General Assembly

Governor's Bill No. 6369

January Session, 2009

LCO No. **3089**

____HB06369CE_GAE031709___

Referred to Committee on Commerce

Introduced by:
REP. CAFERO, 142nd Dist.
SEN. MCKINNEY, 28th Dist.

AN ACT CONCERNING ECONOMIC DEVELOPMENT AND JOB CREATION.

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

Section 1. Section 32-1b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):

(a) There is established a Department of Economic and Community Development, which shall be the lead state agency for economic and community development. The department head shall be the Commissioner of Economic and Community Development, who shall be appointed by the Governor in accordance with the provisions of sections 4-5 to 4-8, inclusive, with the powers and duties prescribed in said sections 4-5 to 4-8, inclusive.

(b) The department shall (1) provide a single point of contact for state financial and other assistance to businesses; (2) encourage and promote the development of industry and business in the state; (3) investigate, study and undertake ways and means of promoting and encouraging the prosperous development and protection of the

legitimate interest and welfare of Connecticut business, industry and commerce, within and outside the state; (4) promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and, for that purpose to cooperate with state and local agencies and individuals both within and outside the state; (5) support the development of small businesses in the state; (6) plan and conduct a program of information and publicity designed to attract tourists, visitors and other interested persons from outside the state to this state and also to encourage and coordinate the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the state for the same purposes; (7) promote the arts; (8) aid minority businesses in their development; (9) advise and inform municipal officials concerning economic development and collect and disseminate information pertaining thereto, including information about federal, state and private assistance programs and services pertaining thereto; (10) conduct, encourage and maintain research and studies relating to industrial and commercial development; (11) conduct, encourage and maintain research and studies and advise municipal officials about forms of cooperation between public and private agencies designed to advance economic development; (12) promote and assist the formation of regional and municipal and other agencies appropriate to the purposes of this chapter; (13) market and promote Connecticut as a destination for leisure and business travelers; (14) recognize, protect, preserve and promote historic resources; (15) interpret and present the history and culture of the state; (16) promote Connecticut as a location to produce digital media and motion pictures and to establish and conduct business related to the digital media and motion picture industries to enhance these industries' economic impact in the state; (17) establish a uniform financial reporting system and forms to be used by each regional tourism district, established under section 10-397, in the preparation of the annual budget submitted to the General Assembly; and (18) integrate funding and programs whenever possible.

49 (c) (1) The Commissioner of Economic and Community
50 Development shall: (A) Direct the operations of the department; (B)
51 coordinate economic development policy between the department,
52 state agencies, the Connecticut Economic Innovations Authority and
53 other entities; (C) chair the board of directors of the Connecticut
54 Economic Innovations Authority; (D) conduct and administer the
55 functions necessary to carry out the responsibilities of the department;
56 (E) require notice of the submission of all applications by
57 municipalities and any agency thereof for federal and state financial
58 assistance for economic development programs as relate to the
59 purposes of this chapter; (F) advise the Governor and the General
60 Assembly concerning economic and community development; and (G)
61 report annually to the Governor pursuant to sections 4-60 and 32-1m.

62 (2) The commissioner may make available technical and financial
63 assistance and advisory services to any appropriate agency, authority
64 or commission for planning and other functions pertinent to economic
65 development, provided any financial assistance to a regional planning
66 agency or a regional council of elected officials shall have the prior
67 approval of the Secretary of the Office of Policy and Management or
68 the secretary's designee. Financial assistance shall be rendered upon
69 such contractual arrangements as may be agreed upon by the
70 commissioner and any such agency, authority or commission in
71 accordance with their respective needs, and the commissioner may
72 determine the qualifications of personnel or consultants to be engaged
73 for such assistance.

74 (3) The commissioner may do all things necessary to apply for,
75 qualify for and accept any federal funds made available or allotted
76 under any federal act for planning or any other projects, programs or
77 activities which may be established by federal law, for any of the
78 purposes, or activities related thereto, of the department and said
79 commissioner shall administer any such funds allotted to the
80 department in accordance with federal law. The commissioner may
81 enter into contracts with the federal government concerning the use

82 and repayment of such funds under any such federal act, the
83 prosecution of the work under any such contract and the establishment
84 of any disbursement from a separate account in which federal and
85 state funds estimated to be required for plan preparation or other
86 eligible activities under such federal act shall be kept. Said account
87 shall not be a part of the General Fund of the state or any subdivision
88 of the state.

89 (4) The powers and duties enumerated in this section shall be in
90 addition to and shall not limit any other powers or duties of the
91 commissioner contained in any other law.

92 [(b)] (d) Said department shall constitute a successor department to
93 the Department of Housing in accordance with the provisions of
94 sections 4-38d, 4-38e and 4-39.

95 [(c)] (e) Said department shall constitute a successor department to
96 the Department of Economic Development in accordance with the
97 provisions of sections 4-38d, 4-38e and 4-39.

98 [(d)] (f) Whenever the term "Commissioner of Housing" is used or
99 referred to in the general statutes, the term "Commissioner of
100 Economic and Community Development" shall be substituted in lieu
101 thereof. Whenever the term "Department of Housing" is used or
102 referred to in the general statutes, the term "Department of Economic
103 and Community Development" shall be substituted in lieu thereof.

104 [(e)] (g) Whenever the term "Commissioner of Economic
105 Development" is used or referred to in the general statutes, the term
106 "Commissioner of Economic and Community Development" shall be
107 substituted in lieu thereof. Whenever the term "Department of
108 Economic Development" is used or referred to in the general statutes,
109 the term "Department of Economic and Community Development"
110 shall be substituted in lieu thereof.

111 [(f)] (h) If the term "Commissioner of Housing" or "Commissioner of
112 Economic Development" is used or referred to in any public or special

113 act of 1995 or 1996, or in any section of the general statutes which is
114 amended in 1995 or 1996, it shall be deemed to mean or refer to the
115 "Commissioner of Economic and Community Development".

116 **[**(g)**]** (i) If the term "Department of Housing" or "Department of
117 Economic Development" is used or referred to in any public or special
118 act of 1995 or 1996, or in any section of the general statutes which is
119 amended in 1995 or 1996, it shall be deemed to mean or refer to the
120 "Department of Economic and Community Development".

121 (j) The department shall be a successor agency to the Connecticut
122 Commission on Culture and Tourism, State Commission on the Arts,
123 the Connecticut Historical Commission, the Office of Tourism, the
124 Connecticut Tourism Council, the Connecticut Film, Video and Media
125 Commission and the Connecticut Film, Video and Media Office in
126 accordance with sections 4-38d and 4-39.

127 (k) Wherever the words "Connecticut Commission on Culture and
128 Tourism", "State Commission on the Arts", "Connecticut Historical
129 Commission", "Office of Tourism", "Connecticut Film, Video and
130 Media Office" and "Connecticut Commission on Arts, Tourism,
131 Culture, History and Film" are used in the following sections of the
132 general statutes, or in any public or special act of the 2003 or 2004
133 session the words "Department of Economic and Community
134 Development" shall be substituted in lieu thereof: 3-110f, 3-110h, 3-
135 110i, 4-9a, 4b-53, 4b-60, 4b-64, 4b-66a, 7-147a, 7-147b, 7-147c, 7-147j, 7-
136 147p, 7-147q, 7-147y, 8-2j, 10-382, 10-384, 10-385, 10-386, 10-387, 10-388,
137 10-389, 10-391, 10a-111a, 10a-112, 10a-112b, 10a-112g, 11-6a, 12-376d,
138 13a-252, 19a-315b, 19a-315c, 22a-1d, 22a-19b, 25-102qq, 25-109q, 29-259
139 and 32-6a.

140 Sec. 2. Section 32-1*l* of the general statutes is repealed and the
141 following is substituted in lieu thereof (*Effective July 1, 2009*):

142 In addition to his or her other powers and duties, the commissioner
143 shall have the following powers and duties:

144 **[**(1) To utilize the department's resources for planning and
145 developing an economic and community development reorganization
146 plan which (A) sets forth policy goals for the department, (B)
147 determines strategies to encourage economic and community
148 development and the provision of housing in this state, including
149 housing for very low, low and moderate income families, (C)
150 determines the feasibility of dividing the operation of programs and
151 resources of the state in support of economic and community
152 development between and among the department and CDA, CHFA
153 and CII, (D) identifies strategies to increase the leverage of resources of
154 the state used in furtherance of the purposes of CDA, CHFA and CII,
155 (E) identifies, if feasible, divisions and recommends a timetable and
156 procedures for transferring resources and operations between and
157 among the department and CDA, CHFA and CII and (F) recommends
158 specific economic and community development objectives and
159 administrative structures for the department and CDA, CHFA and CII.
160 In developing such plan, the department shall be the lead agency, in
161 collaboration with CDA, CHFA and CII, for research, planning and
162 development of the plan and shall solicit community and regional
163 input in the preparation of such plan in such a manner as will best help
164 develop, clarify or further state policies for economic and community
165 development. The commissioner shall submit a copy of the
166 reorganization plan to the joint standing committees of the General
167 Assembly having cognizance of matters relating to commerce and
168 planning and development;

169 (2) To propose to the Governor on or before January 1, 1996,
170 legislation to implement the economic and community development
171 reorganization plan described in subdivision (1) of this section;**]**

172 **[**(3)**]** <u>(1)</u> Notwithstanding the provisions of the general statutes or
173 any special act and with the approval of the Treasurer and the
174 Secretary of the Office of Policy and Management, to transfer to
175 **[**CDA,**]** CHFA and **[**CII**]** <u>the Connecticut Economic Innovations</u>
176 <u>Authority</u>: (A) Any revenues received by the department or the state in

177 connection with any program or project of the department and the
178 right to receive any such revenues; and (B) any loan assets or equity
179 interests held by the department in connection with any program or
180 project of the department; provided, no such transfer shall be
181 approved by the Treasurer or the Secretary of the Office of Policy and
182 Management if either determines that such transfer could adversely
183 affect the tax-exempt status of any bonds of the state, the substantial
184 interests of third parties, the financial budget of the state or other
185 essential rights, interests, or prerogatives of the state. The
186 commissioner may impose such conditions as he deems necessary or
187 appropriate with respect to the use by **[**CDA**]**, CHFA or **[**CII**]** the
188 Connecticut Economic Innovations Authority of any revenues, rights,
189 assets, interests or amounts transferred to it by the department under
190 this subdivision; provided, the commissioner may waive any
191 requirement under this subdivision for the adoption of written
192 procedures until July 1, 1996;

193 **[**(4)**]** (2) To award to **[**CDA,**]** CHFA or **[**CII**]** the Connecticut
194 Economic Innovations Authority financial, technical or other
195 assistance. Financial assistance awarded by the department to **[**CDA,**]**
196 CHFA or **[**CII**]** the Connecticut Economic Innovations Authority may
197 take any of the following forms, subject to any conditions imposed by
198 the department: (A) Grants; (B) loans; (C) guarantees; (D) contracts of
199 insurance; and (E) investments. In addition, to the extent funds or
200 resources are available to the department for such purposes, the
201 commissioner may provide such further financial or other assistance to
202 **[**CDA,**]** CHFA and **[**CII**]** the Connecticut Economic Innovations
203 Authority as the commissioner in his sole discretion deems
204 appropriate for any of the purposes of **[**CDA,**]** CHFA and **[**CII**]** the
205 Connecticut Economic Innovations Authority respectively;

206 **[**(5)**]** (3) To enter into such agreements with **[**CDA,**]** CHFA and **[**CII**]**
207 the Connecticut Economic Innovations Authority as may be
208 appropriate for the purpose of performing its duties which agreements
209 may include, but shall not be limited to, provisions for the delivery of

210 services by [CDA,] CHFA and [CII] the Connecticut Economic
211 Innovations Authority to third parties, provisions for payment by the
212 department to [CDA,] CHFA or [CII] the Connecticut Economic
213 Innovations Authority for the delivery of such services, provisions for
214 advances and reimbursements to the department for any expenses
215 incurred or to be incurred by it in delivery of any services, assistance,
216 revenues, rights, assets and interests and provisions for the sharing
217 with [CDA,] CHFA or [CII] the Connecticut Economic Innovations
218 Authority of assistants, agents and other consultants, professionals and
219 employees, and facilities and other real and personal property used in
220 the conduct of the department's affairs; and

221 [(6)] (4) To provide financial assistance for economic development
222 projects directly or in participation with the [Connecticut Development
223 Authority] the Connecticut Economic Innovations Authority, to
224 purchase participation interests in loans made by the [Connecticut
225 Development Authority] the Connecticut Economic Innovations
226 Authority and enter into any agreements or contracts it deems
227 necessary or convenient in connection with such loans.

228 Sec. 3. (NEW) (*Effective July 1, 2009*) (a) The Department of Economic
229 and Community Development shall, within available appropriations,
230 establish a grant program to provide funding for the promotion of
231 collaborative research applications between industry and institutions
232 of higher education. The Commissioner of Economic and Community
233 Development shall award grants pursuant to this subsection to
234 institutions of higher education, technology-focused organizations and
235 business entities. Grants may be used:

236 (1) To improve technology infrastructure by advancing the
237 development of shared use between institutions of higher education
238 and business entities of laboratories and equipment, including, but not
239 limited to, technology purchase, lease and installation, operating and
240 necessary support personnel and maintenance;

241 (2) As matching grants for joint projects between an industry, a

242 technology-focused organization or a university. The department shall
243 structure the matching grants to provide two rounds of funding
244 annually and shall do outreach to companies. The matching grant
245 provisions of the program shall include, but not be limited to, (A) one-
246 to-one matching grants not to exceed one hundred thousand dollars,
247 with in-kind match allowed for small and mid-sized companies, (B)
248 involvement of a competitive process with outside reviewers using as
249 key criteria (i) the demonstration of commercial relevance, and (ii) a
250 clear path to the marketplace for any innovations developed in the
251 course of the research, and (C) an aggressive marketing campaign
252 through business organizations to raise industry awareness of
253 resources from universities or technology-focused organizations; and

254 (3) To develop a Connecticut Center for Nanoscale Sciences and
255 Development to provide a shared-use laboratory in one or more sites
256 in the state to advance university research, industry application
257 development and education involving the synthesis, characterization
258 and fabrication of nanoscale materials, intermediates and devices and
259 related program activities.

260 (b) The Department of Economic and Community Development
261 shall, within available appropriations, establish a grant program to
262 provide funding for the promotion of commercialization of research
263 done by institutions of higher education. The Commissioner of
264 Economic and Community Development shall award grants to
265 institutions of higher education and business entities. Grants may be
266 used:

267 (1) To provide funding to verify the technical and commercial
268 feasibility of early stage discoveries by institutions of higher education
269 that are disclosed or patented to accelerate and increase the likelihood
270 that the technology will be successfully commercialized;

271 (2) To provide matching support for smaller institutions of higher
272 education to allow for contracts with independent technology transfer
273 organizations to provide specific service to support specific needs; and

274 (3) The department shall provide specialized technical assistance to
275 advance nanotechnology awards to Connecticut companies and the
276 small business innovation research program, including
277 nanotechnology-related workshops and seminars, grant preparation
278 assistance, marketing assistance, services related to matching grants
279 and other technical assistance to assist companies with
280 nanotechnology-related applications for the small business innovation
281 research program.

282 Sec. 4. (NEW) (*Effective from passage*) On and after July 1, 2009, the
283 following programs are transferred from the Office of Workforce
284 Competitiveness to the Department of Economic and Community
285 Development: (1) The jobs funnel program; (2) the small business
286 innovation research program; (3) all film industry related programs;
287 and (4) all nanotechnology programs.

288 Sec. 5. (NEW) (*Effective July 1, 2009*) (a) The Commissioner of
289 Economic and Community Development shall (1) establish a single
290 web portal for information about all of the state's economic
291 development programs; (2) establish a single point of contact for all
292 persons and businesses seeking economic development assistance
293 from the state or a quasi-public entity; and (3) develop and implement
294 a common application form and process for requests for financial
295 assistance from the department and the state together with the
296 Connecticut Economic Innovations Authority.

297 Sec. 6. (NEW) (*Effective July 1, 2009*) (a) As used in this section and
298 sections 7 to 14, inclusive, of this act:

299 (1) "Authority" means the Connecticut Economic Innovations
300 Authority;

301 (2) "Commissioner" means the Commissioner of Economic and
302 Community Development; and

303 (3) "Department" means the Department of Economic and
304 Community Development.

305 (b) There is hereby created as a body politic and corporate,
306 constituting a public instrumentality and political subdivision of the
307 state created for the performance of an essential public and
308 governmental function, the Connecticut Economic Innovations
309 Authority which is empowered to carry out the purposes of the
310 authority, as provided in section 7 of this act, which are determined to
311 be public purposes for which public funds may be expended. The
312 Connecticut Economic Innovations Authority shall not be construed to
313 be a department, institution or agency of the state.

314 (c) The board of directors of the authority shall consist of the
315 Commissioner of Economic and Community Development, the State
316 Treasurer and the Secretary of the Office of Policy and Management, or
317 their respective designees, five members appointed by the Governor
318 and four members appointed as follows: One by the president pro
319 tempore of the Senate, one by the minority leader of the Senate, one by
320 the speaker of the House of Representatives and one by the minority
321 leader of the House of Representatives. Each ex-officio member may
322 designate a deputy or any member of the agency staff to represent the
323 member at meetings of the authority with full powers to act and vote
324 on the member's behalf. Each member appointed by the Governor
325 shall serve at the pleasure of the Governor but no longer than the term
326 of office of the Governor or until the member's successor is appointed
327 and qualified, whichever is longer. Each member appointed by a
328 member of the General Assembly shall serve in accordance with the
329 provisions of section 4-1a of the general statutes. Members shall
330 receive no compensation but shall be reimbursed for necessary
331 expenses incurred in the performance of their duties. Any vacancy on
332 the board shall be filled for the unexpired term by the appointing
333 authority of such member. Any member of the board may be removed
334 by the Governor for misfeasance, malfeasance or wilful neglect of
335 duty.

336 (d) Each member of the authority, before entering upon his or her
337 duties, shall take and subscribe the oath or affirmation required by

338 article XI, section 1, of the State Constitution. A record of each such
339 oath shall be filed in the office of the Secretary of the State. Each
340 member of the board of directors of the authority shall execute a surety
341 bond in the penal sum of fifty thousand dollars, or, in lieu thereof, the
342 chairperson of the board shall execute a blanket position bond
343 covering each member and the chief executive officer and the
344 employees of the authority, each surety bond to be conditioned upon
345 the faithful performance of the duties of the office or offices covered, to
346 be executed by a surety company authorized to transact business in
347 this state as surety and to be approved by the Attorney General and
348 filed in the office of the Secretary of the State. The cost of each such
349 bond shall be paid by the authority.

350 (e) Notwithstanding any provision of the law, it shall not constitute
351 a conflict of interest for a trustee, director, partner or officer of any
352 person, firm or corporation or any individual having a financial
353 interest in a person, firm or corporation to serve as a member of the
354 board of directors of the authority; provided such trustee, director,
355 partner or officer of any person, firm or corporation or any individual
356 having a financial interest in a person, firm or corporation shall file
357 with the authority a record of his capacity with or interest in such
358 person and abstain and absent himself from any deliberation, action
359 and vote by the board in specific respect to such person.

360 (f) The Commissioner of Economic and Community Development
361 shall serve as the board chairperson. The board shall annually elect one
362 of its members as vice chairperson. Meetings of the board shall be held
363 at such times as shall be specified in the bylaws adopted by the board
364 and at such other time or times as the chairperson or a majority of the
365 board deems necessary.

366 (g) The board of directors of the authority shall adopt written
367 procedures, in accordance with the provisions of section 1-121 of the
368 general statutes, for: (1) Adopting an annual budget and plan of
369 operations, including a requirement of board approval before the
370 budget or plan may take effect; (2) hiring, promoting and

371 compensating employees of the authority, including an affirmative
372 action policy and a requirement of board approval before a position
373 may be created; (3) purchasing, leasing or acquiring real and personal
374 property and personal services, including a requirement of board
375 approval for any nonbudgeted expenditure in excess of five thousand
376 dollars; (4) contracting for financial, legal, bond underwriting and
377 other professional services, including a requirement that the authority
378 solicit proposals at least once every three years for each such service
379 which it uses; (5) issuing and retiring bonds, bond anticipation notes
380 and other obligations of the authority; (6) awarding loans, grants and
381 other financial assistance, including eligibility criteria, the application
382 process and the role played by the authority's staff and board of
383 directors and including deadlines for the approval or disapproval of
384 applications for such assistance by the authority; and (7) the use of
385 surplus funds to the extent authorized under this section and sections
386 7 to 14, inclusive, of this act.

387 (h) Neither members of the board of directors of the authority nor
388 any person executing the notes and bonds shall be liable personally on
389 the notes or bonds or be subject to any personal liability or
390 accountability by reason of the issuance thereof.

391 (i) The powers of the authority shall be vested in and exercised by
392 not less than seven of the members of the board of directors then in
393 office. Such number of members shall constitute a quorum and the
394 affirmative vote of a majority of the members present at a meeting of
395 the board shall be necessary for any action taken by the authority. No
396 vacancy in the membership of the board shall impair the right to
397 exercise all the rights and perform all the duties of the authority. Any
398 action taken by the board under the provisions of this section and
399 sections 7 to 14, inclusive, of this act may be authorized by resolution
400 at any regular or special meeting, and each such resolution shall take
401 effect immediately and need not be published or posted. The authority
402 shall be exempt from the provisions of section 4-9a of the general
403 statutes.

404 (j) The board of directors of the authority may delegate to three or
405 more of its members such board powers and duties as it may deem
406 proper. At least one of such members shall not be a state employee.

407 (k) The authority shall continue as long as it shall have bonds or
408 other obligations outstanding and until its existence is terminated by
409 law. Upon the termination of the existence of the authority, all its
410 rights and properties shall pass to and be vested in the state.

411 (l) The authority shall be subject to examination by the State
412 Treasurer. The accounts of the authority shall be subject to annual
413 audits by the State Auditors of Public Accounts.

414 Sec. 7. (NEW) (*Effective July 1, 2009*) (a) The purposes of the
415 Connecticut Economic Innovations Authority shall be:

416 (1) To support the economic, workforce and community
417 development policies, programs, goals and strategies of the state;

418 (2) To discharge the responsibilities of the authority under sections 6
419 to 14, inclusive, of this act, chapters 578, 579, 581, 584, 588*l*, 588n, 588r
420 and 588u of the general statutes, and any other provisions of the
421 general statutes or any public or special act setting forth or governing
422 the powers and duties of the authority;

423 (3) To stimulate and encourage the research and development of
424 new technologies and products;

425 (4) To encourage the creation and transfer of new technologies;

426 (5) To assist existing businesses in adopting current and innovative
427 technological processes;

428 (6) To stimulate and provide services to industry that will advance
429 the adoption and utilization of technology;

430 (7) To achieve improvements in the quality of products and services;

431 (8) To stimulate and encourage the development and operation of
432 new and existing science parks and incubator facilities; and

433 (9) To promote science, engineering, mathematics and other
434 disciplines that are essential to the development and application of
435 technology within Connecticut by the infusion of financial aid for
436 research, invention and innovation in situations in which such
437 financial aid would not otherwise be reasonably available from
438 commercial or other sources;

439 (b) For the purposes of subsection (a) of this section, the authority
440 shall have the following powers, in addition to any others provided by
441 law:

442 (1) To have perpetual succession as a body corporate and to adopt
443 bylaws, policies and procedures for the regulation of its affairs and
444 conduct of its businesses as provided by law;

445 (2) To solicit, receive and accept aid, grants or contributions from
446 any source of money, property or labor or other things of value, to be
447 held, used and applied to carry out the purposes of the authority,
448 subject to the conditions upon which such grants and contributions
449 may be made, including, but not limited to, gifts or grants from any
450 department or agency of the United States or the state;

451 (3) To (A) employ such assistants, agents and other employees as
452 may be necessary or desirable, which employees shall be exempt from
453 the classified service and shall not be employees, as defined in
454 subsection (b) of section 5-270 of the general statutes; (B) establish all
455 necessary or appropriate personnel practices and policies, including
456 those relating to hiring, promotion, compensation, retirement and
457 collective bargaining, which need not be in accordance with chapter 68
458 of the general statutes, and the authority shall not be an employer as
459 defined in subsection (a) of said section 5-270; and (C) engage
460 consultants, attorneys and appraisers as may be necessary or desirable
461 to carry out its purposes in accordance with this chapter;

462 (4) To make and enter into all contracts and agreements necessary or
463 incidental to the performance of its duties and the execution of its
464 powers under this act;

465 (5) To sue and be sued, plead and be impleaded, adopt a seal and
466 alter the same at pleasure;

467 (6) To maintain an office at such place or places within the state as it
468 may designate;

469 (7) To invest in, acquire, lease, purchase, own, manage, hold and
470 dispose of real property and lease, convey or deal in or enter into
471 agreements with respect to such property on any terms necessary or
472 incidental to the carrying out of these purposes; provided, however, all
473 such acquisitions of real property for the authority's own use with
474 amounts appropriated by the state to the authority or with the
475 proceeds of bonds supported by the full faith and credit of the state
476 shall be subject to the approval of the Secretary of the Office of Policy
477 and Management and the provisions of section 4b-23 of the general
478 statutes;

479 (8) To acquire, lease, purchase, own, manage, hold and dispose of
480 personal property, and lease, convey or deal in or enter into
481 agreements with respect to such property on any terms necessary or
482 incidental to the carrying out of these purposes;

483 (9) To account for and audit funds of the authority and funds of any
484 recipients of financial aid from the authority;

485 (10) With the approval of the State Treasurer, to invest any funds
486 not needed for immediate use or disbursement, including any funds
487 held in reserve, in obligations issued or guaranteed by the United
488 States of America or the state of Connecticut and in other obligations
489 which are legal investments for municipalities or retirement funds in
490 this state;

491 (11) To procure insurance against any loss in connection with its

492 property and other assets in such amounts and from such insurers as it
493 deems desirable;

494 (12) To the extent permitted under its contract with other persons, to
495 consent to any termination, modification, forgiveness or other change
496 of any term of any contractual right, payment, royalty, contract or
497 agreement of any kind to which the authority is a party;

498 (13) In connection with any application for assistance under or
499 commitments therefor, to make and collect such fees as the authority
500 shall determine to be reasonable;

501 (14) To hold patents, copyrights, trademarks, marketing rights,
502 licenses, or any other evidences of protection or exclusivity as to any
503 products as defined herein, issued under the laws of the United States
504 or any state or any nation;

505 (15) To borrow money or accept gifts, grants or loans of funds,
506 property or service from any source, public or private, and comply,
507 subject to the provisions of law, with the terms and conditions thereof;

508 (16) To insure any or all payments to be made by the borrower
509 under the terms of any agreement for the extension of credit or making
510 of a loan by the authority in connection with any economic
511 development project to be financed, wholly or in part, through the
512 issuance of bonds or mortgage payments of any mortgage which is
513 given by a mortgagor to the mortgagee who has provided the
514 mortgage for an economic development project upon such terms and
515 conditions as the authority may prescribe and as provided herein, and
516 the faith and credit of the state are pledged thereto;

517 (17) To request for its guidance, in connection with any project, a
518 finding of the municipal planning commission, or, if there is no
519 planning commission, a finding of the municipal officers of the
520 municipality in which the economic development project is proposed
521 to be located, or of the regional planning agency of which such
522 municipality is a member, as to the expediency and advisability of the

523 economic development project;

524 (18) To advise the Governor, the General Assembly, the
525 Commissioner of Economic and Community Development and the
526 Commissioner of Higher Education on matters relating to economic
527 development finance, science, engineering and technology which may
528 have an impact on state policies, programs, employers and residents,
529 and on job creation and retention;

530 (19) (A) To accept from the Department of Economic and
531 Community Development: (i) Financial assistance, (ii) revenues or the
532 right to receive revenues with respect to any program under the
533 supervision of the department, and (iii) loan assets or equity interests
534 in connection with any program under the supervision of the
535 department; (B) to make advances to and reimburse the department
536 for any expenses incurred or to be incurred by it in the delivery of such
537 assistance, revenues, rights, assets or interests; (C) to enter into
538 agreements for the delivery of services by the authority, in
539 consultation with the department, or the Connecticut Housing Finance
540 Authority, to third parties which agreements may include provisions
541 for payment by the department to the authority for the delivery of
542 such services; and (D) to enter into agreements with the department or
543 the Connecticut Housing Finance Authority for the sharing of
544 assistants, agents and other consultants, professionals and employees,
545 and facilities and other real and personal property used in the conduct
546 of the affairs of the Connecticut Economic Innovations Authority;

547 (20) To transfer to the Department of Economic and Community
548 Development: (A) Financial assistance, (B) revenues or the right to
549 receive revenues with respect to any program under the supervision of
550 the authority, and (C) loan assets or equity interests in connection with
551 any program under the supervision of the authority, provided the
552 transfer of such financial assistance, revenues, rights, assets or interests
553 is determined by the authority to be practicable, within the constraints
554 and not inconsistent with the fiduciary obligations of the authority
555 imposed upon or established upon the authority by any provision of

556 the general statutes, the authority's bond resolutions or any other
557 agreement or contract of the authority and to have no adverse effect on
558 the tax-exempt status of any bonds of the state;

559 (21) To do all acts and things necessary and convenient to carry out
560 the purposes of sections 6 to 14, inclusive, of this act.

561 Sec. 8. (NEW) (*Effective July 1, 2009*) The exercise of the powers
562 vested in the Connecticut Economic Innovations Authority, and any
563 subsidiary of such authority, shall constitute the performance of an
564 essential governmental function and the authority shall not be
565 required to pay any taxes or assessments upon or in respect of a
566 project, or any property or moneys of the authority, levied by the state,
567 any municipality or political subdivision or special district having
568 taxing powers of the state.

569 Sec. 9. (NEW) (*Effective July 1, 2009*) (a) (1) The Connecticut
570 Economic Innovations Authority, established pursuant to section 6 of
571 this act, may form one or more subsidiaries to carry out the public
572 purposes of the authority and may transfer to any such subsidiary any
573 moneys and real or personal property of any kind or nature. Any such
574 subsidiary may be organized as a stock or nonstock corporation or a
575 limited liability company. Each such subsidiary shall have and may
576 exercise such powers of the authority as are set forth in the resolution
577 of the authority prescribing the purposes for which such subsidiary is
578 formed and such other powers provided to it by law.

579 (2) Each such subsidiary shall act through its board of directors, at
580 least one-half of which shall be members of the board of directors of
581 the authority, or their designees, or officers or employees of the
582 authority. A resolution of the authority shall prescribe the purposes for
583 which each such subsidiary is formed.

584 (3) The provisions of section 1-125 of the general statutes, as
585 amended by this act, and this subsection shall apply to any officer,
586 director, designee or employee appointed as a member, director or

587 officer of any such subsidiary. Any such persons so appointed shall
588 not be personally liable for the debts, obligations or liabilities of any
589 such subsidiary as provided in said section 1-125. The subsidiary shall,
590 and the authority may, provide for the indemnification to protect, save
591 harmless and indemnify such officer, director, designee or employee as
592 provided by said section 1-125.

593 (4) Each such subsidiary shall be deemed a quasi-public agency for
594 purposes of chapter 12 of the general statutes and shall have all the
595 privileges, immunities, tax exemptions and other exemptions of the
596 authority, including the privileges, immunities, tax exemptions and
597 other exemptions provided under the general statutes for special
598 capital reserve funds. Each such subsidiary shall be subject to suit
599 provided its liability shall be limited solely to the assets, revenues and
600 resources of the subsidiary and without recourse to the general funds,
601 revenues, resources or any other assets of the authority. Each such
602 subsidiary is authorized to assume or take title to property subject to
603 any existing lien, encumbrance or mortgage and to mortgage, convey
604 or dispose of its assets and pledge its revenues in order to secure any
605 borrowing, provided each such borrowing or mortgage shall be a
606 special obligation of the subsidiary, which obligation may be in the
607 form of bonds, bond anticipation notes and other obligations to the
608 extent permitted under this chapter to fund and refund the same and
609 provide for the rights of the holders thereof, and to secure the same by
610 pledge or revenues, notes and other assets and which shall be payable
611 solely from the assets, revenues and other resources of the subsidiary.
612 The authority shall have the power to assign to a subsidiary any rights,
613 moneys or other assets it has under any governmental program
614 including the nursing home loan program. No borrowing shall be
615 undertaken by a subsidiary of the authority without the approval of
616 the authority.

617 (b) (1) The authority may establish one or more subsidiaries to
618 stimulate, encourage and carry out the remediation, development and
619 financing of contaminated property within this state, in coordination

620 with the Department of Environmental Protection, and to provide
621 financial, developmental and environmental expertise to others
622 including, but not limited to, municipalities, interested in or
623 undertaking such remediation, development or financing which are
624 determined to be public purposes for which public funds may be
625 expended. Each subsidiary shall be deemed a quasi-public agency for
626 purposes of chapter 12 of the general statutes. The authority may
627 transfer to any such subsidiary any moneys and real or personal
628 property. Each such subsidiary shall have all the privileges,
629 immunities, tax exemptions and other exemptions of the authority.

630 (2) Each such subsidiary may sue and shall be subject to suit
631 provided the liability of each such subsidiary shall be limited solely to
632 the assets, revenues and resources of such subsidiary and without
633 recourse to the general funds, revenues, resources or any other assets
634 of the authority or any other subsidiary. No such subsidiary may
635 provide for any bonded indebtedness of the state for the cost of any
636 liability or contingent liability for the remediation of contaminated real
637 property unless such indebtedness is specifically authorized by an act
638 of the General Assembly. Each such subsidiary shall have the power to
639 do all acts and things necessary or convenient to carry out the
640 purposes of this subsection, section 12-81r of the general statutes,
641 subsection (h) of section 22a-133m of the general statutes, subsection
642 (a) of section 22a-133x of the general statutes, sections 22a-133aa, 22a-
643 133bb and 22a-133dd of the general statutes, subsection (l) of section
644 22a-134 of the general statutes, and sections 22a-452f, 32-7e and 32-
645 23pp to 32-23rr, inclusive, of the general statutes, including, but not
646 limited to, (A) solicit, receive and accept aid, grants or contributions
647 from any source of money, property or labor or other things of value,
648 to be held, used and applied to carry out the purposes of this
649 subsection, section 12-81r of the general statutes, subsection (h) of
650 section 22a-133m of the general statutes, subsection (a) of section 22a-
651 133x of the general statutes, sections 22a-133aa, 22a-133bb and 22a-
652 133dd of the general statutes, subsection (l) of section 22a-134 of the
653 general statutes, and sections 22a-452f, 32-7e and 32-23pp to 32-23rr,

654 inclusive, of the general statutes subject to the conditions upon which
655 such grants and contributions may be made, including, but not limited
656 to, gifts, grants or loans, from any department, agency or quasi-public
657 agency of the United States or the state; (B) enter into agreements with
658 persons upon such terms and conditions as are consistent with the
659 purposes of such subsidiary to acquire or facilitate the remediation,
660 development or financing of contaminated real or personal property;
661 (C) to acquire, take title, lease, purchase, own, manage, hold and
662 dispose of real and personal property and lease, convey or deal in or
663 enter into agreements with respect to such property; (D) examine,
664 inspect, rehabilitate, remediate or improve real or personal property or
665 engage others to do so on such subsidiary's behalf, or enter into
666 contracts therefor; (E) mortgage, convey or dispose of its assets and
667 pledge its revenues in order to secure any borrowing, for the purpose
668 of financing, refinancing, rehabilitating, remediating, improving or
669 developing its assets, provided each such borrowing or mortgage shall
670 be a special obligation of such subsidiary, which obligation may be in
671 the form of notes, bonds, bond anticipation notes and other obligations
672 issued by or to such subsidiary to the extent permitted under this
673 chapter to fund and refund the same and provide for the rights of the
674 holders thereof, and to secure the same by pledge of revenues, notes or
675 other assets and which shall be payable solely from the assets,
676 revenues and other resources of such subsidiary; (F) to create real
677 estate investment trusts or similar entities or to become a member of a
678 limited liability company or to become a partner in limited or general
679 partnerships or establish other contractual arrangements with private
680 and public sector entities as such subsidiary deems necessary to
681 remediate, develop or finance environmentally contaminated property
682 in the state; and (G) any other powers enumerated in subsection (e) of
683 section 32-23 of the general statutes necessary or appropriate to carry
684 out the purposes of this subsection, subsection (h) of section 22a-133m
685 of the general statutes, subsection (a) of section 22a-133x of the general
686 statutes, sections 22a-133aa, 22a-133bb and 22a-133dd of the general
687 statutes, subsection (l) of section 22a-134 of the general statutes, and
688 sections 22a-452f, 32-7e and 32-23pp to 32-23rr, inclusive, of the general

689 statutes. The board of directors, executive director, officers and staff of
690 the authority may serve as members of any advisory or other board
691 which may be established to carry out the purposes of this subsection,
692 subsection (h) of section 22a-133m of the general statutes, subsection
693 (a) of section 22a-133x of the general statutes, sections 22a-133aa, 22a-
694 133bb and 22a-133dd of the general statutes, subsection (l) of section
695 22a-134 of the general statutes, and sections 22a-452f, 32-7e and 32-
696 23pp to 32-23rr, inclusive, of the general statutes.

