



General Assembly

February Session, 2000

Amendment

LCO No. 5103

Offered by:

SEN. SULLIVAN, 5th Dist.

SEN. JEPSEN, 27th Dist.

SEN. PRAGUE, 19th Dist.

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 employing more than fifty people, and (B) in an amount
14 greater than five hundred thousand dollars or that, if added to any
15 other such state assistance made to the same business entity during the
16 preceding five years, would total greater than five hundred thousand
17 dollars.

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

44 Sec. 11. (NEW) (a) If an awarding authority finds that a recipient of
45 state assistance is not in material and substantial compliance with an

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

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

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

76 (d) Annually, on or before January first, each awarding authority
77 shall notify the Governor and the General Assembly of each recipient
78 of state assistance that has failed to materially and substantially

79 comply with the provisions of any agreement entered into pursuant to
80 section 2 of this act during the preceding calendar year and the actions
81 taken by the awarding authority with respect to such recipient.

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

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

95 (c) The Labor Commissioner shall adopt regulations, in accordance
96 with the provisions of chapter 54 of the general statutes, to carry out
97 the purposes of this section. Such regulations may include guidelines
98 and procedures relating to the information that is required to be
99 reported by each recipient. In the alternative the commissioner may
100 use the procedures set forth in subsection (e) of section 1 of public act
101 99-142 for the purposes of determining the standard compensation
102 required by section 10 of this act.

103 (d) No state agency shall receive an adjustment in budgeting
104 resources provided in the 1999-2001 Biennial Budget as a result of
105 implementing this act."