General Assembly

Raised Bill No. 5243

February Session, 2020

LCO No. **1266**

01266   HSG

Referred to Committee on HOUSING

Introduced by:
(HSG)

AN ACT CONCERNING BONDS OF BOARD MEMBERS AND OTHER EMPLOYEES OF THE CONNECTICUT HOUSING FINANCE AUTHORITY.

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

1   Section 1. Section 8-247 of the general statutes is repealed and the
2   following is substituted in lieu thereof (*Effective July 1, 2020*):

3   Each member of the board of directors of the authority shall execute
4   a surety bond in the penal sum of fifty thousand dollars and the
5   executive director shall execute a surety bond in the penal sum of one
6   hundred thousand dollars, or, in lieu thereof, the **[**chairman**]**
7   chairperson of the board shall execute a blanket position bond or
8   procure an equivalent insurance product covering each board member,
9   the executive director and the employees of the authority. **[**, each**]** Each
10   surety bond **[**to be**]** or equivalent insurance product shall be conditioned
11   upon the faithful performance of the duties of the office or offices
12   covered, to be executed by a surety company or issued by an insurance
13   company authorized to transact business in this state as surety or for an
14   equivalent insurance product and **[**to be approved by the Attorney

15   General and] <u>shall be</u> filed in the office of the Secretary of the State. The

16   cost of each such bond <u>or insurance product</u> shall be paid by the

17   authority.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*July 1, 2020*	8-247

Statement of Purpose:

To permit the board members and other employees of the Connecticut Housing Finance Authority to obtain an equivalent insurance product in lieu of a surety bond.

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