697 (c) Each such subsidiary shall act through its board of directors, at
698 least one-half of which shall be members of the board of directors of
699 the authority, or their designees, or officers or employees of the
700 authority. A resolution of the authority shall prescribe the purposes for
701 which each such subsidiary is formed.

702 (d) The provisions of section 1-125 of the general statutes, as
703 amended by this act, and this subsection shall apply to any officer,
704 director, designee or employee appointed as a member, director or
705 officer of any such subsidiary. Any such persons so appointed shall
706 not be personally liable for the debts, obligations or liabilities of any
707 such subsidiary as provided in said section 1-125. The subsidiary shall,
708 and the authority may, provide for the indemnification to protect, save
709 harmless and indemnify such officer, director, designee or employee as
710 provided by said section 1-125.

711 (e) The authority, or such subsidiary, may take such actions as are
712 necessary to comply with the provisions of the Internal Revenue Code
713 of 1986 or any subsequent corresponding internal revenue code of the
714 United States, as from time to time amended, to qualify and maintain
715 any such subsidiary as a corporation exempt from taxation under said
716 internal revenue code.

717 (f) The authority may make loans to each such subsidiary, following
718 standard authority procedures, from its assets and the proceeds of its
719 bonds, notes and other obligations, provided the source and security
720 for the repayment of such loans is derived from the assets, revenues

721 and resources of the subsidiary.

722 Sec. 10. (NEW) (*Effective July 1, 2009*) (a) The board of directors of
723 the Connecticut Economic Innovations Authority, established pursuant
724 to section 6 of this act, shall appoint a chief executive officer who shall
725 not be a member of the board and such other officers as it determines.
726 Such officers shall be exempt from classified service, serve at the
727 pleasure of the board and receive such compensation as shall be fixed
728 by the board.

729 (b) The chief executive officer shall direct and supervise
730 administrative affairs and technical activities in accordance with the
731 directives of the board. He or she shall perform such other duties as
732 may be directed by the board in carrying out the purposes of sections 6
733 to 14, inclusive, of this act and chapters 578, 579, 581, 584, 588*l*, 588n,
734 588r and 588u of the general statutes. The chief executive officer shall
735 attend all meetings of the board, keep a record of the proceedings of
736 the board and shall maintain and be custodian of all books, documents
737 and papers filed with the authority and of the minute book or journal
738 of the authority and of its official seal. He or she may cause copies to
739 be made of all minutes and other records and documents of the
740 authority and may give certificates under the official seal of the
741 authority to the effect that such copies are true copies, and all persons
742 dealing with the authority may rely upon such certificates.

743 Sec. 11. (NEW) (*Effective July 1, 2009*) (a) Not later than November 1,
744 2009, and annually thereafter, the Connecticut Economic Innovations
745 Authority, established pursuant to section 6 of this act, shall submit a
746 report, in accordance with the provisions of section 11-4a of the general
747 statutes, to the Governor, the Auditors of Public Accounts and the joint
748 standing committees of the General Assembly having cognizance of
749 matters relating to commerce, appropriations and the budgets of state
750 agencies and capital bonding, which shall include the following
751 information with respect to new and outstanding financial assistance
752 provided by the authority during the twelve-month period ending on
753 June thirtieth next preceding the date of the report for each financial

754 assistance program administered by the authority: (1) A list of the
755 names, addresses and locations of all recipients of such assistance, (2)
756 for each recipient: (A) The business activities, (B) the Standard
757 Industrial Classification Manual codes, (C) the gross revenues during
758 the recipient's most recent fiscal year, (D) the number of employees at
759 the time of application, (E) whether the recipient is a minority or
760 woman-owned business, (F) a summary of the terms and conditions
761 for the assistance, including the type and amount of state financial
762 assistance, job creation or retention requirements, and anticipated
763 wage rates, and (G) the amount of investments from private and other
764 nonstate sources that have been leveraged by the assistance, (3) the
765 economic benefit criteria used in determining which applications have
766 been approved or disapproved, and (4) for each recipient of assistance,
767 a comparison between the number of jobs to be created, the number of
768 jobs to be retained and the average wage rates for each such category
769 of jobs, as projected in the recipient's application, versus the actual
770 number of jobs created, the actual number of jobs retained and the
771 average wage rates for each such category. The report shall also
772 indicate the actual number of full-time jobs and the actual number of
773 part-time jobs in each such category and the benefit levels for each
774 such subcategory. In addition, the report shall state (i) for each final
775 application approved during the twelve-month period covered by the
776 report, (I) the date that the final application was received by the
777 authority, and (II) the date of such approval; (ii) for each final
778 application withdrawn during the twelve-month period covered by
779 the report, (I) the municipality in which the applicant is located, (II) the
780 Standard Industrial Classification Manual code for the applicant, (III)
781 the date that the final application was received by the authority, and
782 (IV) the date of such withdrawal; (iii) for each final application
783 disapproved during the twelve-month period covered by the report, (I)
784 the municipality in which the applicant is located, (II) the Standard
785 Industrial Classification Manual code for the applicant, (III) the date
786 that the final application was received by the authority, and (IV) the
787 date of such disapproval; and (vi) for each final application on which
788 no action has been taken by the applicant or the agency in the twelve-

789 month period covered by the report and for which no report has been
790 submitted under this subsection, (I) the municipality in which the
791 applicant is located, (II) the Standard Industrial Classification Manual
792 code for the applicant, and (III) the date that the final application was
793 received by the authority. The provisions of this subsection shall not
794 apply to activities of the authority under the provisions of chapter 581
795 of the general statutes which shall continue to be reported on as
796 provided in section 32-47a of the general statutes, as amended by this
797 act.

798 (b) The November first report shall also include a summary of the
799 activities of the authority, including all activities to assist small
800 businesses and minority business enterprises, as defined in section 4a-
801 60g of the general statutes, a complete operating and financial
802 statement and recommendations for legislation to promote the
803 purposes of the authority.

804 Sec. 12. (NEW) (*Effective October 1, 2009*) (a) (1) In accordance with
805 the provisions of section 4-38d of the general statutes, all powers and
806 duties of the Connecticut Development Authority under the provisions
807 of chapter 579 of the general statutes, shall be transferred to the
808 Connecticut Economic Innovations Authority established pursuant to
809 section 6 of this act. On and after the effective date of this section, the
810 Connecticut Brownfields Redevelopment Authority, a subsidiary of
811 the Connecticut Development Authority created pursuant to
812 subsection (l) of section 32-11a of the general statutes, shall be a
813 subsidiary of the Connecticut Economic Innovations Authority.

814 (2) All notes, bonds or other obligations issued by the Connecticut
815 Development Authority for the financing of any project or projects
816 shall be in accordance with their terms of full force and effect and valid
817 and binding upon the authority as the successor to the Connecticut
818 Development Authority and with respect to any resolution, contract,
819 deed, trust agreement, mortgage, conditional sale or loan agreement,
820 commitment, obligation or liability or other such document, public
821 record, right, remedy, special act or public act, obligation, liability or

822 responsibility pertaining thereto, the authority shall be, and shall be
823 deemed to be, the successor to the Connecticut Development
824 Authority. All properties, rights in land, buildings and equipment and
825 any funds, moneys, revenues and receipts or assets of such authority
826 pledged or otherwise securing any such notes, bonds or other
827 obligations shall belong to the authority as successor to the
828 Connecticut Development Authority, subject to such pledges and other
829 security arrangements and to agreements with the holders of the
830 outstanding notes, bonds or other obligations. Any resolution with
831 respect to the issuance of bonds of the Connecticut Development
832 Authority for the purposes of the act and any other action taken by the
833 authority with respect to assisting in the financing of any project shall
834 be, or shall be deemed to be, a resolution of the authority or an action
835 taken by the authority subject only to any agreements with the holders
836 of outstanding notes, bonds or other obligations of the authority.

837 (3) All notes, bonds or other obligations issued by the Connecticut
838 Development Authority for the financing of any project or projects
839 shall be in accordance with their terms of full force and effect and valid
840 and binding upon the authority as the successor to the Connecticut
841 Development Authority and with respect to any resolution, contract,
842 deed, trust agreement, mortgage, conditional sale or loan agreement,
843 commitment, obligation or liability or other such document, public
844 record, right, remedy, special act or public act, obligation, liability or
845 responsibility pertaining thereto, the authority shall be, and shall be
846 deemed to be, the successor to the Connecticut Development
847 Authority. All properties, rights in land, buildings and equipment and
848 any funds, moneys, revenues and receipts or assets of such
849 commission pledged or otherwise securing any such notes, bonds or
850 other obligations shall belong to the authority as successor to the
851 Connecticut Development Authority, subject to such pledges and other
852 security arrangements and to agreements with the holders of the
853 outstanding notes, bonds or other obligations. Any resolution with
854 respect to the issuance of bonds of the authority for the purposes of the
855 act and any other action taken by the authority with respect to

856 assisting in the financing of any project shall be, or shall be deemed to
857 be, a resolution of the authority or an action taken by the authority
858 subject only to any agreements with the holders of outstanding notes,
859 bonds or other obligations of the authority.

860 (4) Whenever the term "Connecticut Development Authority" is
861 used or referred to in the general statutes, the term "Connecticut
862 Economic Innovations Authority" shall be substituted in lieu thereof.

863 (b) (1) In accordance with the provisions of section 4-38d of the
864 general statutes, all powers, duties and personnel of Connecticut
865 Innovations, Incorporated, under the provisions of chapter 581 of the
866 general statutes shall be transferred to the Connecticut Economic
867 Innovations Authority established pursuant to section 6 of this act. All
868 cash, notes, receivables, liabilities, appropriations, authorizations,
869 allocations, and all other assets and properties of Connecticut
870 Innovations, Incorporated, shall be transferred to the Connecticut
871 Economic Innovations Authority. Such transfer shall not affect the
872 validity, enforceability or binding nature of any contract or agreement
873 for financial aid made by Connecticut Innovations, Incorporated,
874 under the authorization of this act before the effective date of this act.
875 On and after the effective date of this section, any and all subsidiaries
876 of the Connecticut Innovations, Incorporated, shall be subsidiaries of
877 the Connecticut Economic Innovations Authority.

878 (2) Whenever the term "Connecticut Innovations, Incorporated" is
879 used or referred to in the general statutes, the term "Connecticut
880 Economic Innovations Authority" shall be substituted in lieu thereof.

881 (3) The procedures of Connecticut Innovations, Incorporated,
882 adopted pursuant to section 1-121 of the general statutes, shall remain
883 in full force and effect with respect to any matter arising under the
884 provisions of chapter 581 of the general statutes;

885 (4) The procedures of the Connecticut Development Authority,
886 adopted pursuant to section 1-121 of the general statutes, shall remain

887 in full force and effect with respect to any other matter before the
888 Connecticut Economic Innovations Authority.

889 (c) Except as expressly provided in this act, nothing in this act shall
890 be deemed to limit the powers exercised by the Connecticut
891 Development Authority or Connecticut Innovations, Incorporated,
892 before the effective date of this act.

893 Sec. 13. (NEW) (*Effective July 1, 2009*) (a) During the period from July
894 1, 2009, to September 30, 2009, the Connecticut Development Authority
895 and Connecticut Innovations, Incorporated, may enter into any
896 agreements with the Connecticut Economic Innovations Authority that
897 are necessary to facilitate the assumption by the authority of the
898 responsibilities pursuant to sections 6 to 14, inclusive, of this act.

899 (b) The Connecticut Development Authority and Connecticut
900 Innovations, Incorporated, may provide professional and clerical
901 support, facilities, equipment and supplies to the Connecticut
902 Economic Innovations Authority during the period from July 1, 2009,
903 to September 30, 2009, inclusive.

904 Sec. 14. Subsection (l) of section 1-79 of the general statutes is
905 repealed and the following is substituted in lieu thereof (*Effective July*
906 *1, 2009*):

907 (l) "Quasi-public agency" means the **[**Connecticut Development
908 Authority, Connecticut Innovations, Incorporated**]** <u>Connecticut</u>
909 <u>Economic Innovations Authority, or any subsidiary thereof</u>,
910 Connecticut Health and Education Facilities Authority, Connecticut
911 Higher Education Supplemental Loan Authority, Connecticut Housing
912 Finance Authority, Connecticut Housing Authority, Connecticut
913 Resources Recovery Authority, Lower Fairfield County Convention
914 Center Authority, Capital City Economic Development Authority and
915 Connecticut Lottery Corporation.

916 Sec. 15. Section 1-120 of the general statutes is repealed and the
917 following is substituted in lieu thereof (*Effective July 1, 2009*):

918 As used in sections 1-120 to 1-123, inclusive, as amended by this act:

919 (1) "Quasi-public agency" means the [Connecticut Development
920 Authority, Connecticut Innovations, Incorporated] Connecticut
921 Economic Innovations Authority, Connecticut Health and Educational
922 Facilities Authority, Connecticut Higher Education Supplemental Loan
923 Authority, Connecticut Housing Finance Authority, Connecticut
924 Housing Authority, Connecticut Resources Recovery Authority,
925 Capital City Economic Development Authority and Connecticut
926 Lottery Corporation.

927 (2) "Procedure" means each statement, by a quasi-public agency, of
928 general applicability, without regard to its designation, that
929 implements, interprets or prescribes law or policy, or describes the
930 organization or procedure of any such agency. The term includes the
931 amendment or repeal of a prior regulation, but does not include,
932 unless otherwise provided by any provision of the general statutes, (A)
933 statements concerning only the internal management of any agency
934 and not affecting procedures available to the public, and (B) intra-
935 agency memoranda.

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

939 Sec. 16. Section 1-124 of the general statutes is repealed and the
940 following is substituted in lieu thereof (*Effective July 1, 2009*):

941 (a) The [Connecticut Development Authority] Connecticut
942 Economic Innovations Authority, the Connecticut Health and
943 Educational Facilities Authority, the Connecticut Higher Education
944 Supplemental Loan Authority, the Connecticut Housing Finance
945 Authority, the Connecticut Housing Authority, the Connecticut
946 Resources Recovery Authority and the Capital City Economic
947 Development Authority shall not borrow any money or issue any
948 bonds or notes which are guaranteed by the state of Connecticut or for

949 which there is a capital reserve fund of any kind which is in any way
950 contributed to or guaranteed by the state of Connecticut until and
951 unless such borrowing or issuance is approved by the State Treasurer
952 or the Deputy State Treasurer appointed pursuant to section 3-12. The
953 approval of the State Treasurer or said deputy shall be based on
954 documentation provided by the authority that it has sufficient
955 revenues to (1) pay the principal of and interest on the bonds and notes
956 issued, (2) establish, increase and maintain any reserves deemed by the
957 authority to be advisable to secure the payment of the principal of and
958 interest on such bonds and notes, (3) pay the cost of maintaining,
959 servicing and properly insuring the purpose for which the proceeds of
960 the bonds and notes have been issued, if applicable, and (4) pay such
961 other costs as may be required.

962 (b) To the extent the **[**Connecticut Development Authority**]**
963 Connecticut Economic Innovations Authority, Connecticut
964 Innovations, Incorporated, Connecticut Higher Education
965 Supplemental Loan Authority, Connecticut Housing Finance
966 Authority, Connecticut Housing Authority, Connecticut Resources
967 Recovery Authority, Connecticut Health and Educational Facilities
968 Authority or the Capital City Economic Development Authority is
969 permitted by statute and determines to exercise any power to
970 moderate interest rate fluctuations or enter into any investment or
971 program of investment or contract respecting interest rates, currency,
972 cash flow or other similar agreement, including, but not limited to,
973 interest rate or currency swap agreements, the effect of which is to
974 subject a capital reserve fund which is in any way contributed to or
975 guaranteed by the state of Connecticut, to potential liability, such
976 determination shall not be effective until and unless the State
977 Treasurer or his or her deputy appointed pursuant to section 3-12 has
978 approved such agreement or agreements. The approval of the State
979 Treasurer or his or her deputy shall be based on documentation
980 provided by the authority that it has sufficient revenues to meet the
981 financial obligations associated with the agreement or agreements.

982 Sec. 17. Section 1-125 of the general statutes is repealed and the
983 following is substituted in lieu thereof (*Effective July 1, 2009*):

984 The directors, officers and employees of the **[**Connecticut
985 Development Authority, Connecticut Innovations, Incorporated**]**
986 Connecticut Economic Innovations Authority, Connecticut Higher
987 Education Supplemental Loan Authority, Connecticut Housing
988 Finance Authority, Connecticut Housing Authority, Connecticut
989 Resources Recovery Authority, including ad hoc members of the
990 Connecticut Resources Recovery Authority, Connecticut Health and
991 Educational Facilities Authority, Capital City Economic Development
992 Authority and Connecticut Lottery Corporation and any person
993 executing the bonds or notes of the agency shall not be liable
994 personally on such bonds or notes or be subject to any personal
995 liability or accountability by reason of the issuance thereof, nor shall
996 any director or employee of the agency, including ad hoc members of
997 the Connecticut Resources Recovery Authority, be personally liable for
998 damage or injury, not wanton, reckless, wilful or malicious, caused in
999 the performance of his or her duties and within the scope of his or her
1000 employment or appointment as such director, officer or employee,
1001 including ad hoc members of the Connecticut Resources Recovery
1002 Authority. The agency shall protect, save harmless and indemnify its
1003 directors, officers or employees, including ad hoc members of the
1004 Connecticut Resources Recovery Authority, from financial loss and
1005 expense, including legal fees and costs, if any, arising out of any claim,
1006 demand, suit or judgment by reason of alleged negligence or alleged
1007 deprivation of any person's civil rights or any other act or omission
1008 resulting in damage or injury, if the director, officer or employee,
1009 including ad hoc members of the Connecticut Resources Recovery
1010 Authority, is found to have been acting in the discharge of his or her
1011 duties or within the scope of his or her employment and such act or
1012 omission is found not to have been wanton, reckless, wilful or
1013 malicious.

1014 Sec. 18. Section 3-24d of the general statutes is repealed and the

1015 following is substituted in lieu thereof (*Effective July 1, 2009*):

1016 The Treasurer may also sell participation certificates or securities of
1017 the Tax-Exempt Proceeds Fund to the Connecticut Housing Finance
1018 Authority, the Connecticut Resources Recovery Authority, the
1019 **[**Connecticut Development Authority**]** Connecticut Economic
1020 Innovations Authority, the Connecticut Health and Educational
1021 Facilities Authority, the Connecticut Student Loan Foundation, any
1022 municipalities within the state and any other authorities, agencies,
1023 instrumentalities and political subdivisions of the state or of any
1024 municipality within the state. The participation certificates or securities
1025 shall bear and pay such interest and be issued subject to such terms
1026 and conditions as shall be determined and established by the
1027 Treasurer.

1028 Sec. 19. Section 3-24f of the general statutes is repealed and the
1029 following is substituted in lieu thereof (*Effective July 1, 2009*):

1030 Participation certificates or securities of the Tax-Exempt Proceeds
1031 Fund issued by the Treasurer under the provisions of sections 3-24a to
1032 3-24h, inclusive, are hereby made legal investments for the Connecticut
1033 Housing Finance Authority, the Connecticut Resources Recovery
1034 Authority, the **[**Connecticut Development Authority**]** Connecticut
1035 Economic Innovations Authority, the Connecticut Health and
1036 Educational Facilities Authority, the Connecticut Student Loan
1037 Foundation, all municipalities within the state, and all other
1038 authorities, agencies, instrumentalities and political subdivisions of the
1039 state or of any municipality within the state.

1040 Sec. 20. Section 4-124ff of the general statutes is repealed and the
1041 following is substituted in lieu thereof (*Effective July 1, 2009*):

1042 (a) The Office of Workforce Competitiveness shall, within available
1043 appropriations and in consultation with the council established under
1044 subsection (b) of this section, establish a competitive "Innovation
1045 Challenge Grant" program to promote and encourage partnerships

1046 and collaborations involving technology-based business and industry
1047 with institutions of higher education and regional vocational-technical
1048 schools for the development of educational programs in emerging and
1049 interdisciplinary technology fields and to address related issues.

1050 (b) There is established a Council of Advisors on Strategies for the
1051 Knowledge Economy to promote the formation of university-industry
1052 partnerships, identify benchmarks for technology-based workforce
1053 innovation and competitiveness and advise the award process (1) for
1054 innovation challenge grants to public postsecondary schools and their
1055 business partners, and (2) grants under section 4-124hh, as amended
1056 by this act. The council shall be chaired by the director of the Office of
1057 Workforce Competitiveness and shall include the Secretary of the
1058 Office of Policy and Management, the Commissioners of Economic and
1059 Community Development and Higher Education, the Labor
1060 Commissioner, the executive **[**directors**]** director of **[**Connecticut
1061 Innovations, Incorporated and**]** the **[**Connecticut Development
1062 Authority**]** Connecticut Economic Innovations Authority and four
1063 representatives from the technology industry, one of whom shall be
1064 appointed by the president pro tempore of the Senate, one of whom
1065 shall be appointed by the speaker of the House of Representatives, one
1066 of whom shall be appointed by the minority leader of the Senate and
1067 one of whom shall be appointed by the minority leader of the House of
1068 Representatives.

1069 Sec. 21. Section 8-134 of the general statutes is repealed and the
1070 following is substituted in lieu thereof (*Effective July 1, 2009*):

1071 For the purpose of carrying out or administering a redevelopment
1072 plan or other functions authorized under this chapter, a municipality,
1073 acting by and through its redevelopment agency, is hereby authorized,
1074 subject only to the limitations and procedures set forth in this section,
1075 to issue from time to time bonds of the municipality which are payable
1076 solely from and secured by: (a) A pledge of and lien upon any or all of
1077 the income, proceeds, revenues and property of redevelopment
1078 projects, including the proceeds of grants, loans, advances or

1079 contributions from the federal government, the state or other source,
1080 including financial assistance furnished by the municipality or any
1081 other public body pursuant to section 8-135; (b) taxes or payments in
1082 lieu of taxes, or both, in whole or in part, allocated to and paid into a
1083 special fund of the municipality pursuant to the provisions of section
1084 8-134a, as amended by this act; or (c) any combination of the methods
1085 in subsections (a) and (b) of this section. For the purposes of a specified
1086 project only, the [Connecticut Development Authority] Connecticut
1087 Economic Innovations Authority may, upon a resolution with respect
1088 to such project adopted by the legislative body of the municipality,
1089 issue and administer bonds which are payable solely or in part from
1090 and secured by the pledge and security provided for in this section
1091 subject to the general terms and provisions of law applicable to the
1092 issuance of bonds by the [Connecticut Development Authority]
1093 Connecticut Economic Innovations Authority, except that the
1094 provisions of subsection (b) of section 32-23j shall not apply. Any
1095 bonds payable and secured as provided in this section shall be
1096 authorized by a resolution adopted by the legislative body of the
1097 municipality, notwithstanding the provisions of any other statute, local
1098 law or charter governing the authorization and issuance of bonds
1099 generally by the municipality. No such resolution shall be adopted
1100 until after a public hearing has been held upon such authorization.
1101 Notice of such hearing shall be published not less than five days prior
1102 to such hearing in a newspaper having a general circulation in the
1103 municipality. Such bonds shall be issued and sold in such manner;
1104 bear interest at such rate or rates, including variable rates to be
1105 determined in such manner as set forth in the proceedings authorizing
1106 the issuance of the bonds; provide for the payment of interest on such
1107 dates, whether before or at maturity; be issued at, above or below par;
1108 mature at such time or times not exceeding forty years from their date
1109 in the case of bonds issued to finance housing and facilities related
1110 thereto or thirty years from their date in all other cases; have such rank
1111 or priority; be payable in such medium of payment; be issued in such
1112 form, including, without limitation, registered or book-entry form,
1113 carry such registration and transfer privileges and be made subject to

1114 purchase or redemption before maturity at such price or prices and
1115 under such terms and conditions, including the condition that such
1116 bonds be subject to purchase or redemption on the demand of the
1117 owner thereof; and contain such other terms and particulars as the
1118 legislative body of the municipality or the officers delegated such
1119 authority by the legislative body of the municipality body shall
1120 determine. The proceedings under which bonds are authorized to be
1121 issued may, subject to the provisions of the general statutes, contain
1122 any or all of the following: (1) Provisions respecting custody of the
1123 proceeds from the sale of the bonds and any bond anticipation notes,
1124 including any requirements that such proceeds be held separate from
1125 or not be commingled with other funds of the municipality; (2)
1126 provisions for the investment and reinvestment of bond proceeds until
1127 such proceeds are used to pay project costs and for the disposition of
1128 any excess bond proceeds or investment earnings thereon; (3)
1129 provisions for the execution of reimbursement agreements, or similar
1130 agreements, in connection with credit facilities, including, but not
1131 limited to, letters of credit or policies of bond insurance, remarketing
1132 agreements and agreements for the purpose of moderating interest
1133 rate fluctuations; (4) provisions for the collection, custody, investment,
1134 reinvestment and use of the pledged revenues or other receipts, funds
1135 or moneys pledged for payment of bonds as provided in this section;
1136 (5) provisions regarding the establishment and maintenance of
1137 reserves, sinking funds and any other funds and accounts as shall be
1138 approved by the legislative body of the municipality in such amounts
1139 as may be established by the legislative body of the municipality and
1140 the regulation and disposition thereof, including requirements that any
1141 such funds and accounts be held separate from or not be commingled
1142 with other funds of the municipality; (6) covenants for the
1143 establishment of maintenance requirements with respect to facilities
1144 and properties; (7) provisions for the issuance of additional bonds on a
1145 parity with bonds issued prior to the issuance of such additional
1146 bonds, including establishment of coverage requirements with respect
1147 to such bonds as herein provided; (8) provisions regarding the rights
1148 and remedies available to the bond owners, note owners or any trustee

1149 under any contract, loan agreement, document, instrument or trust
1150 indenture in case of a default, including the right to appoint a trustee
1151 to represent their interests upon occurrence of any event of default, as
1152 defined in any such default proceedings, provided that if any bonds or
1153 bond anticipation notes are secured by a trust indenture, the respective
1154 owners of such bonds or notes shall have no authority except as set
1155 forth in such trust indenture to appoint a separate trustee to represent
1156 them; and (9) other provisions or covenants of like or different
1157 character from the foregoing which are consistent with this section and
1158 which the legislative body of the municipality determines in such
1159 proceedings are necessary, convenient or desirable in order to better
1160 secure the bonds or bond anticipation notes, or will tend to make the
1161 bonds or bond anticipation notes more marketable, and which are in
1162 the best interests of the municipality. Any provisions which may be
1163 included in proceedings authorizing the issuance of bonds under this
1164 section may be included in an indenture of trust duly approved in
1165 accordance with this section which secures the bonds and any notes
1166 issued in anticipation thereof, and in such case the provisions of such
1167 indenture shall be deemed to be a part of such proceedings as though
1168 they were expressly included therein. Any pledge made by the
1169 municipality shall be valid and binding from the time when the pledge
1170 is made, and any revenues or other receipts, funds or moneys so
1171 pledged and thereafter received by the municipality shall be subject
1172 immediately to the lien of such pledge without any physical delivery
1173 thereof or further act. The lien of any such pledge shall be valid and
1174 binding as against all parties having claims of any kind in tort, contract
1175 or otherwise against the municipality, irrespective of whether such
1176 parties have notice of such lien. Neither the resolution nor any other
1177 instrument by which a pledge is created need be recorded. The
1178 legislative body of the municipality may enter into a trust indenture by
1179 and between the municipality and a corporate trustee, which may be
1180 any trust company or bank having the powers of a trust company
1181 within or without the municipality. Such trust indenture may contain
1182 such provisions for protecting and enforcing the rights and remedies
1183 of the bond owners and note owners as may be reasonable and proper

1184 and not in violation of law, including covenants setting forth the duties
1185 of the municipality in relation to the exercise of its powers pursuant to
1186 this section and the custody, safeguarding and application of all
1187 moneys. The municipality may provide by such trust indenture for the
1188 payment of the pledged revenues or other receipts, funds or moneys to
1189 the trustee under such trust indenture or to any other depository, and
1190 for the method of disbursement thereof, with such safeguards and
1191 restrictions as it may determine. All expenses incurred in carrying out
1192 such trust indenture may be treated as project costs. Such bonds shall
1193 not be included in computing the aggregate indebtedness of the
1194 municipality, provided, if such bonds are made payable, in whole or in
1195 part, from funds contracted to be advanced by the municipality, the
1196 aggregate amount of such funds not yet appropriated to such purpose
1197 shall be included in computing the aggregate indebtedness of the
1198 municipality. As used in this section, "bonds" means any bonds,
1199 including refunding bonds, notes, interim certificates, debentures or
1200 other obligations. For purposes of this section and section 8-134a, as
1201 amended by this act, references to the **[**Connecticut Development
1202 Authority**]** Connecticut Economic Innovations Authority shall include
1203 any subsidiary of the **[**Connecticut Development Authority**]**
1204 Connecticut Economic Innovations Authority established pursuant to
1205 **[**subsection (l) of section 32-11a**]** section 6 of this act.

1206 Sec. 22. Section 8-134a of the general statutes is repealed and the
1207 following is substituted in lieu thereof (*Effective July 1, 2009*):

1208 Any redevelopment plan authorized under this chapter or any
1209 proceedings authorizing the issuance of bonds under this chapter may
1210 contain a provision that taxes, if any, identified in such plan or such
1211 authorizing proceedings and levied upon taxable real or personal
1212 property, or both, in a redevelopment project each year, or payments
1213 in lieu of such taxes authorized pursuant to chapter 114, or both, by or
1214 for the benefit of any one or more municipalities, districts, or other
1215 public taxing agencies after the effective date of the ordinance
1216 approving the redevelopment plan or such bond authorizing

1217 proceedings, as the case may be, shall be divided as follows: (1) In each
1218 fiscal year that portion of the taxes or payments in lieu of taxes, or
1219 both, which would be produced by applying the then current tax rate
1220 of each of the taxing agencies to the total sum of the assessed value of
1221 the taxable property in the redevelopment project on the effective date
1222 of such ordinance or the date of such authorizing proceedings, as the
1223 case may be, or on any date between such two dates which is
1224 identified in such proceedings, shall be allocated to and when collected
1225 shall be paid into the funds of the respective taxing agencies in the
1226 same manner as taxes by or for said taxing agencies on all other
1227 property are paid; and (2) that portion of the assessed taxes or
1228 payments in lieu of taxes, or both, each fiscal year in excess of the
1229 amount referred to in subdivision (1) of this section shall be allocated
1230 to and when collected shall be paid into a special fund of the
1231 municipality or the **[**Connecticut Development Authority**]** Connecticut
1232 Economic Innovations Authority as issuer of such bonds to be used in
1233 each fiscal year, first to pay the principal of and interest due in such
1234 fiscal year on loans, moneys advanced to, or indebtedness, whether
1235 funded, refunded, assumed, or otherwise, incurred by such
1236 municipality or the **[**Connecticut Development Authority**]** Connecticut
1237 Economic Innovations Authority as issuer of such bonds to finance or
1238 refinance in whole or in part, such redevelopment project, and then, at
1239 the option of the municipality or the **[**Connecticut Development
1240 Authority**]** Connecticut Economic Innovations Authority as issuer of
1241 such bonds, to purchase bonds issued for the project which has
1242 generated the increments in taxes or payments in lieu of taxes and
1243 then, at the option of the municipality or the **[**Connecticut
1244 Development Authority**]** Connecticut Economic Innovations Authority
1245 as issuer of such bonds, to reimburse the provider of or reimbursement
1246 party with respect to any guarantee, letter of credit, policy of bond
1247 insurance, funds deposited in a debt service reserve fund, funds
1248 deposited as capitalized interest or other credit enhancement device
1249 used to secure payment of debt service on any bonds, notes or other
1250 indebtedness of a municipality or the **[**Connecticut Development
1251 Authority**]** Connecticut Economic Innovations Authority as issuer of

1252 such bonds issued pursuant to section 8-134, as amended by this act, to
1253 finance or refinance such redevelopment project, to the extent of any
1254 payments of debt service made therefrom. Unless and until the total
1255 assessed valuation of the taxable property in a redevelopment project
1256 exceeds the total assessed value of the taxable property in such project
1257 as shown by the last assessment list, referred to in subdivision (1) of
1258 this section, all of the taxes levied and collected and all of the
1259 payments in lieu of taxes due and collected upon the taxable property
1260 in such redevelopment project shall be paid into the funds of the
1261 respective taxing agencies. When such loans, advances, and
1262 indebtedness, if any, and interest thereon, and such debt service
1263 reimbursement to the provider of or reimbursement party with respect
1264 to such credits, have been paid, in full, all moneys thereafter received
1265 from taxes or payments in lieu of taxes, or both, upon the taxable
1266 property in such redevelopment project shall be paid into the funds of
1267 the respective taxing agencies in the same manner as taxes on all other
1268 property are paid.

1269 Sec. 23. Subsection (w) of section 32-23d of the general statutes is
1270 repealed and the following is substituted in lieu thereof (*Effective July*
1271 *1, 2009*):

1272 (w) "Authority" means the **[**Connecticut Development Authority or
1273 its successor as established and created under section 32-11a**]**
1274 Connecticut Economic Innovations Authority established pursuant to
1275 section 6 of this act.

1276 Sec. 24. Section 32-23k of the general statutes is repealed and the
1277 following is substituted in lieu thereof (*Effective July 1, 2009*):

1278 The state of Connecticut does hereby pledge to and agree with the
1279 holders of any bonds and notes issued under the provisions of the
1280 authority legislation, as defined in subsection (hh) of section 32-23d,
1281 and with those parties who may enter into contracts with the
1282 **[**Connecticut Development Authority**]** Connecticut Economic
1283 Innovations Authority or its successor agency pursuant to the

1284 provisions of such authority legislation, that the state will not limit or
1285 alter the rights hereby vested in the authority until such obligations,
1286 together with the interest thereon, are fully met and discharged and
1287 such contracts are fully performed on the part of the authority,
1288 provided nothing contained herein shall preclude such limitation or
1289 alteration if and when adequate provision shall be made by law for the
1290 protection of the holders of such bonds and notes of the authority or
1291 those entering into such contracts with the authority. The authority is
1292 authorized to include this pledge and undertaking for the state in such
1293 bonds and notes or contracts.

1294 Sec. 25. Section 32-23q of the general statutes is repealed and the
1295 following is substituted in lieu thereof (*Effective July 1, 2009*):

1296 The provisions of sections 37-4 and 37-6 shall not apply to any bond,
1297 note or other obligation issued by the **[**Connecticut Development
1298 Authority**]** Connecticut Economic Innovations Authority, or any loan,
1299 lease, sale agreement, note or other obligation evidencing a financial
1300 obligation to the authority.

1301 Sec. 26. Section 32-23r of the general statutes is repealed and the
1302 following is substituted in lieu thereof (*Effective July 1, 2009*):

1303 The **[**Connecticut Development Authority**]** Connecticut Economic
1304 Innovations Authority shall require in all instances that a borrower or
1305 mortgagee shall enter into an agreement with the authority to give
1306 preference in employment to persons as set forth herein:

1307 (1) Where the funds involved are to be used for the purchase, lease
1308 or alteration of an existing facility which has been inoperative and the
1309 borrower or mortgagee intends to make, assemble or produce products
1310 and or services comparable to those previously made, assembled, or
1311 produced at such facility, preference shall be given to those previously
1312 employed at such facility within the twelve-month period immediately
1313 preceding its closing in the order of their total length of employment at
1314 the closed facility, provided that they can perform the work required

1315 by the borrower or mortgagee at such existing facility;

1316 (2) Where the funds involved are to be used for the purchase, lease
1317 or alteration of an existing facility which has been inoperative and the
1318 borrower or mortgagee intends to make, assemble or produce products
1319 different from those previously made, assembled or produced at the
1320 facility, preference in employment and training shall be given to those
1321 previously employed at such facility within the twelve-month period
1322 immediately preceding its closing in the order of their total length of
1323 employment at the closed facility, provided such training shall not
1324 exceed twelve weeks; and

1325 (3) Where the borrower or mortgagee is not the operating or
1326 producing entity at the facility being financed, the borrower or
1327 mortgagee shall be required to enter into an irrevocable agreement
1328 with the operating or producing entity containing the above
1329 requirements and proof of such agreement shall be provided to the
1330 authority before approval of any funds or insurance.

