



General Assembly

February Session, 2006

Raised Bill No. 5797

LCO No. 3096

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Referred to Committee on Commerce

Introduced by:
(CE)

AN ACT CONCERNING DIGITAL MEDIA AND MOTION PICTURE DEVELOPMENT IN THE STATE.

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

1 Section 1. (NEW) (*Effective July 1, 2006*) (a) There is established the
2 Connecticut Office of Digital Media and Motion Pictures. Such office
3 shall be within the Connecticut Commission on Culture and Tourism.
4 The office shall be administered by an executive director, who shall be
5 appointed by the Connecticut Digital Media and Motion Picture
6 Commission established pursuant to section 4 of this.

7 (b) The Connecticut Commission on Culture and Tourism shall
8 provide resources necessary for the office to perform its tasks under
9 the provisions of sections 2, 3, 9 and 10 of this act.

10 (c) The office shall have the following powers and duties:

11 (1) To promote the use of Connecticut locations, structures, facilities
12 and services for the production of all digital media, motion pictures
13 and any other media-related products;

14 (2) To provide support services to visiting and in-state production

15 companies, including assistance to digital media and motion picture
16 producers in securing permits from state agencies, authorities or
17 institutions or municipalities or other political subdivisions of the
18 state;

19 (3) To develop and update an on-line resource library concerning
20 the many possible state sites which are suitable for production;

21 (4) To develop and update an on-line production manual of
22 available facilities and services in the state;

23 (5) To conduct and attend trade shows and production workshops
24 to promote Connecticut locations and facilities;

25 (6) To implement the tax credits provided for in sections 8 to 10,
26 inclusive, of this act;

27 (7) To formulate and propose guidelines for state agencies for a "one
28 stop permitting" process, for matters including, but not limited to, the
29 use of state roads and highways, the use of state-owned real or
30 personal property for production activities and the conduct of
31 regulated activities, and to hold workshops to assist state agencies in
32 implementing such process;

33 (8) To formulate and recommend to municipalities model local
34 ordinances to assist production activities, including, but not limited to,
35 "one stop permitting" of digital media, motion picture and other
36 production activity to be conducted in a municipality, and to hold
37 workshops to assist municipalities in implementing such ordinances;

38 (9) To accept any funds, gifts, donations, bequests or grants of funds
39 from private and public sources for the purposes of the activities
40 relating to the Connecticut Office of Digital Media and Motion
41 Pictures;

42 (10) To request and obtain from any state agency, authority or
43 institution or any municipality or other political subdivision of the

44 state such assistance and data as will enable the office to carry out the
45 purposes of the activities relating to the Connecticut Office of Digital
46 Media and Motion Pictures;

47 (11) To assist and promote cooperation amongst all segments of
48 management and labor that are engaged in the activities of the
49 Connecticut Office of Digital Media and Motion Pictures; and

50 (12) To take any other administrative action which may improve the
51 position of the state's digital media and motion picture production
52 industries in national and international markets.

53 (d) On or before January 15, 2008, and annually thereafter, the
54 executive director of the Connecticut Office of Digital Media and
55 Motion Pictures shall submit a report to the Connecticut Digital Media
56 and Motion Picture Commission and to the General Assembly on the
57 activities of the office and the estimated direct and indirect economic
58 impact of all digital media, motion pictures and related production
59 activity film, activity in the state, during the preceding calendar year.
60 Each report shall also include an analysis of the impact on the state of
61 each qualified production, as defined in section 8 of this act.

62 Sec. 2. (NEW) (*Effective July 1, 2006*) Notwithstanding any provision
63 of the general statutes, each state agency, department or institution
64 issuing a request for proposals for any digital media, motion picture or
65 related production activity shall, at the time of such issuance, transmit
66 a copy of such request for proposals to the Connecticut Office of
67 Digital Media and Motion Pictures. The Connecticut Commission on
68 Culture and Tourism shall notify the executive head of each state
69 agency of the requirements of this section.

70 Sec. 3. (*Effective July 1, 2006*) There is established an account within
71 the General Fund to be known as the "Connecticut Office of Digital
72 Media and Motion Pictures account". Any funds received by the state
73 as the result of an activity originated or sponsored by the Connecticut
74 Office of Digital Media and Motion Pictures, including, but not limited

75 to, advertising revenue or payments from film premieres or screenings,
76 or other film or video products, shall be deposited in the account. Any
77 moneys in said account shall be used by the Connecticut Office of
78 Digital Media and Motion Pictures to carry out activities relating to the
79 office.

80 Sec. 4. (NEW) (*Effective July 1, 2006*) (a) There is established a
81 Connecticut Digital Media and Motion Picture Commission. The
82 commission shall be within the Connecticut Commission on Culture
83 and Tourism.

84 (b) The commission shall consist of thirteen persons appointed as
85 follows:

86 (1) Three by the Governor, one of whom shall be either a
87 broadcasting executive, an attorney with broadcasting, digital media
88 or motion picture production experience, a corporate communications
89 executive, an executive of an advertising agency that produces digital
90 media or motion picture projects, an executive of an audio or
91 postproduction facility relating to digital media and motion pictures,
92 and two of whom shall be other professionals whose primary
93 occupation and experience relates directly to the production of digital
94 media motion pictures;

95 (2) Three by the president pro tempore of the Senate, one of whom
96 shall be a digital media or motion picture producer and two of whom
97 shall be either a broadcasting executive, an attorney with broadcasting,
98 digital media or motion picture production experience, a corporate
99 communications executive, an executive of an advertising agency that
100 produces digital media or motion picture projects, an executive of an
101 audio or postproduction facility relating to digital media and motion
102 pictures, and two other professionals whose primary occupation and
103 experience relates directly to the production of digital media or motion
104 pictures;

105 (3) One by the majority leader of the Senate, who shall be a digital

106 media or motion picture producer;

107 (4) One by the minority leader of the Senate, who shall be a director,
108 writer or a performer in digital media or motion pictures;

109 (5) Three by the speaker of the House of Representatives, one of
110 whom shall be a working professional in the digital media or motion
111 picture production field and two of whom shall be other professionals
112 whose primary occupation and experience relates directly to the
113 production of digital media or motion pictures;

114 (6) One by the majority leader of the House of Representatives, who
115 shall be a director, writer or performer in the digital media and motion
116 picture production fields; and

117 (7) One by the minority leader of the House of Representatives, who
118 shall be a representative of academia.

119 (c) The Governor shall appoint from among the members of the
120 commission a chairperson who shall serve at the pleasure of the
121 Governor.

122 (d) The term of each appointed member of the commission
123 beginning on or after July 1, 2006, shall be coterminous with the term
124 of the appointing authority or until a successor is chosen, whichever is
125 later. Vacancies shall be filled by the appointing authority.

126 (e) The members of the commission shall receive no compensation
127 for their services but shall be reimbursed for any necessary expenses
128 incurred in the performance of their duties.

129 (f) The commission shall organize itself in such a manner as it
130 deems desirable and necessary. Seven members of the commission
131 shall constitute a quorum and the affirmative vote of a majority of the
132 members present at a meeting shall be necessary to take any action or
133 adopt any motion or resolution.

