



Senate

General Assembly

February Session, 2000

File No. 481

Senate Bill No. 122

Senate, April 10, 2000

The Committee on Appropriations reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

An Act Concerning Individual Development Accounts.

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

1 Section 1. (NEW) (a) For purposes of this section, "individual
2 development account" means a savings account into which an eligible
3 individual periodically deposits money that may be matched by public
4 and private sources and used for specific purposes, including, but not
5 limited to, continuing education, starting a business, making a down
6 payment on a home or paying for emergency situations.

7 (b) The Labor Commissioner, in consultation with the State
8 Treasurer, shall develop and implement an individual development
9 accounts program. The commissioner shall also collaborate with
10 community-based organizations to implement the program.

11 (c) The commissioner shall adopt regulations, in accordance with
12 the provisions of chapter 54 of the general statutes, to establish (1)
13 eligibility criteria for participation in the individual development

14 accounts program, (2) time limitations for participation in said
15 program, and (3) guidelines for the rate at which moneys deposited
16 into such accounts may be matched by public and private sources.

17 Sec. 2. This act shall take effect July 1, 2000.

LAB Committee Vote: Yea 12 Nay 0 JF C/R APP

APP Committee Vote: Yea 39 Nay 9 JF

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Implements The Senate Budget

Affected Agencies: Department of Labor, State Treasurer

Municipal Impact: None

Explanation**State Impact:**

The bill requires the Department of Labor, in consultation with the State Treasurer, to develop and implement an individual accounts program. An individual development account is a savings account into which an eligible individual periodically deposits money that may be matched by public and private sources and used for specific purposes. An amount of \$400,000 is appropriated to the Department of Labor in the Senate version of the FY01 budget for the program.

OLR Bill Analysis

SB 122

AN ACT CONCERNING INDIVIDUAL DEVELOPMENT ACCOUNTS.**SUMMARY:**

This bill requires the labor commissioner, in consultation with the state treasurer, to develop and implement an individual development account (IDA) program. The commissioner must collaborate with community-based organizations in developing the plan. He must adopt IDA regulations that include eligibility requirements, participation time limitations, and matching rate guidelines.

The bill defines an IDA account as a savings account into which eligible individuals deposit money. Public and private sources may contribute to them as well. The accounts are used for specific purposes, including continuing education, starting a business, making home down payments, and emergencies.

EFFECTIVE DATE: July 1, 2000

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Change of Reference

Yea 12 Nay 0

Appropriations Committee

Joint Favorable Report

Yea 39 Nay 9