1331 Sec. 27. Section 32-23t of the general statutes is repealed and the
1332 following is substituted in lieu thereof (*Effective July 1, 2009*):

1333 It is hereby found and declared as a matter of legislative
1334 determination that there is a continuing need for stimulation and
1335 encouragement of the growth and development of the state economy
1336 through the provision of two comprehensive loan programs and the
1337 establishment of a locally administered business outreach center
1338 challenge grant program which address the economic needs of a wide
1339 variety of business enterprises located throughout the state, including,
1340 but not limited to, development corporations, small contractors, small
1341 manufacturers, small business investment companies, employee
1342 groups, small water companies, small exporters, businesses affected by
1343 emergencies or disasters, small farmers, small retailers or service firms,
1344 high risk small businesses, start-up businesses, businesses located in
1345 various regions of the state, and other businesses that may be unable to
1346 obtain adequate financing from conventional sources. It is further

1347 found and declared that consolidating many of the separate loan
1348 programs currently administered by the Department of Economic and
1349 Community Development into two revolving loan funds to be
1350 administered by the **[**Connecticut Development Authority**]**
1351 Connecticut Economic Innovations Authority will enhance such
1352 programs for all borrowers, permit better targeting of state assistance
1353 to firms important to the economic base of the state, improve
1354 marketing, accounting and administration, alleviate certain
1355 administrative and technical problems created by changes in federal
1356 tax law, permit more effective use of existing resources and better
1357 enable the state to protect itself from losses through the establishment
1358 of a loan loss reserve and an improved loan work-out capability. It is
1359 further found and declared that major changes in the financial markets
1360 have altered the availability of capital to small and medium firms in
1361 the state, that assistance to high risk small and start-up businesses is
1362 important to the state economy and that such loan consolidation will
1363 better enable the **[**Connecticut Development Authority**]** Connecticut
1364 Economic Innovations Authority to leverage state assistance through
1365 active participation of private sector investments in small businesses.

1366 Sec. 28. Subdivision (3) of subsection (a) of section 32-23v of the
1367 general statutes is repealed and the following is substituted in lieu
1368 thereof (*Effective July 1, 2009*):

1369 (3) "Authority" means the **[**Connecticut Development Authority
1370 established under section 32-11a**]** Connecticut Economic Innovations
1371 Authority established pursuant to section 6 of this act or its successor.

1372 Sec. 29. Subsection (a) of section 32-23x of the general statutes is
1373 repealed and the following is substituted in lieu thereof (*Effective July*
1374 *1, 2009*):

1375 (a) As used in this section:

1376 (1) "Affiliate" means a business concern which directly controls or is
1377 controlled by another business concern, or a third party which controls

1378 both business concerns;

1379 (2) "Authority" means the [Connecticut Development Authority
1380 established under section 32-11a] Connecticut Economic Innovations
1381 Authority established pursuant to section 6 of this act or its successor;

1382 (3) "Department" means the Department of Economic and
1383 Community Development or its successor agency;

1384 (4) "Enterprise zone" has the same meaning as provided in section
1385 32-70;

1386 (5) "Impacted business" means any person impacted by (A) a
1387 disaster caused by natural forces including, but not limited to, floods
1388 or hurricanes or (B) an economic emergency including, but not limited
1389 to, an existing or threatened major plant shutdown, business
1390 disruption from a major road or bridge repair project or other existing
1391 or potential economic emergency, provided such disaster or
1392 emergency described in subparagraph (A) or (B) of this subdivision is
1393 proclaimed as such by declaration of the Commissioner of Economic
1394 and Community Development, with the consent of the Secretary of the
1395 Office of Policy and Management, upon a determination by the
1396 Commissioner of Economic and Community Development that such
1397 disaster or emergency is of a magnitude that could materially affect the
1398 health or well-being of the citizens of the impacted area and that the
1399 financial assistance provided for under this section is necessary to
1400 assure timely and effective relief and restoration;

1401 (6) "Loans" means loans and extensions of lines of credit;

1402 (7) "Minority business enterprise" means any person who meets the
1403 criteria contained in section 4a-60g and who is receiving a state
1404 contract award;

1405 (8) "Person" means any person or entity, including affiliates,
1406 engaged in a for-profit activity or activities in this state and who,
1407 except for an impacted business, is not an eligible borrower for

1408 assistance under the provisions of the Connecticut Growth Fund
1409 established under section 32-23v, as amended by this act;

1410 (9) "Rate of interest" means the interest rate which the authority
1411 shall charge and collect on each loan made by the state under this
1412 section, which rate shall not exceed one per cent above the interest rate
1413 borne by the general obligation bonds of the state last issued prior to
1414 the date such loan is made, provided, such rate shall not exceed the
1415 maximum allowable under federal law;

1416 (10) "Small contractor" means any person who is a contractor,
1417 subcontractor, manufacturer or service company who has been in
1418 business for at least one year prior to the date of its application for
1419 assistance under this section and whose gross revenues, including
1420 revenues of affiliates, did not exceed three million dollars in its most
1421 recently completed fiscal year prior to the date of its application for
1422 assistance under this section;

1423 (11) "State or local development corporation" means any entity
1424 organized under the laws of this state which has the authority to
1425 promote and assist the growth and development of business concerns
1426 in the areas covered by their operations;

1427 (12) "Targeted business" means a person located in an enterprise
1428 zone whose gross revenues did not exceed three million dollars in its
1429 most recently completed fiscal year prior to the date of its application
1430 for assistance under this section, or if such person has not been in
1431 business for at least one year prior to the date of such application, if
1432 the authority determines in its discretion that such person's gross
1433 revenues, including revenues of affiliates, are not likely to exceed three
1434 million dollars in its first fiscal year;

1435 (13) "Water facilities" means (A) investor-owned water companies
1436 which supply water to at least twenty-five but less than ten thousand
1437 customers, (B) municipally-owned water companies, and (C) owners
1438 of privately and municipally-owned dams which the Commissioner of

1439 Environmental Protection has determined benefit the public.

1440 Sec. 30. Section 32-23z of the general statutes is repealed and the
1441 following is substituted in lieu thereof (*Effective July 1, 2009*):

1442 (a) A Business Environmental Clean-Up Revolving Loan Fund is
1443 created. The state, acting through the **[**Connecticut Development
1444 Authority**]** Connecticut Economic Innovations Authority, may provide
1445 loans or lines of credit from the Business Environmental Clean-Up
1446 Revolving Loan Fund (1) to businesses for the purposes of the
1447 containment and removal or mitigation of the discharge, spillage,
1448 uncontrolled loss, seepage or filtration of oil or petroleum or chemical
1449 liquids or solid, liquid or gaseous products or hazardous wastes and
1450 (2) to businesses which convert gas and diesel-powered motor vehicles
1451 to vehicles powered by either gas or diesel fuel and a clean-burning
1452 alternative fuel, including but not limited to, compressed natural gas
1453 or electricity. Loans or lines of credit under subdivision (2) shall be for
1454 working or development capital. For the purposes of this section,
1455 "business" means any business which (A) if applying for assistance
1456 under subdivision (1), has been in business for at least one year prior
1457 to the date of application for its loan or line of credit or, if applying for
1458 assistance under subdivision (2), has been in business for at least two
1459 years prior to such application date, (B) has gross revenues, including
1460 revenues of affiliates, less than three million dollars in the most recent
1461 fiscal year before the date of the application or has less than one
1462 hundred fifty employees and, if applying for assistance under
1463 subdivision (2), derived at least seventy-five per cent of its gross
1464 revenues in such year from motor vehicle fuel conversion activities, (C)
1465 if applying for assistance under subdivision (1), has been doing
1466 business and has maintained its principal office and place of business
1467 in the state for a period of at least one year prior to the date of its
1468 application for assistance under this section or, if applying for
1469 assistance under subdivision (2), has been doing business and has
1470 maintained such office and business in the state for a period of at least
1471 two years prior to such application date and (D) demonstrates, to the

1472 satisfaction of the authority and in its sole discretion, that it is unable
1473 to obtain financing from conventional sources on reasonable terms or
1474 in reasonable amounts. The [Connecticut Development Authority]
1475 Connecticut Economic Innovations Authority shall charge and collect
1476 interest on each such loan or line of credit at a rate to be determined in
1477 accordance with regulations adopted pursuant to subsection (b) of this
1478 section. The total amount of such loans or lines of credit provided to
1479 any single business in any period of twelve consecutive months shall
1480 not exceed two hundred thousand dollars. Payments made by
1481 businesses on all loans and lines of credit paid to the Treasurer for
1482 deposit in the Business Environmental Clean-Up Revolving Loan Fund
1483 shall be credited to such fund.

1484 (b) The authority shall take any reasonable action it deems
1485 appropriate to moderate losses on loans and lines of credit made under
1486 this section, including, but not limited to, development and
1487 implementation of written procedures, in accordance with section 1-
1488 121, and a strategy to manage the assets of the fund and any losses
1489 incurred.

1490 (c) The [Connecticut Development Authority] Connecticut
1491 Economic Innovations Authority shall establish loan procedures,
1492 interest, repayment terms, security requirements, default and remedy
1493 provisions and such other terms and conditions as the authority shall
1494 deem appropriate.

1495 (d) Each such loan or extension of credit shall be authorized by the
1496 [Connecticut Development Authority] Connecticut Economic
1497 Innovations Authority or, if the authority so determines, by a
1498 committee of the authority consisting of the chairman and either one
1499 other member of the authority or its executive director, as specified in
1500 the determination of the authority. Any administrative expenses
1501 incurred in carrying out the provisions of this section, to the extent not
1502 paid by the authority, shall be paid from the Business Environmental
1503 Clean-Up Revolving Loan Fund. Payments from the Business
1504 Environmental Clean-Up Revolving Loan Fund to businesses or to pay

1505 such administrative expenses shall be made by the Treasurer upon
1506 certification by the executive director of the authority that the payment
1507 is authorized under the provisions of this section, under the applicable
1508 rules and regulations of the authority, and, if made to a business,
1509 under the terms and conditions established by the authority or the
1510 duly appointed committee thereof in authorizing the making of the
1511 loan or the extension of credit.

1512 Sec. 31. Section 32-23aa of the general statutes is repealed and the
1513 following is substituted in lieu thereof (*Effective July 1, 2009*):

1514 The **[**Connecticut Development Authority**]** Connecticut Economic
1515 Innovations Authority shall not approve any application for financial
1516 assistance for any project unless such project complies with all state
1517 laws and regulations adopted thereunder.

1518 Sec. 32. Section 32-23hh of the general statutes is repealed and the
1519 following is substituted in lieu thereof (*Effective July 1, 2009*):

1520 As used in sections 32-23gg to 32-23*ll*, inclusive:

1521 (1) "Authority" means the **[**Connecticut Development Authority,
1522 created under section 32-11a**]** Connecticut Economic Innovations
1523 Authority established pursuant to section 6 of this act;

1524 (2) "Executive director" means the executive director of the
1525 **[**Connecticut Development Authority**]** Connecticut Economic
1526 Innovations Authority;

1527 (3) "Financial assistance" means any and all forms of loans,
1528 extensions of credit, guarantees, equity investments or any other form
1529 of financing or refinancing to persons for the purchase, acquisition,
1530 construction, expansion, continued operation, reconstruction,
1531 financing, refinancing or placing in operation of an economic
1532 development project, including, but not limited to, fixed assets,
1533 working capital, equity participations and acquisitions, employee
1534 buyouts, refinancing, financial restructuring, and other purposes

1535 which the authority determines further the purposes of sections 32-
1536 23gg to 32-23*ll*, inclusive;

1537 (4) "Economic development project" means any project (A) which is
1538 to be used or occupied by any person for manufacturing, industrial,
1539 research or product warehousing or distribution purposes, or any
1540 combination thereof, and which the authority determines will tend to
1541 maintain or provide gainful employment, maintain or increase the tax
1542 base of the economy, or maintain, expand or diversify industry in the
1543 state, or for any other purpose which the authority determines will
1544 materially support the economic base of the state, by creating or
1545 retaining jobs, promoting the export of products or services beyond
1546 state boundaries, encouraging innovation in products or services, or
1547 otherwise contributing to, supporting or enhancing existing activities
1548 that are important to the economic base of the state, and (B) which is
1549 unable to obtain conventional financing in satisfactory amounts or on
1550 satisfactory terms in the sole judgment of the authority, or whose
1551 ability, in the judgment of the authority, to start, continue to operate,
1552 expand, or maintain operations or relocate to Connecticut, is
1553 dependent upon financial assistance;

1554 (5) "Person" means a person as defined in subsection (s) of section
1555 32-23d; and

1556 (6) "Return on investment" means any and all forms of principal or
1557 interest payments, insurance premiums or guarantee fees, equity
1558 participations, options, warrants, debentures and any or all other
1559 forms of remuneration to the authority in return for any financial
1560 assistance provided or offered.

1561 Sec. 33. Section 32-23qq of the general statutes is repealed and the
1562 following is substituted in lieu thereof (*Effective July 1, 2009*):

1563 (a) An Environmental Assistance Revolving Loan Fund is created.
1564 The state, acting through the **[**Connecticut Development Authority**]**
1565 Connecticut Economic Innovations Authority, or any subsidiary of the

1566 authority may provide grants, loans, lines of credit or loan guarantees
1567 to municipalities or businesses from the Environmental Assistance
1568 Revolving Loan Fund for the purposes of pollution prevention
1569 activities, as defined in section 32-23rr, for purchases and the costs
1570 associated with compliance with the Clean Air Act Amendments of
1571 1990 (42 USC 7401, et seq.), as amended, or for remediation of
1572 contaminated real property. Within the Environmental Assistance
1573 Revolving Loan Fund, a loan subfund is created solely to provide loans
1574 and lines of credit as provided in this section, a guarantee subfund is
1575 created solely to provide loan guarantees as provided in this section
1576 and a grant subfund is created solely to provide grants as provided
1577 under this section. No financial assistance, nor any commitment to
1578 provide financial assistance, shall be provided by or entered into by
1579 the authority or any subsidiary of the authority pursuant to sections
1580 32-23pp to 32-23ss, inclusive, as amended by this act, which would
1581 cause the aggregate amount of all such financial assistance and
1582 commitments then outstanding to exceed the sum of the amounts in
1583 the applicable subfund of the Environmental Assistance Revolving
1584 Loan Fund plus the amount of any unpaid grants authorized to be
1585 made by the Department of Economic and Community Development
1586 to the authority or any subsidiary of the authority for deposit in the
1587 applicable subfund of the Environmental Assistance Revolving Loan
1588 Fund, provided the amount of financial assistance in the form of any
1589 guarantee shall be measured by the portion of unpaid loan principal
1590 which is guaranteed by the authority. Notwithstanding the above, the
1591 aggregate amount of financial assistance in the form of guarantees and
1592 commitments with respect thereto, calculated as above, may be up to
1593 four times the sum of the amounts available in the guarantee subfund
1594 of the Environmental Assistance Revolving Loan Fund plus the
1595 amount of any unpaid grants which remain available and are
1596 specifically designated by the department for purposes of such
1597 subfund pursuant to the bond authorization in section 32-23ss, as
1598 amended by this act. For the purposes of this section, "business" means
1599 any business which (1) has gross revenues of less than twenty-five
1600 million dollars in its fiscal year ending prior to the application for any

1601 such loans, lines of credit or loan guarantees, or (2) has fewer than one
1602 hundred fifty employees. The [Connecticut Development Authority]
1603 Connecticut Economic Innovations Authority or any subsidiary of the
1604 authority shall charge and collect interest on each such loan or line of
1605 credit at a rate to be determined in accordance with procedures
1606 adopted pursuant to subsection (b) of this section. Payments made by
1607 businesses on all loans, lines of credit and loan guarantees shall be
1608 paid to the authority or any subsidiary of the authority for deposit in
1609 the Environmental Assistance Revolving Loan Fund.

1610 (b) The [Connecticut Development Authority] Connecticut
1611 Economic Innovations Authority and any subsidiary of the authority
1612 shall adopt written procedures, in accordance with the provisions of
1613 section 1-121, to carry out the provisions of this section. Such
1614 procedures shall establish requirements for grants, loans, guarantees,
1615 interest, repayment terms, security requirements, default and remedies
1616 and such other terms and conditions as the authority or any subsidiary
1617 of the authority shall deem appropriate.

1618 (c) Each such grant, loan, guarantee or extension of credit shall be
1619 authorized by the [Connecticut Development Authority] Connecticut
1620 Economic Innovations Authority or any subsidiary of the authority or,
1621 if the authority or any subsidiary of the authority so determines, by a
1622 committee of the authority or any subsidiary of the authority
1623 consisting of the chairman and either one other member of the
1624 authority or subsidiary or its executive director, as specified in the
1625 determination of the authority or subsidiary. Any administrative
1626 expenses incurred in carrying out the provisions of this section, to the
1627 extent not paid by the authority or any subsidiary of the authority or
1628 from moneys appropriated to the authority or any subsidiary of the
1629 authority, shall be paid from the Environmental Assistance Revolving
1630 Loan Fund. Payments from the Environmental Assistance Revolving
1631 Loan Fund to businesses or municipalities or to pay such
1632 administrative expenses shall be made by the authority or any
1633 subsidiary of the authority upon certification by the chairman of the

1634 authority or such subsidiary that the payment is authorized under the
1635 provisions of this section, under the applicable rules and regulations of
1636 the authority or subsidiary, and, if made to a business or municipality
1637 under the terms and conditions established by the authority or
1638 subsidiary or the duly appointed committee thereof in authorizing the
1639 making of the grant, loan or the extension of credit.

1640 Sec. 34. Section 32-23ss of the general statutes is repealed and the
1641 following is substituted in lieu thereof (*Effective July 1, 2009*):

1642 (a) For the purposes described in subsection (b) of this section, the
1643 State Bond Commission shall have the power, from time to time to
1644 authorize the issuance of bonds of the state in one or more series and
1645 in principal amounts not exceeding in the aggregate two million
1646 dollars.

1647 (b) The proceeds of the sale of said bonds, to the extent of the
1648 amount stated in subsection (a) of this section, shall be used by the
1649 Department of Economic and Community Development to make
1650 grants to the **[**Connecticut Development Authority**]** Connecticut
1651 Economic Innovations Authority for deposit in the Environmental
1652 Assistance Revolving Loan Fund to be used for the purpose of sections
1653 32-23pp to 32-23rr, inclusive, and this section. The terms and
1654 conditions of said grants shall be governed in accordance with a grant
1655 contract between the department and the authority.

1656 (c) All provisions of section 3-20, or the exercise of any right or
1657 power granted thereby which are not inconsistent with the provisions
1658 of this section are hereby adopted and shall apply to all bonds
1659 authorized by the State Bond Commission pursuant to this section, and
1660 temporary notes in anticipation of the money to be derived from the
1661 sale of any such bonds so authorized may be issued in accordance with
1662 said section 3-20 and from time to time renewed. Such bonds shall
1663 mature at such time or times not exceeding twenty years from their
1664 respective dates as may be provided in or pursuant to the resolution or
1665 resolutions of the State Bond Commission authorizing such bonds.

1666 None of said bonds shall be authorized except upon a finding by the
1667 State Bond Commission that there has been filed with it a request for
1668 such authorization, which is signed by or on behalf of the Secretary of
1669 the Office of Policy and Management and states such terms and
1670 conditions as said commission, in its discretion, may require. Said
1671 bonds issued pursuant to this section shall be general obligations of the
1672 state and the full faith and credit of the state of Connecticut are
1673 pledged for the payment of the principal of and interest on said bonds
1674 as the same become due, and accordingly and as part of the contract of
1675 the state with the holders of said bonds, appropriation of all amounts
1676 necessary for punctual payment of such principal and interest is
1677 hereby made, and the Treasurer shall pay such principal and interest
1678 as the same become due.

1679 Sec. 35. Section 32-23tt of the general statutes is repealed and the
1680 following is substituted in lieu thereof (*Effective July 1, 2009*):

1681 As used in section 32-23*ll*, this section, and sections 32-23uu,
1682 32-23vv and 32-235:

1683 (1) "Authority" means the **[**Connecticut Development Authority**]**
1684 <u>Connecticut Economic Innovations Authority</u> established **[**under the
1685 provisions of this chapter**]** <u>pursuant to section 6 of this act</u>;

1686 (2) "Educational upgrades" means (A) programs designed to
1687 increase the basic skills of workers and production workers including,
1688 but not limited to training, in written and oral communication,
1689 mathematics or science, or (B) training in innovative production
1690 methods and workplace oriented computer technical skills;

1691 (3) "Financial assistance" means grants, loans, loan guarantees or
1692 interest rate subsidies or any combination thereof;

1693 (4) "Manufacturing or economic base business" means a business
1694 defined under subsection (l) of section 32-222*;

1695 (5) "Production worker" means an employee of a manufacturer

1696 whose principal duties are located within the state, and consist of the
1697 assembly or construction of the manufacturer's product or a portion
1698 thereof; and

1699 (6) "Worker" means an employee of a manufacturing or economic-
1700 based business whose principal duties are located within the state.

1701 Sec. 36. Section 32-23yy of the general statutes is repealed and the
1702 following is substituted in lieu thereof (*Effective July 1, 2009*):

1703 (a) As used in this section, the following terms shall have the
1704 following meanings unless the context indicates another meaning and
1705 intent:

1706 (1) "Authority" means the **[**Connecticut Development Authority,
1707 created under section 32-11a**]** Connecticut Economic Innovations
1708 Authority established pursuant to section 6 of this act, and any of its
1709 subsidiaries or affiliates;

1710 (2) "Executive Director" means the executive director of the
1711 **[**Connecticut Development Authority**]** Connecticut Economic
1712 Innovations Authority;

1713 (3) "Financial assistance" means any and all forms of grants, loans,
1714 extensions of credit, guarantees, equity investments or other forms of
1715 financing or refinancing to persons for the purchase, acquisition,
1716 leasing, construction, expansion, continued operation, reconstruction,
1717 financing, refinancing or placing in operation of an information
1718 technology project, including, but not limited to, fixed assets, working
1719 capital, equity participations and acquisitions, employee buyouts,
1720 refinancing, lease guarantees, financial restructuring and other
1721 purposes which the authority determines further the purposes of this
1722 section. For purposes of this section financial assistance shall not be
1723 considered financial assistance under the provisions of section 32-462;

1724 (4) "Information technology project" means an information
1725 technology project, as defined in section 32-23d, as amended by this

1726 act;

1727 (5) "Person" means a person, as defined in subsection (s) of section
1728 32-23d;

1729 (6) "Return on investment" means any and all forms of principal or
1730 interest payments, guarantee fees, equity participations, options,
1731 warrants, debentures and any or all other forms of remuneration to the
1732 authority in return for any financial assistance provided or offered.

1733 (b) There is created within the authority the High-Technology
1734 Infrastructure Fund. The state, acting through the authority, may
1735 provide financial assistance from said fund that enables the
1736 development of information technology projects. Such financial
1737 assistance may be provided directly or in participation with any other
1738 financial institutions, funds or other persons or other sources of
1739 financing, public or private, and the authority may enter into any
1740 agreements or contracts it deems necessary or convenient in
1741 connection therewith. Payments of principal, interest or other forms of
1742 return on investment received by the authority shall be deposited in or
1743 held on behalf of said fund.

1744 (c) The authority may provide financial assistance in such amounts,
1745 in such form and under such terms and conditions as the authority
1746 shall prescribe, in written procedures adopted in accordance with
1747 section 1-121. Such procedures shall provide, in the case of financial
1748 assistance in a form other than a grant, for returns on investment as the
1749 authority deems appropriate to reflect the nature of the risk, provided
1750 a single project shall not receive an amount in excess of fifteen million
1751 dollars and shall not be for a term longer than thirty years.

1752 (d) The authority may take all reasonable steps and exercise all
1753 reasonable remedies necessary or desirable to protect the obligations
1754 or interests of the authority, including, but not limited to, the purchase
1755 or redemption in foreclosure proceedings, bankruptcy proceedings or
1756 in other judicial proceedings, of any property on which it holds a

1757 mortgage or other lien or in which it has an interest, and for such
1758 purposes and any other purposes provided in this section payment
1759 may be made from the High-Technology Infrastructure Fund upon
1760 certification by the executive director that payment is authorized
1761 under the provisions of this section, or other sections of the general
1762 statutes, applicable procedures or other programs of the authority.

1763 (e) Applicants for financial assistance shall pay the costs the
1764 authority deems reasonable and necessary incurred in processing
1765 applications made under this section, including application and
1766 commitment fees, closing costs or other costs. In carrying out the
1767 provisions of this section, any administrative expenses incurred by the
1768 authority, to the extent not paid by the borrower or from moneys
1769 appropriated to the authority for such purposes, may be paid from the
1770 High-Technology Infrastructure Fund.

1771 Sec. 37. Section 32-23zz of the general statutes is repealed and the
1772 following is substituted in lieu thereof (*Effective July 1, 2009*):

1773 (a) For the purpose of assisting (1) any information technology
1774 project, as defined in subsection (ee) of section 32-23d, which is located
1775 in an eligible municipality, as defined in subdivision (12) of subsection
1776 (a) of section 32-9t, or (2) any remediation project, as defined in
1777 subsection (ii) of section 32-23d, the **[**Connecticut Development
1778 Authority**]** <u>Connecticut Economic Innovations Authority</u> may, upon a
1779 resolution of the legislative body of a municipality, issue and
1780 administer bonds which are payable solely or in part from and secured
1781 by: (A) A pledge of and lien upon any and all of the income, proceeds,
1782 revenues and property of such a project, including the proceeds of
1783 grants, loans, advances or contributions from the federal government,
1784 the state or any other source, including financial assistance furnished
1785 by the municipality or any other public body, (B) taxes or payments or
1786 grants in lieu of taxes allocated to and payable into a special fund of
1787 the **[**Connecticut Development Authority**]** <u>Connecticut Economic</u>
1788 <u>Innovations Authority</u> pursuant to the provisions of subsection (b) of
1789 this section, or (C) any combination of the foregoing. Any such bonds

1790 of the [Connecticut Development Authority] Connecticut Economic
1791 Innovations Authority shall mature at such time or times not
1792 exceeding thirty years from their date of issuance and shall be subject
1793 to the general terms and provisions of law applicable to the issuance of
1794 bonds by the [Connecticut Development Authority] Connecticut
1795 Economic Innovations Authority, except that such bonds shall be
1796 issued without a special capital reserve fund as provided in subsection
1797 (b) of section 32-23j and, for purposes of section 32-23f, only the
1798 approval of the board of directors of the authority shall be required for
1799 the issuance and sale of such bonds. Any pledge made by the
1800 municipality or the [Connecticut Development Authority] Connecticut
1801 Economic Innovations Authority for bonds issued as provided in this
1802 section shall be valid and binding from the time when the pledge is
1803 made, and revenues and other receipts, funds or moneys so pledged
1804 and thereafter received by the municipality or the [Connecticut
1805 Development Authority] Connecticut Economic Innovations Authority
1806 shall be subject to the lien of such pledge without any physical
1807 delivery thereof or further act. The lien of such pledge shall be valid
1808 and binding against all parties having claims of any kind in tort,
1809 contract or otherwise against the municipality or the [Connecticut
1810 Development Authority] Connecticut Economic Innovations
1811 Authority, even if the parties have no notice of such lien. Recording of
1812 the resolution or any other instrument by which such a pledge is
1813 created shall not be required. In connection with any such assignment
1814 of taxes or payments in lieu of taxes, the [Connecticut Development
1815 Authority] Connecticut Economic Innovations Authority may, if the
1816 resolution so provides, exercise the rights provided for in section 12-
1817 195h of an assignee for consideration of any lien filed to secure the
1818 payment of such taxes or payments in lieu of taxes. All expenses
1819 incurred in providing such assistance may be treated as project costs.

1820 (b) Any proceedings authorizing the issuance of bonds under this
1821 section may contain a provision that taxes or a specified portion
1822 thereof, if any, identified in such authorizing proceedings and levied
1823 upon taxable real or personal property, or both, in a project each year,

1824 or payments or grants in lieu of such taxes or a specified portion
1825 thereof, by or for the benefit of any one or more municipalities,
1826 districts or other public taxing agencies, as the case may be, shall be
1827 divided as follows: (1) In each fiscal year that portion of the taxes or
1828 payments or grants in lieu of taxes which would be produced by
1829 applying the then current tax rate of each of the taxing agencies to the
1830 total sum of the assessed value of the taxable property in the project on
1831 the date of such authorizing proceedings, adjusted in the case of grants
1832 in lieu of taxes to reflect the applicable statutory rate of
1833 reimbursement, shall be allocated to and when collected shall be paid
1834 into the funds of the respective taxing agencies in the same manner as
1835 taxes by or for said taxing agencies on all other property are paid; and
1836 (2) that portion of the assessed taxes or the payments or grants in lieu
1837 of taxes, or both, each fiscal year in excess of the amount referred to in
1838 subdivision (1) of this subsection shall be allocated to and when
1839 collected shall be paid into a special fund of the **[**Connecticut
1840 Development Authority**]** Connecticut Economic Innovations Authority
1841 to be used in each fiscal year, in the discretion of the **[**Connecticut
1842 Development Authority**]** Connecticut Economic Innovations
1843 Authority, to pay the principal of and interest due in such fiscal year
1844 on bonds issued by the **[**Connecticut Development Authority**]**
1845 Connecticut Economic Innovations Authority to finance, refinance or
1846 otherwise assist such project, to purchase bonds issued for such
1847 project, or to reimburse the provider of or reimbursement party with
1848 respect to any guarantee, letter of credit, policy of bond insurance,
1849 funds deposited in a debt service reserve fund, funds deposited as
1850 capitalized interest or other credit enhancement device used to secure
1851 payment of debt service on any bonds issued by the **[**Connecticut
1852 Development Authority**]** Connecticut Economic Innovations Authority
1853 to finance, refinance or otherwise assist such project, to the extent of
1854 any payments of debt service made therefrom. Unless and until the
1855 total assessed valuation of the taxable property in a project exceeds the
1856 total assessed value of the taxable property in such project as shown by
1857 the last assessment list referred to in subdivision (1) of this subsection,
1858 all of the taxes levied and collected and all of the payments or grants in

1859 lieu of taxes due and collected upon the taxable property in such
1860 project shall be paid into the funds of the respective taxing agencies.
1861 When such bonds and interest thereof, and such debt service
1862 reimbursement to the provider of or reimbursement party with respect
1863 to such credit enhancement, have been paid in full, all moneys
1864 thereafter received from taxes or payments or grants in lieu of taxes
1865 upon the taxable property in such development project shall be paid
1866 into the funds of the respective taxing agencies in the same manner as
1867 taxes on all other property are paid. The total amount of bonds issued
1868 pursuant to this section which are payable from grants in lieu of taxes
1869 payable by the state shall not exceed an amount of bonds, the debt
1870 service on which in any state fiscal year is, in total, equal to one million
1871 dollars.

1872 (c) The authority may make grants or provide loans or other forms
1873 of financial assistance from the proceeds of special or general
1874 obligation notes or bonds of the authority issued without the security
1875 of a special capital reserve fund within the meaning of subsection (b)
1876 of section 32-23j, which bonds are payable from and secured by, in
1877 whole or in part, the pledge and security provided for in section 8-134,
1878 <u>as amended by this act,</u> 8-192, 32-227 or this section, all on such terms
1879 and conditions, including such agreements with the municipality and
1880 the developer of the project, as the authority determines to be
1881 appropriate in the circumstances, provided any such project in an area
1882 designated as an enterprise zone pursuant to section 32-70 receiving
1883 such financial assistance shall be ineligible for any fixed assessment
1884 pursuant to section 32-71, and the authority, as a condition of such
1885 grant, loan or other financial assistance, may require the waiver, in
1886 whole or in part, of any property tax exemption with respect to such
1887 project otherwise available under subsection (59) or (60) of section 12-
1888 81.

1889 (d) As used in this section, "bonds" means any bonds, including
1890 refunding bonds, notes, temporary notes, interim certificates,
1891 debentures or other obligations; "legislative body" has the meaning

1892 provided in subsection (w) of section 32-222; and "municipality" means
1893 a town, city, consolidated town or city or consolidated town and
1894 borough.

1895 (e) For purposes of this section, references to the **[**Connecticut
1896 Development Authority**]** Connecticut Economic Innovations Authority
1897 shall include any subsidiary of the **[**Connecticut Development
1898 Authority**]** Connecticut Economic Innovations Authority established
1899 pursuant to subsection (l) of section 32-11a, and a municipality may act
1900 by and through its implementing agency, as defined in subsection (k)
1901 of section 32-222.

1902 (f) No commitments for new projects shall be approved by the
1903 authority under this section on or after July 1, 2010.

1904 (g) In the case of a remediation project, as defined in subsection (ii)
1905 of section 32-23d, that involves buildings that are vacant, underutilized
1906 or in deteriorating condition and as to which municipal real property
1907 taxes are delinquent, in whole or in part, for more than one fiscal year,
1908 the amount determined in accordance with subdivision (1) of
1909 subsection (b) of this section may, if the resolution of the municipality
1910 so provides, be established at an amount less than the amount so
1911 determined, but not less than the amount of municipal property taxes
1912 actually paid during the most recently completed fiscal year. If the
1913 **[**Connecticut Development Authority**]** Connecticut Economic
1914 Innovations Authority issues bonds for the remediation project, the
1915 amount established in the resolution shall be used for all purposes of
1916 subsection (a) of this section.

1917 Sec. 38. Section 32-34 of the general statutes is repealed and the
1918 following is substituted in lieu thereof (*Effective July 1, 2009*):

1919 As used in this chapter, the following terms shall have the following
1920 meanings unless the context clearly indicates another meaning and
1921 intent:

1922 (1) **[**"Corporation" means Connecticut Innovations, Incorporated as

1923 created under section 32-35**]** "Authority" means the Connecticut
1924 Economic Innovations Authority established pursuant to section 6 of
1925 this act;

1926 (2) "Entrepreneur" means any person who seeks to organize, operate
1927 and assume the risk for a business enterprise, or who organizes,
1928 operates and assumes the risk for a business enterprise;

1929 **[**(3) "Finance committee" means a committee or subcommittee
1930 organized by the corporation and having the authority to approve or
1931 deny applications for financial aid and to enter into agreements on
1932 behalf of the corporation to provide financial aid;**]**

1933 **[**(4)**]** (3) "Financial aid" means the infusion of capital to persons, in
1934 any form whatsoever, including, but not limited to, grants, loans,
1935 equity, leases, guarantees, royalty arrangements, other risk capital and
1936 other types of financial assistance;

1937 **[**(5)**]** (4) "Incubator facilities" means a building, structure or complex
1938 designed, constructed, renovated or developed to house and provide
1939 research and other services to assist small technology-based
1940 companies;

1941 **[**(6)**]** (5) "Invention" means any new product without regard to
1942 whether a patent has been or could be granted;

1943 **[**(7)**]** (6) "Person" means any individual, general or limited
1944 partnership, corporation, limited liability company, institution of
1945 higher education, governmental entity or joint venture conducting
1946 research into ideas with commercial potential or carrying on business,
1947 or proposing to carry on business, within the state which (A) in the
1948 case of an individual, general or limited partnership, corporation,
1949 limited liability company or joint venture, demonstrates to the
1950 corporation the inability (i) to obtain conventional financing in
1951 satisfactory amounts or on satisfactory terms or (ii) to locate or
1952 continue operations in the state without assistance as provided in this
1953 chapter, and (B) demonstrates to the corporation that any project for

1954 research into or the development of specific technologies, products,
1955 devices, techniques or procedures or the marketing of services based
1956 on the use of such technologies, products, devices, techniques or
1957 procedures for which assistance under this chapter, is sought, (i) will
1958 create new or retain existing jobs in the state, (ii) will result in an
1959 increase in the amount of goods or services exported from the state,
1960 (iii) will help to strengthen the economy of the state, or (iv) will
1961 promote the development and utilization of technology in the state;

1962 **[**(8)**]** (7) "Product" means any technology, device, technique, service
1963 or process, which is or may be exploitable commercially; such term
1964 shall not refer to pure research but shall be construed to apply to such
1965 technologies, products, devices, techniques, services or processes
1966 which have advanced beyond the theoretic stage and are readily
1967 capable of being, or have been, reduced to practice;

1968 **[**(9)**]** (8) "Research" means the scientific and engineering analysis,
1969 investigation, collection of ideas and inquiry into concepts, processes
1970 and techniques, the purpose of which is intended to result in a
1971 commercially feasible product, process or technique;

1972 **[**(10)**]** (9) "Seed venture" means a business or other entity in the early
1973 stage of development;

1974 **[**(11)**]** (10) "Technical peer review committee" means a committee,
1975 subcommittee or other entity organized by the corporation to provide
1976 advice and counsel concerning the technological, marketing and
1977 management feasibility of projects in connection with each application
1978 for financial and technical assistance;

1979 **[**(12)**]** (11) "Technology" means the conversion of basic scientific
1980 research into processes, techniques and products which may have
1981 commercial potential;

1982 **[**(13)**]** (12) "Advanced technology center" means a cooperative
1983 research center in a specified field of science and technology
1984 established and funded, subject to the requirements in sections 32-40a,

1985 as amended by this act, 32-40b, as amended by this act, and 32-40c, as
1986 amended by this act, through an academic, industrial and
1987 governmental partnership for purposes of technological research with
1988 a direct relationship to economic development in the state;

1989 **[**(14)**]** (13) "Venture" means, without limitation, any contractual
1990 arrangement with any person whereby the corporation obtains rights
1991 from or in an invention or product or proceeds therefrom, or rights to
1992 obtain from any person any and all forms of equity instruments
1993 including, but not limited to, common and preferred stock, warrants,
1994 options, convertible debentures and similar types of instruments
1995 exercisable or convertible into capital stock, in exchange for the
1996 granting of financial aid to such person;

1997 **[**(15)**]** (14) "Venture lease" means a lease by the corporation to a
1998 technology company of any real or personal property, on such terms,
1999 including lease payments, lease term and purchase options, as the
2000 corporation shall determine;

2001 **[**(16)**]** (15) "Affiliate" means any person that directly or indirectly
2002 through one or more intermediaries, controls or is controlled by or is
2003 under common control with, another person, including, but not
2004 limited to, any corporation, general or limited partnership or limited
2005 liability company controlled, directly or indirectly, by such other
2006 person or the corporation, provided, in addition to other means of
2007 being controlled, a general or limited partnership or limited liability
2008 company shall be deemed to be controlled by the corporation if the
2009 corporation or one of its affiliates acts as a general partner or a
2010 manager of such general or limited partnership or limited liability
2011 company;

2012 **[**(17)**]** (16) "Capital initiative" means providing financial aid through
2013 one or more affiliates and raising the capital for such affiliates, in
2014 whole or in part, from sources other than the state;

2015 **[**(18)**]** (17) "Preseed financing" means financial aid provided for

2016 research and formulation of a concept;

2017 **[**(19)**]** (18) "Seed financing" means financial aid to an inventor or
2018 entrepreneur to assess the viability of a concept and to qualify for start-
2019 up financing to fund, including, but not limited to, product
2020 development, market research, management team building and,
2021 pending successful progress on such initial steps, business plan
2022 development;

2023 **[**(20)**]** (19) "Start-up financing" means financial aid to companies in
2024 the process of organizing as a business or that have been in operation
2025 for less than one year and (A) have completed product development
2026 and initial marketing but have not sold such product commercially,
2027 and (B) have established viability by performing market studies,
2028 assembling key management, developing a business plan and may also
2029 qualify for start-up financing by demonstrating viability by other
2030 means deemed appropriate by the corporation;

2031 **[**(21)**]** (20) "Early or first-stage financing" means financial aid to
2032 companies that have expended initial capital, developed and market-
2033 tested prototypes, and demonstrate that such funds are necessary to
2034 initiate full-scale manufacturing and sales;

2035 **[**(22)**]** (21) "Expansion financing" means financial aid to companies
2036 for market expansion or to enhance the fiscal position of a company in
2037 preceding a liquidity event including, but not limited to, an initial
2038 public offering or acquisition.

