [his] such pilot's duties. The [commissioner] authority shall increase such fee by fifty per cent July 1, 1985, by an additional fifty per cent effective July 1, 1989, by an additional twenty-five per cent effective July 1, 1991, and by an additional twenty-five per cent effective July 1, 1993.

[(c)] (d) Each license shall expire on the last day of December following its issuance and may be renewed upon application and payment of the fee required by subsection [(b)] (c) of this section, renewal of the bond required under subsection [(b)] (c) of this section and proof of current federal licensure as required in subsection (a) of this section.

[(d)] (e) The [Commissioner of Transportation] authority shall keep a record of each license and, if requested, shall furnish a certificate of such license.

[(e)] (f) Said [commissioner] authority may suspend or revoke any pilot's license for (1) incompetence, (2) neglect of duty, (3) misconduct or (4) using a vessel owned or

operated by a person who has not obtained a certificate of compliance under the provisions of section 15-15e, [as amended by this act](#), for the purpose of embarking or disembarking another vessel in open and unprotected waters. Any person aggrieved by the action of said [\[commissioner\] authority](#) under the provisions of this subsection may appeal therefrom in accordance with the provisions of section 4-183.

[\[\(f\)\] \(g\)](#) Any pilot who has been away from duty for a period of not less than six months, or who has not completed a passage through any port or waterway for which [\[he\] such pilot](#) is licensed during such period, shall be placed on inactive status. [\[Said\] Such](#) pilot shall complete at least one round trip over the port or waterway for which [\[he\] such pilot](#) is licensed before resuming his [or her](#) duties as a pilot. The refresher passages shall be made in the company of an active pilot licensed by the state. [\[Said\] Such](#) pilot, before resuming [\[his\]](#) pilotage duties, shall submit to the [\[commissioner\] authority](#) a list of completed refresher passages, including the name, gross tons and draft of each vessel involved, a description and date of each passage and the name of the attending pilot.

[\[\(g\)\] \(h\)](#) The [\[commissioner\] authority](#) may issue limited licenses pursuant to this section. Such licenses may be limited according to a pilot's qualifications for operating a vessel, which shall include, but not be limited to, the type, size, gross tonnage or draft of a vessel.

[\[\(h\)\] \(i\)](#) The [\[commissioner shall adopt regulations, in accordance with the provisions of chapter 54\] authority shall adopt written procedures, in accordance with section 1-121](#), to carry out the purposes of this section.

Sec. 23. Section 15-13c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) There is created within the [\[Department of Transportation\] Connecticut Port Authority](#), for administrative purposes only, the Connecticut Pilot Commission to assist and advise the [\[Commissioner of Transportation\] authority](#) on matters relating to the licensure of pilots, the safe conduct of vessels and the protection of the ports and waters of the state, including the waters of Long Island Sound.

(b) The commission shall consist of nine members, one of whom shall be the [\[Commissioner of Transportation or the commissioner's\] executive director of the authority or the executive director's](#) designee and one of whom shall be an active licensed pilot in this state operating on the Connecticut side of the rotation system for the assignment of pilots. The pilot member shall be designated by a simple majority vote of pilots operating on the Connecticut side of the rotation system for the assignment of pilots. The remaining seven members shall be appointed as follows: The Governor shall appoint one member representing a maritime-related industry, which

industry shall not include a recreational industry; the president pro tempore of the Senate shall appoint one member representing the public with an interest in the environment who does not have an economic interest in the subject matters of the commission; the majority leader of the Senate shall appoint one member representing the public with an interest in the environment who does not have an economic interest in the subject matters of the commission; the minority leader of the Senate shall appoint one member who shall be a retired ship's master or captain; the speaker of the House of Representatives shall appoint one member representing a maritime-related industry, which industry shall not include a recreational industry; the majority leader of the House of Representatives shall appoint one member representing a maritime-related industry from a shipping agent perspective; the minority leader of the House of Representatives shall appoint one member with an expertise in the area of admiralty law. Each member shall be a resident of the state, provided no member shall be an active licensed pilot, except the one active Connecticut licensed pilot operating in and designated by a simple majority of pilots operating on the Connecticut side of the rotation system for the assignment of pilots. Members shall receive no compensation for the performance of their duties.

(c) On or before July 1, 1992, in accordance with the provisions of subsection (b) of this section (1) the Governor, the speaker of the House of Representatives and the majority leader of the Senate shall each appoint one member who shall serve until July 1, 1996; (2) the president pro tempore of the Senate, the majority leader of the House of Representatives and the minority leader of the House of Representatives shall each appoint one member who shall serve until July 1, 1995; and (3) the minority leader of the Senate shall appoint one member who shall serve until July 1, 1994. Thereafter, members shall serve for a term of four years and any vacancies on the commission shall be filled for the remainder of the term in the same manner as the original appointment.