134 Sec. 5. (NEW) (*Effective July 1, 2006*) The commission shall:

135 (1) Monitor the activities of the Connecticut Office of Digital Media
136 and Motion Pictures and make recommendations to the executive
137 director to improve state services for the state's digital media and
138 motion picture production industries;

139 (2) Make recommendations to the Governor, the General Assembly
140 and state agencies concerning administrative actions which it deems
141 necessary or helpful to improve such industries;

142 (3) Appoint the executive director of the Connecticut Office of
143 Digital Media and Motion Pictures. The executive director shall have
144 substantial experience in the film, video and media fields and shall be
145 exempt from the classified service. The commission shall design and
146 implement job evaluation criteria for the executive director. The
147 commission shall propose job evaluation criteria for the following
148 positions in such office: (A) Production coordinator, (B) location
149 specialist, (C) tax credit administrator, (D) marketing and business
150 developer, (E) administrative associate, (F) administrative assistant,
151 and (G) any other positions relating to the facilitation or
152 implementation of the activities of the Connecticut Office of Digital
153 Media and Motion Pictures;

154 (4) Identify and make recommendations to state agencies and
155 municipalities on revision to actions or procedures which may have a
156 negative impact on digital media and motion picture production in the
157 state or that may appear to discourage or impose unnecessarily costly
158 burdens on such production in the state; and

159 (5) Assist and advise the Connecticut Office of Digital Media and
160 Motion Pictures.

161 Sec. 6. (NEW) (*Effective July 1, 2006*) On or before January 31, 2007,
162 the commission shall make a report on the activities of the commission
163 to the Governor, the General Assembly and the joint standing

164 committees of the General Assembly having cognizance of matters
165 relating to commerce and finance, revenue and bonding. The report
166 shall include a summary of the activities of the commission for the
167 preceding year, a copy of the report submitted to the commission by
168 the executive director of the Connecticut Office of Digital Media and
169 Motion Pictures and any recommendations for legislation as may be
170 necessary to promote the purposes of sections 1 to 10, inclusive, of this
171 act.

172 Sec. 7. (NEW) (*Effective July 1, 2006*) The Connecticut Commission
173 on Culture and Tourism, with the advice of the Connecticut Digital
174 Media and Motion Picture Commission, shall adopt regulations, in
175 accordance with the provisions of chapter 54 of the general statutes, to
176 carry out the provisions of sections 1 to 10, inclusive, of this act.

177 Sec. 8. (NEW) (*Effective from passage and applicable to taxable years*
178 *commencing on or after January 1, 2006*) As used in this section and
179 sections 9 and 10 of this act:

180 (1) "Qualified production" means the process of producing any type
181 of entertainment content which shall include motion pictures;
182 documentaries; long-form, specials, mini-series, series, music videos
183 and interstitials television programming; interactive television;
184 interactive games; videogames; commercials; infomercials and any
185 format of digital media created primarily for distribution or exhibition
186 to the general public. The term "qualified production" includes any
187 trailer, pilot, video teaser or demo created primarily to stimulate the
188 sale, marketing, promotion or exploitation of future investment in
189 either a product or a qualified production by any means and media in
190 any digital media format, film or videotape, provided such program
191 meets all the criteria of a qualified production. The term "qualified
192 production" shall not include any production containing obscene
193 material or performances or any ongoing program created primarily as
194 news, weather or financial market reports, except for an initial pilot,
195 demo or prototype presentation or informational series programming

196 relating to any qualified production.

197 (2) "Eligible production company" means a corporation, partnership,
198 limited liability company or other business entity engaged in the
199 business of producing qualified productions on a one-time or ongoing
200 basis and qualified by the Secretary of the State to engage in business
201 in the state.

202 (3) "Eligible development and production costs" means all cash
203 expenditures relating to a qualified production in whole or in part
204 relating to development, preproduction, production and
205 postproduction costs of a qualified production including: (A)
206 Expenditures for optioning or purchase of any intellectual property,
207 including, but not limited to, books, scripts, music or trademarks
208 relating to the development or purchase of a script, screenplay or
209 format, provided (i) the holder of the intellectual property is either a
210 company authorized to do business in the state or an individual who is
211 a resident of the state of Connecticut, (ii) seventy-five per cent of the
212 qualified production on which the intellectual property is based is
213 produced in the state, and (iii) the development costs and the
214 production tax credit derived therefrom are less than thirty-five per
215 cent of the actual cash expenditures within the budget allocated for the
216 production of the qualified production in the state. Such costs shall
217 include all expenditures generally associated with the optioning or
218 purchase of intellectual property, including option money, agent fees
219 and attorney fees relating to the transaction and shall exclude any and
220 all deferrals, deferments, royalties, profit participation or recourse or
221 nonrecourse loans which the eligible production company may
222 negotiate in order to obtain the rights to the intellectual property; (B)
223 expenditures in the form of either compensation or purchases paid
224 directly to individuals or companies authorized to do business in the
225 state, including, but not limited to, production work, production
226 equipment, production software, all postproduction work,
227 postproduction equipment, postproduction software, set design, set
228 construction, props, lighting, wardrobe, makeup, makeup accessories,

229 special effects, visual effects, audio effects, film processing, music,
230 sound mixing, editing, location fees, soundstages and any and all other
231 costs or services directly incurred in the state of Connecticut in
232 connection through a state-certified qualified production. "Eligible
233 development and production costs" shall not include the following: (i)
234 Media buys, promotional events or gifts or public relations associated
235 with the promotion or marketing of any qualified production, (ii)
236 deferrals or deferments leveraged or profit participation costs relating
237 to any and all personnel associated with any and all aspects of the
238 production, including, but not limited to, producer fees, director fees,
239 talent fees and writer fees, and (iii) costs relating to the transfer of the
240 production tax credits and any amounts paid to persons or businesses
241 as a result of their participation in profits from the exploitation of the
242 qualified program. "Eligible development and production costs" shall
243 include (I) any and all preproduction, production or postproduction
244 costs relating to the creation of trailers, marketing videos, commercials,
245 point-of-purchase videos and any and all content created on film or
246 digital media, including the duplication of films, videos, CDs, DVDs
247 and any and all digital files now in existence and those yet to be
248 created for mass consumer consumption, and (II) the purchase, by a
249 company in the state, of any and all equipment relating to the
250 duplication or mass market distribution of any content from within the
251 state by any digital media format which is now in use and those
252 formats yet to be created for mass consumer consumption.

253 (4) "State certified production" means a qualified production
254 produced by an eligible production company that is in compliance and
255 is authorized to conduct business in the state, and that has been
256 approved by the Connecticut Office of Digital Media and Motion
257 Pictures as qualifying for a production tax credit under sections 9 and
258 10 of this act.

259 Sec. 9. (NEW) (*Effective from passage and applicable to taxable years*
260 *commencing on or after January 1, 2006*) (a) (1) An eligible production
261 company producing a qualified production shall be allowed a

262 production tax credit against the tax imposed under chapter 208 of the
263 general statutes as follows: (A) For a qualified production incurring at
264 least fifty thousand dollars of eligible production and development
265 costs, a credit of twenty-five per cent of such costs, and (B) for a
266 qualified production incurring at least one million dollars of eligible
267 production costs, shall receive a credit of thirty per cent of such costs.
268 Any credit under this subdivision shall be applied within three years
269 of issuance and may be sold, assigned or otherwise transferred, in
270 whole or in part, to one or more taxpayers except where otherwise
271 noted.