2039 Sec. 39. Section 32-39c of the general statutes is repealed and the
2040 following is substituted in lieu thereof (*Effective July 1, 2009*):

2041 (a) With respect to any affiliate created pursuant to section **[**32-39**]** 8
2042 of this act, liability shall be limited solely to the assets and revenues or
2043 other resources of any such affiliate and without recourse liability to
2044 **[**Connecticut Innovations, Incorporated,**]** Connecticut Economic
2045 Innovations Authority its other funds or any other assets of the
2046 **[**corporation**]** authority, except to the extent of any express written

2047 guarantees by the [corporation] authority or any investments made or
2048 committed to by the [corporation] authority.

2049 (b) The provisions of sections 32-47 as amended by this act, and 1-
2050 125, as amended by this act, shall apply to any officer, director,
2051 designee or employee serving at the request of the [corporation]
2052 authority as a member, director or officer or advisor of any such
2053 affiliate. Any such person so appointed shall not be personally liable
2054 for the debts, obligations or liabilities of any such affiliate as provided
2055 in said section 1-125. Any affiliate shall and the [corporation] authority
2056 may provide the indemnification to protect, save harmless and
2057 indemnify such officer, director, designee or employee as provided in
2058 said section 1-125.

2059 Sec. 40. Section 32-39d of the general statutes is repealed and the
2060 following is substituted in lieu thereof (*Effective July 1, 2009*):

2061 Guarantees issued by [Connecticut Innovations, Incorporated,] the
2062 Connecticut Economic Innovations Authority and all equity
2063 instruments and obligations, any of which include a guarantee of a
2064 return of capital or principal by the [corporation] authority, under the
2065 provisions of this chapter, are hereby made securities in which all
2066 public officers and public bodies of the state and its political
2067 subdivisions, all insurance companies, state banks and trust
2068 companies, national banking associations, savings banks, savings and
2069 loan associations, investment companies, executors, administrators,
2070 trustees and other fiduciaries may properly and legally invest funds,
2071 including capital in their control or belonging to them. Such
2072 instruments and obligations are hereby made securities which may
2073 properly and legally be deposited with and received by any state or
2074 municipal officer or any agency or political subdivision of the state for
2075 any purpose for which the deposit of bonds or obligations of the state
2076 is now or may hereafter be authorized by law.

2077 Sec. 41. Section 32-39e of the general statutes is repealed and the
2078 following is substituted in lieu thereof (*Effective July 1, 2009*):

2079 (a) If, in the exercise of its powers under section 32-39, **[**Connecticut
2080 Innovations, Incorporated**]** as amended by this act, the Connecticut
2081 Economic Innovations Authority finds that the use of a certain
2082 technology, product or process would promote public health and
2083 safety, environmental protection or economic development and such
2084 technology, product or process was developed by a business domiciled
2085 in this state to which the **[**corporation**]** authority has provided financial
2086 assistance or in which the corporation has invested, the **[**corporation**]**
2087 authority, upon application of such business, may recommend to the
2088 Secretary of the Office of Policy and Management that an agency of the
2089 state be directed to test such technology, product or process by
2090 employing it in the operations of such agency on a trial basis. The
2091 purpose of such test program shall be to validate the commercial
2092 viability of such technology, product or process provided no business
2093 in which **[**Connecticut Innovations, Incorporated**]** the Connecticut
2094 Economic Innovations Authority has invested shall be required to
2095 participate in such program. No such recommendation may be made
2096 unless such business has submitted a viable business plan for
2097 manufacturing and marketing such technology, product or process
2098 and such business (1) will manufacture or produce such technology,
2099 product or process in this state, (2) demonstrates that the usage of such
2100 technology, product or process by the state agency will not adversely
2101 affect safety, (3) demonstrates that sufficient research and development
2102 has occurred to warrant participation in the test program, and (4)
2103 demonstrates that the technology, product or process has potential for
2104 commercialization not later than two years following the completion of
2105 any test program involving a state agency under this section.

2106 (b) If the Secretary of the Office of Policy and Management finds
2107 that employing such technology, product or process would be feasible
2108 in the operations of a state agency and would not have any detrimental
2109 effect on such operations, said secretary, notwithstanding the
2110 requirement of chapter 58, may direct an agency of the state to accept
2111 delivery of such technology, product or process and to undertake such
2112 a test program. Any costs associated with the acquisition and use of

2113 such technology, product or process by the testing agency shall be
2114 borne by [Connecticut Innovations, Incorporated] the Connecticut
2115 Economic Innovations Authority, the business or by any investor or
2116 participant in such business. The acquisition of any technology,
2117 product or process for purposes of the test program established
2118 pursuant to this section shall not be deemed to be a purchase under the
2119 provisions of the state procurement policy. The testing agency, on
2120 behalf of [Connecticut Innovations, Incorporated] the Connecticut
2121 Economic Innovations Authority shall maintain records related to such
2122 test program, as requested by [Connecticut Innovations, Incorporated]
2123 the Connecticut Economic Innovations Authority and shall make such
2124 records and any other information derived from such test program
2125 available to [Connecticut Innovations, Incorporated] the Connecticut
2126 Economic Innovations Authority and the business. Any proprietary
2127 information derived from such test program shall be exempt from the
2128 provisions of subsection (a) of section 1-210.

2129 (c) The Secretary of the Office of Policy and Management and
2130 [Connecticut Innovations, Incorporated] the Connecticut Economic
2131 Innovations Authority may develop a program to recognize state
2132 agencies that help to promote public health and safety, environmental
2133 protection or economic development by participating in a testing
2134 program under this section. Such program may include the creation of
2135 a fund established with savings accrued by the testing agency during
2136 its participation in the testing program established under this section.
2137 Such fund shall only be used to implement the program of recognition
2138 established by the Secretary of the Office of Policy and Management
2139 and [Connecticut Innovations, Incorporated,] the Connecticut
2140 Economic Innovations Authority under the provisions of this
2141 subsection.

2142 Sec. 42. Section 32-40 of the general statutes is repealed and the
2143 following is substituted in lieu thereof (*Effective July 1, 2009*):

2144 (a) All applications for financial aid shall be forwarded, together
2145 with an application fee prescribed by the [corporation] authority, to

2146 the executive director of the [corporation] authority. Each such
2147 application shall be processed in accordance with the written
2148 procedures adopted by the [corporation] authority under subdivision
2149 (5) of subsection (d) of section 32-35. The [finance committee] board of
2150 directors of the [corporation] authority shall approve or deny each
2151 application recommended by the chief executive [director] officer. If
2152 the [finance committee] board of directors approves an application,
2153 [such committee] it may authorize the [corporation] authority to enter
2154 into an agreement or agreements on behalf of the [corporation]
2155 authority to provide financial aid to the applicant. The applicant shall
2156 be promptly notified of such action by the [corporation] authority.

2157 (b) In making the decision as to approval or denial of an application,
2158 the [finance committee] board of directors of the [corporation]
2159 authority shall give priority to those applicants (1) whose businesses
2160 are defense-dependent, or are located in municipalities which the
2161 Commissioner of Economic and Community Development has
2162 declared have been severely impacted by prime defense contract
2163 cutbacks pursuant to section 32-56, and (2) whose proposed research
2164 and development activity, technology, product or invention is to be
2165 used to convert all or a portion of the applicant's business to non-
2166 defense-related industrial or commercial activity, or to create a new
2167 non-defense-related industrial or commercial business. For purposes of
2168 this section, a defense-dependent business is any business that derives
2169 [over] more than fifty per cent of its gross income, generated from
2170 operations within the state, from prime defense contracts or from
2171 subcontracts entered into in connection with prime defense contracts, a
2172 significant portion of whose facilities and equipment are designed
2173 specifically for defense production and cannot be converted to
2174 nondefense uses without substantial investment.

2175 (c) All financial and credit information and all trade secrets
2176 contained in any application for financial aid submitted to the
2177 [corporation] authority or obtained by the [corporation] authority
2178 concerning any applicant, project, activity, technology, product or

2179 invention shall be exempt from the provisions of subsection (a) of
2180 section 1-210.

2181 Sec. 43. Section 32-40a of the general statutes is repealed and the
2182 following is substituted in lieu thereof (*Effective July 1, 2009*):

2183 Any advanced technology center, as defined in section 32-34, as
2184 amended by this act, shall be established for purposes of conducting
2185 research characterized by reasonable prospects of stimulating
2186 development of new business and industry utilizing such advanced
2187 technology and augmenting the application of advanced technology
2188 by existing business and industry in the state. **[**Connecticut
2189 Innovations, Incorporated**]** The Connecticut Economic Innovations
2190 Authority, hereinafter referred to as "the **[**corporation"**]** authority" shall
2191 require any applicant for state funding with respect to a proposed
2192 advanced technology center to submit a complete description of the
2193 organization of such center, plans for research and proposed funding
2194 from sources other than the state of Connecticut, subject to the
2195 provisions of section 32-40c, as amended by this act, including but not
2196 limited to the following:

2197 (1) The specific technological research to be undertaken and the
2198 proposed business and industry involvement in the development and
2199 application of such research;

2200 (2) A detailed description of the organization of such center for
2201 administrative and research purposes, including (A) name and
2202 qualifications of the person to serve as director of the center and (B) a
2203 proposed advisory board for such center which shall include members
2204 from the academic institution involved and private business;

2205 (3) Proposed arrangements with the **[**corporation**]** authority,
2206 concerning financial benefits to the state of Connecticut as a result of
2207 patents, royalty payments or similar rights developing from research
2208 at such center; and

2209 (4) Details concerning the organization and content of an annual

2210 report to be submitted to the [corporation] authority by such center
2211 reviewing the progress of research, with the understanding that
2212 funding shall be contingent upon satisfactory performance
2213 evaluations.

2214 Sec. 44. Section 32-40b of the general statutes is repealed and the
2215 following is substituted in lieu thereof (*Effective July 1, 2009*):

2216 In approving the application of an advanced technology center, as
2217 defined in section 32-34, as amended by this act, for state funding,
2218 [Connecticut Innovations, Incorporated,] the Connecticut Economic
2219 Innovations Authority shall assess scientific, economic, management
2220 and financial factors, including, but not limited to the following:

2221 (1) The likelihood that the research proposal will result in
2222 fundamental technological advances transferable to commercial
2223 application and the means that the center proposes to make these
2224 transfers;

2225 (2) The potential of the research proposal to stimulate technological
2226 advances in existing businesses, new business creation and long-term
2227 job growth in Connecticut;

2228 (3) Evidence of significant financial commitment by academic and
2229 industrial participants and the likelihood that the center will become
2230 self-sufficient by the end of the state's financial commitment period;

2231 (4) Evidence that the state will receive a financial return
2232 commensurate with its investment in the center;

2233 (5) The level of representation by all financial participants in the
2234 center's proposed management structure;

2235 (6) The planned involvement of small businesses and academic
2236 institutions in the center's activities;

2237 (7) The center's plan to involve minority students and minority-

2238 owned businesses in its activities; and

2239 (8) The adequacy of the center's proposed mechanisms for
2240 evaluating its progress.

2241 Sec. 45. Section 32-40c of the general statutes is repealed and the
2242 following is substituted in lieu thereof (*Effective July 1, 2009*):

2243 Funds from the state of Connecticut for purposes of any advanced
2244 technology center, as defined in section 32-34, as amended by this act,
2245 shall not be allotted for such purpose unless documentation,
2246 satisfactory to the Secretary of the Office of Policy and Management,
2247 has been submitted to **[**Connecticut Innovations, Incorporated,**]** the
2248 Connecticut Economic Innovations Authority certifying that such
2249 funds are accepted in accordance with a plan of proposed funding for
2250 such advanced technology center during a period of five years,
2251 commencing with the year of the initial state grant for such purpose.
2252 Such proposed funding shall include, in addition to the proposed
2253 amounts from the state of Connecticut, funds from other sources in an
2254 amount not less than the total proposed funds from the state during
2255 such five-year period.

2256 Sec. 46. Section 32-41a of the general statutes is repealed and the
2257 following is substituted in lieu thereof (*Effective July 1, 2009*):

2258 (a) There is hereby created a "Connecticut Innovations **[**,
2259 Incorporated**]** Fund". Proceeds from the sale of bonds authorized by
2260 the State Bond Commission in accordance with **[**section**]** sections 32-41
2261 and **[**section**]** 32-41b, as amended by this act, shall be paid directly to
2262 the Treasurer of the state as agent of the **[**corporation**]** Connecticut
2263 Economic Innovations Authority and the Treasurer shall deposit all
2264 such amounts in the Connecticut Innovations **[**, Incorporated**]** Fund.
2265 The moneys in said fund shall be paid by checks signed by the
2266 Treasurer of the state or by his deputy appointed pursuant to section 3-
2267 12 on requisition of the **[**executive director of the corporation**]** the chief
2268 executive officer of the authority or his designee.

2269 (b) Any funds or revenues of **[**Connecticut Innovations,
2270 Incorporated**]** the authority derived from application fees, royalty
2271 payments, investment income and loan repayments received by the
2272 **[**corporation**]** authority in connection with its programs shall be held,
2273 administered and invested by the **[**corporation**]** authority or deposited
2274 with and invested by any institution as may be designated by the
2275 **[**corporation**]** authority at its sole discretion and paid as the
2276 **[**corporation**]** authority shall direct. All moneys in such accounts shall
2277 be used and applied to carry out the purposes of the **[**corporation**]**
2278 authority. The **[**corporation**]** authority may make payments from such
2279 accounts to the Treasurer of the state for deposit in the Connecticut
2280 Innovations **[**, Incorporated**]** Fund for use in accordance with
2281 subsection (c) of this section.

2282 (c) The moneys in the Connecticut Innovations **[**, Incorporated**]**
2283 Fund (1) shall be used to carry out the purposes of the **[**corporation**]**
2284 authority and for the repayment of state bonds in such amounts as
2285 may be required by the State Bond Commission pursuant to said
2286 section 32-41 and section 32-41b, as amended by this act, and (2) may
2287 be used as state matching funds for federal funds available to the state
2288 for defense conversion projects or other projects consistent with a
2289 defense conversion strategy.

2290 Sec. 47. Section 32-41b of the general statutes is repealed and the
2291 following is substituted in lieu thereof (*Effective July 1, 2009*):

2292 The State Bond Commission shall have power in accordance with
2293 the provisions of section 3-20 to authorize the issuance of bonds of the
2294 state in one or more series and in principal amounts not exceeding in
2295 the aggregate sixty-one million four hundred forty-five thousand six
2296 hundred dollars, to carry out the purposes of this section as follows: (1)
2297 Loans for the development and marketing of products in the high
2298 technology field within the state, not exceeding thirty-four million
2299 dollars; (2) royalty financing for start-up costs and product
2300 development costs of high technology products and procedures in the
2301 state, not exceeding seven million four hundred forty-five thousand six

2302 hundred dollars; and (3) financial aid for biotechnology and other high
2303 technology laboratories, facilities and equipment, not exceeding
2304 twenty million dollars. Any loans originated under subdivision (1) of
2305 this section shall bear interest at a rate to be determined in accordance
2306 with subsection (t) of said section 3-20. The principal and interest of
2307 said bonds shall be payable at such place or places as may be
2308 determined by the State Treasurer and shall bear such date or dates,
2309 mature at such time or times, bear interest at such rate or different or
2310 varying rates, be payable at such time or times, be in such
2311 denominations, be in such form with or without interest coupons
2312 attached, carry such registration and transfer privileges, be payable in
2313 such medium of payment and be subject to such terms of redemption
2314 with or without premium as, irrespective of the provisions of said
2315 section 3-20, may be provided by the authorization of the State Bond
2316 Commission or fixed in accordance therewith. The proceeds of the sale
2317 of said bonds, after deducting therefrom all expenses of issuance and
2318 sale, shall be paid to the Connecticut Innovations **[**, Incorporated**]** Fund
2319 created under section 32-41a, as amended by this act. When the State
2320 Bond Commission has acted to issue such bonds or a portion thereof,
2321 the Treasurer may, pending the issue of such bonds, issue, in the name
2322 of the state, temporary notes in anticipation of the money to be
2323 received from the sale of such bonds. In issuing the bonds authorized
2324 hereunder, the State Bond Commission may require repayment of such
2325 bonds by the corporation as shall seem desirable consistent with the
2326 purposes of this section and section 32-41a, as amended by this act.
2327 Such terms for repayment may include a forgiveness of interest, a
2328 holiday in the repayment of interest or principal or both.

2329 Sec. 48. Section 32-41i of the general statutes is repealed and the
2330 following is substituted in lieu thereof (*Effective July 1, 2009*):

2331 As used in sections 32-41g to 32-41o, inclusive, as amended by this
2332 act:

2333 (1) "Act" means the Technology Deployment Act of 1993;

2334 (2) "Advanced available technology" means a technology or process
2335 that can be applied to a manufacturing operation without substantial
2336 modification;

2337 (3) "Technology deployment" means (A) activities that assist
2338 businesses in applying advanced available technologies in their
2339 existing operations, or (B) activities that assist businesses in the
2340 development and manufacture of new products derived from
2341 advanced available technologies;

2342 (4) [("Corporation" means Connecticut Innovations, Incorporated]
2343 "Authority" means the Connecticut Economic Innovations Authority
2344 established pursuant to section 6 of this act or a subsidiary designated
2345 by said authority;

2346 (5) "Eligible institution" means an institution within the Connecticut
2347 State University System which is operating a technology deployment
2348 program on July 1, 1993;

2349 (6) "Eligible deployment research consortium" means a multitown,
2350 nonprofit coalition which is representative of the business, academic
2351 and government communities in an economically distressed area of the
2352 state which on or before July 1, 1993, is dependent upon labor
2353 intensive, less technologically advanced manufacturing;

2354 (7) "Eligible business consortium" means a nonprofit business-led
2355 consortium organized for the purpose of technology deployment in the
2356 fields of biotechnology, ergonomics, environmental and energy
2357 technologies or educational and job training technologies;

2358 (8) "Eligible grant recipient" means one or more state institutions of
2359 higher education or a nonprofit business-led consortium organized for
2360 the purpose of technology deployment in advanced materials, marine
2361 sciences, photonics, pharmaceutical and environmental technologies;

2362 (9) "Small and medium-sized business" means a manufacturing
2363 business with fewer than five hundred employees.

2364 Sec. 49. Section 32-41j of the general statutes is repealed and the
2365 following is substituted in lieu thereof (*Effective July 1, 2009*):

2366 (a) There is established a university-based manufacturing
2367 application center program to be administered by the **[**corporation**]**
2368 authority for the purpose of promoting technology deployment by
2369 linking Connecticut's higher education system with small and
2370 medium-sized businesses. During the three-month period beginning
2371 on July 1, 1993, the **[**corporation**]** authority shall accept applications
2372 from eligible institutions in a form and manner prescribed by the
2373 **[**corporation**]** authority for state funding for the operation of a
2374 manufacturing application center.

2375 (b) On or before January 1, 1994, the **[**corporation**]** authority shall
2376 review all applications timely received pursuant to this section and
2377 shall approve one such application. In approving such application the
2378 **[**corporation**]** authority shall assess scientific and economic factors
2379 concerning the proposed manufacturing application center, including
2380 but not limited to the following:

2381 (1) The eligible institution's experience with manufacturing
2382 applications, including computer-integrated manufacturing,
2383 computer-aided drafting and design, just-in-time manufacturing and
2384 total quality management;

2385 (2) The center's plan to provide follow-up employee training to
2386 center users;

2387 (3) The center's plan to involve urban-based businesses, minority
2388 students or minority-owned businesses in its activities; and

2389 (4) The adequacy of the center's proposed mechanisms for
2390 evaluating its progress.

2391 (c) The center's responsibilities shall include, but not be limited to,
2392 providing training for manufacturing businesses in high performance
2393 work practices.

2394 Sec. 50. Section 32-41k of the general statutes is repealed and the
2395 following is substituted in lieu thereof (*Effective July 1, 2009*):

2396 (a) There is established a nonprofit deployment research program to
2397 be administered by the **[**corporation**]** authority for the purpose of
2398 identifying emerging advanced available technologies in economically
2399 distressed manufacturing or former manufacturing regions of the state.
2400 During the six-month period beginning on July 1, 1993, the
2401 **[**corporation**]** authority shall accept applications from eligible
2402 deployment research consortia in a form and manner prescribed by the
2403 **[**corporation**]** authority for state funding for technology deployment
2404 research.

2405 (b) On or before July 1, 1994, the **[**corporation**]** authority shall
2406 review all applications timely received pursuant to this section and
2407 shall approve one such application. In approving such application the
2408 **[**corporation**]** authority shall assess scientific and economic factors
2409 concerning the proposed technology deployment research, including
2410 but not limited to the following:

2411 (1) The extent to which the research will identify advanced available
2412 technologies for future deployment;

2413 (2) The extent to which the research enhances existing
2414 manufacturing in Connecticut industry;

2415 (3) The eligible research consortium's plan to involve minority
2416 students or minority owned businesses in its activities; and

2417 (4) The adequacy of the eligible research consortium's proposed
2418 mechanisms for evaluating its progress.

2419 (c) The center's responsibilities shall include, but not be limited to,
2420 providing training for businesses in high performance work practices.

2421 Sec. 51. Section 32-41*l* of the general statutes is repealed and the
2422 following is substituted in lieu thereof (*Effective July 1, 2009*):

2423 (a) There is established a Connecticut energy and environmental
2424 technologies deployment center program to be administered by the
2425 [corporation] authority for the purpose of promoting a nonprofit
2426 business consortium for technology deployment in two critical
2427 technologies where the state possesses unique scientific and human
2428 resources. During the three-month period beginning on July 1, 1993,
2429 the [corporation] authority shall accept applications from eligible
2430 business consortia in a form and manner prescribed by the
2431 [corporation] authority for state funding for the operation of an energy
2432 and environmental technologies application center.

2433 (b) On or before January 1, 1994, the [corporation] authority shall
2434 review all applications timely received pursuant to this section and
2435 shall approve one such application. In approving such application the
2436 [corporation] authority shall assess scientific and economic factors
2437 concerning the proposed Connecticut energy and environmental
2438 technologies deployment center, including but not limited to the
2439 following:

2440 (1) Participation in the center by multiple private enterprises
2441 including defense and non-defense-based firms with an expertise in
2442 environmental and energy technologies;

2443 (2) Participation in the center by more than one public or private
2444 institution of higher education;

2445 (3) The center's plan to involve minority students or minority-
2446 owned businesses in its activities; and

2447 (4) The adequacy of the center's proposed mechanisms for
2448 evaluating its progress.

2449 Sec. 52. Section 32-41m of the general statutes is repealed and the
2450 following is substituted in lieu thereof (*Effective July 1, 2009*):

2451 (a) There is established a Connecticut educational and job training
2452 technologies deployment center program to be administered by the

2453 [corporation] authority for the purpose of promoting a nonprofit
2454 business-led consortium for technology deployment in a critical
2455 technology in which the state possesses unique scientific and human
2456 resources. During the three-month period beginning on July 1, 1993,
2457 the [corporation] authority shall accept applications from eligible
2458 business consortia in a form and manner prescribed by the
2459 [corporation] authority for state funding for the operation of an
2460 educational and job training technologies deployment center.

2461 (b) On or before January 1, 1994, the [corporation] authority shall
2462 review all applications timely received pursuant to this section and
2463 shall approve one such application. In approving such application the
2464 [corporation] authority shall assess scientific and economic factors
2465 concerning the proposed Connecticut educational and job training
2466 technologies deployment center, including but not limited to the
2467 following:

2468 (1) The center's plan to provide educational and job training
2469 technologies to industry, the state's public schools, and state agencies;

2470 (2) The center's plan to deploy educational and job training
2471 software, hardware and state of the art telecommunications
2472 technologies;

2473 (3) The center's plan to involve minority students or minority-
2474 owned businesses in its activities; and

2475 (4) The adequacy of the center's proposed mechanisms for
2476 evaluating its progress.

2477 Sec. 53. Section 32-41n of the general statutes is repealed and the
2478 following is substituted in lieu thereof (*Effective July 1, 2009*):

2479 (a) There is established a critical technologies grant program to be
2480 administered by the [corporation] authority for the purpose of
2481 promoting technology deployment in advanced materials, marine
2482 sciences, photonics, pharmaceutical and environmental technologies.

2483 During the twelve-month period beginning on July 1, 1993, the
2484 **[**corporation**]** authority shall accept applications from eligible grant
2485 recipients in a form and manner prescribed by the **[**corporation**]**
2486 authority for state grants for the purpose of promoting technology
2487 deployment in such technologies.

2488 (b) On or before January 1, 1995, the **[**corporation**]** authority shall
2489 review all applications timely received pursuant to this section, may
2490 approve such applications and provide approved grant recipients such
2491 financial assistance as it may determine will promote technology
2492 deployment in advanced materials, marine sciences, photonics,
2493 pharmaceutical and environmental technologies. In approving such
2494 application the **[**corporation**]** authority shall assess scientific and
2495 economic factors concerning the uses of the proposed grant, including
2496 but not limited to the following:

2497 (1) The formal participation in the program proposed by businesses
2498 actively engaged in the commercial use of advanced materials, marine
2499 sciences, photonics, pharmaceutical and environmental technologies;

2500 (2) The likelihood that the program proposed will result in
2501 substantial and timely deployment of advanced available technologies
2502 in one or more of the following: Advanced materials, marine sciences,
2503 photonics, pharmaceutical and environmental technologies;

2504 (3) The proposal's plan to involve minority students or minority-
2505 owned businesses in its activities; and

2506 (4) The adequacy of the program's mechanisms for evaluating its
2507 progress.

2508 Sec. 54. Section 32-41o of the general statutes is repealed and the
2509 following is substituted in lieu thereof (*Effective July 1, 2009*):

2510 (a) For the purposes described in subsection (b) of this section, the
2511 State Bond Commission shall have the power, from time to time, to
2512 authorize the issuance of bonds of the state in one or more series and

2513 in principal amounts not exceeding in the aggregate five million five
2514 hundred thousand dollars.

2515 (b) The proceeds of the sale of said bonds, to the extent of the
2516 amount stated in subsection (a) of this section, shall be used by the
2517 **[**corporation**]** authority as follows: (1) Three million dollars for the
2518 program established in section 32-41j, as amended by this act; (2) five
2519 hundred thousand dollars for the program established in section 32-
2520 41k, as amended by this act; (3) one million two hundred fifty
2521 thousand dollars for the program established and for the eligible
2522 business consortium approved in section 32-41*l*, as amended by this
2523 act; and (4) seven hundred fifty thousand dollars for the program
2524 established and for the eligible business consortium approved in
2525 section 32-41m, as amended by this act.

2526 (c) All provisions of section 3-20, or the exercise of any right or
2527 power granted thereby which are not inconsistent with the provisions
2528 of this section are hereby adopted and shall apply to all bonds
2529 authorized by the State Bond Commission pursuant to this section, and
2530 temporary notes in anticipation of the money to be derived from the
2531 sale of any such bonds so authorized may be issued in accordance with
2532 said section 3-20 and from time to time renewed. Such bonds shall
2533 mature at such time or times not exceeding twenty years from their
2534 respective dates as may be provided in or pursuant to the resolution or
2535 resolutions of the State Bond Commission authorizing such bonds.
2536 None of said bonds shall be authorized except upon a finding by the
2537 State Bond Commission that there has been filed with it a request for
2538 such authorization, which is signed by or on behalf of the Secretary of
2539 the Office of Policy and Management and states such terms and
2540 conditions as said commission, in its discretion, may require. Said
2541 bonds issued pursuant to this section shall be general obligations of the
2542 state and the full faith and credit of the state of Connecticut are
2543 pledged for the payment of the principal of and interest on said bonds
2544 as the same become due, and accordingly and as part of the contract of
2545 the state with the holders of said bonds, appropriation of all amounts

2546 necessary for punctual payment of such principal and interest is
2547 hereby made, and the Treasurer shall pay such principal and interest
2548 as the same become due.

2549 Sec. 55. Section 32-41p of the general statutes is repealed and the
2550 following is substituted in lieu thereof (*Effective July 1, 2009*):

2551 (a) There is established a workplace center of excellence program to
2552 be administered by **[**Connecticut Innovations, Incorporated**]** the
2553 Connecticut Economic Innovations Authority for the purpose of
2554 developing and deploying ergonomic technology solutions and
2555 knowledge. During the three-month period beginning on July 1, 1994,
2556 the **[**corporation**]** authority shall accept applications from eligible
2557 institutions in a form and manner prescribed by the **[**corporation**]**
2558 authority for state funding for the establishment and operation of a
2559 workplace center of excellence.

2560 (b) On or before January 1, 1995, the **[**corporation**]** authority shall
2561 review all applications timely received pursuant to this section,
2562 approve one such application and provide the approved institution
2563 with such financial assistance as the **[**corporation**]** authority may
2564 determine will promote the purposes of this section. In approving such
2565 application the **[**corporation**]** authority shall assess scientific and
2566 economic factors concerning the proposed center, including but not
2567 limited to, the following:

2568 (1) The formal participation in, and financial support of, the center
2569 by employers, insurers, and enterprises actively engaged in
2570 developing and deploying ergonomics solutions and related activities;

2571 (2) The likelihood that the center will result in substantial and
2572 timely deployment of advanced technology solutions to existing
2573 businesses in the state;

2574 (3) The center's plan to involve employers, labor, institutions of
2575 higher education and other interested parties in its decision-making;

2576 (4) The adequacy of the center's financial plan, including the
2577 matching of any state grant funds to implement specific projects with
2578 at least an equal amount of funding from private sources;

2579 (5) The center's plan to involve urban residents and urban-based
2580 businesses; and

2581 (6) The adequacy of the center's mechanisms for evaluating its
2582 progress.

2583 Sec. 56. Section 32-41q of the general statutes is repealed and the
2584 following is substituted in lieu thereof (*Effective July 1, 2009*):

2585 (a) As used in this section "critical industry" means an industry that
2586 uses emerging technologies, including but not limited to, fuel cell
2587 technology, to develop and manufacture nondefense products for
2588 future sale, has the potential to create or retain jobs in the state and is
2589 critical to the state economy.

2590 (b) There is established an account to be known as the critical
2591 industries development account, which shall be a separate, nonlapsing
2592 account within the General Fund. The account shall contain any
2593 moneys invested pursuant to the provisions of this section.
2594 **[**Connecticut Innovations, Incorporated**]** The Connecticut Economic
2595 Innovations Authority may use funds from the account to provide
2596 loans, loan guarantees, interest rate subsidies and other forms of loan
2597 assistance to customers of businesses in critical industries which
2598 businesses are based in the state. **[**Connecticut Innovations,
2599 Incorporated**]** The Connecticut Economic Innovations Authority may
2600 solicit and receive funds from any public and private sources for the
2601 program. Such funds may include, without limitation, federal funds,
2602 state bond proceeds, private venture capital and investments by
2603 persons, firms or corporations. Private capital investments may be
2604 made either in the account as a whole or in one or more individual
2605 technologies or projects.

2606 (c) No product may receive assistance under this section unless its

2607 manufacturer agrees to enter into a contract to: (1) Carry out a
2608 specified percentage of the development and manufacturing work for
2609 the product in the state; and (2) when subcontracting is required, to
2610 conduct a specified percentage of such work with companies based in
2611 the state. **[**Connecticut Innovations, Incorporated**]** The Connecticut
2612 Economic Innovations Authority shall determine such percentage for
2613 the purposes of this program.

2614 (d) Any person who, or firm or corporation which, invests funds in
2615 the critical industries development account pursuant to this section
2616 shall receive a portion of the interest paid and principal repayment by
2617 the recipient of the loan in proportion to the ratio of the amount of the
2618 investment of such person, firm or corporation to the total loan
2619 amount.

2620 (e) The Commissioner of Economic and Community Development
2621 may adopt regulations in accordance with the provisions of chapter 54
2622 to carry out the purposes of this section.

2623 Sec. 57. Section 32-41s of the general statutes is repealed and the
2624 following is substituted in lieu thereof (*Effective July 1, 2009*):

2625 (a) As used in this section:

2626 (1) "Eligible business" means a business which (A) has not more
2627 than three hundred employees at any time during the preceding
2628 twelve months, and (B) is engaged in biotechnology, pharmaceutical or
2629 photonics research, development or production in the state; and

2630 (2) "Eligible commercial property" means (A) real or personal
2631 property which an eligible business has (i) owned or leased and (ii)
2632 utilized at all times during the preceding twelve months, or (B) real
2633 property which the Commissioner of Economic and Community
2634 Development or **[**Connecticut Innovations, Incorporated**]** the
2635 Connecticut Economic Innovations Authority has certified as newly
2636 constructed or substantially renovated and expanded primarily for
2637 occupancy by one or more eligible businesses.

2638 (b) On and after July 1, 1997, eligible businesses and eligible
2639 commercial property located in any municipality which has (1) a major
2640 research university with programs in biotechnology, pharmaceuticals
2641 or photonics, and (2) an enterprise zone, shall be entitled to the same
2642 benefits, subject to the same conditions, under the general statutes for
2643 which businesses located in an enterprise zone qualify.

2644 (c) **[**Connecticut Innovations, Incorporated**]** The Connecticut
2645 Economic Innovations Authority may provide lease guarantees or
2646 other financial aid for facilities, improvements and equipment, to
2647 benefit any eligible business **[**which is**]** unable to secure financing for
2648 such items on commercially reasonable terms.

2649 (d) **[**Connecticut Innovations, Incorporated**]** The Connecticut
2650 Economic Innovations Authority may recommend regulations to carry
2651 out the purposes of this section, which the Commissioner of Economic
2652 and Community Development shall adopt in accordance with chapter
2653 54.

2654 (e) **[**Connecticut Innovations, Incorporated**]** The Connecticut
2655 Economic Innovations Authority shall evaluate the feasibility of
2656 establishing a bio-processing facility within this state. If determined to
2657 be feasible, **[**Connecticut Innovations, Incorporated**]** the Connecticut
2658 Economic Innovations Authority shall facilitate the formation of a
2659 business consortium, in which it may participate, to launch and
2660 operate such facility.