(d) The Governor shall appoint the chairperson of the commission who shall not be an employee of the [Department of Transportation] [Connecticut Port Authority](#). The commission shall elect a vice-chairperson and any other officers that it deems necessary from among its membership. The powers of the commission shall be vested in and exercised by not less than five members serving on the commission. This number shall constitute a quorum and the affirmative vote of five members present at a meeting of the commission shall be necessary for any action taken by the commission.

(e) The commission shall, subject to the approval of the [commissioner in his] [authority in such authority's](#) sole discretion, set: (1) The required qualifications of pilots for eligibility for licensure, including background, training, length of service and apprenticeship; (2) examination requirements for obtaining a pilot's or other type of operating license; and (3) the appropriate number of state-licensed pilots necessary for the safe, efficient and proper operations in the ports and waters of the state, including

the waters of Long Island Sound. In setting these requirements, the commission may not consider the licenses of pilots by other jurisdictions as a disqualifying factor.

(f) The commission shall advise the [[commissioner](#)] [authority](#) on (1) the establishment of fair and reasonable rates of pilotage, pursuant to section 15-14, [as amended by this act](#), including establishment of a hearing process for the setting of fair and reasonable rates of pilotage and licensure fees; (2) the policy of the state on the establishment of a rotation system for the assignment of pilots; (3) the policy of the state on the issuance of reciprocal licenses to pilots licensed in other states; (4) the enhancement of safety and protection of the marine environment during the operation of vessels and the prevention of oil spills and other marine incidents; (5) the proper equipment required on a vessel and the operation of vessels used by pilots for embarkation and disembarkation; (6) the designation of pilot boarding stations; (7) the proper safety equipment provided by vessels to enable pilots to safely board vessels; (8) the state's policy relative to matters of interstate pilotage; and (9) any other matter requested by the [[commissioner](#)] [authority](#).

(g) The commission shall: (1) Assist in the preparation of examinations for pilot licensure and other operating certificates; (2) evaluate the examination results of applicants for a pilot license and make appropriate recommendations concerning such applicants' qualifications; (3) assist in the review and monitoring of the performance of pilots, including compliance with state policies, procedures and regulations; (4) review applications for reciprocal licensure and make appropriate recommendations concerning such pilots' qualifications; (5) recommend the duties of pilots for the reporting of faulty pilot boarding and disembarkation systems and of violations of any state laws; (6) review and investigate any marine incident or casualty and conduct hearings to determine the causes of any such incident; (7) investigate and make recommendations on disciplinary measures, including such measures as letters of caution, admonition or reprimand and licensure suspension or forfeiture, including disciplinary matters relative to alcohol or drug abuse; (8) retain an independent investigator to compile a comprehensive factual record of any marine incident or casualty; (9) assist in the review of complaints filed with the [[commissioner](#)] [authority](#); and (10) assist in the preparation of any report or matter relative to pilotage.

(h) Nothing in this section shall supersede the authority of the [[commissioner](#)] [Connecticut Port Authority](#) with respect to licensing marine pilots as specified in section 15-13, [as amended by this act](#).

Sec. 24. Section 15-14 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

The **[Commissioner of Transportation]** [Connecticut Port Authority](#) shall establish the rates of pilotage for all vessels which use a licensed pilot in the ports and waters of this state including the Connecticut waters of Long Island Sound.

Sec. 25. Section 15-15a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

[The Commissioner of Transportation shall promulgate such regulations respecting the conduct and duties of licensed pilots and the piloting, docking and undocking of vessels, as he] [All existing regulations of the Department of Transportation respecting the conduct and duties of licensed pilots and the piloting, docking and undocking of vessels shall become duly written procedures of the Connecticut Port Authority, effective July 1, 2016. After said date, any modification to the written procedures or additional written procedures respecting the conduct and duties of licensed pilots and the piloting, docking and undocking of vessels shall be adopted by the authority in accordance with the provisions of section 1-121, as the authority deems necessary for the protection of property, public safety and the effective administration of sections 15-13, as amended by this act, 15-14, as amended by this act, 15-15 and 15-15b, as amended by this act.](#)

Sec. 26. Section 15-15b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

Once every three months, each licensed pilot shall render to the **[Commissioner of Transportation]** [Connecticut Port Authority](#) an accurate account of all vessels piloted by **[him]** [such pilot](#). Any pilot who makes a false return shall be subject to suspension or revocation of his [or her](#) license as provided in section 15-13, [as amended by this act](#).

Sec. 27. Section 15-15d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) Pilotage on Long Island Sound shall be concurrent with the state of New York.

(b) The **[Commissioner of Transportation]** [Connecticut Port Authority](#) may execute an agreement with the pilot commission of any other state for the establishment of a rotation system for the assignment of pilots for the conduct of vessels in the ports and waters of the state, including the waters of Long Island Sound.

