



General Assembly

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**Amendment**

LCO No. 4065

Offered by:

SEN. LEBEAU, 3<sup>rd</sup> Dist.

SEN. SOMMA, 16<sup>th</sup> Dist.

To: Subst. Senate Bill No. 578

File No. 604

Cal. No. 398

***"An Act Concerning Smart Buildings And Internet Business Districts."***

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- 1 In line 5, after "any" insert "(A)"
  - 2 In line 6, after "project" insert a comma
  - 3 In line 7, after "property," insert "or (B) any information technology
  - 4 project"
  - 5 In line 9, after "for", insert "an information technology project or"
  - 6 In line 12, strike ", fully wired office space provided high-capacity
  - 7 networking within such space and high-speed connections to the
  - 8 Internet"
  - 9 In line 103, before "business incubators" insert "high technology
  - 10 businesses and" and strike "firms" and insert "businesses" in lieu
  - 11 thereof
  - 12 After line 143, insert the following and renumber the remaining

13 sections accordingly:

14 "Sec. 3. Subsection (d) of section 32-23d of the general statutes is  
15 repealed and the following is substituted in lieu thereof:

16 (d) "Project" means any facility, plant, works, system, building,  
17 structure, utility, fixture or other real property improvement located in  
18 the state, any machinery, equipment, furniture, fixture or other  
19 personal property to be located in the state and the land on which it is  
20 located or which is reasonably necessary in connection therewith,  
21 which is of a nature or which is to be used or occupied by any person  
22 for purposes which would constitute it as an economic development  
23 project, information technology project, public service project, urban  
24 project, recreation project, commercial fishing project, health care  
25 project, the convention center project, as defined in subdivision (3) of  
26 section 32-600, or nonprofit project, and any real property  
27 improvement reasonably related thereto. A project may be acquired (1)  
28 directly or (2) indirectly through the purchase of all or substantially all  
29 of the stock of a corporation. A project shall not include new materials,  
30 work in process, stock in trade or stock of a corporation.

31 Sec. 4. Section 32-23d of the general statutes is amended by adding  
32 subsections (ee) to (gg), inclusive, as follows:

33 (NEW) (ee) "Information technology project" means any project (1)  
34 providing information technology intensive office or laboratory space,  
35 including, but not limited to, smart buildings, incubator facilities, or  
36 any project that is to be used or occupied by any person specializing in  
37 e-commerce technologies or other technologies using high-speed  
38 communications infrastructure, and (2) which the authority deems will  
39 materially contribute to the economic base of the state by creating or  
40 retaining jobs, promoting the export of products or services beyond  
41 state borders, encouraging innovation in products or services, or  
42 otherwise contributing to, supporting or enhancing existing activities  
43 that are important to the economic base of the state.

44 (NEW) (ff) "Incubator facilities" has the same meaning as incubator

45 facilities in subdivision (5) of section 32-34.

46 (NEW) (gg) "Smart building" means a building that houses, for use  
47 by its tenants, an information or communications infrastructure  
48 capable of transmitting digital video, voice, and data content over a  
49 high-speed wired, wireless, or other communications intranet and  
50 provides the capability of delivering and receiving high-speed digital  
51 video, voice and data transmissions over the Internet."

52 In line 209, after "(12)", insert "provide tenant lease guarantees and  
53 performance guarantees and"

54 In line 214, after "which" insert "guarantees,"

55 In line 303, strike the brackets around "and"

56 In 315, insert a period after "state" and strike "; and (26) act as a loan  
57 guarantor for information"

58 Strike lines 316 to 371, inclusive, in their entirety and insert the  
59 following in lieu thereof:

60 "Sec. 4. Section 32-39 of the general statutes is amended by adding  
61 subsection (38) as follows:

62 (NEW) (38) To provide financial aid to persons developing smart  
63 buildings, as defined in section 32-23d, as amended by section 3 of this  
64 act, incubator facilities or other information technology intensive office  
65 and laboratory space.

66 Sec. 5. (NEW) As used in section 6 of this act, the following terms  
67 shall have the following meanings unless the context indicates another  
68 meaning and intent:

69 (1) "Authority" means the Connecticut Development Authority,  
70 created under section 32-11a of the general statutes, and any of its  
71 subsidiaries or affiliates;

72 (2) "Executive Director" means the executive director of the

73 Connecticut Development Authority;

74 (3) "Financial assistance" means any and all forms of grants, loans,  
75 extensions of credit, guarantees, equity investments, grants or other  
76 forms of financing or refinancing to persons for the purchase,  
77 acquisition, leasing, construction, expansion, continued operation,  
78 reconstruction, financing, refinancing or placing in operation of an  
79 information technology project, including, but not limited to, fixed  
80 assets, working capital, equity participations and acquisitions,  
81 employee buyouts, refinancing, lease guarantees, financial  
82 restructuring and other purposes which the authority determines  
83 further the purposes of this section. For purposes of this section and  
84 section 6 of this act financial assistance shall not be considered  
85 financial assistance under the provisions of section 32-462 of the  
86 general statutes;

87 (4) "Information technology project" means an information  
88 technology project, as defined in section 32-23d of the general statutes,  
89 as amended by this act;

90 (5) "Person" means a person, as defined in subsection (s) of section  
91 32-23d of the general statutes;

92 (6) "Return on investment" means any and all forms of principal or  
93 interest payments, guarantee fees, equity participations, options,  
94 warrants, debentures and any or all other forms of remuneration to the  
95 authority in return for any financial assistance provided or offered.

96 Sec. 6. (NEW) (a) There is created within the authority the High-  
97 Technology Infrastructure Fund. The state, acting through the  
98 authority, may provide financial assistance from such fund that  
99 enables the development of information technology projects. Such  
100 financial assistance may be provided directly or in participation with  
101 any other financial institutions, funds or other persons or other sources  
102 of financing, public or private and the authority may enter into any  
103 agreements or contracts it deems necessary or convenient in  
104 connection therewith. Payments of principal, interest or other forms of

105 return on investment received by the authority shall be deposited in or  
106 held on behalf of said fund.

107 (b) The authority may provide financial assistance in such amounts,  
108 in such form and under such terms and conditions as the authority  
109 shall prescribe, in written procedures adopted in accordance with  
110 section 1-121 of the general statutes. Such procedures shall provide, in  
111 the case of financial assistance in a form other than a grant, for returns  
112 on investment as the authority deems appropriate to reflect the nature  
113 of the risk, provided a single project shall not receive an amount in  
114 excess of fifteen million dollars and shall not be for a term longer than  
115 thirty years.

116 (c) The authority may take all reasonable steps and exercise all  
117 reasonable remedies necessary or desirable to protect the obligations  
118 or interests of the authority, including, but not limited to, the purchase  
119 or redemption of in foreclosure proceedings, bankruptcy proceedings  
120 or in other judicial proceedings of any property on which it holds a  
121 mortgage or other lien or in which it has an interest, and for such  
122 purposes and any other purposes provided in this section payment  
123 may be made from the High-Technology Infrastructure Fund upon  
124 certification by the executive director that payment is authorized  
125 under the provisions of this section, or other sections of the general  
126 statutes, applicable procedures or other programs of the authority.

127 (d) Applicants for financial assistance shall pay the costs the  
128 authority deems reasonable and necessary incurred in processing  
129 applications made under this section, including application and  
130 commitment fees, closing costs or other costs. In carrying out the  
131 provisions of this section, any administrative expenses incurred by the  
132 authority, to the extent not paid by the borrower or from moneys  
133 appropriated to the authority for such purposes, may be paid from the  
134 High-Technology Infrastructure Fund."