

Exhibit A

An Act Concerning the Expansion of Tweed New Haven Airport

Section One. (NEW) The State Bond Commission shall have the power to authorize the issuance of bonds of the state in an amount not exceeding forty million dollars for the purpose of providing a grant-in-aid to the Town of East Haven for costs associated with the planning, design, acquisition, construction, reconstruction, renovation, expansion, improvement, furnishing and equipping of one or more public safety facilities, including, but not limited to, the construction of one or more new facilities or the acquisition, renovation, conversion or improvement of one or more existing buildings for use as public safety facilities, together with any related site acquisition, site preparation, utilities, infrastructure improvements and appurtenances.

Section Two. (NEW) The State Bond Commission shall have the power to authorize the issuance of bonds of the state in an amount not exceeding five million dollars to the Tweed New Haven Airport Authority for the design, construction, reconstruction, and improvement of (1) external roads servicing the airport, and (2) property acquisition, easements, or other real property interests necessary to facilitate airport ingress and egress. Notwithstanding the foregoing, no funding pursuant to this Section shall be used for the construction of the new passenger terminal facility as herein defined nor any new parking spaces, nor access from any new parking spaces to Proto Drive nor any connections to South End Road.

Section Three. (NEW) (a) For purposes of this section:

(1) “Building Permit” means the issuance by the State Building Inspector and State Fire Marshal of the building permit or building permits necessary to enable the construction of a new passenger terminal facility located on the East Haven side of Tweed New Haven Airport, designed to support scheduled and charter commercial airline flights and including not fewer than two thousand one hundred (2,100) parking spaces.

(2) “Consumer Price Index” means the Consumer Price Index for All Urban Consumers, as published by the United States Department of Labor, Bureau of Labor Statistics, or a successor index determined by the Secretary of the Office of Policy and Management.

(b) Notwithstanding any provision of the general statutes, upon issuance of the Building Permit, the state shall make additional annual payments in lieu of taxes as follows:

(1) Four million four hundred thousand dollars (\$4,400,000) annually to the Town of East Haven; and

(2) Two million nine hundred thousand dollars (\$2,900,000) annually to the City of New Haven.

(c) Such payments shall be in addition to, and not in lieu of, any payments in lieu of taxes otherwise payable to the Town of East Haven or the City of New Haven pursuant to the general statutes or the state PILOT formula.

(d) Beginning on the first July first following issuance of the Building Permit, and annually thereafter, such additional payments shall increase by an amount equal to the percentage increase, if any, in the Consumer Price Index for the preceding calendar year.

Section Four. (a) The State Bond Commission shall have the power to authorize the issuance, sale and retirement of bonds of the State in an amount not to exceed five million dollars for the purpose of providing funds to the City of New Haven for infrastructure and community improvements.

(b) The proceeds of such bonds shall be made available to the City of New Haven for use at the sole discretion of the City, provided such funds shall be used to support infrastructure, transportation, traffic safety, environmental remediation, or other public improvement projects located within the East Shore and Annex neighborhoods of the City of New Haven.

(c) Eligible uses of such funds may include, but shall not be limited to, roadway and pedestrian safety improvements, stormwater and drainage infrastructure, streetscape enhancements, environmental mitigation projects, and related public infrastructure improvements that benefit residents, businesses and visitors in the East Shore and Annex neighborhoods.

Section Five. (a) The State Bond Commission shall have the power to authorize the issuance, sale and retirement of bonds of the State in an amount not to exceed five million dollars for the purpose of providing funds to the Town of East Haven for infrastructure and community improvements.

(b) The proceeds of such bonds shall be made available to the Town of East Haven for use at the sole discretion of the Town, provided such funds shall be used to support infrastructure, transportation, traffic safety, environmental remediation, or other public improvement projects located within the East Haven shoreline and neighborhood areas adjacent to Tweed-New Haven Airport.

(c) Eligible uses of such funds may include, but shall not be limited to, roadway and pedestrian safety improvements, stormwater and drainage infrastructure, streetscape enhancements, environmental mitigation projects, and related public infrastructure improvements that benefit residents, businesses and visitors in the East Haven shoreline and neighborhood areas adjacent to Tweed-New Haven Airport.

Section Six: (NEW) Notwithstanding any other provision of the general statutes, no Tweed New Haven Airport Authority building or structure or addition to a Tweed New Haven Airport Authority building or structure shall be constructed, repaired or altered until the appropriate complete application has been filed by the executive director of the Tweed New Haven Airport Authority with the State Building Inspector and a permit has been issued by the State Building Inspector. Plans and specifications for the building, structure, repair or addition to be constructed shall accompany the application. A certified copy of the complete application shall be provided to the Mayor and to the building official in the municipality where the activities contemplated by the application are located at least 5 (five) business days prior to filing the application with the State Building Inspector. The Tweed New Haven Airport Authority shall apply to the State Building Inspector for a certificate of occupancy for all buildings, repairs to, or alterations of