2661 Sec. 58. Section 32-41t of the general statutes is repealed and the
2662 following is substituted in lieu thereof (*Effective July 1, 2009*):

2663 As used in this section and section 32-41u, as amended by this act:

2664 (1) **[**"Corporation" means Connecticut Innovations, Incorporated as
2665 created under section 32-35**]** "Authority" means the Connecticut
2666 Economic Innovations Authority; and

2667 (2) "Eligible participant" means a member of the faculty or a

2668 researcher engaged in applied research and development at any
2669 Connecticut college or university that agrees to participate in a high
2670 technology research and development program established by the
2671 **[**corporation**]** authority.

2672 Sec. 59. Section 32-41u of the general statutes is repealed and the
2673 following is substituted in lieu thereof (*Effective July 1, 2009*):

2674 (a) There is established a high technology research and development
2675 program to be administered by the **[**corporation**]** authority for the
2676 purpose of promoting collaboration between businesses and colleges
2677 and universities in this state in advanced materials, aerospace,
2678 bioscience, energy and environmental systems, information
2679 technology, applied optics, microelectronics and other high technology
2680 fields. The **[**corporation**]** authority may accept applications to the
2681 program from eligible participants in a form and manner prescribed by
2682 the **[**corporation**]** authority.

2683 (b) In approving any application the **[**corporation**]** authority shall
2684 assess the collaborative nature of the proposal as well as scientific and
2685 economic factors, including, but not limited to, the following:

2686 (1) The formal participation in the proposal by businesses actively
2687 engaged in the commercial use of advanced materials, aerospace,
2688 bioscience, energy and environmental systems, information
2689 technology, applied optics, microelectronics and other high technology
2690 fields;

2691 (2) The likelihood that a proposal will result in the development or
2692 commercialization of high technology products or processes in this
2693 state; and

2694 (3) The likelihood that a proposal will result in long-term,
2695 sustainable economic growth for this state.

2696 (c) The **[**corporation**]** authority shall provide financial aid, as
2697 defined in subdivision (4) of section 32-34, as amended by this act, to

2698 eligible participants whose proposals have been approved by the
2699 **[**corporation**]** authority as provided in subsections (a) and (b) of this
2700 section.

2701 (d) The **[**corporation**]** authority may establish other programs,
2702 including financial programs, in order to attract and retain residents
2703 with postsecondary education in science, engineering, mathematics
2704 and other disciplines that are essential or advisable to the development
2705 and application of technology.

2706 Sec. 60. Section 32-43 of the general statutes is repealed and the
2707 following is substituted in lieu thereof (*Effective July 1, 2009*):

2708 The state of Connecticut does hereby pledge to and agree with any
2709 person with whom the **[**corporation**]** authority may enter into contracts
2710 pursuant to the provisions of this chapter that the state will not limit or
2711 alter the rights hereby vested in the **[**corporation**]** authority until such
2712 contracts and the obligations thereunder are fully met and performed
2713 on the part of the **[**corporation**]** authority, provided nothing herein
2714 contained shall preclude such limitation or alteration if adequate
2715 provision shall be made by law for the protection of such persons
2716 entering into contracts with the **[**corporation**]** authority.

2717 Sec. 61. Section 32-47 of the general statutes is repealed and the
2718 following is substituted in lieu thereof (*Effective July 1, 2009*):

2719 (a) Neither the directors of **[**Connecticut Innovations, Incorporated**]**
2720 the Connecticut Economic Innovations Authority nor any person
2721 acting on behalf of said **[**corporation**]** authority executing any notes,
2722 bonds, contracts, agreements or other obligations issued pursuant to
2723 this chapter shall be liable personally on such notes, bonds, contracts,
2724 agreements or obligations, or be subject to any personal liability or
2725 accountability by reason of the issuance thereof.

2726 (b) No director shall be personally liable for damage or injury, not
2727 wanton or wilful, caused in the performance of his duties and within
2728 the scope of his employment. Any person having a complaint for such

2729 damage or injury shall present it as a claim against the state under the
2730 provisions of chapter 53.

2731 Sec. 62. Section 32-47a of the general statutes is repealed and the
2732 following is substituted in lieu thereof (*Effective July 1, 2009*):

2733 Not later than January first in each year, **[**Connecticut Innovations,
2734 Incorporated**]** the Connecticut Economic Innovations Authority shall
2735 submit a business plan containing a summary of its projected
2736 operations for the year to the joint standing committees of the General
2737 Assembly having cognizance of matters relating to the Department of
2738 Economic and Community Development, appropriations and capital
2739 bonding. Not later than November first, annually, the **[**corporation**]**
2740 authority shall submit a report to the Commissioner of Economic and
2741 Community Development, the Auditors of Public Accounts and said
2742 joint standing committees, which shall include the following
2743 information with respect to new and outstanding financial assistance
2744 provided by the **[**corporation**]** authority during the twelve-month
2745 period ending on June thirtieth next preceding the date of the report
2746 for each financial assistance program administered by the
2747 **[**corporation**]** authority: (1) A list of the names, addresses and locations
2748 of all recipients of such assistance, (2) for each such recipient: (A) The
2749 business activities, (B) the Standard Industrial Classification Manual
2750 codes, (C) the gross revenues during the recipient's most recent fiscal
2751 year, (D) the number of employees at the time of application, (E)
2752 whether the recipient is a minority or woman-owned business, (F) a
2753 summary of the terms and conditions for the assistance, including the
2754 type and amount of state financial assistance, job creation or retention
2755 requirements, and anticipated wage rates, and (G) the amount of
2756 investments from private and other nonstate sources that have been
2757 leveraged by the assistance, (3) the economic benefit criteria used in
2758 determining which applications have been approved or disapproved,
2759 and (4) for each recipient of assistance on or after July 1, 1991, a
2760 comparison between the number of jobs to be created, the number of
2761 jobs to be retained and the average wage rates for each such category

2762 of jobs, as projected in the recipient's application, versus the actual
2763 number of jobs created, the actual number of jobs retained and the
2764 average wage rates for each such category. The report shall also
2765 indicate the actual number of full-time jobs and the actual number of
2766 part-time jobs in each such category and the benefit levels for each
2767 such subcategory. The November first report shall include a summary
2768 of the activities of the corporation, including all activities to assist
2769 small businesses and minority business enterprises, as defined in
2770 section 4a-60g, a complete operating and financial statement and
2771 recommendations for legislation to promote the purposes of the
2772 **[**corporation**]** authority. The **[**corporation**]** authority shall furnish such
2773 additional information upon the written request of any such
2774 committee at such times as the committee may request.

2775 Sec. 63. Section 10-395 of the general statutes is repealed and the
2776 following is substituted in lieu thereof (*Effective July 1, 2009*):

2777 There is established an account within the General Fund to be
2778 known as the **[**"Connecticut Commission on Culture**]** "Culture and
2779 Tourism account". The account shall contain all moneys required by
2780 law to be deposited in the account, including moneys received
2781 pursuant to section 10-398.

2782 Sec. 64. Section 10-399 of the general statutes is repealed and the
2783 following is substituted in lieu thereof (*Effective July 1, 2009*):

2784 (a) As used in this section: "Visitor welcome center" means the
2785 welcome centers, visitor centers and tourist information centers
2786 located in West Willington, Greenwich, Danbury, Darien, North
2787 Stonington and Westbrook, which have been established to distribute
2788 information to persons traveling in the state for the purpose of
2789 influencing such persons' level of satisfaction with the state and
2790 expenditures in the state and their planning for present and future
2791 trips to the state.

2792 (b) The following measures shall be implemented to enhance the

2793 operation of visitor welcome centers:

2794 (1) Each center shall make available space for listing events and
2795 promoting attractions, by invitation to the Connecticut tourism
2796 industry, including tourism districts, chambers of commerce and any
2797 other tourism entities involved in Connecticut tourism promotion;

2798 (2) The **[**Commission on Culture and Tourism, established under
2799 section 10-392**]** Department of Economic and Community
2800 Development, in consultation with the Department of Transportation,
2801 shall develop plans for (A) consistent signage for the visitor welcome
2802 centers, and (B) highway signage regulations for privately operated
2803 centers;

2804 (3) The Department of Transportation and the **[**commission**]**
2805 Department of Economic and Community Development shall establish
2806 an "Adopt A Visitor Welcome Center" program, under which local
2807 civic organizations may provide maintenance, gardening, including
2808 wildflowers, and complimentary refreshments or any other type of
2809 service at a visitor welcome center to enhance the operation of the
2810 center;

2811 (4) The **[**commission**]** Department of Economic and Community
2812 Development shall place a full-time year-round supervisor and a part-
2813 time assistant supervisor at the Danbury, Darien, North Stonington
2814 and West Willington centers. The responsibilities of each supervisor
2815 shall include, but not be limited to: (A) Maintaining a sufficient
2816 inventory of up-to-date brochures for dissemination to visitors, (B)
2817 scheduling staff so as to assure coverage at all times, (C) training staff,
2818 (D) compiling and maintaining statistics on center usage, (E) serving as
2819 liaison between the commission, the Department of Transportation, the
2820 tourism district in which the center is located and businesses in such
2821 district, (F) maintaining quality tourism services, (G) rotating displays,
2822 (H) evaluating staff, (I) problem-solving, and (J) computing travel
2823 reimbursements for volunteer staff;

2824 (5) Subject to available funds, the commission shall place a seasonal
2825 full-time supervisor and a seasonal part-time assistant supervisor at
2826 the Greenwich and Westbrook centers. The commission shall
2827 discontinue staffing at the Middletown, Plainfield and Wallingford
2828 centers, and shall, in conjunction with the tourism industry, seek
2829 contract workers to provide tourism services at the Westbrook center
2830 when not staffed by the state;

2831 (6) Subject to available funds, the **[**commission**]** Department of
2832 Economic and Community Development, in conjunction with the
2833 tourism industry, shall develop and implement initial staff training
2834 and conduct periodic training of full-time and part-time supervisors.

2835 Sec. 65. Section 10-402 of the general statutes is repealed and the
2836 following is substituted in lieu thereof (*Effective July 1, 2009*):

2837 (a) For purposes of this section the following terms have the
2838 following meanings:

2839 (1) "Work of art" means any work of visual art, including but not
2840 limited to, a drawing, painting, sculpture, mosaic, photograph, work of
2841 calligraphy or work of graphic art or mixed media;

2842 (2) "Connecticut artists" means artists born in Connecticut, artists
2843 who have worked in or received a portion of their training in
2844 Connecticut, or artists living in Connecticut at the time of the purchase
2845 of their works of art.

2846 (b) The **[**Connecticut Commission on Culture and Tourism,
2847 established under section 10-392,**]** Department of Economic and
2848 Community Development may establish and administer a state art
2849 collection.

2850 (c) The **[**Connecticut Commission on Culture and Tourism,
2851 established under section 10-392,**]** Department of Economic and
2852 Community Development shall establish policies and procedures with
2853 respect to the activities of the art collection and perform every other

2854 matter and thing requisite to the proper management, maintenance,
2855 support and control of the Connecticut art collection.

2856 (d) The art collection shall be representative of various media,
2857 diverse styles and periods of Connecticut artists and shall be
2858 representative of Connecticut's ethnic, racial and cultural groups.

2859 (e) The **[**Connecticut Commission on Culture and Tourism,
2860 established under section 10-392,**]** Department of Economic and
2861 Community Development may apply for and receive aid or grants
2862 from individuals, private artists, state sources, private foundations,
2863 local arts organizations and the federal government for the state art
2864 collection.

2865 Sec. 66. Section 10-403 of the general statutes is repealed and the
2866 following is substituted in lieu thereof (*Effective July 1, 2009*):

2867 The **[**Connecticut Commission on Culture and Tourism, established
2868 under section 10-392,**]** Department of Economic and Community
2869 Development is designated as the state agency for the reception and
2870 disbursement of federal, state and private moneys or other property
2871 **[**made available on or after July 1, 1965,**]** for the purpose of fostering
2872 the arts within the authority of the **[**commission**]** department, in
2873 accordance with the standard state fiscal procedures.

2874 Sec. 67. Section 10-404 of the general statutes is repealed and the
2875 following is substituted in lieu thereof (*Effective July 1, 2009*):

2876 Any person otherwise qualifying for a loan or grant made by the
2877 **[**Connecticut Commission on Culture and Tourism, established under
2878 section 10-392,**]** Department of Economic and Community
2879 Development, under the provisions of this chapter, shall not be
2880 disqualified by reason of being under the age of eighteen years and for
2881 the purpose of applying for, receiving and repaying such a loan, or
2882 entering into a contract concerning such loan or grant, any such person
2883 shall be deemed to have full legal capacity to act and shall have all the
2884 rights, powers, privileges and obligations of a person of full age, with

2885 respect thereto.

2886 Sec. 68. Section 10-405 of the general statutes is repealed and the
2887 following is substituted in lieu thereof (*Effective July 1, 2009*):

2888 For purposes of this section and sections 10-406 to 10-408, inclusive,
2889 as amended by this act:

2890 (1) "Arts organization" means a nonprofit organization in the state
2891 which is exempt from taxation pursuant to Section 501(c)(3) of the
2892 Internal Revenue Code of 1986, as from time to time amended, the
2893 primary purpose of which is to create, perform, present or otherwise
2894 promote the visual, performing or literary arts in the state, but shall
2895 not mean an organization, the primary purpose of which is
2896 instructional, or an organization, the primary purpose of which is to
2897 receive contributions for and provide funding to arts organizations;

2898 **[**(2) "Commission" means the Connecticut Commission on Culture
2899 and Tourism, established under section 10-392;**]**

2900 **[**(3)**]** (2) "Contribution" means cash, negotiable securities or other
2901 gifts of similar liquidity;

2902 **[**(4)**]** (3) "Donor" means a private organization, the primary purpose
2903 of which is to receive contributions for and provide funding to arts
2904 organizations, a private foundation or private corporation,
2905 partnership, single proprietorship or association or person making a
2906 contribution to an arts organization;

2907 **[**(5)**]** (4) "Fiscal year" means a period of twelve calendar months as
2908 determined by the arts organization's bylaws.

2909 Sec. 69. Section 10-406 of the general statutes is repealed and the
2910 following is substituted in lieu thereof (*Effective July 1, 2009*):

2911 There is created a "Connecticut Arts Endowment Fund". The
2912 proceeds of any bonds issued for the purposes of sections 10-405 to 10-

2913 408, inclusive, as amended by this act, shall be deposited in said fund.
2914 The State Treasurer shall invest the proceeds of the fund and the
2915 investment earnings shall be credited to and become part of the fund.
2916 Annually, on or before September first, the Treasurer shall notify the
2917 [commission] commissioner of the total amount of investment earnings
2918 of the fund for the prior fiscal year and such amount shall be available
2919 to the [commission] Commissioner of Economic and Community
2920 Development for payments pursuant to sections 10-407 and 10-408, as
2921 amended by this act. Any balance remaining in the fund at the end of
2922 each fiscal year shall be carried forward in the fund for the succeeding
2923 fiscal year.

2924 Sec. 70. Section 10-408 of the general statutes is repealed and the
2925 following is substituted in lieu thereof (*Effective July 1, 2009*):

2926 Annually, on or before December fifteenth, an arts organization may
2927 apply to the [commission] Commissioner of Economic and
2928 Community Development for a state matching grant, provided the
2929 organization includes in its application a copy of its Internal Revenue
2930 Service return of organization exempt from income tax form, or any
2931 replacement form adopted by the Internal Revenue Service, showing
2932 the total amount of contributions received from donors for the arts
2933 organization's two most recently completed fiscal years. On or before
2934 the January fifteenth next following, the [commission] commissioner
2935 shall certify to the Treasurer an amount equal to the total matching
2936 grants as calculated pursuant to section 10-407. Thereafter, the
2937 Treasurer shall make available such amount to the [commission]
2938 commissioner and the [commission] commissioner shall, on or before
2939 April fifteenth, pay to each arts organization a grant as calculated
2940 pursuant to said section 10-407.

2941 Sec. 71. Section 10-409 of the general statutes is repealed and the
2942 following is substituted in lieu thereof (*Effective July 1, 2009*):

2943 (a) With respect to historical preservation, there is established
2944 within the [Connecticut Commission on Culture and Tourism,

2945 established under section 10-392,] Department of Economic and
2946 Community Development an Historic Preservation Council. The
2947 Historic Preservation Council shall consist of [twelve] the State
2948 Historian, the State Archaeologist and ten members to be appointed by
2949 the Governor. On or before January fifth in the even-numbered years,
2950 the Governor shall appoint [six] five members for terms of four years
2951 each to replace those whose terms expire. [One of such members shall
2952 be the State Historian and one shall be the State Archaeologist.]
2953 Members shall be appointed in accordance with the provisions of
2954 section 4-9a. No appointed member shall serve for more than two
2955 consecutive full terms. Any member who fails to attend three
2956 consecutive meetings or who fails to attend fifty per cent of all
2957 meetings held during any calendar year shall be deemed to have
2958 resigned from office. The Governor shall biennially designate one
2959 member of the council to be chairperson. The Governor shall fill any
2960 vacancy for any unexpired portion of the term and may remove any
2961 member as provided by section 4-12. No compensation shall be
2962 received by the members of the council but they shall be reimbursed
2963 for their necessary expenses. The [Connecticut Commission on Culture
2964 and Tourism] Department of Economic and Community Development
2965 may, with the advice of the Historic Preservation Council, (1) study
2966 and investigate historic structures and landmarks in this state and
2967 encourage and recommend the development, preservation and
2968 marking of such historic structures and landmarks found to have
2969 educational, recreational and historical significance; (2) prepare, adopt
2970 and maintain standards for a state register of historic places; (3) update
2971 and keep current the state historic preservation plan; (4) administer the
2972 National Register of Historic Places Program; (5) assist owners of
2973 historic structures in seeking federal or other aid for historic
2974 preservation and related purposes; (6) recommend to the General
2975 Assembly the placing and maintaining of suitable markers, memorials
2976 or monuments or other edifices to designate historic structures and
2977 landmarks found to have historical significance; (7) make
2978 recommendations to the General Assembly regarding the development
2979 and preservation of historic structures and landmarks owned by the

2980 state; (8) maintain a program of historical, architectural, and
2981 archaeological research and development including surveys,
2982 excavation, scientific recording, interpretation and publication of the
2983 historical, architectural, archaeological and cultural resources of the
2984 state; (9) cooperate with promotional, patriotic, educational and
2985 research groups and associations, with local, state and national
2986 historical societies, associations and commissions, with agencies of the
2987 state and its political subdivisions and with the federal government, in
2988 promoting and publicizing the historical heritage of Connecticut; (10)
2989 formulate standards and criteria to guide the several municipalities in
2990 the evaluation, delineation and establishment of historic districts; (11)
2991 cooperate with the State Building Inspector, the Codes and Standards
2992 Committee and other building officials and render advisory opinions
2993 and prepare documentation regarding the application of the State
2994 Building Code to historic structures and landmarks if requested by
2995 owners of historic structures and landmarks, the State Building
2996 Inspector, the Codes and Standards Committee or other building
2997 officials; (12) review planned state and federal actions to determine
2998 their impact on historic structures and landmarks; (13) operate the
2999 Henry Whitfield House of Guilford, otherwise known as the Old Stone
3000 House, as a state historical museum and, in its discretion, charge a fee
3001 for admission to said museum and account for and deposit the same as
3002 provided in section 4-32; (14) provide technical and financial assistance
3003 to carry out the purposes of this section and sections 10-410 to 10-416,
3004 inclusive, as amended by this act; (15) adopt regulations in accordance
3005 with the provisions of chapter 54 for the preservation of sacred sites
3006 and archaeological sites; and (16) inventory state lands to identify
3007 sacred sites and archaeological sites. The commission shall study the
3008 feasibility of establishing a state museum of Connecticut history at an
3009 appropriate existing facility. The Historic Preservation Council shall
3010 (A) review and approve or disapprove requests by owners of historic
3011 properties on which the [commission] state holds preservation
3012 easements to perform rehabilitation work on sacred sites and
3013 archaeological sites; (B) request the assistance of the Attorney General
3014 to prevent the unreasonable destruction of historic properties pursuant

3015 to the provisions of section 22a-19a; and (C) place and maintain
3016 suitable markers, memorials or monuments to designate sites or places
3017 found to have historic significance. The council shall meet monthly.
3018 The Connecticut Trust for Historic Preservation may provide technical
3019 assistance to the council.

3020 (b) Notwithstanding the provisions of this section or section 1-210,
3021 the **[**Connecticut Commission on Culture and Tourism**]** Department of
3022 Economic and Community Development may withhold from
3023 disclosure to the public information relating to the location of
3024 archaeological sites under consideration for listing by the commission
3025 or those listed on the National Register of Historic Places or the state
3026 register of historic places whenever the **[**commission**]** department
3027 determines that disclosure of specific information would create a risk
3028 of destruction or harm to such sites. The provisions of this subsection
3029 shall not apply to any such site unless the person who reported or
3030 discovered such site has submitted a written statement to the
3031 **[**commission**]** department requesting that no disclosure be made. Upon
3032 receipt of such statement, the **[**commission**]** department may withhold
3033 such information from disclosure until the July first next succeeding
3034 such receipt. Such person may request that a period of nondisclosure
3035 be extended by submitting such statements prior to July first of any
3036 year.

3037 (c) The Historic Preservation Council **[**of the Connecticut
3038 Commission on Culture and Tourism**]** shall develop a model ballot
3039 form to be mailed by clerks of municipalities on the question of
3040 creation of historic districts or districts as provided for in section 7-
3041 147a to 7-147k, inclusive.

3042 Sec. 72. Section 10-410 of the general statutes is repealed and the
3043 following is substituted in lieu thereof (*Effective July 1, 2009*):

3044 For the purposes of sections 10-409 to 10-415, inclusive, as amended
3045 by this act, **[**"commission"**]** "department" means the **[**Connecticut
3046 Commission on Culture and Tourism established under section 10-392**]**

3047 Department of Economic and Community Development;
3048 "municipality" shall include any town, city or borough; "private
3049 organization" means a nonprofit organization which has the power to
3050 acquire, relocate, restore and maintain historic structures and
3051 landmarks in the state of Connecticut; "historic district" means an area
3052 in a municipality established under section 7-147a or by special act;
3053 "historic structures and landmarks" means any building, structure,
3054 object or site that is significant in American history, architecture,
3055 archaeology and culture or property used in connection therewith
3056 including sacred sites and archaeological sites; "historic preservation"
3057 means research, protection, restoration, stabilization and adaptive use
3058 of buildings, structures, objects, districts, areas and sites significant in
3059 the history, architecture, archaeology or culture of this state, its
3060 municipalities or the nation; and "state register of historic places"
3061 means the commission's itemized list locating and classifying historic
3062 structures and landmarks throughout the state, as discovered in the
3063 commission's field survey of 1966-1967 and as subsequently
3064 augmented.

3065 Sec. 73. Section 10-411 of the general statutes is repealed and the
3066 following is substituted in lieu thereof (*Effective July 1, 2009*):

3067 (a) Any municipality or private organization may acquire, relocate,
3068 restore, preserve and maintain historic structures and landmarks and
3069 may receive funds from the state and federal governments for such
3070 purposes. Grants-in-aid may be made to owners of historic structures
3071 or landmarks in an amount not to exceed fifty per cent of the
3072 nonfederal share of the total cost of such acquisition, relocation,
3073 historic preservation and restoration. Grants-in-aid shall be made
3074 through an assistance agreement signed by the owner. Subsequent to
3075 the execution of any such assistance agreement, advances of funds
3076 may be made by the commission to the owner of such an historic
3077 structure or landmark.

3078 (b) Before executing any such assistance agreement under sections
3079 10-410 to 10-415, inclusive, as amended by this act, the [commission]

3080 department shall require that (1) the owner has developed a
3081 comprehensive historic preservation plan, approved by the
3082 [commission] department, together with specific work plans and
3083 specifications; (2) the owner provides payment and performance bonds
3084 to assure the completion of the preservation work in an authentic
3085 manner satisfactory to the [commission] department; (3) the owner has
3086 filed with the town clerk in the municipality in which the property is
3087 located a declaration of covenant guaranteeing the preservation of the
3088 historical or architectural qualities of the property in perpetuity or for
3089 a period approved by the [commission] department; (4) the owner
3090 receiving funds for the purposes of said sections plans to and can
3091 demonstrate an ability to maintain and operate properly the historic
3092 structure or landmark for an indefinite period of time and that such
3093 owner will open it to the public at reasonable times, free of charge or
3094 subject to a reasonable charge as approved by the [commission]
3095 department; (5) the owner maintains sufficient casualty and liability
3096 insurance to render the state harmless in any action arising from the
3097 acquisition, relocation, restoration or operation of properties under
3098 said sections; and (6) if such historic structure or landmark lies within
3099 the boundaries of any historic district, the proposed acquisition,
3100 relocation, preservation and restoration has been approved by the local
3101 historic district commission. Such assistance agreement may require
3102 that if the owner receiving funds under said sections fails to operate or
3103 maintain properly the historic structure or landmark, title to such
3104 property may be acquired by the [commission] department upon
3105 payment to such municipality or private organization of a sum equal
3106 to the amount provided by such municipality or private organization
3107 in accordance with such assistance agreement.

3108 (c) Federal grants-in-aid shall be administered by the [commission]
3109 department in accordance with all federal requirements.

3110 (d) The [commission] department shall adopt regulations pursuant
3111 to chapter 54 for its guidance before making such grants-in-aid or
3112 advances. Such regulations shall, among other things, require that the

3113 commission determine that the historic structure or landmark to be
3114 acquired, relocated or restored is an authentic historic structure or
3115 landmark as identified in the state register of historic places.

3116 Sec. 74. Section 10-412 of the general statutes is repealed and the
3117 following is substituted in lieu thereof (*Effective July 1, 2009*):

3118 (a) The **[**commission**]** department may provide an appropriate
3119 plaque or marker at a cost, to be determined by the **[**commission**]**
3120 department, to the recipient for attachment to an historic structure or
3121 landmark identifying it as a Connecticut historical landmark within
3122 the criteria adopted by the **[**commission**]** department and as identified
3123 through the state register of historic places, if the owner agrees to
3124 display such plaque or marker in a manner satisfactory to the
3125 **[**commission**]** department. Any such plaque or marker may be
3126 repossessed by the **[**commission**]** department if the historic structure or
3127 landmark is not maintained in a manner satisfactory to the
3128 **[**commission**]** department.

3129 (b) The **[**Connecticut Commission on Culture and Tourism,
3130 established under section 10-392**]** Department of Economic and
3131 Community Development, in consultation with the Amistad
3132 Committee, Inc., New Haven, shall establish a Freedom Trail and a
3133 program to recognize, document and mark sites in this state that are
3134 associated with the history and movement towards freedom of its
3135 African-American citizens, the Underground Railroad and the
3136 abolition of slavery. The **[**commission**]** department and the Amistad
3137 Committee, Incorporated, of New Haven shall designate and mark the
3138 sites of the Freedom Trail. The Amistad Committee, Inc., of New
3139 Haven shall be responsible for the coordination and organization of
3140 the "September Freedom Trail Month". The **[**commission**]** department
3141 shall establish a program to publicize the existence of the Freedom
3142 Trail and shall publish a brochure which indicates the location and
3143 history of the sites.

3144 Sec. 75. Section 10-413 of the general statutes is repealed and the

3145 following is substituted in lieu thereof (*Effective July 1, 2009*):

3146 The [commission] department may, subject to the provisions of
3147 sections 4b-1, 4b-21 and 4b-22, using such funds as may be
3148 appropriated to it or available from any other source, acquire by gift,
3149 grant, bequest, devise, lease, purchase or otherwise historic structures
3150 or landmarks, including such adjacent land as may be necessary for the
3151 comfort and safety of the visiting public, which the [commission]
3152 department determines to be of national or state historical importance
3153 and to be of such concern to the public at large that they should be
3154 held forever in good condition for visitation by the public and for the
3155 protection of the heritages of the people of this state and nation. The
3156 [commission] department may restore, maintain and operate, or may
3157 lease to private organizations or municipalities for the purpose of
3158 restoring, maintaining and operating, such properties in such a
3159 condition as to render them suitable for public visitation and to inform
3160 the public of the historic event or circumstance connected therewith.
3161 [The commission] Subject to the availability of funds, the department
3162 may charge reasonable visitation or special event fees, and operate or
3163 contract for the operation of gift shops at such properties and use
3164 funds received to help defray the cost of maintenance and operation of
3165 such properties and to replenish stock. The [commission] department
3166 may cooperate with the Department of Environmental Protection and
3167 any other appropriate municipal, state or federal agency or private
3168 organization in carrying out functions under this section and may
3169 enter into agreements for such purposes.

3170 Sec. 76. Section 10-414 of the general statutes is repealed and the
3171 following is substituted in lieu thereof (*Effective July 1, 2009*):

3172 The [commission] department may place and maintain suitable
3173 markers, memorials or monuments to designate sites or places found
3174 to have historic significance.

3175 Sec. 77. Section 10-415 of the general statutes is repealed and the
3176 following is substituted in lieu thereof (*Effective July 1, 2009*):

3177 (a) In making any grants-in-aid or providing any plaques or
3178 markers or making any direct expenditures for purposes of acquisition,
3179 relocation, restoration, maintenance or operation under sections 10-410
3180 to 10-414, inclusive, as amended by this act, and this section the
3181 [commission] department shall utilize any programs of the federal
3182 government in concert with its actions so as to reduce the amount of
3183 state or local expenditures hereunder. The state, acting through the
3184 [commission] department, and any municipality may receive from the
3185 federal government any financial or technical assistance which may be
3186 available to it for the purpose of acquisition, historic preservation or
3187 operation of historic structures or landmarks and may also receive
3188 from any source gifts, devises, bequests or legacies.

3189 (b) The [commission] department may enter into and carry out
3190 contracts with the federal government or any agency thereof under
3191 which said government or agency grants financial or other assistance
3192 to the [commission] department to further the purposes of sections 10-
3193 409 to 10-416, inclusive, as amended by this act. The [commission]
3194 department may agree to and comply with any reasonable conditions
3195 not inconsistent with state law which are imposed on such grants. The
3196 [commission] department may further enter into and carry out
3197 contracts with municipalities or their agencies and with any private
3198 party to disburse federal funds to further the purpose of sections 10-
3199 409 to 10-416, inclusive, as amended by this act.

3200 Sec. 78. Section 10-416 of the general statutes is repealed and the
3201 following is substituted in lieu thereof (*Effective July 1, 2009*):

3202 (a) As used in this section, the following terms shall have the
3203 following meanings unless the context clearly indicates another
3204 meaning:

3205 (1) ["Commission"] "Department" means the [Connecticut
3206 Commission on Culture and Tourism established under section 10-392]
3207 Department of Economic and Community Development;

3208 (2) "Historic home" means a building that: (A) Will contain one-to-
3209 four dwelling units of which at least one unit will be occupied as the
3210 principal residence of the owner for not less than five years following
3211 the completion of rehabilitation work, (B) is located in a targeted area,
3212 and (C) is (i) listed individually on the National or State Register of
3213 Historic Places, or (ii) located in a district listed on the National or
3214 State Register of Historic Places, and has been certified by the
3215 commission as contributing to the historic character of such district;

3216 (3) "Nonprofit corporation" means a nonprofit corporation
3217 incorporated pursuant to chapter 602 or any predecessor statutes
3218 thereto, having as one of its purposes the construction, rehabilitation,
3219 ownership or operation of housing and having articles of incorporation
3220 approved by the Commissioner of Economic and Community
3221 Development in accordance with regulations adopted pursuant to
3222 section 8-79a or 8-84;

3223 (4) "Owner" means any taxpayer filing a state of Connecticut tax
3224 return who possesses title to an historic home, or prospective title to an
3225 historic home in the form of a purchase agreement or option to
3226 purchase, or a nonprofit corporation that possesses such title or
3227 prospective title;

3228 (5) "Targeted area" means: (A) A federally designated "qualified
3229 census tract" in which seventy per cent or more of the families have a
3230 median income of eighty per cent or less of the state-wide median
3231 family income, (B) a state designated and federally approved area of
3232 chronic economic distress, or (C) an urban and regional center as
3233 identified in the Connecticut Conservation and Development Policies
3234 Plan;

3235 (6) "Qualified rehabilitation expenditures" means any costs incurred
3236 for the physical construction involved in the rehabilitation of an
3237 historic home, but excludes: (A) The owner's personal labor, (B) the
3238 cost of site improvements, unless to provide building access to persons
3239 with disabilities, (C) the cost of a new addition, except as may be

3240 required to comply with any provision of the State Building Code or
3241 the State Fire Safety Code, (D) any cost associated with the
3242 rehabilitation of an outbuilding, unless such building contributes to
3243 the historical significance of the historic home, and (E) any
3244 nonconstruction cost such as architectural fees, legal fees and financing
3245 fees;

3246 (7) "Rehabilitation plan" means any construction plans and
3247 specifications for the proposed rehabilitation of an historic home in
3248 sufficient detail to enable the **[**commission**]** department to evaluate
3249 compliance with the standards developed under the provisions of
3250 subsections (b) to (d), inclusive, of this section; and

3251 (8) "Occupancy period" means a period of five years during which
3252 one or more owners occupy an historic home as their primary
3253 residence. The occupancy period begins on the date the tax credit
3254 voucher is issued by the **[**commission**]** department.

3255 (b) The **[**commission**]** department shall administer a system of tax
3256 credit vouchers within the resources, requirements and purposes of
3257 this section for owners rehabilitating historic homes or taxpayers
3258 making contributions to qualified rehabilitation expenditures. For tax
3259 years commencing on or after January 1, 2000, any owner shall be
3260 eligible for a tax credit voucher in an amount equal to thirty per cent of
3261 the qualified rehabilitation expenditures.

3262 (c) The **[**commission**]** department shall develop standards for the
3263 approval of rehabilitation of historic homes for which a tax credit
3264 voucher is sought. Such standards shall take into account whether the
3265 rehabilitation of an historic home will preserve the historic character of
3266 the building.

3267 (d) The **[**commission**]** department shall, in consultation with the
3268 Commissioner of Revenue Services, adopt regulations in accordance
3269 with chapter 54 to carry out the purposes of this section.

3270 (e) Prior to beginning any rehabilitation work on an historic home,

3271 the owner shall submit a rehabilitation plan to the [commission]
3272 department for a determination of whether such rehabilitation work
3273 meets the standards developed under the provisions of subsections (b)
3274 to (d), inclusive, of this section and shall also submit to the
3275 [commission] department an estimate of the qualified rehabilitation
3276 expenditures.

3277 (f) If the [commission] department certifies that the rehabilitation
3278 plan conforms to the standards developed under the provisions of
3279 subsections (b) to (d), inclusive, of this section, the [commission]
3280 department shall reserve for the benefit of the owner an allocation for a
3281 tax credit equivalent to thirty per cent of the projected qualified
3282 rehabilitation expenditures.

3283 (g) Following the completion of rehabilitation of an historic home,
3284 the owner shall notify the [commission] department that such
3285 rehabilitation has been completed. The owner shall provide the
3286 [commission] department with documentation of work performed on
3287 the historic home and shall certify the cost incurred in rehabilitating
3288 the home. The [commission] department shall review such
3289 rehabilitation and verify its compliance with the rehabilitation plan.
3290 Following such verification, the [commission] department shall issue a
3291 tax credit voucher to either the owner rehabilitating the historic home
3292 or to the taxpayer named by the owner as contributing to the
3293 rehabilitation. The tax credit voucher shall be in an amount equivalent
3294 to the lesser of the tax credit reserved upon certification of the
3295 rehabilitation plan under the provisions of subsection (f) of this section
3296 or thirty per cent of the actual qualified rehabilitation expenditures. In
3297 order to obtain a credit against any state tax due that is specified in
3298 subsections (j) to (m), inclusive, of this section, the holder of the tax
3299 credit voucher shall file the voucher with the holder's state tax return.

3300 (h) Before the [commission] department issues a tax credit voucher,
3301 the owner shall deliver a signed statement to the [commission which]
3302 department that provides that: (1) The owner shall occupy the historic
3303 home as the owner's primary residence during the occupancy period,

3304 or (2) the owner shall convey the historic home to a new owner who
3305 will occupy it as the new owner's primary residence during the
3306 occupancy period, or (3) an encumbrance shall be recorded, in favor of
3307 the local, state or federal government or other funding source, that will
3308 require the owner or the owner's successors to occupy the historic
3309 home as the primary residence of the owner or the owner's successors
3310 for a period equal to or longer than the occupancy period. A copy of
3311 any such encumbrance shall be attached to the signed statement.

3312 (i) The owner of an historic home shall not be eligible for a tax credit
3313 voucher under subsections (b) to (d), inclusive, of this section, unless
3314 the owner incurs qualified rehabilitation expenditures exceeding
3315 twenty-five thousand dollars.