272 (2) A company or individual investors reinvesting revenue derived
273 from a qualified production in another qualified production shall be
274 eligible for a fifty per cent production tax credit in an amount equal to
275 fifty per cent of the actual reinvestment, not exceeding their initial
276 investment. Any credit under this subdivision shall be nontransferable,
277 and may not exceed the taxes due from such company or invested in
278 the year that they are applied.

279 (3) The production tax credit allowed under this subsection shall be
280 against the actual tax for the taxable year in which final certificate for
281 the state-certified production is made by the Connecticut Office of
282 Digital Media and Motion Pictures pursuant to section 10 of this act.

283 (4) Any production tax credit allowed under this subsection is
284 nonrefundable and any such credit not applied in any year may be
285 carried forward and used to offset income tax in the succeeding three
286 years, except where otherwise provided.

287 (b) (1) An eligible production company producing a qualified
288 production shall be allowed a wage tax credit against the tax imposed
289 under chapter 208 of the general statutes in an amount equal to fifty
290 per cent of the per cent of Connecticut residents employed on a
291 qualified production in which one hundred per cent of the employees
292 are Connecticut residents at the time of production.

293 (2) Any wage tax credit allowed under this section is nonrefundable,
294 nontransferable and may be carried over a three-year period from the
295 date that credits are authorized and may not exceed the tax liability of
296 the eligible production company in the year in which they are applied.

297 Sec. 10. (NEW) (*Effective from passage and applicable to taxable years*
298 *commencing on or after January 1, 2006*) (a) The Connecticut Office of
299 Digital Media and Motion Pictures shall establish and administer a
300 certification process for eligible production companies to claim the
301 production tax credit and wage tax credit allowed under section 9 of
302 this act.

303 (b) Upon receipt of a production budget for a production
304 demonstrating that such production meets the requirements of section
305 9 of this act, the Connecticut Office of Digital Media and Motion
306 Pictures shall issue an initial certification of the production as a
307 qualified production of an eligible production company. The initial
308 certification shall include a unique certificate number for each
309 qualified production and shall indicate that the certification is subject
310 to a final certification by the Connecticut Office of Digital Media and
311 Motion Pictures upon completion of the production.

312 (c) Not more than six months after completion of the qualified
313 production, the eligible production company shall submit a detailed
314 list of the eligible production costs for the qualified production to the
315 Connecticut Office of Digital Media and Motion Pictures. The office
316 shall review such eligible production costs and, after verifying that
317 such costs meet the requirements of section 9 of this act, issue a final
318 certification of the qualified production to the eligible production
319 company.

320 (d) If a taxpayer sells, assigns or otherwise transfers a production
321 tax credit to another taxpayer, the transferor and the transferee shall
322 jointly submit written notification of such transfer to the Connecticut
323 Office of Digital Media and Motion Pictures not more than thirty days
324 after such transfer. The notification shall include the certificate

325 number, the date of the transfer, the amount of the production tax
326 credit transferred, the production tax credit balance before and after
327 the transfer, the tax identification numbers for both the transferor and
328 the transferee, and any other information required by the Connecticut
329 Office of Digital Media and Motion Pictures.

330 (e) Any tax credit under this section not used by a production
331 company shall be recaptured in accordance with regulations adopted
332 under subsection (f) of this section, except that any amount of such
333 recaptured credit has not been paid to the Commissioner of Revenue
334 Services on or before the due date, such amount shall bear interest at
335 the rate of one per cent per month or fraction thereof from such due
336 date to the date of payment.

337 (f) The Connecticut Office of Digital Media and Motion Pictures
338 shall adopt regulations in accordance with the provisions of chapter 54
339 of the general statutes to implement this section. Such regulations shall
340 include provisions to applications for a certificate and for recapture of
341 any unused production tax credit.

342 Sec. 11. (NEW) (*Effective October 1, 2006*) As used in sections 11 to 27,
343 inclusive, of this act, the following terms shall have the following
344 meanings unless the context clearly indicates another meaning and
345 intent:

346 (1) "Corporation" means the Connecticut Film Development
347 Corporation, as created under section 12 of this act;

348 (2) "Finance committee" means a committee or subcommittee
349 organized by the corporation and having the authority to approve or
350 deny applications for financial aid and to enter into agreements on
351 behalf of the corporation to provide financial aid;

352 (3) "Financial aid" means the infusion of capital to persons, in any
353 form whatsoever, including, but not limited to, grants, loans, equity,
354 leases, guarantees, royalty arrangements, other risk capital and other

355 types of financial assistance;

356 (4) "Motion picture" means a feature-length film, video, including a
357 music video, television series consisting of not more than twenty-seven
358 episodes in a season or commercial, each of which is made, in whole or
359 in part, in Connecticut, and each of which is intended for theatrical or
360 television viewing for a national audience, or as a television pilot.
361 "Motion picture" does not include a production featuring news, current
362 events, weather and financial market reports, talk show, game show,
363 sporting events, awards show or other gala event, a production whose
364 sole purpose is fundraising, a long-form production that primarily
365 markets a product or service, or a production containing obscene
366 material or performances;

367 (5) "Motion picture production company" means a company
368 engaged in the business of producing one or more motion pictures;

369 (6) "Connecticut production expenses or costs" means production
370 expenses or costs that are clearly and demonstrably incurred in
371 Connecticut;

372 (7) "Production expenses or costs" means preproduction, production
373 and postproduction expenditures directly incurred in the production
374 of a motion picture. "Production expenses or costs" includes (A) wages
375 and salaries paid to individuals employed in the production of the
376 motion picture, but shall not include wages or salaries in excess of one
377 million dollars paid to any one or more individuals in the production
378 of the motion picture; (B) the costs of set construction and operation,
379 editing and related services, photography, sound synchronization,
380 lighting, wardrobe, make-up and accessories; (C) film processing,
381 transfer, sound mixing, special and visual effects; (D) music; (E)
382 location fees and the cost of purchase or rental of facilities and
383 equipment; or (F) any other production expense as may be determined
384 by the corporation to be an eligible production expense or cost.
385 "Production expenses or costs" does not include costs incurred in
386 marketing or advertising a motion picture or any amounts paid to

387 persons or businesses as a result of their participation in profits from
388 the exploitation of the motion picture;

389 (8) "Technical peer review committee" means a committee,
390 subcommittee or other entity organized by the corporation to provide
391 advice and counsel concerning the technological, marketing and
392 management feasibility of projects in connection with each application
393 for financial and technical assistance; and

394 (9) "Venture" means, without limitation, any contractual
395 arrangement with any person whereby the corporation obtains rights
396 in motion picture or proceeds therefrom, or rights to obtain from any
397 person any and all forms of equity instruments including, but not
398 limited to, common and preferred stock, warrants, options, convertible
399 debentures and similar types of instruments exercisable or convertible
400 into capital stock, in exchange for the granting of financial aid to such
401 person.