existing buildings for which a permit is required under state law or local laws and regulations. Any application made shall certify compliance with the State Building Code, the Fire Safety Code and any regulations lawfully adopted under said codes for such building or alteration to such building, as the case may be, to the State Building Inspector prior to occupancy or use of the facility. With respect to any application submitted by the Tweed New Haven Airport Authority for construction, alteration or repair of any building or structure, the State Building Inspector and the State Fire Marshal shall consult with the applicable building official and fire marshal of the municipality in which such construction, alteration or repair is located. Any review, determination or approval issued by the State Building Inspector or the State Fire Marshal shall adhere to and be consistent with any requirements, conditions or approvals associated with local permitting and any other regulations including by the municipal planning and zoning commission. Notwithstanding any provision of the general statutes, the municipality in which such construction, alteration or repair is located shall be entitled to receive all building permit or similar fees that it would otherwise receive if it were the permitting authority for such construction, alteration or repair. No building permit fee or related fee shall be due or payable to the State Building Inspector or the State Fire Marshal in connection with any application submitted by the Tweed New Haven Airport Authority. Neither the State Building Inspector nor the State Fire Marshal shall issue any building permit, certificate of occupancy or other approval for any project undertaken by the Tweed New Haven Airport Authority unless and until such project has received any required site plan approval from the applicable municipal planning and zoning commission and all other applicable local approvals. No municipal building permit, certificate of occupancy or other approval shall be required for any construction, alteration or repair of any Tweed New Haven Airport Authority building or structure subject to this section.

Section Seven. Designate areas of New Haven and East Haven as Airport Development Zones by adding East Haven and New Haven and relevant census blocks to Connecticut General Statutes § 32-75d.

Section Eight. *Chapter 267a of the general statutes is repealed and the following is substituted in lieu thereof.*

CHAPTER 267a

TWEED-NEW HAVEN AIRPORT AUTHORITY ACT

Sec. 15-120g. Short title: Tweed-New Haven Airport Authority Act. Sections 15-120g to 15-120o, inclusive, shall be known and may be cited as the “Tweed-New Haven Airport Authority Act”.

Sec. 15-120h. Definitions. As used in sections 15-120g to 15-120o, inclusive, the following terms shall have the following meanings:

(1) “Airport project” means the acquisition, disposition, demolition, remediation, construction, renovation, repair, replacement, expansion, environmental remediation, including

acquisition of off-airport land, required by a permitting agency, or other development of real property and improvements related to an airport facility or access thereto, including for a runway, taxiway, hangers, depots, apron, mezzanine, baggage handling, administration, maintenance, storage or utilities, or parking, and furniture, fixtures, equipment, communication, navigation, and computing and network infrastructure, power generation, storage and transmission, security and safety infrastructure and systems, and other personal property which is reasonably necessary in connection therewith, and associated interest, reserve fund deposits and other financing costs and charges necessary or incident to the development, financing, completion, and placing in operation of such an airport project, owned in its entirety by, or suitable for use in accordance the purposes of the authority;

(+2) “Authority” means the Tweed-New Haven Airport Authority as created under section 15-120i;

(3) “Bonds” means bonds of the authority issued under the provisions of this chapter, including refunding bonds, which may be secured by mortgages or the full faith and credit of the authority or the full faith and credit of a participating corporation or any other lawfully pledged security of the authority or a participating corporation, which may include, among other things, the revenues from the airport or a financing project;

(4) “Cost” as applied to an airport project or any portion thereof financed under the provisions of this chapter embraces all or any part of the cost of construction and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements, permits, licenses and other interests of whatsoever nature or kind which may be owned, held, possessed, transferred, assigned or otherwise alienated, acquired or used for an airport project, the cost of demolishing, renovating, expanding, or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of the environmental remediation and the acquisition of off-airport land necessary for environmental remediation, the cost of all machinery and equipment, repairs or improvements to other public or private property or infrastructure which is necessary, incident or a condition to the construction, placement, or use of airport infrastructure or its operation or use, or the payment of offset, impact, or compensatory fees or payments for the use of, modifications to, or disruption to public or private properties or adverse impact upon the environment or the health, safety or welfare of the general public, financing charges, interest prior to, during and for a period after completion of such construction, provisions for working capital, reserves for principal and interest and for extensions, enlargements, additions, replacements, renovations and improvements, cost of engineering, financial and legal services, designs, plans, drawings, specifications, studies, surveys, inspection, testing and acceptance, as-builts, regulatory compliance and certifications, estimates of cost and of revenues, project management, administrative expenses, expenses necessary or incident to determining the feasibility or practicability of constructing the airport project and such other expenses as may be necessary or incident to the construction and acquisition of the airport project, the financing of such construction, acquisition, and the placing of the airport project in operation;

(5) “Federally guaranteed security” means any security, investment or evidence of indebtedness which is either directly or indirectly insured or guaranteed, in whole or in part, as to

the payment of principal and interest, by the United States of America or any agency or instrumentality thereof;

(6) “Financing Project” means an airport project, as defined in subdivision (1) of this section, and includes the leasing, licensing, and operations of such airport project, and any other activity or property for which the Authority is authorized to issue bonds or provide financing under this chapter.

(7) “Participating corporation” means any corporation, partnership, limited liability company, limited liability partnership, limited partnership, nonprofit organization, specially chartered corporation, and similar types of legal business entities, quasi-public authorities and governmental entities;

~~(28)~~ “Procedure” means each statement, by the authority, of general applicability, without regard to its designation, that implements or prescribes law or policy or describes the organization or procedure of the authority. The term includes the amendment or repeal of a prior regulation, but does not include, unless otherwise provided by any provision of the general statutes, (A) statements concerning only the internal management of the authority and not affecting procedures available to the public and (B) intra-authority memoranda;

~~(39)~~ “Proposed procedure” means a proposal by the authority under the provisions of section 15-120k for a new procedure or for a change in, addition to or repeal of an existing procedure.