Sec. 28. Section 15-15e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) An owner or operator of a vessel used to transport a pilot licensed under the provisions of section 15-13, [as amended by this act](#), for the purpose of embarking or disembarking another vessel in open and unprotected waters shall obtain a certificate of

insurance from an insurance carrier based on a survey conducted and documented by a qualified marine surveyor. Marine surveyors shall be guided by applicable United States Coast Guard regulations, if any, and standards set by insurance companies for the insurability of such vessel. [The commissioner shall adopt regulations, in accordance with the provisions of chapter 54, that specify (1) the procedures for embarkation and disembarkation of pilots, and (2) the operation of and equipment required on each such vessel. Such regulations] All existing regulations of the Department of Transportation that specify procedures for embarkation and disembarkation of pilots and the operation of and equipment required on each such vessel, shall become duly adopted written procedures of the Connecticut Port Authority, effective July 1, 2016. After said date, any modification to the written procedures or additional written procedures that specify (1) the procedures for embarkation and disembarkation of pilots, and (2) the operation of and equipment required on each such vessel shall be adopted by the authority in accordance with the provisions of section 1-121. Such written procedures may establish standard rates for the use of each such vessel for such purpose. For the purposes of this subsection, "open and unprotected waters" means waters located east of the area depicted on the National Oceanic and Atmospheric Administration charts of the eastern portion of Long Island Sound as "The Race".

(b) Any person who fails to comply with subsection (a) of this section or any [regulation] written procedures adopted thereunder shall be fined not less than five hundred dollars nor more than one thousand dollars.

Sec. 29. Section 15-25 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

Any person who removes, damages or destroys any buoy, beacon, channel marker or floating guide placed in the waters of this state by the proper exercise of the authority of the [Commissioner of Transportation] state or the harbor master of any harbor, or moors or in any manner attaches any boat, vessel or raft of any kind to such buoy, beacon, channel marker or floating guide, unless his life, or the safety of the vessel in which he is, is endangered, or cuts down, removes, damages or destroys any beacon or navigational aid erected on land in this state, shall be fined not more than one thousand dollars.

Sec. 30. Section 15-140d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

No person shall place or cause to be placed any marker, raft, dockslip, ski jump or similar structure upon the state's waters so as to create an obstruction or menace to navigation or a hindrance to the public use of such waters. If the Commissioner of [Transportation] Energy and Environmental Protection determines that any such

structure constitutes a hazard in tidal waters, [he] [the commissioner](#) may order the owner to dismantle or remove the structure or to take other measures to eliminate the danger. If the [Commissioner of Energy and Environmental Protection] [commissioner](#) determines that any such structure constitutes such a hazard in the state's waters other than tidal waters, [he] [the commissioner](#) may order the owner to dismantle or remove the structure or to take other measures to eliminate the danger.

Sec. 31. Section 22a-113m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

The commission, in consultation with the [Commissioners] [Commissioner](#) of Energy and Environmental Protection and [Transportation] [the Connecticut Port Authority](#), shall prepare or cause to be prepared a management plan for the most desirable use of the harbor for recreational, commercial, industrial and other purposes. For those towns in the coastal area, as defined in section 22a-94, the plan shall provide for the preservation and use of the coastal resources of the harbor in a manner consistent with the provisions of sections 22a-90 to 22a-111, inclusive, and any municipal coastal plan adopted pursuant to section 22a-101 by any municipality that is a member of the commission. A copy of the plan shall be forwarded to the U. S. Army Corps of Engineers for review, comments and recommendations. Such plan shall be submitted for approval to the [Commissioners of Energy and Environmental Protection and Transportation] [commissioner and the authority](#). Said [commissioners] [commissioner and authority](#) shall act on the plan not more than sixty days after submission of such plan. Upon approval by said [commissioners] [commissioner and authority](#), the plan may be adopted by ordinance by the legislative body of each municipality establishing the commission. The ordinance shall specify the effective date of the plan. A modification to the plan may be proposed at any time and shall be approved in the same manner as the plan. The plan shall be reviewed annually by the commission, [and] the [Commissioners of Energy and Environmental Protection and Transportation] [commissioner and the authority](#).

Sec. 32. Subsection (a) of section 22a-337 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) The Commissioner of Energy and Environmental Protection, in consultation with the Commissioner of Public Health, is authorized, as the representative of the state of Connecticut, to negotiate, cooperate and enter into agreements or compacts with authorized agencies representing any one or more states or commonwealths, or the United States, or any combination thereof, relative to flood control, river and harbor improvements or obstructions, navigation, pollution of interstate waters, diversion of interstate waters, and the use of such interstate waters by any agency of the United States, or any one or more states or commonwealths, which will tend to increase the hazard of damage to persons or property located or situated in this state by reason of

flood waters or which will in any way interfere adversely with the navigability of any stream or river located wholly or partially within this state during periods of low flow in the main stream or any of its tributaries. With respect to matters relating to river and harbor improvements and the navigability of streams or rivers, the Commissioner of Energy and Environmental Protection [shall] may, as appropriate, request and consider recommendations of the Commissioner of Transportation and the board of directors of the Connecticut Port Authority.