402 Sec. 12. (NEW) (*Effective October 1, 2006*) (a) There is hereby created
403 a body politic and corporate to be known as the "Connecticut Film
404 Development Corporation". Such corporation is constituted a public
405 instrumentality and political subdivision of the state and the exercise
406 by the corporation of the powers conferred in sections 11 to 27,
407 inclusive, of this act shall be deemed and held to be the performance of
408 an essential public and governmental function. The Connecticut Film
409 Development Corporation shall not be construed to be a department,
410 institution or agency of the state.

411 (b) The corporation shall be governed by a board of fifteen directors.
412 Eight members shall be appointed by the Governor, at least six of
413 whom shall be knowledgeable, and have favorable reputations for
414 skill, knowledge and experience, in motion picture production. Three
415 of the members shall be the Commissioner of Economic and
416 Community Development, the executive director of the Connecticut
417 Commission on Culture and Tourism and the Secretary of the Office of
418 Policy and Management, who shall serve ex-officio and shall have all

419 of the powers and privileges of a member of the board of directors.
420 Each ex-officio member may designate his deputy or any member of
421 his staff to represent him at meetings of the corporation with full
422 power to act and vote on his behalf. Four members shall be appointed
423 as follows: One by the president pro tempore of the Senate, one by the
424 minority leader of the Senate, one by the speaker of the House of
425 Representatives and one by the minority leader of the House of
426 Representatives. Each member appointed by the Governor shall serve
427 at the pleasure of the Governor but no longer than the term of office of
428 the Governor or until the member's successor is appointed and
429 qualified, whichever is longer. Each member appointed by a member
430 of the General Assembly shall serve in accordance with the provisions
431 of section 4-1a of the general statutes. A director shall be eligible for
432 reappointment. The Governor shall fill any vacancy for the unexpired
433 term of a member appointed by the Governor. The appropriate
434 legislative appointing authority shall fill any vacancy for the unexpired
435 term of a member appointed by such authority.

436 (c) The chairperson of the board shall be appointed by the
437 Governor, with the advice and consent of both houses of the General
438 Assembly. The directors shall annually elect one of their number as
439 secretary. The board may elect such other officers of the board as it
440 deems proper. Members shall receive no compensation but shall be
441 reimbursed for necessary expenses incurred in the performance of
442 their duty.

443 (d) Each director of the corporation before entering upon his duties
444 shall take and subscribe the oath or affirmation required by article
445 eleventh, section 1, of the State Constitution. A record of each such
446 oath or affirmation shall be filed in the office of the Secretary of the
447 State. The board of directors of the corporation shall adopt written
448 procedures, in accordance with the provisions of section 1-121 of the
449 general statutes, for: (1) Adopting an annual budget and plan of
450 operations, including a requirement of board approval before the
451 budget or plan may take effect; (2) hiring, dismissing, promoting and

452 compensating employees of the corporation including an affirmative
453 action policy and a requirement of board approval before a position
454 may be created or a vacancy filled; (3) purchasing, leasing or acquiring
455 real and personal property and personal services, including a
456 requirement of board approval for any nonbudgeted expenditure in
457 excess of five thousand dollars; (4) contracting for financial, legal, bond
458 underwriting and other professional services, including a requirement
459 that the corporation solicit proposals at least once every three years for
460 each such service which it uses; (5) awarding loans, grants and other
461 financial assistance, including eligibility criteria, the application
462 process and the role played by the corporation's staff and board of
463 directors, including deadlines for the approval or disapproval of
464 applications for such assistance by the corporation on and after the
465 effective date of this section; and (6) the use of surplus funds to the
466 extent authorized under sections 11 to 27, inclusive, of this act, or any
467 other provisions of the general statutes.

468 (e) Notwithstanding the provisions of any other law, it shall not
469 constitute a conflict of interest for a trustee, director, partner or officer
470 of any person, firm or corporation, or any individual having a financial
471 interest in a person, firm or corporation, to serve as a member of the
472 board of directors of the Connecticut Film Development Corporation,
473 provided such trustee, director, partner, officer or individual shall
474 abstain from deliberation, action or vote by the Connecticut Film
475 Development Corporation in specific respect to such person, firm or
476 corporation.

477 (f) The corporation shall have the authority to contract with the
478 Department of Economic and Community Development for
479 administrative or other services.

480 Sec. 13. (NEW) (*Effective October 1, 2006*) The Connecticut Film
481 Development Corporation shall have perpetual succession and shall
482 adopt, amend and repeal bylaws for the conduct of its affairs.
483 Succession shall continue until the existence of the corporation is

484 terminated by law, provided no such termination shall affect any
485 outstanding contractual obligation of the corporation to assist any
486 person and the state shall succeed to the obligations of the corporation
487 under such contract. Upon termination of the corporation, its rights
488 and properties shall pass to and be vested in the state.

489 Sec. 14. (NEW) (*Effective October 1, 2006*) The board shall appoint an
490 executive director of the Connecticut Film Development Corporation
491 who shall not be a member of the board and who shall serve at the
492 pleasure of the board and shall receive such compensation as shall be
493 determined by the board. The executive director shall direct and
494 supervise administrative affairs and the general management of the
495 corporation. The executive director may employ such other employees
496 as shall be designated by the board of directors; shall attend all
497 meetings of the board; keep a record of all proceedings and maintain
498 and be custodian of all books, documents and papers filed with the
499 corporation and of the minute book of the corporation and of its
500 official seal. The executive director may cause copies to be made of all
501 minutes and other records and documents of the corporation and may
502 give certificates under the official seal of the corporation to the effect
503 that such copies are true copies, and all persons dealing with the
504 corporation may rely upon such certificates. The executive director or
505 the executive director's designee may serve as a member of such other
506 boards or committees as may be necessary or desirable to carry out the
507 purposes of the corporation.

508 Sec. 15. (NEW) (*Effective October 1, 2006*) The purposes of the
509 Connecticut Film Development Corporation shall be to stimulate and
510 encourage motion picture production in the state and to stimulate the
511 necessary services to increase motion picture production in the state
512 and for these purposes the corporation shall have the following
513 powers:

514 (1) To have perpetual succession as a body corporate and to adopt
515 bylaws, policies and procedures for the regulation of its affairs and

516 conduct of its businesses as provided in section 13 of this act;

517 (2) To enter into venture agreements with persons, upon such terms
518 and conditions as are consistent with the purposes of sections 11 to 27,
519 inclusive, of this act, for the advancement of financial aid to such
520 persons for motion pictures to be developed and produced in this
521 state, and to condition such agreements upon contractual assurances
522 that the benefits of increasing or maintaining employment and tax
523 revenues shall remain in this state and shall accrue to it;

524 (3) To solicit, receive and accept aid, grants or contributions from
525 any source of money, property or labor or other things of value, to be
526 held, used and applied to carry out the purposes of sections 11 to 27,
527 inclusive, of this act, subject to the conditions upon which such grants
528 and contributions may be made, including, but not limited to, gifts or
529 grants from any department or agency of the United States or the state;

530 (4) To invest in, acquire, lease, purchase, own, manage, hold and
531 dispose of real property and lease, convey or deal in or enter into
532 agreements with respect to such property on any terms necessary or
533 incidental to the carrying out of these purposes; provided, all such
534 acquisitions of real property for the corporation's own use with
535 amounts appropriated by the state to the corporation or with the
536 proceeds of bonds supported by the full faith and credit of the state
537 shall be subject to the approval of the Secretary of the Office of Policy
538 and Management and the provisions of section 4b-23 of the 2006
539 supplement to the general statutes;