Sec. 15-120i. Tweed-New Haven Airport Authority. Board of directors. (a) There is created a body politic and corporate to be known as the “Tweed-New Haven Airport Authority”. Said authority shall be a public instrumentality and political subdivision of this state and the exercise by the authority of the powers conferred by sections 15-120g to 15-120o, inclusive, shall be deemed and held to be the performance of an essential public and governmental function. The Tweed-New Haven Airport Authority shall not be construed to be a department, institution or agency of the state.

(b) The authority shall be governed by a board of directors consisting of fifteen members, each member serving not more than two consecutive four-year terms. The terms of the members shall be staggered so that not more than four members' terms shall expire at the same time. Eight members of the board shall be appointed by the mayor of New Haven and five members shall be appointed by the mayor of East Haven, at least six of whom shall be residents of New Haven or East Haven. Two members of the board shall be appointed by the South Central Regional Council of Governments, each of whom shall be a resident of any of the following towns or cities: Bethany, Branford, Guilford, Hamden, Madison, Milford, North Branford, North Haven, Orange, Wallingford, West Haven or Woodbridge. The board of directors shall elect a chairperson from among its members and shall annually elect one of its members as vice-chairperson and shall elect other members as officers, and establish bylaws as necessary for the operation of the authority. Members of the board of directors shall receive no compensation for the performance of their duties. No member of the board shall have any financial interest in Tweed-New Haven Airport or any of its tenants or concessions.

(c) The thirteen members of the board of directors appointed by the mayors of New Haven and East Haven shall be special directors vested with additional powers set forth in the bylaws of the Tweed-New Haven Airport Authority.

(d) The powers of the authority shall be vested in and exercised by the board. Eight members of the board shall constitute a quorum and the affirmative vote of a majority of the members present at a meeting of the board shall be sufficient for any action taken by the board. No vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the board. Any action taken by the board may be authorized by resolution at any regular or special meeting and shall take effect immediately unless otherwise provided in the resolution. Notice of any meeting, whether special or regular, shall be given orally, not less than forty-eight hours prior to the meeting. The board may delegate to three or more of its members, or its officers, agents and employees, such board powers and duties as it may deem proper.

(e) The authority shall have perpetual succession and shall adopt procedures for the conduct of its affairs in accordance with section 15-120k. Such succession shall continue as long as the authority shall have obligations outstanding and until the existence of the authority is terminated by law at which time the rights and properties of the authority shall pass to and be vested in the city of New Haven.

(f) Notwithstanding the provisions of subsection (b) of this section, thirty days after the issuance by the State Building Inspector and State Fire Marshal of the building permit or building permits to enable the construction of a new passenger terminal facility located on the East Haven side of Tweed New Haven Airport, designed to support scheduled and charter commercial airline flights and including not fewer than two thousand one hundred (2,100) parking spaces, the appointing authority for two members of the authority who would otherwise be appointed by the South Central Regional Council of Governments shall be reassigned to the Mayor of the Town of East Haven. On and after such date, the Mayor of the Town of East Haven shall have the authority to appoint successors to such two members. Any member appointed by the South Central Regional Council of Governments serving in either of such two positions on the date such reassignment takes effect shall continue to serve until the Mayor of the Town of East Haven appoints a successor, and such successor is duly qualified, and thereafter shall cease to serve on the Board.

Sec. 15-120j. Purposes and powers. Airport runway. (a) The authority shall maintain and improve Tweed-New Haven Airport as an important economic development asset for the south central Connecticut region which is comprised of the towns and cities of Bethany, Branford, East Haven, Guilford, Hamden, Madison, Milford, New Haven, North Branford, North Haven, Orange, Wallingford, West Haven and Woodbridge. The authority shall have the following powers and duties and may exercise such powers in its own name: (1) To manage, maintain, supervise and operate Tweed-New Haven Airport; (2) do all things necessary to maintain working relationships with the state, municipalities and persons, and conduct the business of a regional airport, in accordance with applicable statutes and regulations; (3) to charge reasonable fees for the services it performs and modify, reduce or increase such fees, provided fees shall apply uniformly to all airport users; (4) to enter into contracts, leases and agreements for goods and equipment and for services with airlines, concessions, counsel, engineers, architects, private consultants and advisors; (5) to contract for the construction, reconstruction, enlargement or alteration of airport projects

