



General Assembly

February Session, 2000

Amendment

LCO No. 5019

Offered by:

SEN. LEBEAU, 3rd Dist.

To: Subst. Senate Bill No. 515 File No. 246 Cal. No. 199
(As Amended By Senate Amendment Schedule "A")

**"An Act Concerning Certain Programs Administered By
Connecticut Innovations, Incorporated And The
Connecticut Development Authority."**

1 After line 154 insert the following and renumber the remaining
2 section accordingly:

3 "Sec. 9. (NEW) As used in this act:

4 (1) "Awarding authority" means the Commissioner of Economic and
5 Community Development, the board of directors of the Connecticut
6 Development Authority, the board of directors of Connecticut
7 Innovations, Incorporated and the head of any other state agency
8 authorized to award state assistance, as defined in subdivision (2) of
9 this section.

10 (2) "State assistance" means any grant, loan, loan guarantee or
11 issuance of tax benefit not of general applicability for the purpose of
12 economic development that is (A) made to a business entity operated
13 for profit, and (B) in an amount greater than five hundred thousand

14 dollars or that, if added to any other such state assistance made to the
15 same business entity during the preceding five years, would total
16 greater than five hundred thousand dollars.

17 Sec. 10. (NEW) An awarding authority shall not award state
18 assistance pursuant to this act unless the recipient of such assistance
19 enters into an agreement with the awarding authority, for the term of
20 the agreement or for a period of five years following the receipt of such
21 assistance, whichever is greater, to (1) remain in substantial and
22 material compliance with state and federal law; (2) provide
23 compensation, including benefits or the actuarial value of benefits, that
24 is at least equal or equivalent to the standard compensation
25 determined in accordance with the provisions of section 4 of this act;
26 (3) offer compensation and benefits to part-time employees that are
27 comparable to the compensation and benefits offered to full-time
28 employees performing comparable work, prorated as to the amount of
29 time worked that is less than the standard for full-time employees of
30 the recipient; and (4) maintain or increase full-time employment, based
31 on the highest total number of full-time employees of the recipient on
32 any date during the period commencing one year prior to the date of
33 the agreement and ending on the date of the agreement. For purposes
34 of this section, "full-time employee" means any employee (A) receiving
35 the full amount of any noncash benefits available to employees of the
36 recipient, and (B) who averages, over any one-year period, not less
37 than thirty hours of work per week as an employee of the recipient.
38 The awarding authority may require that each recipient of state
39 assistance provide such information as is necessary to determine
40 compliance with the requirements of this act and shall include a
41 requirement to provide such information in any agreement entered
42 into that is subject to this act.

43 Sec. 11. (NEW) (a) If an awarding authority finds that a recipient of
44 state assistance is not in material and substantial compliance with an
45 agreement entered into pursuant to section 2 of this act, the awarding
46 authority shall provide written notice, by registered mail, to the
47 recipient and shall order the recipient to come into compliance with

48 such agreement not less than one hundred eighty days following
49 receipt of such notice. Failure to comply with reporting requirements
50 set forth in such agreement shall be deemed a failure to comply with
51 this act. If the recipient fails to come into compliance with such
52 agreement within the one-hundred-eighty-day period, the awarding
53 authority may (1) unilaterally rescind the agreement and require that
54 the state be made whole by the repayment by the recipient of (A) the
55 amount of any grant made, (B) the amount of any loan outstanding,
56 including any interest necessary to make the state whole, or (C) the
57 amount of any tax benefit received, or (2) impose a penalty, for the
58 period of failure to comply, at the rate of one per cent per month or
59 any part thereof of the amount of the grant, tax benefit or loan
60 outstanding. The awarding authority may foreclose on any collateral
61 or bond related to such grant, tax benefit or loan for the purpose of
62 payment of such penalty and any costs incurred by the awarding
63 authority in connection with collection of such penalty.

64 (b) Notwithstanding the provisions of subsection (a) of this section,
65 any recipient of state assistance that reduces the number of its full-time
66 employees, as defined in section 2 of this act, within the state by more
67 than twenty-five per cent during the period of the agreement or a
68 period of five years following the receipt of such assistance, whichever
69 is greater, shall be ordered by the awarding authority to repay the
70 amount of the state assistance received plus a penalty of five per cent
71 of such amount.

72 (c) If the recipient of state assistance in the form of a loan is late in
73 making payment of any periodic instalment due on such loan, the
74 awarding authority shall not waive any standard late fee.

75 (d) Annually, on or before January first, each awarding authority
76 shall notify the Governor and the General Assembly of each recipient
77 of state assistance that has failed to materially and substantially
78 comply with the provisions of any agreement entered into pursuant to
79 section 2 of this act during the preceding calendar year and the actions
80 taken by the awarding authority with respect to such recipient.

81 Sec. 12. (NEW) (a) The Labor Commissioner shall determine and
82 annually adjust rates of standard compensation for hourly clerical,
83 service and production employees, each as a group, and for salaried
84 clerical, service and nonmanagerial professional employees, each as a
85 group, with respect to each type of business entity that corresponds to
86 a business entity that is a recipient of state assistance. The awarding
87 authority shall use such rate to determine compliance with the
88 provisions of this act. Standard compensation shall be at least equal to
89 the amount deemed necessary by the awarding authority, in
90 consultation with the Labor Commissioner, if the recipient does not
91 offer a comprehensive health benefits plan or a qualified pension plan.

92 (b) Nothing in this section shall be deemed to supersede or modify
93 any collective bargaining agreement entered into by a recipient.

94 (c) The Labor Commissioner shall adopt regulations, in accordance
95 with the provisions of chapter 54 of the general statutes, to carry out
96 the purposes of this section. Such regulations may include guidelines
97 and procedures relating to the information that is required to be
98 reported by each recipient."