540 (5) To employ such assistants, agents and other employees as may
541 be necessary or desirable, which employees shall be exempt from the
542 classified service and shall not be employees, as defined in subsection
543 (b) of section 5-270 of the 2006 supplement to the general statutes;
544 establish all necessary or appropriate personnel practices and policies,
545 including those relating to hiring, promotion, compensation,
546 retirement and collective bargaining, which need not be in accordance
547 with chapter 68 of the general statutes, and the corporation shall not be

548 an employer as defined in subsection (a) of section 5-270 of the 2006
549 supplement to the general statutes; and engage consultants, attorneys
550 and appraisers as may be necessary or desirable to carry out its
551 purposes in accordance with sections 11 to 27, inclusive, of this act;

552 (6) To make and enter into all contracts and agreements necessary or
553 incidental to the performance of its duties and the execution of its
554 powers under sections 11 to 27, inclusive, of this act;

555 (7) To sue and be sued, plead and be impleaded, adopt a seal and
556 alter the same at pleasure;

557 (8) With the approval of the State Treasurer, to invest any funds not
558 needed for immediate use or disbursement, including any funds held
559 in reserve, in obligations issued or guaranteed by the United States of
560 America or the state of Connecticut and in other obligations which are
561 legal investments for retirement funds in this state;

562 (9) To procure insurance against any loss in connection with its
563 property and other assets in such amounts and from such insurers as it
564 deems desirable;

565 (10) To the extent permitted under its contract with other persons, to
566 consent to any termination, modification, forgiveness or other change
567 of any term of any contractual right, payment, royalty, contract or
568 agreement of any kind to which the corporation is a party;

569 (11) To do anything necessary and convenient to render the bonds
570 to be issued under section 19 of this act;

571 (12) To acquire, lease, purchase, own, manage, hold and dispose of
572 personal property, and lease, convey or deal in or enter into
573 agreements with respect to such property on any terms necessary or
574 incidental to the carrying out of these purposes;

575 (13) In connection with any application for assistance under sections
576 11 to 27, inclusive, of this act, or commitments therefor, to make and

577 collect such fees as the corporation shall determine to be reasonable;

578 (14) To enter into venture agreements with persons, upon such
579 terms and conditions as are consistent with the purposes of sections 11
580 to 27, inclusive, of this act, to provide financial aid to such persons for
581 motion picture production;

582 (15) To account for and audit funds of the corporation and funds of
583 any recipients of financial aid from the corporation;

584 (16) To advise the Governor, the General Assembly, the
585 Commissioner of Economic and Community Development and the
586 executive director of the Connecticut Commission on Culture and
587 Tourism on matters relating to motion picture production which may
588 have an impact on state policies, programs, employers and residents,
589 and on job creation and retention;

590 (17) To maintain an inventory of data and information concerning
591 state and federal programs which are related to the purposes of this act
592 and to serve as a clearinghouse and referral service for such data and
593 information;

594 (18) To recommend state goals for motion picture production and to
595 establish policies and strategies for developing and assisting motion
596 picture companies and for attracting such companies to the state;

597 (19) To promote and encourage the coordination of public and
598 private resources and activities within the state in order to assist
599 motion picture production companies; and

600 (20) To do all acts and things necessary and convenient to carry out
601 the purposes of sections 11 to 27, inclusive, of this act.

602 Sec. 16. (NEW) (*Effective October 1, 2006*) Guarantees issued by the
603 Connecticut Film Development Corporation, and all equity
604 instruments and obligations, any of which include a guarantee of a
605 return of capital or principal by the corporation, under the provisions

606 of sections 11 to 27, inclusive, of this act, are hereby made securities in
607 which all public officers and public bodies of the state and its political
608 subdivisions, all insurance companies, state bank and trust companies,
609 national banking associations, savings banks, savings and loan
610 associations, investment companies, executors, administrators, trustees
611 and other fiduciaries may properly and legally invest funds, including
612 capital in their control or belonging to them. Such instruments and
613 obligations are hereby made securities which may properly and legally
614 be deposited with and received by any state or municipal officer or any
615 agency or political subdivision of the state for any purpose for which
616 the deposit of bonds or obligations of the state is now or may hereafter
617 be authorized by law.

618 Sec. 17. (NEW) (*Effective October 1, 2006*) The Connecticut Film
619 Development Corporation shall establish a program of financial aid for
620 motion picture companies for production expenses incurred in the
621 state. Eligible applicants for such aid shall employ state residents in
622 production work and the motion picture shall be filmed in the state.
623 The state shall have an equity interest in the motion picture equal to
624 the per cent of financial aid for the motion picture provided under
625 this section.

626 Sec. 18. (NEW) (*Effective October 1, 2006*) (a) All applications for
627 financial aid shall be forwarded, together with an application fee
628 prescribed by the Connecticut Film Development Corporation, to the
629 executive director of the corporation. Each such application shall be
630 processed in accordance with the written procedures adopted by the
631 corporation under subdivision (5) of subsection (d) of section 12 of this
632 act. The finance committee of the corporation shall approve or deny
633 each application recommended by the executive director. If the finance
634 committee approves an application, such committee may authorize the
635 corporation to enter into an agreement or agreements on behalf of the
636 corporation to provide financial aid to the applicant. The applicant
637 shall be promptly notified of such action by the corporation.

638 Sec. 19. (NEW) (*Effective October 1, 2006*) The State Bond
639 Commission shall have power in accordance with the provisions of
640 section 3-20 of the general statutes to authorize the issuance of bonds
641 of the state in one or more series and in principal amounts not
642 exceeding in the aggregate one hundred million dollars to carry out
643 the purposes of sections 11 to 27, inclusive of this act. The principal
644 and interest of said bonds shall be payable at such place or places as
645 may be determined by the State Treasurer and shall bear such date or
646 dates, mature at such time or times, bear interest at such rate or
647 different or varying rates, be payable at such time or times, be in such
648 denominations, be in such form with or without interest coupons
649 attached, carry such registration and transfer privileges, be payable in
650 such medium of payment and be subject to such terms of redemption
651 with or without premium as, irrespective of the provisions of said
652 section 3-20 may be provided by the authorization of the State Bond
653 Commission or fixed in accordance therewith. The proceeds of the sale
654 of such bonds, after deducting therefrom all expenses of issuance and
655 sale, shall be paid to the Connecticut Film Development Fund created
656 under section 10 of this act. When the State Bond Commission has
657 acted to issue such bonds or a portion thereof, the Treasurer may,
658 pending the issue of such bonds, issue, in the name of the state,
659 temporary notes in anticipation of the moneys to be received from the
660 sale of such bonds. In issuing the bonds authorized under this section,
661 the State Bond Commission may require repayment of such bonds by
662 the corporation as shall seem desirable and consistent with the
663 purposes of sections 11 to 27, inclusive, of this act. Such terms for
664 repayment may include a forgiveness of interest, a holiday in the
665 repayment of interest or principal, or both.