with private persons and firms in accordance with such terms and conditions as the authority shall determine; (6) to make plans and studies in conjunction with the Federal Aviation Administration or other state or federal agencies; (7) to apply for and receive grant funds for airport purposes; (8) to plan and enter into contracts with municipalities, the state, businesses and other entities to finance the operations and debt of the airport, including compensation to the host municipalities of New Haven and East Haven for the use of the land occupied by the airport; (9) to borrow funds for airport purposes for such consideration and upon such terms as the authority may determine to be reasonable; (10) to employ a staff necessary to carry out its functions and purposes and fix the duties, compensation and benefits of such staff; (11) to issue and sell bonds and to use the proceeds of such bonds for capital improvements to the airport and to provide for financing of financing projects, and to fund or refund the same; (12) to acquire ~~property by purchase or~~, lease and sell property for airport purposes; (13) to purchase, acquire, own, operate, lease, license, assign, pledge, hypothecate, sell and otherwise dispose of trade fixtures, chattel and other personal property of whatever nature or kind, including equipment, machines, inventory, parts, monies, securities, and depository and investment accounts, accounts receivable, rights and privileges in contract or at law, insurance, security and performance bond claims and proceeds, and chose in action, for airport purposes; (14) to operate the authority, subject to applicable requirements of federal law and regulation; ~~(13)~~ (15) to fix and revise from time to time and charge and collect rates, rents, fees and charges for the use of and for the services furnished or to be furnished by a financing project or any portion thereof and to contract with any person, partnership, association or corporation or other body public or private in respect thereof; (16) to make loans to any participating corporation to finance the cost of a financing project in accordance with an agreement between the authority and such participating corporation; (17) to acquire and to agree to acquire any federally guaranteed security and to pledge or otherwise use any such federally guaranteed security in such manner as the authority deems in its best interest to secure or otherwise provide a source of repayment on any of its bonds or notes or to agree to make a loan to any participating corporation for the purpose of acquiring and entering into commitments to acquire any federally guaranteed security; (18) (1) in connection with, or incidental to, the issuance or carrying of bonds, notes or other obligations of the authority, to enter into any contract which the authority determines to be necessary or appropriate to place the bonds, notes or other obligations, in whole or in part, on the interest rate, currency, cash flow or other basis desired by the authority, including, without limitations, contracts commonly known as interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures or contracts providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, or contracts to exchange cash flows or a series of payments, or contracts, including, without limitation, interest rate floors or caps, options, puts or calls to hedge payment, currency, rate, spread or similar exposure or, contracts for the purchase of option rights with respect to the mandatory tender for purchase of bonds, notes or other obligations of the authority, which are subject to mandatory tender or redemption, including the issuance of certificates evidencing the right of the owner to exercise such option rights and (2) in connection with, or incidental to, the issuance or carrying of bonds, notes or other obligations or entering into any of the contracts or agreements referred to in subdivision (1) of this subsection, the authority may enter into credit enhancement or liquidity agreements, with payment, interest rate, currency, security, default, remedy and other terms and conditions as the authority determines; (19) to prepare and issue budgets, reports, procedures, audits and such other materials as may be necessary and desirable to its purposes; (20) to establish rules and regulations for the use of a financing project or any portion thereof; (21) to receive and

accept from any public agency insurance, loans or grants for or in aid of the construction of a financing project or any portion thereof, and to receive and accept loans, grants, aid or contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such loans, grants, aid and contributions are made; (22) to invest any funds not needed for immediate use or disbursement, including reserve funds, federally guaranteed securities or the state of Connecticut, including the state's Short Term Investment Fund created under section 3-27a or Medium-Term Investment Fund created under section 3-28a, and in other securities or obligations or investments described in a trust agreement or resolution providing for the issuance of such bonds; (23) to charge to and equitably apportion among participating corporations its administrative costs and expenses incurred in the exercise of the powers and duties conferred by this chapter; and (1424) to exercise all other powers granted to such an authority by law. In carrying out the purposes of this chapter, the authority may undertake a financing project for two or more participating corporations jointly, and, thereupon, all other provisions of this chapter shall apply to and for the benefit of the authority and such joint participants. Sections 15-120h to 15-120o, inclusive, shall be regarded as supplemental and additional to powers conferred by other laws.

(b) The authority shall have full control of the operation and management of the airport, including land, buildings and easements by means of a lease to the authority by the city of New Haven and the town of East Haven.

~~(e) Notwithstanding the provisions of subsections (a) and (b) of this section, Runway 2-20 of the airport shall not exceed the existing paved runway length of five thousand six hundred linear feet.~~

(c) Notwithstanding any other section of the general statutes or bylaws established under this section, upon issuance by the State Building Inspector and State Fire Marshal of the building permit or building permits to enable the construction of a new passenger terminal facility located on the East Haven side of Tweed New Haven Airport, designed to support scheduled and charter commercial airline flights and including not fewer than two thousand one hundred (2,100) parking spaces, the following actions shall require the approval of no fewer than ten (10) members of the Tweed New Haven Airport Authority, provided such requirement shall not apply to, and shall not be construed to prevent or delay, actions reasonably necessary to comply with applicable federal statutes or regulations, including FAA Grant Assurances, the Airport Operating Certificate, safety or security directives, or mandatory conditions of AIP grants, or actions otherwise required to maintain safe airport operations.

(1) Any extension of Runway 2-20 exceeding six thousand six hundred thirty five linear feet.

(2) Construction of any new facilities, or the structural conversion of any existing airport facilities, for the purpose of providing or enabling freight and all cargo services.

(3) Any future expansion project that increases the operational capacity, passenger capacity, gate or landing position capacity, or intensity of use of airport facilities within the Town of East Haven, other than projects that are part of, and consistent with, the terminal expansion project previously approved by the Authority, including all associated supporting infrastructure necessary to complete such approved project.

(4) Addition, material modification, or closing of any airport entrances or exits including in particular the airport entrance at Proto Drive or Uriah Street and the airport exit at Dodge Avenue.

(5) New lease agreements or renewals of lease agreements as pertaining to general aviation services, including the addition of any fixed base operations.

(6) Any amendment to the bylaws of the Authority.

(7) Amendment or renewal of lease or other agreements for private operation or management of the Airport, but only with respect to the provisions of such agreements that may impact: (i) cargo or freight operations or the construction of new or modification of existing facilities to accommodate such operations; (ii) community benefits, including especially mitigation payments due by the private operator; (iii) operation of parking at the West Terminal and access thereto; and (iv) acquisition of additional property.

