



Senate Bill No. 815

Public Act No. 19-83

AN ACT ALLOWING INSURANCE POLICIES IN LIEU OF SURETY BONDS.

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

Section 1. Subsection (e) of section 10a-179 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

(e) (1) Each member of the board shall execute a surety bond in the penal sum of fifty thousand dollars and the executive director and the other officers of the authority shall execute a surety bond in the penal sum of one hundred thousand dollars, or, in lieu thereof, the chairman of the board shall execute a blanket position bond covering each member, the executive director and the employees of the authority, each surety bond to be conditioned upon the faithful performance of the duties of the office or offices covered, to be executed by a surety company authorized to transact business in this state as surety and to be approved by the Attorney General and filed in the office of the Secretary of the State. [The cost of each such bond shall be paid by the authority] The authority shall pay the cost of each such bond.

(2) In lieu of a bond, the authority may obtain from an insurance company an insurance policy or policies, in the penal sum of not less

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than one hundred thousand dollars per each occurrence, covering the authority if the executive director or other officer or employee of the authority or any member of the board performing specific directorial acts on behalf of the authority fails to faithfully perform the duties of such person's position with the authority. The authority shall determine any applicable deductible or self-insured retention and pay the cost of the coverage for such policy.

Sec. 2. Subsection (c) of section 10a-224 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

(c) (1) Before the issuance of any bonds or notes under the provisions of this chapter, the chairman and vice-chairman of the board of directors, the executive director and any other member of the board authorized by resolution of the board to handle funds or sign checks of the authority and any other authorized officer shall execute a surety bond in the penal sum of fifty thousand dollars, or in lieu thereof the chairman shall obtain a blanket position bond covering the executive director and every member of the board and other employee or authorized officer of the authority in the penal sum of fifty thousand dollars. Each such bond shall be conditioned upon the faithful performance of the duties of the principal or the members, executive director and other authorized officers or employees, as the case may be, shall be executed by a surety company authorized to transact business in the state as surety, and shall be filed in the office of the Secretary of the State. [The cost of each such bond shall be paid by the authority] The authority shall pay the cost of each such bond.

(2) In lieu of a bond, the authority may obtain from an insurance company an insurance policy or policies, in the penal sum of not less than one hundred thousand dollars per each occurrence, covering the authority if the executive director or other officer or employee of the authority or any member of the board performing specific directorial

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acts on behalf of the authority fails to faithfully perform the duties of such person's position with the authority. The authority shall determine any applicable deductible or self-insured retention and pay the cost of the coverage for such policy.