666 Sec. 20. (NEW) (*Effective October 1, 2006*) (a) There is hereby created
667 a Connecticut Film Development Fund. Proceeds from the sale of
668 bonds authorized by the State Bond Commission in accordance with
669 section 19 of this act shall be paid directly to the State Treasurer as
670 agent of the corporation and the Treasurer shall deposit all such
671 amounts in the Connecticut Film Development Fund. The moneys in

672 said fund shall be paid by checks signed by the Treasurer or by his
673 deputy appointed pursuant to section 3-12 of the general statutes on
674 requisition of the executive director of the corporation or his designee.

675 (b) Any funds or revenues of The Connecticut Film Development
676 Corporation derived from application fees, royalty payments,
677 investment income and loan repayments received by the corporation
678 in connection with its programs shall be held, administered and
679 invested by the corporation or deposited with and invested by any
680 institution as may be designated by the corporation at its sole
681 discretion and paid as the corporation shall direct. All moneys in such
682 accounts shall be used and applied to carry out the purposes of the
683 corporation. The corporation may make payments from such accounts
684 to the Treasurer for deposit in the Connecticut Film Development
685 Fund for use in accordance with subsection (c) of this section.

686 (c) The moneys in the Connecticut Film Development Fund shall be
687 used to carry out the purposes of the corporation and for the
688 repayment of state bonds in such amounts as may be required by the
689 State Bond Commission pursuant to section 19 of this act.

690 Sec. 21. (NEW) (*Effective October 1, 2006*) The Connecticut Film
691 Development Corporation shall be subject to examination by the State
692 Treasurer. The accounts of the corporation shall be subject to annual
693 audits by the Auditors of Public Accounts.

694 Sec. 22. (NEW) (*Effective October 1, 2006*) The state of Connecticut
695 does hereby pledge to and agree with any person with whom the
696 Connecticut Film Development Corporation may enter into contracts
697 pursuant to the provisions of sections 11 to 27, inclusive, of this act that
698 the state will not limit or alter the rights hereby vested in the
699 corporation until such contracts and the obligations thereunder are
700 fully met and performed on the part of the corporation, provided
701 nothing in this section shall preclude such limitation or alteration if
702 adequate provision shall be made by law for the protection of such
703 persons entering into contracts with the corporation.

704 Sec. 23. (NEW) (*Effective October 1, 2006*) The powers enumerated in
705 sections 11 to 27, inclusive, of this act shall be interpreted broadly to
706 effectuate the purposes thereof and shall not be construed as a
707 limitation of powers.

708 Sec. 24. (NEW) (*Effective October 1, 2006*) To the extent that the
709 provisions of sections 11 to 27, inclusive, of this act are inconsistent
710 with the provisions of any general statute or special act or parts
711 thereof, the provisions of said sections 11 to 27, inclusive, shall be
712 deemed controlling.

713 Sec. 25. (NEW) (*Effective October 1, 2006*) The Connecticut Film
714 Development Corporation shall be and is hereby declared exempt
715 from all franchise, corporate business, property and income taxes
716 levied by the state or any municipality, provided nothing in this
717 section shall be construed to exempt from any such taxes, or from any
718 taxes levied in connection with the manufacture or sale of any
719 products which are the subject of any agreement made by the
720 corporation, any person entering into any agreement with the
721 corporation.

722 Sec. 26. (NEW) (*Effective October 1, 2006*) (a) Neither the directors of
723 the Connecticut Film Development Corporation nor any person acting
724 on behalf of said corporation executing any notes, under sections 11 to
725 27, inclusive, of this act shall be liable personally on such notes, bonds,
726 contracts, agreements or obligations, or be subject to any personal
727 liability or accountability by reason of the issuance thereof.

728 (b) No director shall be personally liable for damage or injury, not
729 wanton or wilful, caused in the performance of his duties and within
730 the scope of his employment. Any person having a complaint for such
731 damage or injury shall present it as a claim against the state under the
732 provisions of chapter 53 of the general statutes.

733 Sec. 27. (NEW) (*Effective October 1, 2006*) Not later than January first
734 in each year, the Connecticut Film Development Corporation shall

735 submit a business plan containing a summary of its projected
736 operations for the year to the joint standing committees of the General
737 Assembly having cognizance of matters relating to economic
738 development, appropriations and capital bonding. Not later than
739 November first, annually, the corporation shall submit a report to the
740 Commissioner of Economic and Community Development, the
741 Auditors of Public Accounts and said joint standing committees, which
742 shall include the following information with respect to new and
743 outstanding financial assistance provided by the corporation during
744 the twelve-month period ending on June thirtieth next preceding the
745 date of the report for each financial assistance program administered
746 by the corporation: (1) A list of the names, addresses and locations of
747 all recipients of such assistance; (2) for each such recipient: (A) A
748 description of the motion picture production company, (B) the gross
749 revenues during the recipient's most recent fiscal year, (C) the number
750 of employees at the time of application, (D) whether the recipient is a
751 minority or woman-owned business, (E) a summary of the terms and
752 conditions for the assistance, including the type and amount of state
753 financial assistance, job creation or retention requirements, and
754 anticipated wage rates, and (F) the amount of investments from private
755 and other nonstate sources that have been leveraged by the assistance;
756 (3) the economic benefit criteria used in determining which
757 applications have been approved or disapproved; and (4) for each
758 recipient of assistance, a comparison between the number of jobs to be
759 created, the number of jobs to be retained and the average wage rates
760 for each such category of jobs, as projected in the recipient's
761 application, versus the actual number of jobs created, the actual
762 number of jobs retained and the average wage rates for each such
763 category. The report shall also indicate the actual number of full-time
764 jobs and the actual number of part-time jobs in each such category and
765 the benefit levels for each such subcategory. The November first report
766 shall include a summary of the activities of the corporation, including
767 all activities to assist small businesses and minority business
768 enterprises, as defined in section 4a-60g of the general statutes, and a

769 complete operating and financial statement and recommendations for
770 legislation to promote the purposes of the corporation. The corporation
771 shall furnish such additional information upon the written request of
772 any such committee at such times as the committee may request.

773 Sec. 28. Section 1-120 of the general statutes is repealed and the
774 following is substituted in lieu thereof (*Effective October 1, 2006*):

775 As used in sections 1-120 to 1-123, inclusive:

776 (1) "Quasi-public agency" means the Connecticut Development
777 Authority, Connecticut Innovations, Incorporated, Connecticut Health
778 and Educational Facilities Authority, Connecticut Higher Education
779 Supplemental Loan Authority, Connecticut Housing Finance
780 Authority, Connecticut Housing Authority, Connecticut Resources
781 Recovery Authority, Connecticut Hazardous Waste Management
782 Service, Capital City Economic Development Authority, [and]
783 Connecticut Lottery Corporation and Connecticut Film Development
784 Corporation.

785 (2) "Procedure" means each statement, by a quasi-public agency, of
786 general applicability, without regard to its designation, that
787 implements, interprets or prescribes law or policy, or describes the
788 organization or procedure of any such agency. The term includes the
789 amendment or repeal of a prior regulation, but does not include,
790 unless otherwise provided by any provision of the general statutes, (A)
791 statements concerning only the internal management of any agency
792 and not affecting procedures available to the public and (B) intra-
793 agency memoranda.