(8) The repeal or abandonment of noise mitigation or abatement measures previously approved by the Board.

Sec. 15-120k. Adoption of written procedures. (a) The board of directors of the authority shall adopt written procedures, in accordance with subsections (b) and (c) of this section, for: (1) Adopting an annual budget and plan of operations, which shall include a requirement of board approval before the budget or plan may take effect; (2) hiring, dismissing, promoting and compensating employees of the authority, which shall include an affirmative action policy and a requirement of board approval before a position may be created or a vacancy filled; (3) acquiring real and personal property and personal services, which shall include a requirement of board approval for any nonbudgeted expenditure in excess of five thousand dollars; (4) contracting for financial, legal, bond underwriting and other professional services which shall include a requirement that the authority solicit proposals at least once every three years for each such service which it uses; (5) issuing and retiring bonds, notes and other obligations of the authority; (6) awarding loans, grants and other financial assistance, which shall include eligibility criteria, the application process and the role played by the authority's staff and board of directors; and (7) the use of surplus funds.

(b) Before adopting a proposed procedure, the authority shall give at least thirty days' notice by publication in the Connecticut Law Journal of its intended action. The notice shall include (1) either a statement of the terms or of the substance of the proposed procedure or a description sufficiently detailed so as to apprise persons likely to be affected of the issues and subjects involved in the proposed procedure, (2) a statement of the purposes for which the procedure is proposed and (3) when, where and how interested persons may present their views on the proposed procedure. The authority may only adopt a proposed procedure by a two-thirds vote of the full membership of its board of directors.

(c) If the authority finds that an imminent peril to the public health, safety or welfare requires adoption of a proposed procedure upon fewer than thirty days' notice and states in writing its reasons for such finding and the authority's board of directors, by a three-fourths vote of the statutory membership, approves the finding in writing, the authority may proceed without prior

notice or hearing or upon any abbreviated notice and hearing that it finds practicable, to adopt an emergency proposed procedure not later than ten days, excluding Saturdays, Sundays and holidays, prior to the proposed effective date of the proposed procedure. An approved emergency procedure may be effective for a period of not more than one hundred twenty days and renewable once for a period of not more than sixty days. If the necessary steps to adopt a permanent procedure, including publication of notice of intent to adopt, are not completed prior to the expiration date of an emergency procedure, the emergency procedure shall cease to be effective on that date.

Sec. 15-120l. Bonds of the authority. Trust agreements. Liability and indemnification of directors. (a) The board of directors of the authority is authorized from time to time to issue its bonds, notes and other obligations in such principal amounts as in the opinion of the board shall be necessary to provide sufficient funds for carrying out the purposes set forth in sections 15-120g to 15-120o, inclusive, including the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds, notes and other obligations issued by it whether the bonds, notes or other obligations or interest to be funded or refunded have or have not become due, the establishment of reserves to secure such bonds, notes and other obligations and all other expenditures of the authority incident to and necessary or convenient to carry out the purposes set forth in said sections. In anticipation of the sale of such bonds the authority may issue negotiable bond anticipation notes and may renew the same from time to time. Such notes shall be paid from any revenues of the authority or other moneys available therefor and not otherwise pledged, or from the proceeds of sale of the bonds of the authority in anticipation of which they were issued. The notes shall be issued in the same manner as the bonds. Such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions or limitations which a bond resolution of the authority may contain.

(b) Except as otherwise expressly provided in sections 15-120g to 15-120o, inclusive, or by the authority or its board, every issue of bonds, notes or other obligations, shall be a general obligation of the authority payable out of any moneys or revenues of the authority subject only to any agreements with the holders of particular bonds, notes or other obligations pledging any particular moneys or revenues, which may be subject to any applicable agreements with any participating corporation for any bonds issued on behalf of any participating corporation. Any such bonds, notes or other obligations may be additionally secured by any grant or contributions from any department, agency or instrumentality of the United States or person or a pledge of any moneys, income or revenues of the authority from any source whatsoever. Bonds issued by the authority under the provisions of this chapter are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, state banks and trust companies, national banking associations, savings banks, savings and loan associations, investment companies, executors, administrators, trustees and other fiduciaries 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.

(c) Any provision of any law to the contrary notwithstanding, any bonds, notes or other obligations issued by the authority pursuant to sections 15-120g to 15-120o, inclusive, shall be fully negotiable within the meaning and for all purposes of title 42a. Any such bonds, notes or other obligations shall be legal investments for all trust companies, banks, investment companies,

savings banks, building and loan associations, executors, administrators, guardians, conservators, trustees and other fiduciaries and pension, profit-sharing and retirement funds.

(d) Bonds, notes or other obligations of the authority shall be authorized by resolution of the board of directors of the authority and may be issued in one or more series and shall bear such date or dates, mature at such time or times, in the case of any such note or bond, or any renewal thereof, not exceeding the term of years as the board shall determine from the date of the original issue of such notes, ~~and, in the case of bonds, not exceeding thirty years from the date thereof or bonds~~, bear interest at such rate or rates, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable ~~from such sources in such medium of payment~~ in lawful money of the United States of America at such place or places within or without this state, and be subject to such terms of redemption, with or without premium, as such resolution or resolutions may provide.