3316 (j) The Commissioner of Revenue Services shall grant a tax credit to
3317 a taxpayer holding the tax credit voucher issued under subsections (e)
3318 to (i), inclusive, of this section against any tax due under chapter 207,
3319 208, 209, 210, 211 or 212 in the amount specified in the tax credit
3320 voucher. The **[**commission**]** department shall provide a copy of the
3321 voucher to the Commissioner of Revenue Services upon the request of
3322 said commissioner.

3323 (k) In no event shall a credit allowed under this section exceed thirty
3324 thousand dollars per dwelling unit for an historic home.

3325 (l) The tax credit issued under subsection (j) of this section shall be
3326 taken by the holder of the tax credit voucher in the same tax year in
3327 which the voucher is issued. Any unused portion of such credit may be
3328 carried forward to any or all of the four taxable years following the
3329 year in which the tax credit voucher is issued.

3330 (m) The aggregate amount of all tax credits which may be reserved
3331 by the **[**commission**]** department upon certification of rehabilitation
3332 plans under subsections (b) to (d), inclusive, of this section shall not
3333 exceed three million dollars in any one fiscal year.

3334 Sec. 79. Section 10-416a of the general statutes is repealed and the

3335 following is substituted in lieu thereof (*Effective July 1, 2009*):

3336 (a) As used in this section, the following terms shall have the
3337 following meanings unless the context clearly indicates another
3338 meaning:

3339 (1) **[**"Commission"**]** "Department" means the **[**Connecticut
3340 Commission on Culture and Tourism established pursuant to section
3341 10-392**]** Department of Economic and Community Development;

3342 (2) "Certified historic structure" means an historic commercial or
3343 industrial property that: (A) Is listed individually on the National or
3344 State Register of Historic Places, or (B) is located in a district listed on
3345 the National or State Register of Historic Places, and has been certified
3346 by the **[**commission**]** department as contributing to the historic
3347 character of such district;

3348 (3) "Certified rehabilitation" means any rehabilitation of a certified
3349 historic structure for residential use consistent with the historic
3350 character of such property or the district in which the property is
3351 located as determined by regulations adopted by the **[**commission**]**
3352 department;

3353 (4) "Owner" means any person, firm, limited liability company,
3354 nonprofit or for-profit corporation or other business entity which
3355 possesses title to an historic structure and undertakes the rehabilitation
3356 of such structure;

3357 (5) "Placed in service" means that substantial rehabilitation work has
3358 been completed which would allow for issuance of a certificate of
3359 occupancy for the entire building or, in projects completed in phases,
3360 for individual residential units that are an identifiable portion of the
3361 building;

3362 (6) "Qualified rehabilitation expenditures" means any costs incurred
3363 for the physical construction involved in the rehabilitation of a
3364 certified historic structure for residential use, excluding: (A) The

3365 owner's personal labor, (B) the cost of a new addition, except as
3366 required to comply with any provision of the State Building Code or
3367 the State Fire Safety Code, and (C) any nonconstruction cost such as
3368 architectural fees, legal fees and financing fees;

3369 (7) "Rehabilitation plan" means any construction plans and
3370 specifications for the proposed rehabilitation of a certified historic
3371 structure in sufficient detail for evaluation by compliance with the
3372 standards developed under the provisions of subsections (b) to (d),
3373 inclusive, of this section; and

3374 (8) "Substantial rehabilitation" or "substantially rehabilitate" means
3375 the qualified rehabilitation expenditures of a certified historic structure
3376 that exceed twenty-five per cent of the assessed value of such
3377 structure.

3378 (b) (1) The **[**commission**]** <u>department</u> shall administer a system of
3379 tax credit vouchers within the resources, requirements and purposes of
3380 this section for owners rehabilitating certified historic structures.

3381 (2) The credit authorized by this section shall be available in the tax
3382 year in which the substantially rehabilitated certified historic structure
3383 is placed in service. In the case of projects completed in phases, the tax
3384 credit shall be prorated to the substantially rehabilitated identifiable
3385 portion of the building placed in service. If the tax credit is more than
3386 the amount owed by the taxpayer for the year in which the
3387 substantially rehabilitated certified historic structure is placed in
3388 service, the amount that is more than the taxpayer's tax liability may be
3389 carried forward and credited against the taxes imposed for the
3390 succeeding five years or until the full credit is used, whichever occurs
3391 first.

3392 (3) Any credits allowed under this section that are provided to
3393 multiple owners of certified historic structures shall be passed through
3394 to persons designated as partners, members or owners, pro rata or
3395 pursuant to an agreement among such persons designated as partners,

3396 members or owners documenting an alternative distribution method
3397 without regard to other tax or economic attributes of such entity. Any
3398 owner entitled to a credit under this section may assign, transfer or
3399 convey the credits, in whole or in part, by sale or otherwise to any
3400 individual or entity and such transferee shall be entitled to offset the
3401 tax imposed under chapter 207, 208, 209, 210, 211 or 212 as if such
3402 transferee had incurred the qualified rehabilitation expenditure.

3403 (c) The **[**commission**]** department shall develop standards for the
3404 approval of rehabilitation of certified historic structures for which a tax
3405 credit voucher is sought. Such standards shall take into account
3406 whether the rehabilitation of a certified historic structure will preserve
3407 the historic character of the building.

3408 (d) The **[**commission**]** department shall adopt regulations, in
3409 accordance with chapter 54, to carry out the purposes of this section.
3410 Such regulations shall include provisions for filing of applications,
3411 rating criteria and for timely approval by the **[**commission**]**
3412 department.

3413 (e) Prior to beginning any rehabilitation work on a certified historic
3414 structure, the owner shall submit (1) a rehabilitation plan to the
3415 **[**commission**]** department for a determination of whether or not such
3416 rehabilitation work meets the standards developed under the
3417 provisions of subsections (b) to (d), inclusive, of this section, and (2) an
3418 estimate of the qualified rehabilitation expenditures. The provisions of
3419 this subsection shall not disqualify applications for tax credits for
3420 certified historic structures for which rehabilitation commenced but
3421 were not placed in service before July 1, 2006.

3422 (f) If the **[**commission**]** department certifies that the rehabilitation
3423 plan conforms to the standards developed under the provisions of
3424 subsections (b) to (d), inclusive, of this section, the **[**commission**]**
3425 department shall reserve for the benefit of the owner an allocation for a
3426 tax credit equivalent to twenty-five per cent of the projected qualified
3427 rehabilitation expenditures, not exceeding two million seven hundred

3428 thousand dollars.

3429 (g) Following the completion of rehabilitation of a certified historic
3430 structure, the owner shall notify the [commission] department that
3431 such rehabilitation has been completed. The owner shall provide the
3432 [commission] department with documentation of work performed on
3433 the certified historic structure and shall submit certification of the costs
3434 incurred in rehabilitating the certified historic structure. The
3435 [commission] department shall review such rehabilitation and verify
3436 its compliance with the rehabilitation plan. Following such
3437 verification, the [commission] department shall issue a tax credit
3438 voucher to the owner rehabilitating the certified historic structure or to
3439 the taxpayer named by the owner as contributing to the rehabilitation.
3440 The tax credit voucher shall be in an amount equivalent to the lesser of
3441 the tax credit reserved upon certification of the rehabilitation plan
3442 under the provisions of subsection (f) of this section or twenty-five per
3443 cent of the actual qualified rehabilitation expenditures not exceeding
3444 two million seven hundred thousand dollars. In order to obtain a
3445 credit against any state tax due that is specified in subsections (h) to (j),
3446 inclusive, of this section, the holder of the tax credit voucher shall file
3447 the voucher with the holder's state tax return.

3448 (h) The Commissioner of Revenue Services shall grant a tax credit to
3449 a taxpayer holding the tax credit voucher issued under subsections (e)
3450 to (i), inclusive, of this section against any tax due under chapter 207,
3451 208, 209, 210, 211 or 212 in the amount specified in the tax credit
3452 voucher. Such taxpayer shall submit the voucher and the
3453 corresponding tax return to the Department of Revenue Services.

3454 (i) The aggregate amount of all tax credits which may be reserved
3455 by the [commission] department upon certification of rehabilitation
3456 plans under subsections (b) to (d), inclusive, of this section shall not
3457 exceed fifteen million dollars in any one fiscal year.

3458 (j) The [commission] department may charge an application fee in
3459 an amount not to exceed ten thousand dollars to cover the cost of

3460 administering the program established pursuant to this section.

3461 Sec. 80. Section 4-124w of the general statutes is repealed and the
3462 following is substituted in lieu thereof (*Effective July 1, 2009*):

3463 (a) There is established an Office of Workforce Competitiveness that
3464 shall be within the Office of Policy and Management for administrative
3465 purposes only.

3466 (b) The office shall:

3467 (1) Be the Governor's principal workforce development policy
3468 advisor;

3469 (2) Be the liaison between the Governor and any local, state or
3470 federal organizations and entities with respect to workforce
3471 development matters, including implementation of the Workforce
3472 Investment Act of 1998, P.L. 105-220, as from time to time amended;

3473 (3) Coordinate the workforce development activities of all state
3474 agencies;

3475 (4) Coordinate the state's implementation of the federal Workforce
3476 Investment Act of 1998, P.L. 105-220, as from time to time amended,
3477 and advise and assist the Governor with matters related to said act;

3478 (5) Coordinate the development and implementation of strategies
3479 regarding technology-based talent and innovation among state and
3480 quasi-public agencies; **[**, including the creation of a centralized
3481 clearinghouse and technical assistance function at the state level to
3482 assist applicants in developing small business innovation research
3483 programs in conformity with the federal program established pursuant
3484 to the Small Business Research and Development Enhancement Act of
3485 1992, P.L. 102-564, as amended, and other proposals;**]**

3486 (6) Establish methods and procedures to ensure the maximum
3487 involvement of members of the public, the legislature and local

3488 officials in workforce development matters, including implementation
3489 of the Workforce Investment Act of 1998, P.L. 105-220, as from time to
3490 time amended;

3491 (7) Subject to the provisions of chapter 67, appoint such officials and
3492 other employees as may be necessary for the discharge of the duties of
3493 the office;

3494 (8) Enter into such contractual agreements, in accordance with
3495 established procedures, as may be necessary to carry out the
3496 provisions of this section and section 20 of public act 00-192*;

3497 (9) Take any other action necessary to carry out the provisions of
3498 this section and section 20 of public act 00-192*;

3499 (10) Be the lead state agency for the development of employment
3500 and training strategies and initiatives required to support
3501 Connecticut's position in the knowledge economy; and

3502 (11) Not later than October 1, 2002, and annually thereafter, submit
3503 a report, with the assistance of the Labor Department, to the Governor
3504 and the joint standing committees of the General Assembly having
3505 cognizance of matters relating to education, economic development,
3506 labor and higher education and employment advancement specifying
3507 a forecasted assessment by the Labor Department of workforce
3508 shortages in occupations in this state for the succeeding two and five-
3509 year periods. The report shall also include recommendations
3510 concerning (A) methods to generate a sufficient number of workers to
3511 meet identified workforce needs, including, but not limited to,
3512 scholarship, school-to-career and internship programs, and (B)
3513 methods secondary and higher education and private industry can use
3514 to address identified workforce needs.

3515 (c) The Office of Workforce Competitiveness may call upon any
3516 office, department, board, commission or other agency of the state to
3517 supply such reports, information and assistance as may be necessary
3518 or appropriate in order to carry out the duties and requirements of the

3519 Office for Workforce Competitiveness. Each officer or employee of
3520 such office, department, board, commission or other agency of the
3521 state is authorized and directed to cooperate with the Office of
3522 Workforce Competitiveness and to furnish such reports, information
3523 and assistance.

3524 Sec. 81. Section 4-124hh of the general statutes is repealed and the
3525 following is substituted in lieu thereof (*Effective July 1, 2009*):

3526 (a) The Office of Workforce Competitiveness shall, within available
3527 appropriations, establish a grant program to provide a flexible source
3528 of funding for the creation and generation of talent in institutions of
3529 higher education and, with appropriate connections to vocational-
3530 technical schools and other secondary schools, for student outreach
3531 and development. Grants pursuant to this subsection shall be awarded
3532 to institutions of higher education and may be used to:

3533 (1) Upgrade instructional laboratories to meet specific industry-
3534 standard laboratory and instrumentation skill requirements;

3535 (2) Develop new curriculum and certificate and degree programs at
3536 the associate, bachelor's, master's and doctorate levels, tied to industry
3537 identified needs;

3538 (3) Develop seamlessly articulated career development programs in
3539 workforce shortage areas forecasted pursuant to subdivision (9) of
3540 subsection (b) of section 4-124w, as amended by this act, in
3541 collaboration with vocational-technical schools and other secondary
3542 schools and institutions of higher education;

3543 (4) Support undergraduate and graduate student research projects
3544 and experimental learning activities; and

3545 (5) Establish a nanotechnology post-secondary education program
3546 and clearinghouse for curriculum development, scholarships and
3547 student outreach.

3548 (b) The Office of Workforce Competitiveness shall, within available
3549 appropriations, establish a grant program to provide funding for the
3550 advancement of research capabilities and research opportunities.
3551 Grants pursuant to this subsection shall be awarded to institutions of
3552 higher education and technology focused organizations and may be
3553 used to:

3554 (1) Recruit eminent faculty in basic and applied research;

3555 (2) Leverage federal funding for research centers; and

3556 (3) Provide pilot funding for faculty to develop initial research data
3557 for the development of larger grant funding proposals and to nonstate
3558 granting entities, such as federal agencies. **[**; and**]**

3559 **[**(4) Establish a Connecticut Nanotechnology Collaboration Initiative
3560 to foster industry-university relationships by providing:

3561 (A) Discovery grants, not to exceed fifty thousand dollars, to
3562 support post-doctorate or graduate students working with industry on
3563 nanotechnology projects under the supervision of faculty members.
3564 Each discovery grant shall be matched with a direct or in-kind
3565 industry grant in the same amount;

3566 (B) Collaborative grants, not to exceed one hundred fifty thousand
3567 dollars, to support university research teams working with industry on
3568 collaborative research projects focused on specific application
3569 development. Each collaborative grant shall be matched with an
3570 industry grant in the same amount;

3571 (C) Prototype grants, not to exceed two hundred fifty thousand
3572 dollars, to enable universities and companies to demonstrate whether
3573 a prototype is manufacturable and functional and the cost effectiveness
3574 of nanotechnology-related applications. Each prototype grant shall be
3575 matched with an industry grant in an amount equal to two dollars for
3576 every one dollar of such prototype grant.**]**

3577 (c) The Office of Workforce Competitiveness shall, within available
3578 appropriations, establish a grant program to provide funding for the
3579 promotion of collaborative research applications between industry and
3580 institutions of higher education. Grants pursuant to this subsection
3581 shall be awarded to institutions of higher education, technology-
3582 focused organizations and business entities and may be used:

3583 (1) To improve technology infrastructure by advancing the
3584 development of shared use between institutions of higher education
3585 and business entities of laboratories and equipment, including, but not
3586 limited to, technology purchase, lease and installation, operating and
3587 necessary support personnel and maintenance;

3588 (2) As matching grants for joint projects between an industry, a
3589 technology-focused organization or a university. The office shall
3590 structure the matching grants to provide two rounds of funding
3591 annually and shall do outreach to companies. The matching grant part
3592 of the program shall include, but not be limited to, (A) one-to-one
3593 matching grants not to exceed one hundred thousand dollars, with in-
3594 kind match allowed for small and mid-sized companies, (B)
3595 involvement of a competitive process with outside reviewers using as
3596 key criteria (i) the demonstration of commercial relevance, and (ii) a
3597 clear path to the marketplace for any innovations developed in the
3598 course of the research, and (C) an aggressive marketing campaign
3599 through business organizations to raise industry awareness of
3600 resources from universities or technology-focused organizations; and

3601 (3) To develop a Connecticut Center for Nanoscale Sciences and
3602 Development to provide a shared-use laboratory in one or more sites
3603 in the state to advance university research, industry application
3604 development and education involving the synthesis, characterization
3605 and fabrication of nanoscale materials, intermediates and devices and
3606 related program activities. The Office of Workforce Competitiveness
3607 shall conduct a feasibility study and business planning model leading
3608 to the establishment of such center, including strategies for securing
3609 investments from the federal government and private entities. On or

3610 before January 1, 2007, said office shall submit the results of such
3611 study, in accordance with the provisions of section 11-4a, to the joint
3612 standing committees of the General Assembly having cognizance of
3613 matters relating to commerce and higher education and employment
3614 advancement.

3615 (d) The Office of Workforce Competitiveness shall, within available
3616 appropriations, establish a grant program to provide funding for the
3617 promotion of commercialization of research done by institutions of
3618 higher education. Grants pursuant to this subsection shall be awarded
3619 to institutions of higher education and business entities and may be
3620 used:

3621 (1) To provide funding to verify the technical and commercial
3622 feasibility of early stage discoveries by institutions of higher education
3623 that are disclosed or patented to accelerate and increase the likelihood
3624 that the technology will be successfully commercialized;

3625 (2) To provide matching support for smaller institutions of higher
3626 education to allow for contracts with independent technology transfer
3627 organizations to provide specific service to support specific needs; and

3628 (3) Through the Connecticut Small Business Innovation Research
3629 Office, supported by the Office of Workforce Competitiveness, to
3630 provide specialized technical assistance to advance nanotechnology
3631 awards to Connecticut companies and the small business innovation
3632 research program, including nanotechnology-related workshops and
3633 seminars, grant preparation assistance, marketing assistance, services
3634 related to matching grants and other technical assistance to assist
3635 companies with nanotechnology-related applications for the small
3636 business innovation research program.

3637 Sec. 82. (NEW) (*Effective July 1, 2009*) (a) The Department of
3638 Economic and Community Development shall, within available
3639 appropriations, establish a grant program to provide funding for the
3640 promotion of collaborative research applications between industry and

3641 institutions of higher education. Grants pursuant to this subsection
3642 shall be awarded to institutions of higher education, technology-
3643 focused organizations and business entities and may be used:

3644 (1) To improve technology infrastructure by advancing the
3645 development of shared use between institutions of higher education
3646 and business entities of laboratories and equipment, including, but not
3647 limited to, technology purchase, lease and installation, operating and
3648 necessary support personnel and maintenance;

3649 (2) As matching grants for joint projects between an industry, a
3650 technology-focused organization or a university. The department shall
3651 structure the matching grants to provide two rounds of funding
3652 annually and shall do outreach to companies. The matching grant part
3653 of the program shall include, but not be limited to, (A) one-to-one
3654 matching grants not to exceed one hundred thousand dollars, with in-
3655 kind match allowed for small and mid-sized companies, (B)
3656 involvement of a competitive process with outside reviewers using as
3657 key criteria (i) the demonstration of commercial relevance, and (ii) a
3658 clear path to the marketplace for any innovations developed in the
3659 course of the research, and (C) an aggressive marketing campaign
3660 through business organizations to raise industry awareness of
3661 resources from universities or technology-focused organizations; and

3662 (3) To develop a Connecticut Center for Nanoscale Sciences and
3663 Development to provide a shared-use laboratory in one or more sites
3664 in the state to advance university research, industry application
3665 development and education involving the synthesis, characterization
3666 and fabrication of nanoscale materials, intermediates and devices and
3667 related program activities.

3668 (b) The Department of Economic and Community Development
3669 shall, within available appropriations, establish a grant program to
3670 provide funding for the promotion of commercialization of research
3671 done by institutions of higher education. Grants pursuant to this
3672 subsection shall be awarded to institutions of higher education and

3673 business entities and may be used:

3674 (1) To provide funding to verify the technical and commercial
3675 feasibility of early stage discoveries by institutions of higher education
3676 that are disclosed or patented to accelerate and increase the likelihood
3677 that the technology will be successfully commercialized;

3678 (2) To provide matching support for smaller institutions of higher
3679 education to allow for contracts with independent technology transfer
3680 organizations to provide specific service to support specific needs; and
3681 the department shall provide specialized technical assistance to
3682 advance nanotechnology awards to Connecticut companies and the
3683 small business innovation research program, including
3684 nanotechnology-related workshops and seminars, grant preparation
3685 assistance, marketing assistance, services related to matching grants
3686 and other technical assistance to assist companies with
3687 nanotechnology-related applications for the small business innovation
3688 research program.

3689 Sec. 83. Section 7-147b of the general statutes is repealed and the
3690 following is substituted in lieu thereof (*Effective July 1, 2009*):

3691 Prior to the establishment of an historic district or districts, the
3692 following steps shall be taken:

3693 (a) The legislative body shall appoint or authorize the chief elected
3694 official of the municipality to appoint an historic district study
3695 committee for the purpose of making an investigation of a proposed
3696 historic district or districts. The legislative body of a municipality
3697 which proposes to establish more than one district may establish more
3698 than one committee if the proposed districts are not contiguous to each
3699 other nor to any existing historic district. Each committee established
3700 under the provisions of this section shall consist of five regular and
3701 three alternate members who shall be electors of the municipality
3702 holding no salaried municipal office. Such alternate members shall,
3703 when seated as provided in this section, have all powers and duties of

3704 a member of the committee. If a regular member of such committee is
3705 absent or has a conflict of interest, the chairman of the committee shall
3706 designate an alternate to so act, choosing alternates in rotation so that
3707 they shall act as nearly equal a number of times as possible. If any
3708 alternate is not available in accordance with such rotation, such fact
3709 shall be recorded in the minutes of the meeting.

3710 (b) The historic district study committee shall investigate and
3711 submit a report which shall include the following: (1) An analysis of
3712 the historic significance and architectural merit of the buildings,
3713 structures, places or surroundings to be included in the proposed
3714 historic district or districts and the significance of the district as a
3715 whole; (2) a general description of the area to be included within the
3716 district or districts, including the total number of buildings in each
3717 such district or districts listed according to their known or estimated
3718 ages; (3) a map showing the exact boundaries of the area to be
3719 included within the district or districts; (4) a proposed ordinance or
3720 proposed ordinances designed to create and provide for the operation
3721 of an historic district or districts in accordance with the provisions of
3722 this part; (5) such other matters as the committee may deem necessary
3723 or advisable.

3724 (c) The historic district study committee shall transmit copies of its
3725 report to the **[**Connecticut Commission on Culture and Tourism**]**
3726 Department of Economic and Community Development, the planning
3727 commission and zoning commission, or the combined planning and
3728 zoning commission, of the municipality, if any, and, in the absence of
3729 such a planning commission, zoning commission or combined
3730 planning and zoning commission, to the chief elected official of the
3731 municipality for their comments and recommendations. In addition to
3732 such other comments and recommendations as it may make, the
3733 **[**Connecticut Commission on Culture and Tourism**]** department may
3734 recommend either approval, disapproval, modification, alteration or
3735 rejection of the proposed ordinance or ordinances and of the
3736 boundaries of each proposed district. Each such commission, board or

3737 individual shall deliver such comments and recommendations to the
3738 committee within sixty-five days of the date of transmission of such
3739 report. Failure to deliver such comments and recommendations shall
3740 be taken as approval of the report of the committee.

3741 (d) The historic district study committee shall hold a public hearing
3742 on the establishment of a proposed historic district or districts not less
3743 than sixty-five nor more than one hundred thirty days after the
3744 transmission of the report to each party as provided in subsection (c) of
3745 this section, except that, if all such parties have delivered their
3746 comments and recommendations to the committee, such hearing may
3747 be held less than sixty-five days after the transmittal of the report. The
3748 comments and recommendations received pursuant to subsection (c)
3749 of this section shall be read in full at the public hearing.

3750 (e) Notice of the time and place of such hearing shall be given as
3751 follows: (1) Written notice of the time, place and purpose of such
3752 hearing, postage prepaid, shall be mailed to the owners of record of all
3753 real property to be included in the proposed historic district or
3754 districts, as they appear on the last-completed grand list, at the
3755 addresses shown thereon, at least fifteen days before the time set for
3756 such hearing, together with a copy of the report of the historic district
3757 study committee or a fair and accurate synopsis of such report. A
3758 complete copy of the report, a copy of all recommendations made
3759 under subsection (c) of this section, a map showing the boundaries of
3760 the area to be included in the proposed district and a copy of the
3761 proposed ordinance shall be available at no charge from the town clerk
3762 during business hours or shall be mailed, upon request, to any owner
3763 of record of real property in the proposed historic district or districts
3764 with the notice of the hearing; and (2) by publication of such notice in
3765 the form of a legal advertisement appearing in a newspaper having a
3766 substantial circulation in the municipality at least twice, at intervals of
3767 not less than two days, the first not more than fifteen days nor less
3768 than ten days and the last not less than two days before such hearing.

3769 (f) The historic district study committee shall submit its report with

3770 any changes made following the public hearing, along with any
3771 comments or recommendations received pursuant to subsection (c) of
3772 this section, and such other materials as the committee may deem
3773 necessary or advisable to the legislative body and the clerk of the
3774 municipality within sixty-five days after the public hearing.

3775 (g) The clerk or his designee shall, not later than sixty-five days
3776 from receipt of such report, mail ballots to each owner of record of real
3777 property to be included in the proposed district or districts on the
3778 question of creation of an historic district or districts, as provided for
3779 in sections 7-147a to 7-147k, inclusive. Only an owner who is eighteen
3780 years of age or older and who is liable, or whose predecessors in title
3781 were liable, to the municipality for taxes on an assessment of not less
3782 than one thousand dollars on the last-completed grand list of the
3783 municipality on real property within the proposed district, or who
3784 would be or would have been so liable if not entitled to an exemption
3785 under subdivision (7), (8), (10), (11), (13), (14), (15), (16), (17), (20), (21),
3786 (22), (23), (24), (25), (26), (29) or (49) of section 12-81, may vote,
3787 provided such owner is the record owner of the property, thirty days
3788 before the ballots must be returned. Any tenant in common of any
3789 freehold interest in any land shall have a vote equal to the fraction of
3790 his ownership in said interest. Joint tenants of any freehold interest in
3791 any land shall vote as if each joint tenant owned an equal, fractional
3792 share of such land. A corporation shall have its vote cast by the chief
3793 executive officer of such corporation or his designee. No owner shall
3794 have more than one vote.

3795 (h) The form of the ballot to be mailed to each owner shall be
3796 consistent with the model ballot prepared by the Historic Preservation
3797 Council of the **[**Connecticut Commission on Culture and Tourism**]**
3798 <u>Department of Economic and Community Development</u> established
3799 pursuant to section 10-409. The ballot shall be a secret ballot and shall
3800 set the date by which such ballots shall be received by the clerk of the
3801 municipality. The ballots shall be mailed by first class mail to each
3802 owner eligible to vote in such balloting at least fifteen days in advance

3803 of the day on which ballots must be returned. Notice of balloting shall
3804 be published in the form of a legal advertisement appearing in a
3805 newspaper having a substantial circulation in the municipality at least
3806 twice, at intervals of not less than two days, the first not more than
3807 fifteen days or less than ten days and the last not less than two days
3808 before the day on which the ballots must be returned. Such ballot shall
3809 be returned to the municipal clerk, inserted in an inner envelope which
3810 shall have endorsed on the face thereof a form containing a statement
3811 as follows: "I, the undersigned, do hereby state under the penalties of
3812 false statement that I am an owner of record of real property to be
3813 included in the proposed historic district and that I am, or my
3814 predecessors in title were, liable to the municipality for taxes on an
3815 assessment of not less than one thousand dollars on the last grand list
3816 of the municipality of real property within the district, or who would
3817 be or would have been so liable if not entitled to an exemption under
3818 subdivision (7), (8), (10), (11), (13), (14), (15), (16), (17), (20), (21), (22),
3819 (23), (24), (25), (26), (29) or (49) of section 12-81." Such statement shall
3820 be signed and dated. Any person who intentionally falsely signs such
3821 ballot shall be guilty of false statement as provided in section 53a-157b.
3822 The inner envelope, in which the ballot has been inserted by the
3823 owner, shall be returned to the municipal clerk in an outer envelope
3824 endorsed on the outside with the words: "Official ballot". Such outer
3825 envelope shall also contain, in the upper left corner of the face thereof,
3826 blank spaces for the name and return address of the sender. In the
3827 lower left corner of such outer envelope, enclosed in a printed box,
3828 there shall be spaces upon which the municipal clerk, before issuance
3829 of the ballot and envelopes, shall inscribe the name, street and number
3830 of the elector's voting residence and the date by which the ballot must
3831 be returned, and before issuance the municipal clerk shall similarly
3832 inscribe such envelope with his name and address for the return
3833 thereof. All outer envelopes shall be serially numbered. The ballots
3834 shall be returned to the municipal clerk by the close of business on the
3835 day specified, and such clerk shall compare each ballot to the list of
3836 property owners to whom such ballots were mailed to insure that each
3837 such ballot has been properly signed and returned.

3838 (i) If two-thirds of all property owners voting cast votes in the
3839 affirmative, the legislative body of the municipality shall by majority
3840 vote take one of the following steps: (1) Accept the report of the
3841 committee and enact an ordinance or ordinances to create and provide
3842 for the operation of an historic district or districts in accordance with
3843 the provisions of this part; (2) reject the report of the committee, stating
3844 its reasons for such rejection; (3) return the report to the historic district
3845 study committee with such amendments and revisions thereto as it
3846 may deem advisable, for consideration by the committee. The
3847 committee shall submit an amended report to the legislative body
3848 within sixty-five days of such return. The committee need not hold a
3849 public hearing other than the one provided for in subsection (d) of this
3850 section, notwithstanding any changes in its report following such
3851 hearing, unless the legislative body has recommended a change in the
3852 boundaries of the proposed district or districts. The legislative body of
3853 the municipality may authorize another ballot of the owners within a
3854 proposed district or districts to be cast, other than the balloting
3855 provided for in subsection (g) of this section, notwithstanding any
3856 changes in the proposed ordinance following such balloting, if the
3857 boundaries of the proposed district in which the owners' property is
3858 situated are changed.

3859 (j) Any ordinance, or amendment thereof, enacted pursuant to this
3860 part, which creates or alters district boundaries, shall contain a legal
3861 description of the area to be included within the historic district. The
3862 legislative body, when it passes such an ordinance, or amendment
3863 thereof, shall transmit to the municipal clerk a copy of the ordinance or
3864 amendment thereof. Such ordinance, or amendment thereof, shall be
3865 recorded in the land records of the municipality in which such real
3866 property is located and indexed by the municipal clerk in the grantor
3867 index under the names of the owners of record of such property.

3868 Sec. 84. Section 10-384 of the general statutes is repealed and the
3869 following is substituted in lieu thereof (*Effective July 1, 2009*):

3870 The **[**Connecticut Commission on Culture and Tourism**]**

3871 Department of Economic and Community Development, with the
3872 concurrence of the State Archaeologist, may examine sites and lands to
3873 determine if such sites or lands are of state or national archaeological
3874 importance and meet all the requirements for listing on the National
3875 Register (16 USC 470a) or the state register of historic places defined in
3876 section 10-410. Upon determination that any site or land investigated is
3877 of state or national archaeological importance, the commission may
3878 declare such site or land to be a state archaeological preserve, provided
3879 (1) each property owner of any private site or land proposed for
3880 designation has been informed of the implications of the designation
3881 and consented in writing to such designation, (2) the state agency with
3882 custody or control of any public land has been notified in writing of
3883 the proposed designation, and (3) written recommendations on the
3884 proposal have been sent to the commission by the State Archaeologist
3885 and, if there is evidence of Native American activity, the Native
3886 American Heritage Advisory Council established pursuant to section
3887 10-382. The commission shall cause notice of such designation to be
3888 filed on the land records in the town where such preserve is located.

3889 Sec. 85. Section 4-66aa of the general statutes is repealed and the
3890 following is substituted in lieu thereof (*Effective July 1, 2009*):

3891 There is established, within the General Fund, a separate,
3892 nonlapsing account to be known as the "land protection, affordable
3893 housing and historic preservation account". The account shall contain
3894 any moneys required by law to be deposited in the account. The funds
3895 in the account shall be distributed every three months as follows: (1)
3896 Twenty-five per cent to the **[**Connecticut Commission on Culture and
3897 Tourism**]** Department of Economic and Community Development to
3898 use as follows: (A) Two hundred thousand dollars, annually, to
3899 supplement the technical assistance and preservation activities of the
3900 Connecticut Trust for Historic Preservation, established pursuant to
3901 special act 75-93, and (B) the remainder to supplement historic
3902 preservation activities as provided in sections 10-409 to 10-415,
3903 inclusive; (2) twenty-five per cent to the Connecticut Housing Finance

3904 Authority to supplement new or existing affordable housing
3905 programs; (3) twenty-five per cent to the Department of Environmental
3906 Protection for municipal open space grants; and (4) twenty-five per
3907 cent to the Department of Agriculture to use as follows: (A) Five
3908 hundred thousand dollars annually for the agricultural viability grant
3909 program established pursuant to section 22-26j; (B) five hundred
3910 thousand dollars, annually for the farm transition program established
3911 pursuant to section 22-26k; (C) one hundred thousand dollars annually
3912 to encourage the sale of Connecticut Grown food to schools,
3913 restaurants, retailers, and other institutions and businesses in the state;
3914 (D) seventy-five thousand dollars annually for the Connecticut farm
3915 link program established pursuant to section 22-26*l*; and (E) the
3916 remainder for farmland preservation programs pursuant to chapter
3917 422. Each agency receiving funds under this section may use not more
3918 than ten per cent of such funds for administration of the programs for
3919 which the funds were provided.

3920 Sec. 86. Section 32-477 of the general statutes is repealed and the
3921 following is substituted in lieu thereof (*Effective July 1, 2009*):

3922 The board of directors of the **[**Connecticut Development Authority**]**
3923 <u>Connecticut Economic Innovations Authority</u> shall give priority to
3924 applicants who have established a work environment consistent with
3925 the criteria set forth in section 32-475 in awarding financial assistance
3926 under the programs authorized pursuant to chapter 588n, sections 32-
3927 14 to 32-23a, inclusive, 32-23v, 32-23x, 32-23gg to 32-23*ll*, inclusive, 32-
3928 23z, 32-23pp to 32-23ss, inclusive, and section 32-341 and the programs
3929 utilizing proceeds of self-sustaining revenue bonds and umbrella
3930 revenue bonds pursuant to chapter 579, to the extent consistent with
3931 any state or regional economic development strategy.

3932 Sec. 87. Section 10a-25b of the general statutes is repealed and the
3933 following is substituted in lieu thereof (*Effective July 1, 2009*):

3934 (a) The State Bond Commission may authorize the issuance of
3935 bonds of the state in one or more series in accordance with the

3936 provisions of sections 10a-25a to 10a-25g, inclusive, but not in excess of
3937 the aggregate amount of twenty-two million five hundred thousand
3938 dollars.

3939 (b) The proceeds of the sale of said bonds, to the extent hereinafter
3940 stated, shall be used to encourage, promote, develop and assist high
3941 technology products and programs within Connecticut by infusion of
3942 financial assistance in situations when such financial aid would not
3943 otherwise reasonably be available from other sources as hereinafter
3944 stated: (1) For the State Board of Education: High technology
3945 equipment for programs in the vocational-technical schools, not
3946 exceeding two million dollars; (2) for **[**Connecticut Innovations,
3947 Incorporated**]** the Connecticut Economic Innovations Authority: (A)
3948 Matching funds for cooperative high technology research and
3949 development projects and programs, not exceeding nine million
3950 dollars; (B) financial aid, as defined in subdivision (4) of section 32-34,
3951 to public institutions of higher education for high technology projects
3952 and programs, not exceeding eleven million five hundred thousand
3953 dollars.

3954 Sec. 88. Section 10a-25g of the general statutes is repealed and the
3955 following is substituted in lieu thereof (*Effective July 1, 2009*):

3956 Through **[**Connecticut Innovations, Incorporated**]** the Connecticut
3957 Economic Innovations Authority the state may provide financial aid,
3958 as defined in subdivision (4) of section 32-34, for the development of
3959 high technology projects and programs in accordance with the
3960 provisions of subdivision (2) of subsection (b) of section 10a-25b. Such
3961 funding shall be made in accordance with written procedures adopted
3962 by **[**Connecticut Innovations, Incorporated**]** the Connecticut Economic
3963 Innovations Authority in accordance with the provisions of section 1-
3964 121. **[**Until June 30, 1996, Connecticut Innovations, Incorporated may
3965 use not more than three per cent of the total amount of any annual
3966 bond allocation for high technology projects and programs described
3967 in section 10a-25b or this section, for the administration and evaluation
3968 of such projects and programs.**]**

3969 Sec. 89. Section 32-41 of the general statutes is repealed and the
3970 following is substituted in lieu thereof (*Effective July 1, 2009*):

3971 The State Bond Commission shall have power in accordance with
3972 the provisions of section 3-20 to authorize the issuance of bonds of the
3973 state in one or more series and in principal amounts not exceeding in
3974 the aggregate forty-seven million eight hundred fifty-four thousand
3975 nine hundred dollars to carry out the purposes of sections 32-32 to 32-
3976 41, inclusive. The principal and interest of said bonds shall be payable
3977 at such place or places as may be determined by the State Treasurer
3978 and shall bear such date or dates, mature at such time or times, bear
3979 interest at such rate or different or varying rates, be payable at such
3980 time or times, be in such denominations, be in such form with or
3981 without interest coupons attached, carry such registration and transfer
3982 privileges, be payable in such medium of payment and be subject to
3983 such terms of redemption with or without premium as, irrespective of
3984 the provisions of said section 3-20, may be provided by the
3985 authorization of the State Bond Commission or fixed in accordance
3986 therewith. The proceeds of the sale of such bonds, after deducting
3987 therefrom all expenses of issuance and sale, shall be paid to the
3988 Connecticut Innovations **[**, Incorporated**]** Fund created under section
3989 32-41a. When the State Bond Commission has acted to issue such
3990 bonds or a portion thereof, the Treasurer may, pending the issue of
3991 such bonds, issue, in the name of the state, temporary notes in
3992 anticipation of the money to be received from the sale of such bonds.
3993 In issuing the bonds authorized hereunder, the State Bond
3994 Commission may require repayment of such bonds by the corporation
3995 as shall seem desirable consistent with the purposes of sections 32-32
3996 to 32-41, inclusive. Such terms for repayment may include a
3997 forgiveness of interest, a holiday in the repayment of interest or
3998 principal or both.