794 (3) "Proposed procedure" means a proposal by a quasi-public
795 agency under the provisions of section 1-121 for a new procedure or
796 for a change in, addition to or repeal of an existing procedure.

797 Sec. 29. Section 1-125 of the general statutes is repealed and the
798 following is substituted in lieu thereof (*Effective October 1, 2006*):

799 The directors, officers and employees of the Connecticut
800 Development Authority, Connecticut Innovations, Incorporated,
801 Connecticut Higher Education Supplemental Loan Authority,
802 Connecticut Housing Finance Authority, Connecticut Housing
803 Authority, Connecticut Resources Recovery Authority, including ad
804 hoc members of the Connecticut Resources Recovery Authority,
805 Connecticut Health and Educational Facilities Authority, Capital City
806 Economic Development Authority, [and] Connecticut Lottery
807 Corporation and Connecticut Film Development Corporation and any
808 person executing the bonds or notes of the agency shall not be liable
809 personally on such bonds or notes or be subject to any personal
810 liability or accountability by reason of the issuance thereof, nor shall
811 any director or employee of the agency, including ad hoc members of
812 the Connecticut Resources Recovery Authority, be personally liable for
813 damage or injury, not wanton, reckless, wilful or malicious, caused in
814 the performance of his or her duties and within the scope of his or her
815 employment or appointment as such director, officer or employee,
816 including ad hoc members of the Connecticut Resources Recovery
817 Authority. The agency shall protect, save harmless and indemnify its
818 directors, officers or employees, including ad hoc members of the
819 Connecticut Resources Recovery Authority, from financial loss and
820 expense, including legal fees and costs, if any, arising out of any claim,
821 demand, suit or judgment by reason of alleged negligence or alleged
822 deprivation of any person's civil rights or any other act or omission
823 resulting in damage or injury, if the director, officer or employee,
824 including ad hoc members of the Connecticut Resources Recovery
825 Authority, is found to have been acting in the discharge of his or her
826 duties or within the scope of his or her employment and such act or
827 omission is found not to have been wanton, reckless, wilful or
828 malicious.

829 Sec. 30. Section 1-79 of the 2006 supplement to the general statutes is
830 repealed and the following is substituted in lieu thereof (*Effective*
831 *October 1, 2006*):

832 The following terms, when used in this part, shall have the
833 following meanings unless the context otherwise requires:

834 (a) "Blind trust" means a trust established by a public official or state
835 employee or member of his immediate family for the purpose of
836 divestiture of all control and knowledge of assets.

837 (b) "Business with which he is associated" means any sole
838 proprietorship, partnership, firm, corporation, trust or other entity
839 through which business for profit or not for profit is conducted in
840 which the public official or state employee or member of his
841 immediate family is a director, officer, owner, limited or general
842 partner, beneficiary of a trust or holder of stock constituting five per
843 cent or more of the total outstanding stock of any class, provided, a
844 public official or state employee, or member of his immediate family,
845 shall not be deemed to be associated with a not for profit entity solely
846 by virtue of the fact that the public official or state employee or
847 member of his immediate family is an unpaid director or officer of the
848 not for profit entity. "Officer" refers only to the president, executive or
849 senior vice president or treasurer of such business.

850 (c) "Candidate for public office" means any individual who has filed
851 a declaration of candidacy or a petition to appear on the ballot for
852 election as a public official, or who has raised or expended money in
853 furtherance of such candidacy, or who has been nominated for
854 appointment to serve as a public official, but shall not include a
855 candidate for the office of senator or representative in Congress.

856 (d) "Board" means the Citizen's Ethics Advisory Board established
857 in section 1-80, as amended.

858 (e) "Gift" means anything of value, which is directly and personally
859 received, unless consideration of equal or greater value is given in
860 return. "Gift" shall not include:

861 (1) A political contribution otherwise reported as required by law or

862 a donation or payment as described in subdivision (9) or (10) of
863 subsection (b) of section 9-333b, as amended;

864 (2) Services provided by persons volunteering their time, if
865 provided to aid or promote the success or defeat of any political party,
866 any candidate or candidates for public office or the position of
867 convention delegate or town committee member or any referendum
868 question;

869 (3) A commercially reasonable loan made on terms not more
870 favorable than loans made in the ordinary course of business;

871 (4) A gift received from (A) an individual's spouse, fiance or fiancée,
872 (B) the parent, brother or sister of such spouse or such individual, or
873 (C) the child of such individual or the spouse of such child;

874 (5) Goods or services (A) which are provided to the state (i) for use
875 on state property, or (ii) to support an event or the participation by a
876 public official or state employee at an event, and (B) which facilitate
877 state action or functions. As used in this subdivision, "state property"
878 means (i) property owned by the state, or (ii) property leased to an
879 agency in the Executive or Judicial Department of the state;

880 (6) A certificate, plaque or other ceremonial award costing less than
881 one hundred dollars;

882 (7) A rebate, discount or promotional item available to the general
883 public;

884 (8) Printed or recorded informational material germane to state
885 action or functions;

886 (9) Food or beverage or both, costing less than fifty dollars in the
887 aggregate per recipient in a calendar year, and consumed on an
888 occasion or occasions at which the person paying, directly or
889 indirectly, for the food or beverage, or his representative, is in
890 attendance;

891 (10) Food or beverage or both, costing less than fifty dollars per
892 person and consumed at a publicly noticed legislative reception to
893 which all members of the General Assembly are invited and which is
894 hosted not more than once in any calendar year by a lobbyist or
895 business organization. For the purposes of such limit, (A) a reception
896 hosted by a lobbyist who is an individual shall be deemed to have also
897 been hosted by the business organization which he owns or is
898 employed by, and (B) a reception hosted by a business organization
899 shall be deemed to have also been hosted by all owners and employees
900 of the business organization who are lobbyists. In making the
901 calculation for the purposes of such fifty-dollar limit, the donor shall
902 divide the amount spent on food and beverage by the number of
903 persons whom the donor reasonably expects to attend the reception;

904 (11) Food or beverage or both, costing less than fifty dollars per
905 person and consumed at a publicly noticed reception to which all
906 members of the General Assembly from a region of the state are
907 invited and which is hosted not more than once in any calendar year
908 by a lobbyist or business organization. For the purposes of such limit,
909 (A) a reception hosted by a lobbyist who is an individual shall be
910 deemed to have also been hosted by the business organization which
911 he owns or is employed by, and (B) a reception hosted by a business
912 organization shall be deemed to have also been hosted by all owners
913 and employees of the business organization who are lobbyists. In
914 making the calculation for the purposes of such fifty-dollar limit, the
915 donor shall divide the amount spent on food and beverage by the
916 number of persons whom the donor reasonably expects to attend the
917 reception. As used in this subdivision, "region of the state" means the
918 established geographic service area of the organization hosting the
919 reception;

920 (12) A gift, including but not limited to, food or beverage or both,
921 provided by an individual for the celebration of a major life event;

922 (13) Gifts costing less than one hundred dollars in the aggregate or

923 food or beverage provided at a hospitality suite at a meeting or
924 conference of an interstate legislative association, by a person who is
925 not a registrant or is not doing business with the state of Connecticut;

926 (14) Admission to a charitable or civic event, including food and
927 beverage provided at such event, but excluding lodging or travel
928 expenses, at which a public official or state employee participates in
929 his official capacity, provided such admission is provided by the
930 primary sponsoring entity;

931 (15) Anything of value provided by an employer of (A) a public
932 official, (B) a state employee, or (C) a spouse of a public official or state
933 employee, to such official, employee or spouse, provided such benefits
934 are customarily and ordinarily provided to others in similar
935 circumstances; or

936 (16) Anything having a value of not more than ten dollars, provided
937 the aggregate value of all things provided by a donor to a recipient
938 under this subdivision in any calendar year shall not exceed fifty
939 dollars.