(e) Bonds, notes or other obligations of the authority may be sold at public or private sale at such price or prices as the ~~board~~ authority shall determine. The power to fix the date of sale of bonds, to receive bids or proposals, to award and sell bonds, and to take all other necessary action to sell and deliver bonds may be delegated to the chairperson or vice-chairperson of the board or the executive director or other officers of the authority by resolution of the board. The exercise of such delegated powers may be made subject to the approval of the board, which approval may be given in accordance with the powers of the authority in accordance with section 15-120i(d). Pending preparation of the definitive bonds, the authority may issue interim receipts or certificates which shall be exchanged for such definitive bonds.

(f) Bonds, notes or other obligations of the authority may be refunded and renewed from time to time as may be determined by resolution of the board, provided any such refunding or renewal shall be in conformity with any rights of the holders thereof.

(g) Bonds, notes or other obligations of the authority issued under the provisions of sections 15-120g to 15-120o, inclusive, shall not be deemed to constitute a debt or liability of the state or of any political subdivision thereof, including, but not limited to, the city of New Haven and the town of East Haven, other than the authority or a pledge of the faith and credit of the state or of any such political subdivision, including, but not limited to, the city of New Haven and the town of East Haven, other than the authority, and shall not constitute bonds or notes issued or guaranteed by the state within the meaning of section 3-21, but shall be payable solely from the funds herein provided therefor. All such bonds, notes or other obligations shall contain on the face thereof a statement to the effect that neither the state of Connecticut nor any political subdivision thereof other than the authority shall be obligated to pay the same or the interest thereof except from revenues or other funds of the authority and that neither the faith and credit nor the taxing power of the state of Connecticut or of any political subdivision thereof other than the authority is pledged to the payment of the principal of or the interest on such bonds, notes or other obligations. Additionally, the authority shall be permitted to issue revenue bonds for the benefit of a participating corporation in accordance with the provisions of sections 15-120g to 15-120o, inclusive, provided that it is agreed and understood that in no event shall the authority be liable for the repayment of such revenue bonds issued for the benefit of a participating corporation from any

revenue or assets other than from assets pledged thereof, regardless of whether such assets shall revert to the authority.

(h) Any resolution authorizing the issuance of bonds, notes or other obligations may contain provisions, except as expressly limited in sections 15-120g to 15-120o, inclusive, and except as otherwise limited by existing agreements with the holders of bonds, notes or other obligations, that shall be a part of the contract with the holders thereof, as to the following: (1) ~~The~~the pledging of the full faith and credit of the authority, the full faith and credit of a participating corporation, all or any part of the ~~moneys received by the authority~~revenues of a financing project or any revenue-producing contract or contracts made by the authority with any participating corporation, any federally guaranteed security and moneys received therefrom purchased with bond proceeds or all or any part of any other property, revenues, funds or legally available moneys to secure the payment of the principal of and interest on any bonds, notes or other obligations or of any issue thereof; (2) the pledging of all or part of the assets of the authority to secure the payment of the principal and interest on any bonds, notes or other obligations or of any issue thereof, including the rentals, fees and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues; (3) the establishment of reserves or sinking funds, the making of charges and fees to provide for the same, and the regulation and disposition thereof; (4) limitations on the purpose to which the proceeds of sale of bonds, notes or other obligations may be applied and pledging such proceeds to secure the payment of the bonds, notes or other obligations, or of any issues thereof; (5) limitations on the issuance of additional bonds, notes or other obligations; the terms upon which additional bonds, bond anticipation notes or other obligations may be issued and secured; and the refunding or purchase of outstanding bonds, notes or other obligations of the authority; (6) the procedure, if any, by which the terms of any contract with the holders of any bonds, notes or other obligations of the authority may be amended or abrogated, the amount of bonds, notes or other obligations the holders of which must consent thereto, and the manner in which such consent may be given; (7) limitations on the amount of moneys derived from the financing project to be expended ~~by the authority~~ for operating, administrative or other expenses of the authority; (8) the vesting in a trustee or trustees of such property, rights, powers and duties in trust as the authority may determine, which may include any or all of the rights, powers and duties of any trustee appointed by the holders of any bonds, notes or other obligations and limiting or abrogating the right of the holders of any bonds, notes or other obligations of the authority to appoint a trustee under this chapter or limiting the rights, powers and duties of such trustee; (9) provision for a trust agreement 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, which agreement may provide for the pledging or assigning of any assets or income from assets to which or in which the authority has any rights or interest, and may further provide for such other rights and remedies exercisable by the trustee as may be proper for the protection of the holders of any bonds, notes or other obligations of the authority and not otherwise in violation of law. Such trust agreement or the resolution providing for the issuance of such bonds or other instrument of the authority may secure such bonds by a pledge or assignment of any revenues to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to the authority for such purpose. Such agreement may provide for the restriction of the rights of any individual holder of bonds, notes or other obligations of the authority. All expenses incurred in carrying out the provisions of such trust agreement may be treated as a part of the cost of operation of the authority or a financing project.