3999 Sec. 90. Section 4-66a of the general statutes is repealed and the
4000 following is substituted in lieu thereof (*Effective July 1, 2009*):

4001 (a) The Secretary of the Office of Policy and Management shall

4002 advise the Governor on matters concerning local government
4003 including state laws relating to local government, the impact of federal
4004 actions or proposed federal actions on local government, the financial
4005 needs and resources of local government and the allocation of program
4006 and financial responsibility between local government and the state.

4007 (b) The secretary shall advise the Governor regarding potential
4008 federal actions affecting state government and the citizens of the state
4009 and shall advise the joint standing committees of the General
4010 Assembly having cognizance of matters relating to appropriations and
4011 relating to the subject area of each federal policy initiative, including
4012 the allocation of resources in the federal budget, federal public
4013 assistance policy, federal economic policy and the distribution of
4014 federal assistance and facilities among regions and states.

4015 (c) The secretary may provide planning and management assistance
4016 to local governments utilizing such state and federal funds as may be
4017 appropriated for such purpose.

4018 (d) The secretary shall encourage each department of state
4019 government which deals with local governments to provide technical
4020 assistance in their areas of specialization. The secretary shall advise
4021 local officials on programs of state and federal assistance for which
4022 local governments are eligible and provide assistance, when requested,
4023 in applying for such assistance.

4024 (e) The secretary shall require that notice be given to him of all
4025 applications for federal financial assistance or for any gift,
4026 contribution, income from trust funds, or other aid from any private
4027 source submitted by the state, or any agency thereof, authorities and
4028 development agencies. The secretary may require that notice be given
4029 him of all applications for federal financial assistance submitted by
4030 municipalities or any agency thereof. The secretary may require that
4031 any notice of application for federal financial assistance be
4032 accompanied by an urban impact statement, on a form furnished by
4033 said secretary, indicating that the project or program for which such

4034 application is being made has been reviewed in accordance with the
4035 goals set forth in section 4-66b. Ongoing fund-raising from any private
4036 source by an institution of higher education shall not constitute an
4037 application under the terms of this section.

4038 (f) The Secretary of the Office of Policy and Management is
4039 authorized to do all things necessary to apply for and accept federal
4040 funds allotted or available to the state under any federal act or
4041 program which could support activities which the secretary is
4042 authorized to undertake. He shall administer such funds in accordance
4043 with state and federal law. The secretary, in consultation with the
4044 executive director of **[**Connecticut Innovations, Incorporated,**]** the
4045 Connecticut Economic Innovations Authority or the Commissioner of
4046 Economic and Community Development, when applicable, may apply
4047 for all federal funds available to the state for defense conversion
4048 projects and other projects consistent with a defense conversion
4049 strategy.

4050 Sec. 91. Section 8-250 of the general statutes is repealed and the
4051 following is substituted in lieu thereof (*Effective July 1, 2009*):

4052 The purpose of the authority shall be to alleviate the shortage of
4053 housing for low and moderate income families and persons in this
4054 state and, when appropriate, to promote or maintain the economic
4055 development of this state through employer-assisted housing efforts
4056 and for such purposes the authority shall have the following powers:

4057 (1) To have perpetual succession as a body politic and corporate and
4058 to adopt and from time to time amend and repeal bylaws, policies and
4059 procedures for the regulations of its affairs and the conduct of its
4060 business;

4061 (2) To invest in, purchase, acquire and take assignments from
4062 mortgagees of notes and mortgages evidencing loans for the
4063 construction, rehabilitation, purchase, leasing or refinancing of
4064 housing;

4065 (3) To receive and accept aid or contributions from any source of
4066 money, property, labor or other things of value, to be held, used and
4067 applied to carry out the purposes of this chapter subject to such
4068 conditions upon which such grants and contributions may be made,
4069 including, but not limited to, gifts or grants from any department,
4070 agency or instrumentality of the United States or this state for any
4071 purpose consistent with this chapter;

4072 (4) To enter into agreements with any department, agency or
4073 instrumentality of the United States or this state and with prospective
4074 mortgagees and mortgagors for the purpose of planning and
4075 regulating and providing for the financing and refinancing,
4076 construction or rehabilitation, leasing, management and disposition of
4077 any housing undertaken with the assistance of the authority under this
4078 chapter;

4079 (5) To acquire or contract to acquire, by purchase, grant, foreclosure
4080 or otherwise, leaseholds, fees and other interests in real property, in
4081 the state of Connecticut; to take assignments of leases and rentals; to
4082 own, hold, clear, improve and rehabilitate and to sell, assign,
4083 exchange, transfer, convey, lease, mortgage or otherwise dispose of or
4084 encumber such property on any terms, including purchase money
4085 mortgages;

4086 (6) To promote and encourage private sponsorship of the
4087 construction and rehabilitation of adequate housing for low and
4088 moderate income families and persons in this state;

4089 (7) To encourage the individual ownership of homes and the
4090 ownership of individual shares of or memberships in cooperative
4091 housing by low and moderate income families and persons in this
4092 state;

4093 (8) To stimulate environmental planning for housing for low and
4094 moderate income families and persons in order to enhance
4095 opportunities of such persons for self-development and employment;

4096 (9) To encourage governmental agencies and others to participate
4097 and assist in overcoming the lack of adequate housing for low and
4098 moderate income families and persons in this state;

4099 (10) To make mortgage loans and to participate with any
4100 department, agency or instrumentality of the United States or this
4101 state, or any lending institution, foundation, labor union, investment
4102 trust, educational institution, or fiduciary in a loan to an eligible
4103 mortgagor secured by a single participation mortgage or by separate
4104 mortgages, the interest of each having equal priority as to lien in
4105 proportion to the amount of the loan so secured, but not necessarily
4106 equal as to interest rate, time or rate of amortization or otherwise; to
4107 undertake commitments to make mortgage loans; to sell mortgages at
4108 public or private sale, with or without bidding; to foreclose on any
4109 mortgage or commence any action to protect or enforce any right
4110 conferred upon it by law, mortgage, contract or other agreement, and
4111 to bid for and purchase property which was the subject of such
4112 mortgage, at any foreclosure or at any other sale; to release or
4113 relinquish any right, title, claim, interest or demand, however
4114 acquired, including any equity or right of redemption, in property
4115 foreclosed by it; to acquire and take possession of any such property,
4116 and in such event to complete, administer, pay the principal and
4117 interest or any obligation incurred in connection with such property,
4118 dispose of, and otherwise deal with, such property in such manner as
4119 may be necessary or desirable to protect the interests of the authority
4120 therein;

4121 (11) To the extent permitted under this chapter, to borrow money or
4122 secure credit on a temporary, short-term, interim or long-term basis;

4123 (12) To issue bonds, bond anticipation notes and other obligations of
4124 the authority to the extent permitted under this chapter, to fund and
4125 refund the same and provide for the rights of the holders thereof; and
4126 to secure the same by pledge of revenues, notes and mortgages of
4127 others;

4128 (13) To acquire, lease, hold and dispose of personal property for its
4129 corporate purposes;

4130 (14) To fix and collect fees and charges in connection with its loans,
4131 applications for loans, commitments, mortgage insurance and
4132 purchase of mortgages, including, but not limited to, reimbursement of
4133 costs of financing by the authority, service charges and insurance
4134 premiums as the authority shall determine to be reasonable and as
4135 shall be approved by the authority;

4136 (15) To employ such assistants, agents and other employees and to
4137 engage consultants and such other independent professionals as may
4138 be necessary or desirable to carry out its purposes in accordance with
4139 this chapter and to fix their compensation; and to provide technical
4140 assistance to eligible mortgagors as provided in this chapter;

4141 (16) To make and enter into all contracts and agreements necessary
4142 or incidental to the performance of its duties and the execution of its
4143 powers under this chapter, including contracts or agreements with
4144 qualified financial institutions for the servicing and processing of
4145 mortgage loans pursuant to this chapter;

4146 (17) To sue and be sued, plead and be impleaded, provided nothing
4147 in section 8-244 or 8-253 shall be so construed as to permit an
4148 attachment of or garnishment against any of the funds or assets of the
4149 authority prior to final judgment, adopt a seal and alter the same at
4150 pleasure, and maintain an office at such place or places within the state
4151 as it may designate;

4152 (18) To invest any funds not needed for immediate use or
4153 disbursement, including any funds held in reserve, in obligations
4154 issued or guaranteed by the United States of America or the state of
4155 Connecticut and in other obligations which are legal investments for
4156 savings banks in this state and in time deposits or certificates of
4157 deposit or other similar banking arrangements secured in such manner
4158 as the authority determines;

4159 (19) To procure insurance against any loss in connection with its
4160 property and other assets, including mortgages and mortgage loans, in
4161 such amounts and from such insurers as it deems desirable;

4162 (20) To the extent permitted under its contract with the holders of
4163 bonds, bond anticipation notes and other obligations of the authority,
4164 to consent to any modification with respect to rate of interest, time and
4165 payment of any installment of principal or interest, security or any
4166 other term of any mortgage, mortgage loan, mortgage loan
4167 commitment, contract or agreement of any kind to which the authority
4168 is a party;

4169 (21) To the extent permitted under its contract with the holders of
4170 bonds, bond anticipation notes and other obligations, to enter into
4171 contracts with any mortgagor containing provisions enabling such
4172 mortgagor to reduce the rental or carrying charges to families of
4173 persons unable to pay the regular schedule of charges where, by
4174 reason of other income or payment from any department, agency or
4175 instrumentality of the United States or this state, such reductions can
4176 be made without jeopardizing the economic stability of housing being
4177 financed;

4178 (22) Where by reason of the financing plan a review of the
4179 application for financing the proposed housing is required by or in
4180 behalf of any department, agency or instrumentality of the United
4181 States or this state, to provide, contract or arrange for consolidated
4182 processing of any such application to avoid duplication thereof by
4183 either undertaking the processing in whole or in part for any such
4184 department, agency or instrumentality or, in the alternative, delegating
4185 the processing in whole or in part to any such department, agency or
4186 instrumentality;

4187 (23) To sell, at public or private sale, with or without bidding, any
4188 mortgage or other obligation held by the authority;

4189 (24) To insure mortgage payments of any mortgage loan made for

4190 the purpose of constructing, rehabilitating, purchasing, leasing, or
4191 refinancing housing, upon such terms and conditions as the authority
4192 may prescribe;

4193 (25) To enter into mortgage insurance agreements with lending
4194 institutions in connection with the lending of money by such
4195 institutions for the purchase of housing;

4196 (26) To make advances to nonprofit corporations, including
4197 community housing development corporations meeting the
4198 requirements of section 8-217, and to municipal developers for the
4199 expenses of planning and developing housing for which such
4200 nonprofit corporation or municipal developer has applied for a
4201 mortgage loan or mortgage insurance from the authority under the
4202 provisions of this chapter. The authority may make such advances
4203 after it has determined that the proposed housing complies with the
4204 standards established by the authority under this chapter, in an
4205 amount not to exceed ninety-five per cent of the reasonable
4206 development costs expected to be incurred by the applicant in
4207 connection with the planning and developing of such housing prior to
4208 the availability of financing for the construction, rehabilitation or
4209 acquisition thereof. The proceeds of the advance may be used only to
4210 defray the development costs of such housing. Each advance shall be
4211 repaid in full by the recipient thereof upon initial disbursement of the
4212 construction loan financing such housing, unless the authority extends
4213 the period for repayment of the advances. In no event shall the time for
4214 repayment be extended beyond the date of receipt of final
4215 disbursement of construction loan proceeds. If the authority
4216 determines, after making an advance hereunder, that it will not make a
4217 mortgage loan or insure a mortgage for the proposed housing under
4218 the provisions of this chapter, the advance may, at the discretion of the
4219 authority, be treated as a grant to the extent that the advance cannot be
4220 repaid from the assets of the recipient corporation or municipal
4221 developer, including the project;

4222 (27) To encourage home ownership by low and moderate income

4223 families and persons, including ownership of structures containing not
4224 more than four dwelling units where the eligible low or moderate
4225 income family or person owning such structure occupies a dwelling
4226 unit therein. Structures acquired hereunder may be newly-built,
4227 existing or rehabilitated, either before or after acquisition. If newly-
4228 built, such structures shall conform to the State Building Code; existing
4229 structures shall conform after rehabilitation to standards established
4230 by the authority. The authority may assist an eligible mortgagor in the
4231 acquisition, construction or rehabilitation of such structures by
4232 exercising any of the powers conferred upon the authority by this
4233 chapter. Any structure so acquired, constructed or rehabilitated by an
4234 eligible mortgagor other than a low or moderate income family or
4235 person shall be conveyed to a low or moderate income family or
4236 person within one year from the date of such acquisition or from the
4237 date of completion of such construction or acquisition, whichever date
4238 is later;

4239 (28) To establish a program to finance the construction or
4240 rehabilitation of housing designed for condominium or cooperative
4241 ownership, to convert existing housing however financed to such
4242 forms of ownership, and to finance the ownership of individual shares
4243 of or memberships in cooperative housing, and individual units of
4244 condominium housing, which mortgages for such cooperative and
4245 condominium housing are financed by the authority, and in
4246 connection therewith to make or insure first or second mortgage loans
4247 to finance the organization and the construction or rehabilitation of or
4248 conversion to cooperative or condominium housing, to assist and
4249 advise tenants during a period of conversion to cooperative or
4250 condominium ownership, and to make or insure loans to finance the
4251 ownership of individual shares of or memberships in existing as well
4252 as new or rehabilitated cooperative housing, such loans to be secured
4253 by pledges of the individual shares of or memberships in the
4254 cooperative housing purchased or by such other security as the
4255 authority shall prescribe, pursuant to such rules and regulations as the
4256 authority may determine, provided, in the case of mortgage loans or

4257 mortgage loan insurance for occupied existing housing to be converted
4258 into cooperative or condominium ownership, the authority shall
4259 determine, prior to any mortgage loan or mortgage loan insurance
4260 commitment, pursuant to rules and regulations promulgated by it, that
4261 a sufficient number of the families and persons who are tenants before
4262 such conversion have agreed to purchase individual shares of or
4263 memberships in any cooperative housing created or units in any
4264 condominium declared after conversion to ensure the economic
4265 feasibility of the conversion and to ensure that the conversion will not
4266 create undue hardship through the displacement of such tenants,
4267 provided that, if a loan made by the authority under this section is
4268 insured or if the project or any units therein are assisted by any
4269 department, agency or instrumentality of the United States or this
4270 state, and the terms of the loan insurance commitment or any
4271 governmental regulations covering such insurance or other assistance
4272 are inconsistent with the terms and conditions required by this section
4273 or established by the authority under this chapter, the terms of such
4274 loan insurance commitment or governmental regulation shall prevail,
4275 to the extent of such inconsistency. As used in this subdivision,
4276 "housing" includes the land which constitutes a mobile manufactured
4277 home park and "tenants" includes the residents of a mobile
4278 manufactured home park;

4279 (29) To give approval or consent to the articles of incorporation or
4280 other basic documents of organization submitted to the authority by
4281 an applicant for a mortgage loan. (1) If the applicant is a nonprofit
4282 corporation, the articles of incorporation shall, in addition to other
4283 requirements of law, provide: (a) That the corporation has been
4284 organized to provide housing; (b) that all the income and earnings of
4285 the corporation shall be used exclusively for corporate purposes and
4286 that no part of the net earnings or net income of the corporation shall
4287 inure to the benefit or profit of any private individual, firm,
4288 corporation, partnership or association; (c) that the corporation is in no
4289 manner controlled or under the direction or acting in the substantial
4290 interest of any private individual, firm, partnership or association

4291 seeking to derive profit or gain therefrom or seeking to eliminate or
4292 minimize losses in any dealing or transactions therewith; (d) that the
4293 operations of the corporation may be supervised by the authority and
4294 that the corporation shall enter into such agreements with the
4295 authority as the authority from time to time requires providing for
4296 regulation by the authority of the planning, development and
4297 management of any housing project undertaken by the corporation
4298 and the disposition of the property and franchises of the corporation.
4299 (2) If the applicant is a corporation organized for profit, the articles of
4300 incorporation shall provide, in addition to other requirements of law:
4301 (a) That the corporation has been organized to provide housing; (b)
4302 that every stockholder of the corporation shall be deemed, by the
4303 subscription or receipt of stock therein, to have agreed that he at no
4304 time shall receive from the corporation in repayment of his investment
4305 any sums in excess of the face value of the investment plus cumulative
4306 dividends not in excess of the return on equity permitted by other
4307 provisions of this chapter, computed from the initial date upon which
4308 moneys were paid or property delivered in consideration for the
4309 proprietary interest of the stockholder and upon the dissolution of the
4310 corporation any surplus in excess of such amounts shall be paid to the
4311 authority; (c) that the operations of the corporation may be supervised
4312 by the authority and that the corporation shall enter into such
4313 agreements with the authority as the authority from time to time
4314 requires providing for regulation by the authority of the planning,
4315 development and management of any housing undertaken by the
4316 corporation and the disposition of the property and franchises of the
4317 corporation. (3) If the applicant is an unincorporated association,
4318 including, but not limited to, a partnership, limited partnership, joint
4319 venture or trust, its basic documents of organization shall provide, in
4320 addition to other requirements of law: (a) That the association has been
4321 organized to provide housing; (b) that every member of the association
4322 shall be deemed by acceptance of a beneficial interest in the association
4323 or by executing the basic document of organization to have agreed that
4324 he at no time shall receive from such association any return in excess of
4325 the face value of the investment attributable to his respective interest

4326 plus cumulative dividend payments not in excess of the return on
4327 equity permitted by other provisions of this chapter, computed from
4328 the initial date upon which moneys were paid or property delivered in
4329 consideration for the interest, and upon the dissolution of the
4330 association any surplus in excess of such amounts shall be paid to the
4331 authority; (c) that the operations of the association may be supervised
4332 by the authority and that the association shall enter into such
4333 agreements with the authority as the authority from time to time
4334 requires providing for the regulation by the authority of the planning,
4335 development and management of any housing undertaken by the
4336 association, and the disposition of the property and franchises of the
4337 association. (4) "Surplus" as used in this subsection shall not be
4338 deemed to include any increase in assets of any recipient of a mortgage
4339 loan from the authority under this chapter, by reason of reduction of
4340 mortgage, by amortization or similar payments, or realized from the
4341 sale or disposition of any assets of such recipient, to the extent such
4342 surplus can be attributed to any increase in market value of any real
4343 property or tangible personal property accruing during the period the
4344 assets were owned and held by such recipient. (5) The articles of
4345 incorporation or similar basic documents of organization shall further
4346 provide that the authority shall have the power to appoint to the board
4347 of directors of the nonprofit or for-profit corporation a number of new
4348 directors, which number shall be sufficient to constitute a majority of
4349 the board, and to appoint a managing agent of the unincorporated
4350 association, notwithstanding any other provisions of the articles of
4351 incorporation or other basic documents of organization or any other
4352 provisions of law, if: (a) The authority determines that the loan or
4353 advance made to such recipient is in jeopardy of not being repaid; (b)
4354 the authority determines that the proposed housing project for which
4355 the loan or advance was made is in jeopardy of not being constructed;
4356 (c) the recipient is a nonprofit corporation, and the authority
4357 determines that some part of the net income or earnings of the
4358 corporation is inuring to the benefit of any private individual, firm,
4359 partnership, corporation or association, or that the corporation is in
4360 some manner controlled by or under the direction of or acting in the

4361 substantial interest of any private individual, firm, corporation,
4362 partnership or association seeking to derive benefit or gain therefrom
4363 or seeking to eliminate or minimize losses in any dealings or
4364 transactions therewith; (d) the recipient is a for-profit corporation or
4365 unincorporated association, and the authority determines that some
4366 part of the net income or earnings of the recipient, in excess of that
4367 permitted by other provisions of this chapter, shall inure to the benefit
4368 of any private individual, firm, corporation, partnership or association;
4369 (e) the authority determines that the recipient is in violation of any
4370 rules or regulations promulgated by the authority under the
4371 provisions of this chapter; (f) the authority determines that the
4372 recipient is in violation of any agreements entered into with the
4373 authority providing for regulation by the authority of the planning,
4374 development and management of any housing undertaken by the
4375 recipient or the disposition of the property and franchises of such
4376 recipient;

4377 (30) To do all acts and things necessary or convenient to carry out
4378 the purposes of this chapter and the powers expressly granted by this
4379 chapter;

4380 (31) To make construction loans secured by a first mortgage to
4381 persons for the project costs of subdivision development, upon a
4382 finding by the authority that the permanent mortgages are to be used
4383 for a housing project and that the construction loan shall include an
4384 agreement between the authority and such person which shall
4385 establish such restrictions and safeguards as the authority shall deem
4386 appropriate and necessary: (1) To assure that savings and benefits
4387 realized by such person are reflected in the transfer of title to the
4388 mortgagor of such housing whereby said mortgagor is guaranteed full
4389 realization of the financial benefit of such savings, or (2) to return to
4390 the authority the savings and benefits realized by such person in the
4391 event the permanent mortgages are not made to a mortgagor;

4392 (32) To make commitments to purchase, and to purchase, service
4393 and sell mortgages and to make loans directly upon the security of any

4394 mortgage, or to purchase and sell Federal Home Loan Mortgage
4395 Corporation participation sale certificates, Government National
4396 Mortgage Association mortgage-backed securities or other similar
4397 securities which are insured by any department, agency or
4398 instrumentality of the United States of America or public corporation
4399 chartered by Congress during the maximum yields reasonably
4400 obtainable for the purpose of generating income to the authority which
4401 will enable the authority to provide a lower interest rate than is
4402 presently possible for families of low and moderate income. Income
4403 limitations adopted by the authority shall not apply to mortgages or
4404 securities purchased pursuant to this subsection;

4405 (33) To make loans which are not secured by a mortgage on real
4406 property for the rehabilitation of residential housing for occupancy by
4407 persons of low and moderate income, in amounts not to exceed the
4408 maximum amount insurable by any department, agency or
4409 instrumentality of the United States of America in the case of each
4410 loan, on such terms and conditions as the authority may determine,
4411 provided any such loan shall be insured or guaranteed by a
4412 department, agency or instrumentality of the United States of America,
4413 or by such other entity as the authority shall determine is financially
4414 able to insure or guarantee repayment in the event of default by the
4415 borrower, or coinsured by a department, agency or instrumentality of
4416 the United States of America with the authority being a self-insurer for
4417 any amount in excess of the insurance available under such
4418 coinsurance program;

4419 (34) In addition to powers previously provided pursuant to this
4420 chapter and without regard to the limitations in sections 8-253a and 8-
4421 254a: (1) To establish a program to finance urban area mortgages and
4422 to make, enter into and enforce all contracts or agreements necessary,
4423 convenient or desirable with respect thereto; provided applications for
4424 urban area mortgages may be considered only when the desired loan
4425 may not be otherwise available on reasonable terms; (2) to insure
4426 mortgage payments for any urban area mortgage on the same terms

4427 and conditions of and subject to the applicable provisions of sections 8-
4428 253 and 8-254 and to enter into mortgage insurance agreements with
4429 lending institutions in connection with the lending of money by such
4430 institutions for the making of urban area mortgages; and (3) from time
4431 to time to adopt, modify, amend or repeal rules and regulations
4432 governing the making, purchasing, servicing and sale of such urban
4433 area mortgages;

4434 (35) To make loans and advances to any mortgagor owning a
4435 housing project: (1) For repairs, maintenance, improvements and
4436 replacements in the project and the acquisition of any equipment or
4437 supplies required therefor; (2) for the payment of liens or claims
4438 against any project or against any nonprofit corporation or municipal
4439 developer owning any project and arising out of the ownership or
4440 operation of such project; or (3) for the payment of any other expenses
4441 deemed necessary or desirable to protect the interest of the authority;
4442 provided in each case that the construction, acquisition or
4443 rehabilitation of the project was financed by a mortgage loan held or
4444 insured by the authority, the mortgagor owning the project is unable to
4445 make any such payment, and the failure to make any such payment
4446 would either (i) constitute or threaten a delinquency or default under
4447 the mortgage held or insured by the authority, or a violation of any
4448 agreements entered into with the authority or (ii) jeopardize the
4449 economic stability of the project. Any such loan or advance may, at the
4450 discretion of the authority, be treated as a grant and, if not so treated,
4451 shall be evidenced by a second mortgage on the housing project and
4452 shall be repaid according to such terms and conditions as the authority
4453 may prescribe, except that the repayment of the loan in the event of
4454 default under such mortgage by the mortgagor need not be insured or
4455 guaranteed;

4456 (36) To provide in all programs of the authority means to finance
4457 project costs for the purchase, construction and installation in new and
4458 existing buildings of energy conservation measures and renewable
4459 energy systems providing space heating or cooling, domestic hot

4460 water, electricity or other useful energy, regardless of whether a
4461 building is presently financed in whole or in part by other programs of
4462 the authority. Such energy financing programs shall include making or
4463 insuring first or second mortgage loans or loans secured by a security
4464 other than a mortgage, as the authority may prescribe. The authority's
4465 energy loan programs shall be designed to carry out the state policy of
4466 encouraging energy conservation and the widespread use of
4467 renewable energy to reduce dependence on conventional fuels subject
4468 to rapid increases in cost and uncertain availability. The authority may
4469 prescribe loan conditions and loan eligibility criteria consistent with
4470 state policy. For the purposes of this subsection "renewable energy"
4471 means solar, wind, water and biomass energy;

4472 (37) To make loans to any person who is sixty-two years of age or
4473 older and who owns a single family dwelling in which he resides, for
4474 the purpose of converting a portion of the dwelling into a rental unit,
4475 subject to applicable zoning regulations;

4476 (38) To extend mortgage loan guarantees to mortgage lending
4477 institutions to refinance residential mortgage loans when a decrease in
4478 the appraised value of the real property securing the mortgage
4479 precludes such lending;

4480 (39) (a) In connection with, or incidental to, the issuance or carrying
4481 of bonds, or acquisition or carrying of any investment or program of
4482 investment, to enter into any contract which the authority determines
4483 to be necessary or appropriate to place the obligation or investment of
4484 the authority, as represented by the bonds, investment or program of
4485 investment and the contract or contracts, in whole or in part, on the
4486 interest rate, currency, cash flow, or other basis desired by the
4487 authority, including, without limitations, contracts commonly known
4488 as interest rate swap agreements, currency swap agreements, forward
4489 payment conversion agreements, futures, or contracts providing for
4490 payments based on levels of, or changes in, interest rates, currency
4491 exchange rates, stock or other indices, or contracts to exchange cash
4492 flows or a series of payments, or contracts, including, without

4493 limitation, interest rate floors or caps, options, puts or calls to hedge
4494 payment, currency, rate, spread, or similar exposure or, contracts for
4495 the purchase of option rights with respect to the mandatory tender for
4496 purchase of bonds, notes or other obligations of the authority, which
4497 are subject to mandatory tender or redemption, including the issuance
4498 of certificates evidencing the right of the owner to exercise such option
4499 rights. These contracts or arrangements may also be entered into by
4500 the authority in connection with, or incidental to, entering into or
4501 maintaining any agreement which secures its bonds, notes or other
4502 obligations, subject to the terms and conditions thereof respecting
4503 outstanding obligations. (b) Bonds issued by the authority may be
4504 payable in accordance with their terms, in whole or in part, in currency
4505 other than lawful money of the United States of America, provided
4506 that the authority enter into a currency swap or similar agreement for
4507 payments in lawful money of the United States of America, which
4508 covers the entire amount of the debt service payment obligation of the
4509 authority with respect to the bonds payable in other currency, and
4510 provided further, that if the term of that agreement is less than the
4511 term of the bonds, the authority shall include a best efforts covenant to
4512 enter into additional agreements as may be necessary to cover the
4513 entire amount of the debt service payment obligation. (c) In connection
4514 with, or incidental to, the issuance or carrying of bonds, notes or other
4515 obligations or entering into any of the contracts or agreement referred
4516 to in subdivision (a), the authority may enter into credit enhancement
4517 or liquidity agreements, with payment, interest rate, currency, security,
4518 default, remedy and other terms and conditions as the authority
4519 determines;

4520 (40) To develop a program to assist the residents of mobile
4521 manufactured home parks finance the purchase of the parks in which
4522 they live, including residents who have received notice pursuant to
4523 subsection (f) of section 21-70;

4524 (41) To make, originate, administer, hold and service grants,
4525 deferred loans and loans and the security given therefor, and to

4526 perform such other functions as may be necessary and appropriate,
4527 with respect to the home ownership loan program established
4528 pursuant to sections 8-283 to 8-289, inclusive, or the private rental
4529 investment mortgage and equity program established pursuant to
4530 sections 8-400 to 8-406, inclusive; provided that not later than January
4531 1, 1996, the authority shall adopt procedures for administration of such
4532 programs pursuant to section 1-121;

4533 (42) To accept from the department: (A) Financial assistance, (B)
4534 revenues or the right to receive revenues with respect to any program
4535 under the supervision of the department, and (C) loan assets or equity
4536 interests in connection with any program under the supervision of the
4537 department; to make advances to and reimburse the department for
4538 any expenses incurred or to be incurred by it in the delivery of such
4539 assistance, revenues, rights, assets, interests or amounts; to enter into
4540 agreements with the department for the delivery of services by the
4541 authority in consultation with the department **[**,**]** and the **[**Connecticut
4542 Development Authority and Connecticut Innovations, Incorporated,**]**
4543 Connecticut Economic Innovations Authority to third parties which
4544 agreements may include provisions for payment by the department to
4545 the authority for the delivery of such services; and to enter into
4546 agreements with the department or with the **[**Connecticut
4547 Development Authority or Connecticut Innovations, Incorporated,**]**
4548 Connecticut Economic Innovations Authority for the sharing of
4549 assistants, agents and other consultants, professionals and employees,
4550 and facilities and other real and personal property used in the conduct
4551 of the authority's affairs;

4552 (43) To transfer to the department: (A) Financial assistance; (B)
4553 revenues or the right to receive revenues with respect to any program
4554 under the supervision of the authority; and (C) loan assets, equity
4555 interests or financial participation in connection with any program
4556 under the supervision of the authority, provided the transfer of such
4557 financial assistance, revenues, rights, assets, interests or participation is
4558 determined by the authority to be practicable, within the constraints

4559 and not inconsistent with the fiduciary obligations of the authority
4560 imposed upon or established upon the authority by any provision of
4561 the general statutes, the authority's bond resolutions or any other
4562 agreement or contract of the authority and to have no adverse effect on
4563 the tax-exempt status of any bonds of the authority or the state;

4564 (44) Provide assistance, in such form and subject to such conditions
4565 as the authority may determine, to a local housing authority or project
4566 sponsor in connection with a housing revitalization project undertaken
4567 pursuant to sections 34 to 38, inclusive, of public act 03-6 of the June 30
4568 special session*;

4569 (45) To develop and implement a program to purchase, and to fund
4570 the authority's purchase of, foreclosed residential real property in this
4571 state for the purpose of providing affordable and supportive housing,
4572 and to report, in accordance with section 11-4a, no later than January 1,
4573 2009, on the program and plans for its implementation to the joint
4574 standing committees of the General Assembly having cognizance of
4575 matters relating to banks and planning and development, and to the
4576 select committee of the General Assembly having cognizance of
4577 matters relating to housing.

4578 Sec. 92. Section 16-245n of the general statutes is repealed and the
4579 following is substituted in lieu thereof (*Effective July 1, 2009*):

4580 (a) For purposes of this section, "renewable energy" means solar
4581 photovoltaic energy, solar thermal, geothermal energy, wind, ocean
4582 thermal energy, wave or tidal energy, fuel cells, landfill gas,
4583 hydropower that meets the low-impact standards of the Low-Impact
4584 Hydropower Institute, hydrogen production and hydrogen conversion
4585 technologies, low emission advanced biomass conversion technologies,
4586 alternative fuels, used for electricity generation including ethanol,
4587 biodiesel or other fuel produced in Connecticut and derived from
4588 agricultural produce, food waste or waste vegetable oil, provided the
4589 Commissioner of Environmental Protection determines that such fuels
4590 provide net reductions in greenhouse gas emissions and fossil fuel

4591 consumption, usable electricity from combined heat and power
4592 systems with waste heat recovery systems, thermal storage systems
4593 and other energy resources and emerging technologies which have
4594 significant potential for commercialization and which do not involve
4595 the combustion of coal, petroleum or petroleum products, municipal
4596 solid waste or nuclear fission.

4597 (b) On and after July 1, 2004, the Department of Public Utility
4598 Control shall assess or cause to be assessed a charge of not less than
4599 one mill per kilowatt hour charged to each end use customer of electric
4600 services in this state which shall be deposited into the Renewable
4601 Energy Investment Fund established under subsection (c) of this
4602 section. Notwithstanding the provisions of this section, receipts from
4603 such charges shall be disbursed to the resources of the General Fund
4604 during the period from July 1, 2003, to June 30, 2005, unless the
4605 department shall, on or before October 30, 2003, issue a financing order
4606 for each affected distribution company in accordance with sections 16-
4607 245e to 16-245k, inclusive, to sustain funding of renewable energy
4608 investment programs by substituting an equivalent amount, as
4609 determined by the department in such financing order, of proceeds of
4610 rate reduction bonds for disbursement to the resources of the General
4611 Fund during the period from July 1, 2003, to June 30, 2005. The
4612 department may authorize in such financing order the issuance of rate
4613 reduction bonds that substitute for disbursement to the General Fund
4614 for receipts of both charges under this subsection and subsection (a) of
4615 section 16-245m and also may in its discretion authorize the issuance of
4616 rate reduction bonds under this subsection and subsection (a) of
4617 section 16-245m that relate to more than one electric distribution
4618 company. The department shall, in such financing order or other
4619 appropriate order, offset any increase in the competitive transition
4620 assessment necessary to pay principal, premium, if any, interest and
4621 expenses of the issuance of such rate reduction bonds by making an
4622 equivalent reduction to the charges imposed under this subsection,
4623 provided any failure to offset all or any portion of such increase in the
4624 competitive transition assessment shall not affect the need to

4625 implement the full amount of such increase as required by this
4626 subsection and sections 16-245e to 16-245k, inclusive. Such financing
4627 order shall also provide if the rate reduction bonds are not issued, any
4628 unrecovered funds expended and committed by the electric
4629 distribution companies for renewable resource investment through
4630 deposits into the Renewable Energy Investment Fund, provided such
4631 expenditures were approved by the department following August 20,
4632 2003, and prior to the date of determination that the rate reduction
4633 bonds cannot be issued, shall be recovered by the companies from
4634 their respective competitive transition assessment or systems benefits
4635 charge except that such expenditures shall not exceed one million
4636 dollars per month. All receipts from the remaining charges imposed
4637 under this subsection, after reduction of such charges to offset the
4638 increase in the competitive transition assessment as provided in this
4639 subsection, shall be disbursed to the Renewable Energy Investment
4640 Fund commencing as of July 1, 2003. Any increase in the competitive
4641 transition assessment or decrease in the renewable energy investment
4642 component of an electric distribution company's rates resulting from
4643 the issuance of or obligations under rate reduction bonds shall be
4644 included as rate adjustments on customer bills.