940 (f) "Immediate family" means any spouse, children or dependent
941 relatives who reside in the individual's household.

942 (g) "Individual" means a natural person.

943 (h) "Member of an advisory board" means any individual (1)
944 appointed by a public official as an advisor or consultant or member of
945 a committee, commission or council established to advise, recommend
946 or consult with a public official or branch of government or committee
947 thereof, (2) who receives no public funds other than per diem
948 payments or reimbursement for his actual and necessary expenses
949 incurred in the performance of his official duties, and (3) who has no
950 authority to expend any public funds or to exercise the power of the
951 state.

952 (i) "Person" means an individual, sole proprietorship, trust,

953 corporation, limited liability company, union, association, firm,
954 partnership, committee, club or other organization or group of
955 persons.

956 (j) "Political contribution" has the same meaning as in section 9-333b,
957 as amended, except that for purposes of this part, the provisions of
958 subsection (b) of that section shall not apply.

959 (k) "Public official" means any state-wide elected officer, any
960 member or member-elect of the General Assembly, any person
961 appointed to any office of the legislative, judicial or executive branch
962 of state government by the Governor or an appointee of the Governor,
963 with or without the advice and consent of the General Assembly, any
964 public member or representative of the teachers' unions or state
965 employees' unions appointed to the Investment Advisory Council
966 pursuant to subsection (a) of section 3-13b, any person appointed or
967 elected by the General Assembly or by any member of either house
968 thereof, and any member or director of a quasi-public agency, but shall
969 not include a member of an advisory board, a judge of any court either
970 elected or appointed or a senator or representative in Congress.

971 (l) "Quasi-public agency" means the Connecticut Development
972 Authority, Connecticut Innovations, Incorporated, Connecticut Health
973 and Education Facilities Authority, Connecticut Higher Education
974 Supplemental Loan Authority, Connecticut Housing Finance
975 Authority, Connecticut Housing Authority, Connecticut Resources
976 Recovery Authority, Connecticut Hazardous Waste Management
977 Service, Lower Fairfield County Convention Center Authority, Capital
978 City Economic Development Authority, [and] Connecticut Lottery
979 Corporation and Connecticut Film Development Corporation.

980 (m) "State employee" means any employee in the executive,
981 legislative or judicial branch of state government, whether in the
982 classified or unclassified service and whether full or part-time, and any
983 employee of a quasi-public agency, but shall not include a judge of any
984 court, either elected or appointed.

985 (n) "Trust" means a trust in which any public official or state
986 employee or member of his immediate family has a present or future
987 interest which exceeds ten per cent of the value of the trust or exceeds
988 fifty thousand dollars, whichever is less, but shall not include blind
989 trusts.

990 (o) "Business organization" means a sole proprietorship,
991 corporation, limited liability company, association, firm or partnership,
992 other than a client lobbyist, which is owned by, or employs, one or
993 more individual lobbyists.

994 (p) "Client lobbyist" means a person on behalf of whom lobbying
995 takes place and who makes expenditures for lobbying and in
996 furtherance of lobbying.

997 (q) "Necessary expenses" means a public official's or state
998 employee's expenses for an article, appearance or speech or for
999 participation at an event, in his official capacity, which shall be limited
1000 to necessary travel expenses, lodging for the nights before, of and after
1001 the appearance, speech or event, meals and any related conference or
1002 seminar registration fees.

1003 (r) "Lobbyist" and "registrant" shall be construed as defined in
1004 section 1-91, as amended.

1005 (s) "Legal defense fund" means a fund established for the payment
1006 of legal expenses of a public official or state employee incurred as a
1007 result of defending himself or herself in an administrative, civil,
1008 criminal or constitutional proceeding concerning matters related to the
1009 official's or employee's service or employment with the state or a
1010 quasi-public agency.

1011 Sec. 31. (*Effective July 1, 2006*) Section 10-417 of the general statutes is
1012 repealed.

1013 Sec. 32. (*Effective July 1, 2006*) The sum of two million dollars is
1014 appropriated to the Connecticut Digital Media and Motion Picture

1015 Office, from the General Fund, for the fiscal year ending June 30, 2007,
 1016 for the purposes of section 1 to 10, inclusive, of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2006</i>	New section
Sec. 2	<i>July 1, 2006</i>	New section
Sec. 3	<i>July 1, 2006</i>	New section
Sec. 4	<i>July 1, 2006</i>	New section
Sec. 5	<i>July 1, 2006</i>	New section
Sec. 6	<i>July 1, 2006</i>	New section
Sec. 7	<i>July 1, 2006</i>	New section
Sec. 8	<i>from passage and applicable to taxable years commencing on or after January 1, 2006</i>	New section
Sec. 9	<i>from passage and applicable to taxable years commencing on or after January 1, 2006</i>	New section
Sec. 10	<i>from passage and applicable to taxable years commencing on or after January 1, 2006</i>	New section
Sec. 11	<i>October 1, 2006</i>	New section
Sec. 12	<i>October 1, 2006</i>	New section
Sec. 13	<i>October 1, 2006</i>	New section
Sec. 14	<i>October 1, 2006</i>	New section
Sec. 15	<i>October 1, 2006</i>	New section
Sec. 16	<i>October 1, 2006</i>	New section
Sec. 17	<i>October 1, 2006</i>	New section
Sec. 18	<i>October 1, 2006</i>	New section
Sec. 19	<i>October 1, 2006</i>	New section
Sec. 20	<i>October 1, 2006</i>	New section
Sec. 21	<i>October 1, 2006</i>	New section
Sec. 22	<i>October 1, 2006</i>	New section
Sec. 23	<i>October 1, 2006</i>	New section
Sec. 24	<i>October 1, 2006</i>	New section
Sec. 25	<i>October 1, 2006</i>	New section

Sec. 26	<i>October 1, 2006</i>	New section
Sec. 27	<i>October 1, 2006</i>	New section
Sec. 28	<i>October 1, 2006</i>	1-120
Sec. 29	<i>October 1, 2006</i>	1-125
Sec. 30	<i>October 1, 2006</i>	1-79
Sec. 31	<i>July 1, 2006</i>	Repealer section
Sec. 32	<i>July 1, 2006</i>	New section

Statement of Purpose:

To establish the Connecticut Digital Media and Motion Picture Office and Commission to develop a strong digital media and motion picture industry that would contribute substantially to the improvement of the state's economy, the social well-being of the state and its people and to provide production and wage tax credits against the corporation business tax for qualified digital media and motion picture productions in the state and to establish the Connecticut Film Corporation to invest in films made in the state and that employ state residents.

[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.]