The trust agreement may contain any further provisions which are reasonable to delineate further the respective rights, duties, safeguards, responsibilities and liabilities of the authority; individual and collective holders of bonds, notes and other obligations of the authority and the trustees. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of the operation of a financing project; (10) covenants to do or refrain from doing such acts and things as may be necessary or convenient or desirable in order to better secure any bonds, notes or other obligations of the authority, or which, in the discretion of the authority, will tend to make any bonds, notes or other obligations to be issued more marketable notwithstanding that such covenants, acts or things may not be enumerated herein; (11) to permit any participating corporation to enter into a leasehold mortgage of its leasehold interest in any financing project and the site thereof or pledge or assign a loan agreement, conditional sale agreement, agreement of sale, or lease for the benefit of the holders of bonds issued to finance such financing project; and (12) any other matters of like or different character, which in any way affect the security or protection of the bonds, notes or other obligations. All expenses incurred in carrying out the provisions of this chapter shall be payable solely from funds provided under the authority of this chapter and no liability or obligation shall be incurred by the authority hereunder beyond the extent to which moneys shall have been provided under the provisions of this chapter.

(i) Any pledge made by the authority of income, revenues, or other property shall be valid and binding from the time the pledge is made, and shall constitute a pledge within the meaning and for all purposes of title 42a. The income, revenue, or other 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, and 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.

(j) The board of directors of the authority is authorized and empowered to obtain from any department, agency or instrumentality of the United States any insurance or guarantee as to, or of or for the payment or repayment of, interest or principal, or both, or any part thereof, on any bonds, notes or other obligations issued by the authority pursuant to the provisions of sections 15-120g to 15-120o, inclusive, and, notwithstanding any other provisions of said sections, to enter into any agreement, contract or any other instrument whatsoever with respect to any such insurance or guarantee except to the extent that such action would in any way impair or interfere with the authority's ability to perform and fulfill the terms of any agreement made with the holders of the bonds, bond anticipation notes or other obligations of the authority.

(k) Neither the members of the board of directors of the authority nor any person executing bonds, notes or other obligations of the authority issued pursuant to sections 15-120g to 15-120o, inclusive, shall be liable personally on such bonds, notes or other obligations or be subject to any personal liability or accountability by reason of the issuance thereof, nor shall any director or employee of the authority be personally liable for damage or injury, not wanton, reckless, wilful or malicious, caused in the performance of his duties and within the scope of his employment or appointment as such director, officer or employee. The authority shall protect, save harmless and indemnify its directors, officers or employees 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 is found to have been acting in the

discharge of his duties or within the scope of his employment and such act or omission is found not to have been wanton, reckless, wilful or malicious.

(l) The board of directors of the authority shall have power to purchase bonds, notes or other obligations of the authority out of any funds available therefor. The authority may hold, cancel or resell such bonds, notes or other obligations subject to and in accordance with agreements with holders of its bonds, notes and other obligations.

(m) All moneys received pursuant to the authority of sections 15-120g to 15-120o, inclusive, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in said sections. Any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes of sections 15-120g to 15-120o, inclusive, subject to such regulations as said sections and the resolution authorizing the bonds of any issue or the trust agreement securing such bonds may provide.

(n) Any holder of bonds, notes or other obligations issued under the provisions of sections 15-120g to 15-120o, inclusive, and the trustee or trustees under any trust agreement, except to the extent the rights herein given may be restricted by any resolution authorizing the issuance of, or any such trust agreement securing, such bonds, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the state or granted hereunder or under such resolution or trust agreement, and may enforce and compel the performance of all duties required by said sections or by such resolution or trust agreement to be performed by the authority or by any officer, employee or agent thereof, including the fixing, charging and collecting of the rates, rents, fees and charges herein authorized and required by the provisions of such resolution or trust agreement to be fixed, established and collected.

(o) The authority may make representations and agreements for the benefit of the holders of any bonds, notes or other obligations of the state which are necessary or appropriate to ensure the exclusion from gross income for federal income tax purposes of interest on bonds, notes or other obligations of the state from taxation under the Internal Revenue Code of 1986 or any subsequent corresponding internal revenue code of the United States, as from time to time amended, including agreement to pay rebates to the federal government of investment earnings derived from the investment of the proceeds of the bonds, notes or other obligations of the authority. Any such agreement may include: (1) A covenant to pay rebates to the federal government of investment earnings derived from the investment of the proceeds of the bonds, notes or other obligations of the authority, (2) a covenant that the authority will not limit or alter its rebate obligations until its obligations to the holders or owners of such bonds, notes or other obligations are finally met and discharged, and (3) provisions to (A) establish trust and other accounts which may be appropriate to carry out such representations and agreements, (B) retain fiscal agents as depositories for such fund and accounts and (C) provide that such fiscal agents may act as trustee of such funds and accounts.

(p) Authority rates, rents, fees and charges shall be fixed and adjusted in respect of the aggregate of rates, rents, fees and charges from such financing project so as to provide funds sufficient with other revenues or moneys available therefor, if any, (1) to pay the cost of maintaining, repairing and operating the financing project and each and every portion thereof, to

the extent that the payment of such cost has not otherwise been adequately provided for, (2) to pay the principal of and the interest on outstanding bonds of the authority issued in respect of such financing project as the same shall become due and payable and (3) to create and maintain reserves required or provided for in any resolution authorizing, or trust agreement securing, such bonds of the authority. Such rates, rents, fees and charges shall not be subject to supervision or regulation by any department, commission, board, body, bureau or agency of this state other than the authority.