Sec. 33. Section 22a-340 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

The commissioner shall have the power and authority, after a public hearing, subject to the issuance of a permit by the corps of engineers of the United States army, to designate and lay out channels and boat basins in lands under tidal and coastal waters for the purpose of providing access to and from deep water to uplands adjacent to or bordering on tidal and coastal waters and for the improvement of coastal and inland navigation by vessels, including small craft for recreational purposes with due regard for the recreational, commercial and navigational needs of the state. The commissioner shall promptly give written notice to the [Commissioner of Transportation] Connecticut Port Authority of any proceeding under this section, and shall consider such recommendations as the [Commissioner of Transportation] authority may submit to [him within] the commissioner not later than thirty days after the conclusion of public hearings thereon. The [Commissioner of Transportation] board of directors of the Connecticut Port Authority is authorized to initiate proceedings under this section.

Sec. 34. Subsection (b) of section 22a-359 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(b) After consultation with the [Commissioner of Transportation] Connecticut Port Authority, the Commissioner of Energy and Environmental Protection may consider any sunken or grounded vessel, scow, lighter or similar structure lying within the tidal, coastal or navigable waters of the state to be an encroachment subject to the provisions of this section and sections 22a-360 to 22a-363, inclusive.

Sec. 35. Subsection (b) of section 22a-361 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(b) The commissioner, at least thirty days before approving or denying an application for a permit, shall provide or require the applicant to provide notice by certified mail, return receipt requested, or by electronic means to the applicant, to the [Commissioner of Transportation] Connecticut Port Authority, as appropriate, the Attorney General and the Commissioner of Agriculture and to the chief executive officer, the chairmen of the planning, zoning, harbor management and shellfish commissions of each town in

which such structure, fill, obstruction, encroachment or dredging is to be located or work to be performed, and to the owner of each franchised oyster ground and the lessee of each leased oyster ground within which such work is to be performed and shall publish such notice once in a newspaper having a substantial circulation in the area affected. Such notice shall contain (1) the name of the applicant; (2) the location and nature of the proposed activities; (3) the tentative decision regarding the application; and (4) any additional information the commissioner deems necessary. There shall be a comment period following the public notice during which interested persons may submit written comments. The commissioner may hold a public hearing prior to approving or denying an application if, in the commissioner's discretion, the public interest will best be served by holding such hearing. The commissioner shall hold a public hearing if the commissioner receives: (A) A written request for such public hearing from the applicant, or (B) a petition, signed by twenty-five or more persons requesting such public hearing on an application. Following such notice and comment period and public hearing, if applicable, the commissioner may, in whole or in part, approve, modify and approve or deny the application. The commissioner shall provide to the applicant and the persons set forth above, by certified mail, return receipt requested, or by electronic means, notice of the commissioner's decision. If the commissioner requires the applicant to provide the notice specified in this subsection, the applicant shall certify to the commissioner, not later than twenty days after providing such notice, that such notice has been provided in accordance with this subsection. Any person who is aggrieved by the commissioner's final decision on such application may appeal such decision to the Superior Court in accordance with section 4-183.

Sec. 36. Subdivision (12) of section 1-79 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015*):

(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 Port Authority](#), and the State Education Resource Center.

Sec. 37. Subdivision (1) of section 1-120 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015*):

(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 Port Authority](#) and the State Education Resource Center.

Sec. 38. Section 1-124 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015*):

(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 Port Authority](#) and the State Education Resource Center 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 Housing Finance Authority, the Connecticut Housing Authority, the Materials Innovation and Recycling Authority, the Connecticut Health and Educational Facilities Authority, the Connecticut Student Loan Foundation, the Connecticut Airport Authority, the Capital Region Development Authority, the Connecticut Health Insurance Exchange, the Connecticut Green Bank, [the Connecticut Port Authority](#) or the State Education Resource Center 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. 39. Section 1-125 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015*):

The directors, officers and employees of Connecticut Innovations, Incorporated, the Connecticut Higher Education Supplemental Loan Authority, 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 Connecticut Student Loan Foundation, the Capital Region Development Authority, the Connecticut Airport Authority, the Connecticut Lottery Corporation, the Connecticut Health Insurance Exchange, the Connecticut Green Bank, [the Connecticut Port Authority](#) and the State Education Resource Center 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.