



**House Bill No. 5624**

**Public Act No. 08-23**

**AN ACT CONCERNING THE CONNECTICUT IDA INITIATIVE.**

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

Section 1. Section 31-51xx of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(a) There is [hereby] established the "Connecticut IDA Initiative". The initiative shall be administered by the [department] Labor Department. The initiative shall provide an eligible [individuals] individual as provided in section 31-51yy with an opportunity, through a certified state IDA program, to establish an individual development account from which funds may be used by the account holder for one of the following purposes as specified in the approved plan: (1) The costs of education or job training; (2) the purchase of a home as a primary residence; (3) the participation in or development of a new or existing entrepreneurial activity; (4) the purchase of an automobile for the purpose of obtaining or maintaining employment; [or] (5) the making of a lease deposit on a primary residence; or (6) the costs of education or job training for a dependent child of the account holder.

(b) To implement the Connecticut IDA Initiative, the department shall, in accordance with regulations adopted pursuant to section 31-

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51ddd: (1) Establish an Individual Development Account Reserve Fund in accordance with section 31-51aaa; (2) establish and operate, directly or by contract with another entity, the clearinghouse; (3) solicit, review, accept or reject proposals from community-based organizations seeking to operate certified state IDA programs on a not-for-profit basis; and (4) perform such monitoring, evaluation and oversight functions as are appropriate for the administration of the Connecticut IDA Initiative.

(c) The department shall determine the maximum per cent of all funds received from the Individual Development Account Reserve Fund that may be used by a community-based organization operating a certified state IDA program in providing training, counseling, case management and for administrative purposes.

Approved April 29, 2008