(q) A sufficient amount of the revenues derived in respect of a financing project, except such part of such revenues as may be necessary to pay the cost of maintenance, repair and operation and to provide reserves and for renewals, replacements, extensions, enlargements and improvements as may be provided for in the resolution authorizing the issuance of any bonds of the authority or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or trust agreement in a sinking or other similar fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made; the rates, rents, fees and charges and other revenues or other moneys 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, and 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. Notwithstanding any provision of the Connecticut Uniform Commercial Code, neither the resolution nor any trust agreement nor any other agreement nor any lease by which a pledge is created need be filed or recorded except in the records of the authority. The use and disposition of moneys to the credit of such sinking or other similar fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in such resolution or such trust agreement, may, additionally, permit and provide for the issuance of bonds having a subordinate lien in respect of the security herein authorized to other bonds of the authority, and, in such case, the authority may create separate sinking or other similar funds in respect of such subordinate lien bonds.

(r) The authority is further authorized and empowered to issue bonds, notes or other obligations under this section the interest on which may be includable in the gross income of the holder or holders thereof under the Internal Revenue Code of 1986, as amended, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, and to issue bonds, notes or other obligations under this section that may be eligible for tax credits or exemptions or payments from the federal government, or any other desired federal income tax treatment of such bonds, notes or other obligations. Any such bonds, notes or other obligations may be issued only upon a finding by the authority that such issuance is necessary, is in the public interest, and is in furtherance of the purposes and powers of the authority. The state hereby consents to such inclusion only for the bonds, notes or other obligations of the authority so authorized.

(s) The authority is hereby authorized to provide for the issuance of bonds of the authority for the purpose of refunding any bonds of the authority then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase or maturity of such bonds. The proceeds of any such

bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the authority, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds either on their earliest or any subsequent redemption date or upon the purchase or at the maturity thereof and may, pending such application, be placed in escrow to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the authority. Any such escrowed proceeds, pending such use, may be invested and reinvested in federally guaranteed securities and certificates of deposit or time deposits secured by direct obligations of, or obligations unconditionally guaranteed by, the United States of America, or obligations of a state, a territory, or a possession of the United States of America, or any political subdivision of any of the foregoing, or of the District of Columbia, within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, the full and timely payment of the principal of and interest on which are secured by an irrevocable deposit of federally guaranteed securities, maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest and redemption premium, if any, of the outstanding bonds to be so refunded. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding bonds to be so refunded.

(t) The authority shall have power to contract with the holders of any of its bonds or notes as to the custody, collection, securing, investment and payment of any reserve funds of the authority, or of any moneys held in trust or otherwise for the payment of bonds or notes, and to carry out such contracts. Any officer with whom, or any bank or trust company with which, such moneys shall be deposited as trustee thereof shall hold, invest, reinvest and apply the same for the purposes thereof, subject to such provisions as this chapter and the resolution authorizing the issue of the bonds or notes or the trust agreement securing such bonds or notes may provide.

Sec. 15-120m. Exemption from state and local taxes. The exercise of the powers granted by sections 15-120g to 15-120o, inclusive, constitute the performance of an essential governmental function and the authority shall not be required to pay any taxes or financinents upon or in respect of ~~the~~an airport project, levied by any municipality or political subdivision or special district having taxing powers of the state and ~~the~~any airport project and the principal and interest of any bonds and notes issued under the provisions of said sections, their transfer and the income therefrom, including revenues derived from the sale thereof, shall at all times be free from taxation of every kind by the state of Connecticut or under its authority, except for estate or succession taxes.

Sec. 15-120n. State pledge re bonds or notes. The state of Connecticut does hereby pledge to and agree with the holders of any bonds or notes issued under sections 15-120g to 15-120o, inclusive, or with those parties who may enter into contracts with the authority, pursuant to said sections, that the state shall 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, notes and other obligations of the authority or those entering into contracts with the authority. The authority is authorized to include this pledge and undertaking for the state in such bonds, notes and other obligations or contracts.

Sec. 15-120o. Annual reports. Audits. (a) Within the first ninety days of each fiscal year of the authority, the board of directors of the authority shall submit a report to the Governor, the Auditors of Public Accounts and the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding. Such report shall include, but not be limited to, the following: (1) A list of all bonds issued during the preceding fiscal year, including, for each such issue, the financial advisor and underwriters, whether the issue was competitive, negotiated or privately placed, and the issue's face value and net proceeds; (2) a description of ~~the~~[any airport](#) project, its location, and the amount of funds, if any, provided by the authority with respect to the construction of ~~the~~[any airport](#) project; (3) a list of all outside individuals and firms receiving in excess of five thousand dollars in the form of loans, grants or payments for services; (4) a comprehensive annual financial report prepared in accordance with generally accepted accounting principles for governmental enterprises; (5) the cumulative value of all bonds issued, the value of outstanding bonds, and the amount of the state's contingent liability; (6) the affirmative action policy statement, a description of the composition of the work force of the authority by race, sex and occupation and a description of the affirmative action efforts of the authority; and (7) a description of planned activities for the current fiscal year.

(b) The board of directors of the authority shall annually contract with a person, firm or corporation for a compliance audit of the authority's activities during the preceding authority fiscal year. The audit shall determine whether the authority has complied with its regulations concerning affirmative action, personnel practices, the purchase of goods and services and the use of surplus funds. The board shall submit the audit report to the Governor, the Auditors of Public Accounts and the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding.

(c) The board of directors of the authority shall annually contract with a firm of certified public accountants to undertake an independent financial audit of the authority in accordance with generally accepted auditing standards. The board shall submit the audit report to the Governor, the Auditors of Public Accounts and the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding. The books and accounts of the authority shall be subject to annual audits by the state Auditors of Public Accounts.

Secs. 15-120p to 15-120z. Reserved for future use.