4645 (c) There is hereby created a Renewable Energy Investment Fund
4646 which shall be within **[**Connecticut Innovations, Incorporated**]** <u>the</u>
4647 <u>Connecticut Economic Innovations Authority</u> for administrative
4648 purposes only. The fund may receive any amount required by law to
4649 be deposited into the fund and may receive any federal funds as may
4650 become available to the state for renewable energy investments. Upon
4651 authorization of the Renewable Energy Investments Board established
4652 pursuant to subsection (d) of this section, **[**Connecticut Innovations,
4653 Incorporated,**]** <u>the Connecticut Economic Innovations Authority</u> may
4654 use any amount in said fund for expenditures that promote investment
4655 in renewable energy sources in accordance with a comprehensive plan
4656 developed by it to foster the growth, development and
4657 commercialization of renewable energy sources, related enterprises
4658 and stimulate demand for renewable energy and deployment of

4659 renewable energy sources that serve end use customers in this state
4660 and for the further purpose of supporting operational demonstration
4661 projects for advanced technologies that reduce energy use from
4662 traditional sources. Such expenditures may include, but not be limited
4663 to, reimbursement for services provided by the administrator of the
4664 fund including a management fee, disbursements from the fund to
4665 develop and carry out the plan developed pursuant to subsection (d)
4666 of this section, grants, direct or equity investments, contracts or other
4667 actions which support research, development, manufacture,
4668 commercialization, deployment and installation of renewable energy
4669 technologies, and actions which expand the expertise of individuals,
4670 businesses and lending institutions with regard to renewable energy
4671 technologies.

4672 (d) There is hereby created a Renewable Energy Investments Board
4673 to act on matters related to the Renewable Energy Investment Fund,
4674 including, but not limited to, development of a comprehensive plan
4675 and expenditure of funds. The Renewable Energy Investments Board
4676 shall, in such plan, give preference to projects that maximize the
4677 reduction of federally mandated congestion charges. The Renewable
4678 Energy Investments Board shall make a draft of the comprehensive
4679 plan available for public comment for not less than thirty days. The
4680 board shall conduct three public hearings in three different regions of
4681 the state on the draft comprehensive plan and shall include a
4682 summarization of all public comments received at said public hearings
4683 in the final comprehensive plan approved by the board. The board
4684 shall provide a copy of the comprehensive plan, in accordance with the
4685 provisions of section 11-4a, to the joint standing committees of the
4686 General Assembly having cognizance of matters relating to energy and
4687 commerce. The Department of Public Utility Control shall, in an
4688 uncontested proceeding, during which the department may hold a
4689 public hearing, approve, modify or reject the comprehensive plan
4690 prepared pursuant to this subsection.

4691 (e) The Renewable Energy Investments Board shall include not

4692 more than fifteen individuals with knowledge and experience in
4693 matters related to the purpose and activities of the Renewable Energy
4694 Investment Fund. The board shall consist of the following members:
4695 (1) One person with expertise regarding renewable energy resources
4696 appointed by the speaker of the House of Representatives; (2) one
4697 person representing a state or regional organization primarily
4698 concerned with environmental protection appointed by the president
4699 pro tempore of the Senate; (3) one person with experience in business
4700 or commercial investments appointed by the majority leader of the
4701 House of Representatives; (4) one person representing a state or
4702 regional organization primarily concerned with environmental
4703 protection appointed by the majority leader of the Senate; (5) one
4704 person with experience in business or commercial investments
4705 appointed by the minority leader of the House of Representatives; (6)
4706 the Commissioner of Emergency Management and Homeland Security
4707 or the commissioner's designee; (7) one person with expertise
4708 regarding renewable energy resources appointed by the Governor; (8)
4709 two persons with experience in business or commercial investments
4710 appointed by the board of directors of **[**Connecticut Innovations,
4711 Incorporated**]** the Connecticut Economic Innovations Authority; (9) a
4712 representative of a state-wide business association, manufacturing
4713 association or chamber of commerce appointed by the minority leader
4714 of the Senate; (10) the Consumer Counsel; (11) the Secretary of the
4715 Office of Policy and Management or the secretary's designee; (12) the
4716 Commissioner of Environmental Protection or the commissioner's
4717 designee; (13) a representative of organized labor appointed by the
4718 Governor; and (14) a representative of residential customers or low-
4719 income customers appointed by Governor. On a biennial basis, the
4720 board shall elect a chairperson and vice-chairperson from among its
4721 members and shall adopt such bylaws and procedures it deems
4722 necessary to carry out its functions. The board may establish
4723 committees and subcommittees as necessary to conduct its business.

4724 (f) The board shall issue annually a report to the Department of
4725 Public Utility Control reviewing the activities of the Renewable Energy

4726 Investment Fund in detail and shall provide a copy of such report, in
4727 accordance with the provisions of section 11-4a, to the joint standing
4728 committees of the General Assembly having cognizance of matters
4729 relating to energy and commerce and the Office of Consumer Counsel.
4730 The report shall include a description of the programs and activities
4731 undertaken during the reporting period jointly or in collaboration with
4732 the Energy Conservation and Load Management Funds established
4733 pursuant to section 16-245m.

4734 (g) There shall be a joint committee of the Energy Conservation
4735 Management Board and the Renewable Energy Investments Board, as
4736 provided in subdivision (2) of subsection (d) of section 16-245m.

4737 (h) No later than December 31, 2006, and no later than December
4738 thirty-first every five years thereafter, the board shall, after consulting
4739 with the Energy Conservation Management Board, conduct an
4740 evaluation of the performance of the programs and activities of the
4741 fund and submit a report, in accordance with the provisions of section
4742 11-4a, of the evaluation to the joint standing committees of the General
4743 Assembly having cognizance of matters relating to energy and
4744 commerce.

4745 Sec. 93. Section 16-245aa of the general statutes is repealed and the
4746 following is substituted in lieu thereof (*Effective July 1, 2009*):

4747 (a) There is established an account to be known as the "municipal
4748 renewable energy and efficient energy grant account", which shall be a
4749 separate, nonlapsing account within the Renewable Energy Investment
4750 Fund, established pursuant to section 16-245n. The account shall
4751 contain any moneys required or permitted by law to be deposited in
4752 the account and any funds received from any public or private
4753 contributions, gifts, grants, donations, bequests or devises to the fund.
4754 **[**Connecticut Innovations, Incorporated,**]** <u>The Connecticut Economic</u>
4755 <u>Innovations Authority</u> may make grants-in-aid from the fund in
4756 accordance with the provisions of subsection (b) of this section.

4757 (b) [Connecticut Innovations, Incorporated] The Connecticut
4758 Economic Innovations Authority, in consultation with the Department
4759 of Public Utility Control, the Department of Education and the
4760 Department of Emergency Management and Homeland Security, shall
4761 establish a municipal renewable energy and efficient energy
4762 generation grant program. [Connecticut Innovations, Incorporated,]
4763 The Connecticut Economic Innovations Authority shall make grants
4764 under said program to municipalities for the purchase of (1) renewable
4765 energy sources, including solar energy, geothermal energy and fuel
4766 cells or other energy-efficient hydrogen-fueled energy, or (2) energy-
4767 efficient generation sources, including units providing combined heat-
4768 and-power operations with greater than sixty-five per cent efficiency
4769 or such higher efficiency level as [Connecticut Innovations,
4770 Incorporated,] the Connecticut Economic Innovations Authority may
4771 prescribe, for municipal buildings. [Connecticut Innovations,
4772 Incorporated,] The Connecticut Economic Innovations Authority shall
4773 give priority to applications for grants for disaster relief centers and
4774 high schools. Each grant shall be in an amount that makes the cost of
4775 purchasing and operating the renewable energy or energy-efficient
4776 generation source competitive with the municipality's current
4777 electricity expenses.

4778 (c) On or before October 1, 2007, [Connecticut Innovations,
4779 Incorporated,] the Connecticut Economic Innovations Authority shall
4780 develop an application for grants-in-aid under this section for the
4781 purpose of purchasing and operating renewable energy or energy-
4782 efficient generation sources and may receive applications from
4783 municipalities for such grants-in-aid on and after said date.
4784 Applications shall include, but not be limited to, a complete
4785 description of the proposed renewable energy or energy-efficient
4786 generation source.

4787 (d) Commencing with the fiscal year ending June 30, 2008, and for
4788 each of the five consecutive fiscal years thereafter, until the fiscal year
4789 ending June 30, 2012, not less than ten million dollars shall be available

4790 from the municipal renewable energy and efficient energy generation
4791 grant account for grants-in-aid to municipalities for the purpose of
4792 purchasing and operating renewable energy or energy-efficient
4793 generation sources. Any balance of such amount not used for such
4794 grants-in-aid during a fiscal year shall be carried forward for the fiscal
4795 year next succeeding for such grants-in-aid.

4796 (e) On or before January 1, 2009, and annually thereafter,
4797 **[**Connecticut Innovations, Incorporated,**]** the Connecticut Economic
4798 Innovations Authority shall report on the effectiveness of said program
4799 to the joint standing committee of the General Assembly having
4800 cognizance of matters relating to energy.

4801 Sec. 94. Section 16-245bb of the general statutes is repealed and the
4802 following is substituted in lieu thereof (*Effective July 1, 2009*):

4803 (a) For the purposes described in subsection (b) of this section, the
4804 State Bond Commission shall have the power, from time to time, to
4805 authorize the issuance of bonds of the state in one or more series and
4806 in principal amounts not exceeding in the aggregate fifty million
4807 dollars.

4808 (b) The proceeds of the sale of said bonds, to the extent of the
4809 amount stated in subsection (a) of this section, shall be used by
4810 **[**Connecticut Innovations, Incorporated,**]** the Connecticut Economic
4811 Innovations Authority for the purpose of providing grants-in-aid
4812 pursuant to section 16-245aa.

4813 (c) All provisions of section 3-20, or the exercise of any right or
4814 power granted thereby, which are not inconsistent with the provisions
4815 of this section are hereby adopted and shall apply to all bonds
4816 authorized by the State Bond Commission pursuant to this section, and
4817 temporary notes in anticipation of the money to be derived from the
4818 sale of any such bonds so authorized may be issued in accordance with
4819 said section 3-20 and from time to time renewed. Such bonds shall
4820 mature at such time or times not exceeding twenty years from their

4821 respective dates as may be provided in or pursuant to the resolution or
4822 resolutions of the State Bond Commission authorizing such bonds.
4823 None of said bonds shall be authorized except upon a finding by the
4824 State Bond Commission that there has been filed with it a request for
4825 such authorization which is signed by or on behalf of the Secretary of
4826 the Office of Policy and Management and states such terms and
4827 conditions as said commission, in its discretion, may require. Said
4828 bonds issued pursuant to this section shall be general obligations of the
4829 state and the full faith and credit of the state of Connecticut are
4830 pledged for the payment of the principal of and interest on said bonds
4831 as the same become due, and accordingly and as part of the contract of
4832 the state with the holders of said bonds, appropriation of all amounts
4833 necessary for punctual payment of such principal and interest is
4834 hereby made, and the State Treasurer shall pay such principal and
4835 interest as the same become due.

4836 Sec. 95. Section 16a-38p of the general statutes is repealed and the
4837 following is substituted in lieu thereof (*Effective July 1, 2009*):

4838 (a) For the purposes described in subsection (b) of this section, the
4839 State Bond Commission shall have the power, from time to time, to
4840 authorize the issuance of bonds of the state in one or more series and
4841 in principal amounts not exceeding in the aggregate thirty million
4842 dollars.

4843 (b) The proceeds of the sale of said bonds, to the extent of the
4844 amount stated in subsection (a) of this section, shall be used by
4845 **[**Connecticut Innovations, Incorporated,**]** <u>the Connecticut Economic</u>
4846 <u>Innovations Authority</u> for the purpose of funding the net project costs,
4847 or the balance of any projects after applying any public or private
4848 financial incentives available, for any renewable energy or combined
4849 heat and power projects in state buildings. The funds shall be made
4850 available through the Renewable Energy Investment Fund, established
4851 pursuant to section 16-245n. Eligible state buildings shall be
4852 Leadership in Energy and Environmental Design (LEED) certified or in
4853 the process of becoming LEED certified or in the process of becoming

4854 LEED silver rating certified or receive a two-globe rating in the green
4855 Globes USA design program or in the process of receiving a two-globe
4856 rating in the Green Globes USA design program.

4857 (c) All provisions of section 3-20, or the exercise of any right or
4858 power granted thereby, which are not inconsistent with the provisions
4859 of this section are hereby adopted and shall apply to all bonds
4860 authorized by the State Bond Commission pursuant to this section, and
4861 temporary notes in anticipation of the money to be derived from the
4862 sale of any such bonds so authorized may be issued in accordance with
4863 said section 3-20 and from time to time renewed. Such bonds shall
4864 mature at such time or times not exceeding twenty years from their
4865 respective dates as may be provided in or pursuant to the resolution or
4866 resolutions of the State Bond Commission authorizing such bonds.
4867 None of said bonds shall be authorized except upon a finding by the
4868 State Bond Commission that there has been filed with it a request for
4869 such authorization which is signed by or on behalf of the Secretary of
4870 the Office of Policy and Management and states such terms and
4871 conditions as said commission, in its discretion, may require. Said
4872 bonds issued pursuant to this section shall be general obligations of the
4873 state and the full faith and credit of the state of Connecticut are
4874 pledged for the payment of the principal of and interest on said bonds
4875 as the same become due, and accordingly and as part of the contract of
4876 the state with the holders of said bonds, appropriation of all amounts
4877 necessary for punctual payment of such principal and interest is
4878 hereby made, and the State Treasurer shall pay such principal and
4879 interest as the same become due.

4880 Sec. 96. Section 19a-32f of the general statutes is repealed and the
4881 following is substituted in lieu thereof (*Effective July 1, 2009*):

4882 (a) (1) There is established a Stem Cell Research Advisory
4883 Committee. The committee shall consist of the Commissioner of Public
4884 Health and eight members who shall be appointed as follows: Two by
4885 the Governor, one of whom shall be nationally recognized as an active
4886 investigator in the field of stem cell research and one of whom shall

4887 have background and experience in the field of bioethics; one each by
4888 the president pro tempore of the Senate and the speaker of the House
4889 of Representatives, who shall have background and experience in
4890 private sector stem cell research and development; one each by the
4891 majority leaders of the Senate and House of Representatives, who shall
4892 be academic researchers specializing in stem cell research; one by the
4893 minority leader of the Senate, who shall have background and
4894 experience in either private or public sector stem cell research and
4895 development or related research fields, including, but not limited to,
4896 embryology, genetics or cellular biology; and one by the minority
4897 leader of the House of Representatives, who shall have background
4898 and experience in business or financial investments. Members shall
4899 serve for a term of four years commencing on October first, except that
4900 members first appointed by the Governor and the majority leaders of
4901 the Senate and House of Representatives shall serve for a term of two
4902 years. No member may serve for more than two consecutive four-year
4903 terms and no member may serve concurrently on the Stem Cell
4904 Research Peer Review Committee established pursuant to section 19a-
4905 32g. All initial appointments to the committee shall be made by
4906 October 1, 2005. Any vacancy shall be filled by the appointing
4907 authority.

4908 (2) On and after July 1, 2006, the advisory committee shall include
4909 eight additional members who shall be appointed as follows: Two by
4910 the Governor, one of whom shall be nationally recognized as an active
4911 investigator in the field of stem cell research and one of whom shall
4912 have background and experience in the field of ethics; one each by the
4913 president pro tempore of the Senate and the speaker of the House of
4914 Representatives, who shall have background and experience in private
4915 sector stem cell research and development; one each by the majority
4916 leaders of the Senate and House of Representatives, who shall be
4917 academic researchers specializing in stem cell research; one by the
4918 minority leader of the Senate, who shall have background and
4919 experience in either private or public sector stem cell research and
4920 development or related research fields, including, but not limited to,

4921 embryology, genetics or cellular biology; and one by the minority
4922 leader of the House of Representatives, who shall have background
4923 and experience in business or financial investments. Members shall
4924 serve for a term of four years, except that (A) members first appointed
4925 by the Governor and the majority leaders of the Senate and House of
4926 Representatives pursuant to this subdivision shall serve for a term of
4927 two years and three months, and (B) members first appointed by the
4928 remaining appointing authorities shall serve for a term of four years
4929 and three months. No member appointed pursuant to this subdivision
4930 may serve for more than two consecutive four-year terms and no such
4931 member may serve concurrently on the Stem Cell Research Peer
4932 Review Committee established pursuant to section 19a-32g. All initial
4933 appointments to the committee pursuant to this subdivision shall be
4934 made by July 1, 2006. Any vacancy shall be filled by the appointing
4935 authority.

4936 (b) The Commissioner of Public Health shall serve as the
4937 chairperson of the committee and shall schedule the first meeting of
4938 the committee, which shall be held no later than December 1, 2005.

4939 (c) All members appointed to the committee shall work to advance
4940 embryonic and human adult stem cell research. Any member who fails
4941 to attend three consecutive meetings or who fails to attend fifty per
4942 cent of all meetings held during any calendar year shall be deemed to
4943 have resigned from the committee.

4944 (d) Notwithstanding the provisions of any other law, it shall not
4945 constitute a conflict of interest for a trustee, director, partner, officer,
4946 stockholder, proprietor, counsel or employee of any eligible institution,
4947 or for any other individual with a financial interest in any eligible
4948 institution, to serve as a member of the committee. All members shall
4949 be deemed public officials and shall adhere to the code of ethics for
4950 public officials set forth in chapter 10. Members may participate in the
4951 affairs of the committee with respect to the review or consideration of
4952 grant-in-aid applications, including the approval or disapproval of
4953 such applications, except that no member shall participate in the affairs

4954 of the committee with respect to the review or consideration of any
4955 grant-in-aid application filed by such member or by any eligible
4956 institution in which such member has a financial interest, or with
4957 whom such member engages in any business, employment, transaction
4958 or professional activity.

4959 (e) The Stem Cell Research Advisory Committee shall (1) develop,
4960 in consultation with the Commissioner of Public Health, a donated
4961 funds program to encourage the development of funds other than state
4962 appropriations for embryonic and human adult stem cell research in
4963 this state, (2) examine and identify specific ways to improve and
4964 promote for-profit and not-for-profit embryonic and human adult stem
4965 cell and related research in the state, including, but not limited to,
4966 identifying both public and private funding sources for such research,
4967 maintaining existing embryonic and human adult stem-cell-related
4968 businesses, recruiting new embryonic and human adult stem-cell-
4969 related businesses to the state and recruiting scientists and researchers
4970 in such field to the state, (3) establish and administer, in consultation
4971 with the Commissioner of Public Health, a stem cell research grant
4972 program which shall provide grants-in-aid to eligible institutions for
4973 the advancement of embryonic or human adult stem cell research in
4974 this state pursuant to section 19a-32e, and (4) monitor the stem cell
4975 research conducted by eligible institutions that receive such grants-in-
4976 aid.

4977 (f) **[**Connecticut Innovations, Incorporated**]** <u>The Connecticut</u>
4978 <u>Economic Innovations Authority</u> shall serve as administrative staff of
4979 the committee and shall assist the committee in (1) developing the
4980 application for the grants-in-aid authorized under subsection (e) of this
4981 section, (2) reviewing such applications, (3) preparing and executing
4982 any assistance agreements or other agreements in connection with the
4983 awarding of such grants-in-aid, and (4) performing such other
4984 administrative duties as the committee deems necessary.

4985 (g) Not later than June 30, 2007, and annually thereafter until June
4986 30, 2015, the Stem Cell Research Advisory Committee shall report, in

4987 accordance with section 11-4a, to the Governor and the General
4988 Assembly on (1) the amount of grants-in-aid awarded to eligible
4989 institutions from the Stem Cell Research Fund pursuant to section 19a-
4990 32e, (2) the recipients of such grants-in-aid, and (3) the current status of
4991 stem cell research in the state.

4992 Sec. 97. Section 31-11aa of the general statutes is repealed and the
4993 following is substituted in lieu thereof (*Effective July 1, 2009*):

4994 (a) The Connecticut Employment and Training Commission within
4995 the Office of Workforce Competitiveness shall produce, within
4996 available appropriations, a report on information technology
4997 workforce development, including a long-range strategic plan, that
4998 addresses Connecticut's workforce and research needs as they relate to
4999 information technology and electronic commerce. The commission
5000 shall work with the Commissioners of Economic and Community
5001 Development, Education and Higher Education and any business-
5002 related association or organization that the commission deems
5003 appropriate in creating a planning structure, no later than July 5, 2000,
5004 to develop the plan. The planning structure shall include
5005 representation from the Connecticut Employment and Training
5006 Commission, the General Assembly, the Departments of Education,
5007 Higher Education and Economic and Community Development,
5008 **[**Connecticut Innovations, Incorporated**]** the Connecticut Economic
5009 Innovations Authority, information technology and software
5010 companies, the Connecticut Business and Industry Association, the
5011 Connecticut Economic Resource Center, the Connecticut Technology
5012 Council, The University of Connecticut, the Connecticut State
5013 University System, the community-technical colleges, Charter Oak
5014 State College, the Connecticut Distance Learning Consortium, the
5015 Connecticut Conference of Independent Colleges and any other
5016 representatives including regional and state-wide business and
5017 technology associations the Connecticut Employment and Training
5018 Commission and commissioners deem necessary.

5019 (b) The report shall specify: (1) The number and job descriptions of

5020 workers in information technology intensive occupations and the
5021 associated occupational codes for those occupations as identified
5022 through the Standard Occupational Code classification system of the
5023 Bureau of Labor Statistics of the United States Department of Labor, (2)
5024 a forecast assessment of demand by Connecticut employers in those
5025 occupations for two, five and ten years from July 1, 2000, (3) methods
5026 to generate a sufficient number of information technology graduates to
5027 fill identified needs, including, but not limited to, scholarship, school-
5028 to-career and internship programs, (4) methods to effectively link
5029 appropriate and trained graduates to information technology jobs in
5030 this state, including, but not limited to, loan reimbursement programs,
5031 (5) what programmatic and curricular emphasis should be developed
5032 to support the growth of electronic commerce, software and
5033 information technology industries, (6) methods secondary and higher
5034 education and private industry can use to continue to address
5035 information technology workforce needs as they change and evolve
5036 over time, and (7) an assessment of existing state initiatives directed at
5037 improving workforce development in Connecticut's information
5038 technology and software industries and a method for ensuring such
5039 industries are informed, on a continual basis, of these and other
5040 workforce development options as they are implemented.

5041 (c) The commission shall report, in accordance with section 11-4a, to
5042 the General Assembly and the Governor by October 16, 2000. The
5043 report shall include the specifications of the plan. The commission
5044 may, prior to the completion of the report, release findings, data,
5045 conclusions or other content on an ongoing basis.

5046 Sec. 98. Section 32-1e of the general statutes is repealed and the
5047 following is substituted in lieu thereof (*Effective July 1, 2009*):

5048 (a) The Commissioner of Economic and Community Development,
5049 in consultation with the Connecticut Resources Recovery Authority
5050 and the Commissioner of Environmental Protection, shall prepare a
5051 plan for the support and promotion of industries that use, process or
5052 transport recycled materials. The plan shall outline ways existing

5053 programs of the Department of Economic and Community
5054 Development, the Connecticut Resources Recovery Authority and
5055 agencies such as the Department of Environmental Protection **[**, the
5056 Connecticut Development Authority and Connecticut Innovations,
5057 Incorporated**]** and the Connecticut Economic Innovations Authority
5058 will be used to promote such industries.

5059 (b) Such plan shall be completed on or before July 1, 2007.

5060 Sec. 99. Section 32-1k of the general statutes is repealed and the
5061 following is substituted in lieu thereof (*Effective July 1, 2009*):

5062 As used in sections 8-244b to 8-244d, inclusive, this section and
5063 section 32-1*l*, the following terms shall have the following meanings
5064 unless the context clearly indicates another meaning and intent:

5065 (1) "Department" means the Department of Economic and
5066 Community Development;

5067 (2) "Commissioner" means the Commissioner of Economic and
5068 Community Development;

5069 **[**(3) "CDA" means the Connecticut Development Authority, as
5070 created under chapter 579;**]**

5071 **[**(4)**]** (3) "CHFA" means the Connecticut Housing Finance Authority,
5072 as created under chapter 134; and

5073 **[**(5) "CII" means Connecticut Innovations, Incorporated, as created
5074 under chapter 581; and**]**

5075 **[**(6)**]** (4) "SHA" means the State Housing Authority as created under
5076 section 8-244b.

5077 Sec. 100. Section 32-4h of the general statutes is repealed and the
5078 following is substituted in lieu thereof (*Effective July 1, 2009*):

5079 Not later than August 1, 1997, and annually thereafter, the

5080 **[**chairperson of the board of directors of the Connecticut Development
5081 Authority and the chairperson of the board of directors of Connecticut
5082 Innovations, Incorporated**]** executive director of the Connecticut
5083 Economic Innovations Authority shall submit a report to the joint
5084 standing committee of the General Assembly having cognizance of
5085 matters relating to the Department of Economic and Community
5086 Development, in accordance with the provisions of section 11-4a,
5087 which details the amount of bond funds expended during the previous
5088 fiscal year on each economic cluster in the state. **[**by the quasi-public
5089 agency administered by such chairperson.**]**

5090 Sec. 101. Section 32-6k of the general statutes is repealed and the
5091 following is substituted in lieu thereof (*Effective July 1, 2009*):

5092 (a) Prior to entering into a grant, loan or assistance agreement for
5093 any project which is a major traffic generator within the meaning of
5094 section 14-311, the Commissioner of Economic and Community
5095 Development and the executive **[**directors of the Connecticut
5096 Development Authority and Connecticut Innovations, Incorporated**]**
5097 director of the Connecticut Economic Innovations Authority, as the
5098 case may be, shall submit an impact statement for each such project to
5099 the Connecticut Transportation Strategy Board, established pursuant
5100 to section 13b-57e. Each impact statement shall (1) describe the project
5101 and its expected impact on the transportation system, (2) summarize
5102 whether or not such project conforms to the strategy adopted in
5103 accordance with section 13b-57g, and (3) include any other information
5104 the board may require to discharge its responsibilities under this
5105 subsection including, but not limited to, (A) the size of any facility
5106 proposed in connection with the project, (B) the hours of operation of
5107 such facility, (C) a projection of whether or not an increase in daily
5108 vehicle trips including truck traffic is likely to occur as a result of such
5109 project, and (D) the availability of public transportation to and from
5110 such facility. The board shall evaluate each such impact statement to
5111 determine whether such project conforms to such strategy and shall
5112 submit to said commissioner and executive **[**directors**]** director any

5113 findings and recommendations with respect to such project. Nothing
5114 in this subsection shall be construed as requiring any delay in the
5115 implementation of any such project.

5116 (b) The board shall, subject to the requirements of chapter 14,
5117 protect confidential information and trade secrets provided in
5118 connection with the review of any project pursuant to subsection (a) of
5119 this section.

5120 Sec. 102. Section 32-41v of the general statutes is repealed and the
5121 following is substituted in lieu thereof (*Effective July 1, 2009*):

5122 (a) As used in this section:

5123 (1) **[**"Corporation"**]** "Authority" means **[**Connecticut Innovations,
5124 Incorporated**]** the Connecticut Economic Innovations Authority; and

5125 (2) "Fund" means the Connecticut New Opportunities Fund.

5126 (b) **[**Connecticut Innovations, Incorporated**]** The Connecticut
5127 Economic Innovations Authority shall establish a fund to be known as
5128 the Connecticut New Opportunities Fund, for the purpose of investing
5129 in seed stage and emerging growth companies in the state. The
5130 **[**corporation**]** authority, or a subsidiary created by the **[**corporation**]**
5131 authority for the purposes of this section, shall serve as general partner
5132 or managing member of the fund and shall determine whether the
5133 fund should be organized as a limited partnership or a limited liability
5134 company. The general partner or managing member of the fund shall
5135 be reimbursed from the fund for its management costs, which shall not
5136 exceed two per cent, annually, of the committed capital of the fund.

5137 (c) Investors in the fund may include pension funds, foundations
5138 and private entities. Such investors shall participate as limited partners
5139 or nonmanaging members of the fund. The committed capital of the
5140 fund shall not exceed fifty million dollars.

5141 (d) The moneys in the fund shall be invested as follows: (1) Not

5142 more than twenty-five per cent in seed stage companies, and (2) not
5143 more than seventy-five per cent in not more than twenty emerging
5144 growth companies. Not more than three million dollars shall be
5145 invested in any single seed stage or emerging growth company. Fund
5146 investments shall be in the form of equity or similar instruments. An
5147 emerging growth company may be eligible for an investment if the
5148 company projects high growth, has a strong management team, has
5149 current and prospective customers, has had difficulty raising early
5150 stage venture capital and is a strong market driver but is facing entry
5151 barriers.

5152 (e) The fund shall have a term of ten years, provided it may be
5153 extended for three one-year periods if necessary to complete
5154 liquidation of the fund's investments. Upon such liquidation, each
5155 investor shall be entitled to a return of the investment made, plus
5156 eighty per cent of all net realized gains of the fund. The state shall
5157 provide a first loss guarantee at the end of the tenth year, if needed, of
5158 not more than twenty-five million dollars. The state shall be entitled to
5159 ten per cent of all net realized gains of the fund and the general partner
5160 or managing member of the fund shall also be entitled to ten per cent
5161 of all such net realized gains.

5162 Sec. 103. Section 32-41w of the general statutes is repealed and the
5163 following is substituted in lieu thereof (*Effective July 1, 2009*):

5164 (a) There is established an early-stage venture capital program to be
5165 administered by **[**Connecticut Innovations, Incorporated,**]** <u>the</u>
5166 <u>Connecticut Economic Innovations Authority</u> to provide preseed
5167 financing, seed financing, start-up financing, early or first-stage
5168 financing and expansion financing to companies in the state.

5169 (b) In support of the program established in subsection (a) of this
5170 section, the **[**corporation**]** <u>authority</u> shall establish criteria for awarding
5171 such financing and shall develop and implement a plan to market the
5172 program.

5173 (c) The board of the **[**corporation**]** authority shall review and
5174 approve each application for such financing.

5175 (d) Funds provided for this section shall be allocated as follows: (1)
5176 Not less than five per cent for preseed financing; (2) not less than ten
5177 per cent for seed financing; (3) not less than ten per cent for start-up
5178 financing; (4) not less than fifteen per cent for early or first stage
5179 financing; and (5) not less than forty per cent and not more than sixty
5180 per cent on expansion financing, as such terms are defined in section
5181 32-34. The **[**corporation**]** authority shall use not more than three per
5182 cent of such funds for administration and marketing of such financial
5183 aid.

5184 (e) The **[**corporation**]** authority shall adopt procedures, pursuant to
5185 section 1-121, to implement the provisions of this section.

5186 Sec. 104. Section 32-70a of the general statutes is repealed and the
5187 following is substituted in lieu thereof (*Effective July 1, 2009*):

5188 (a) On or before October 1, 2006, the Commissioner of Economic and
5189 Community Development shall establish goals for enterprise zones
5190 designated under section 32-70. The commissioner shall review such
5191 goals every five years and update them as necessary and appropriate.
5192 Such goals shall include, but not be limited to, increasing private
5193 investment, expanding the tax base, providing job training and job
5194 creation for residents of enterprise zones and reducing property
5195 abandonment and housing blight in enterprise zones.

5196 (b) On or before October 1, 2006, the Commissioner of Economic
5197 and Community Development shall establish performance standards
5198 to measure the progress of municipalities with enterprise zones in
5199 attaining the goals for enterprise zones established under subsection
5200 (a) of this section. The commissioner shall review and update such
5201 performance standards as appropriate and necessary.

5202 (c) On or before July 1, 2011, and every five years thereafter, each
5203 business located within an enterprise zone shall electronically submit,

5204 in a format determined by the commissioner, a report to the
5205 municipality, which shall include, but not be limited to:

5206 (1) The name of the business;

5207 (2) The enterprise zone address of each business;

5208 (3) The date on which the business was first certified;

5209 (4) The number of full-time jobs the business had at the time of
5210 application;

5211 (5) The number of part-time jobs the business had at the time of
5212 application;

5213 (6) The number of full-time jobs of the business filled by residents of
5214 the enterprise zone as of June thirtieth of each year since certification;

5215 (7) The number of part-time jobs of the business filled by residents
5216 of the enterprise zone as of June thirtieth of each year since
5217 certification;

5218 (8) The number of full-time jobs the business had as of June thirtieth
5219 of each year since certification;

5220 (9) The number of part-time jobs the business had as of June
5221 thirtieth of each year since certification;

5222 (10) The average annual wage paid by the business to its full-time
5223 employees as of June thirtieth of each year since certification;

5224 (11) The average annual wage paid by the business to its part-time
5225 employees as of June thirtieth of each year since certification;

5226 (12) The number of employees of the business eligible for health
5227 benefits as of June thirtieth of each year since certification;

5228 (13) The per cent of average employee contribution to the health
5229 plan of the business as of June thirtieth of each year since certification;

5230 (14) The amount invested by the business in job training as of June
5231 thirtieth of each year since certification;

5232 (15) The amount of square footage of the building or buildings
5233 residing at the enterprise zone address at the time of application;

5234 (16) The amount of square footage of the building or buildings
5235 residing at the enterprise zone address as of June thirtieth of each year
5236 since certification;

5237 (17) The amount invested by the business or property owner in the
5238 building or buildings residing at the enterprise zone address as of June
5239 thirtieth of each year since certification;

5240 (18) The amount invested in personal property, excluding
5241 machinery and equipment used in the manufacture of goods, as of
5242 June thirtieth of each year since certification;

5243 (19) The amount invested in machinery and equipment used in the
5244 manufacture of goods as of June thirtieth of each year since
5245 certification;

5246 (20) The amount of the personal property tax abatement awarded to
5247 the business as of June thirtieth of each year since certification;

5248 (21) The amount of the real property tax abatement awarded to the
5249 business as of June thirtieth of each year since certification;

5250 (22) The amount of personal property tax actually paid by the
5251 business to the municipality as of June thirtieth of each year since
5252 certification; and

5253 (23) The amount of real property tax actually paid by the business to
5254 the municipality as of June thirtieth of each year since certification.

5255 (d) On or before July 1, 2011, and every five years thereafter, each
5256 municipality in which an enterprise zone is located shall electronically
5257 submit, in a format determined by the commissioner, a report to the

5258 commissioner evaluating the progress of the municipality in meeting
5259 the performance standards established under subsection (b) of this
5260 section. Each municipal report shall include, to the extent available, a
5261 list of all businesses certified within the municipality's enterprise zone,
5262 and the information provided by businesses under subsection (c) of
5263 this section.

5264 (e) On or before February 1, 2011, the commissioner shall assess the
5265 performance of each enterprise zone. In making such assessment the
5266 commissioner shall consider the report submitted under subsection (c)
5267 of this section by the municipality in which the enterprise zone is
5268 located and any other information he deems relevant. The
5269 commissioner shall report the findings of said assessment and any
5270 recommendations for improvement in the performance of the
5271 enterprise zone in the Department of Economic and Community
5272 Development's annual report.

5273 (f) On or before January 1, 2013, the commissioner shall assess the
5274 performance of each enterprise zone and may recommend to the joint
5275 standing committee of the General Assembly having cognizance of all
5276 matters relating to the Department of Economic and Community
5277 Development **[**, the Connecticut Development Authority and
5278 Connecticut Innovations, Incorporated,**]** that the designation be
5279 removed if he determines that the enterprise zone has not met
5280 performance standards established under subsection (b) of this section.
5281 Upon such recommendation, the General Assembly may remove the
5282 designation.

5283 Sec. 105. Section 32-344 of the general statutes is repealed and the
5284 following is substituted in lieu thereof (*Effective July 1, 2009*):

5285 As used in this section and sections 32-345 and 32-346:

5286 (1) "Business-led consortium" means a coalition or other group of
5287 entities, related by contractual or other arrangements, that (A) includes
5288 at least one Connecticut business and may include other businesses

5289 and nonprofit or public institutions, and (B) is led by a business for the
5290 purpose of technology development or commercialization;

5291 (2) [**"Corporation"**] "Authority" means [**Connecticut Innovations,**
5292 **Incorporated, as created under section 32-35**] the Connecticut
5293 Economic Innovations Authority established pursuant to section 6 of
5294 this act;

5295 (3) "Small business" means a corporation, limited liability company,
5296 partnership, sole proprietorship or individual, operating a business for
5297 profit, which employs five hundred or fewer employees, including
5298 employees employed in any subsidiary or affiliated corporation;

5299 (4) "Small business innovation research program" means the federal
5300 program established pursuant to the Small Business Innovation
5301 Development Act of 1982 (P.L. 97-219), as amended, which provides
5302 funds to small businesses to conduct innovative research which has
5303 potential commercial applications;

5304 (5) "Small business technology transfer program" means the federal
5305 program established pursuant to the Small Business Research and
5306 Development Enhancement Act of 1992 (P.L. 102-564), as amended,
5307 which provides funds to small businesses that collaborate with
5308 nonprofit research institutions to conduct innovative research which
5309 has potential commercial applications;

5310 (6) "Federal technology support program" means any program now
5311 or hereafter established by the government of the United States of
5312 America or any agency or instrumentality thereof, other than the small
5313 business innovation research program and small business technology
5314 transfer program that (A) is authorized to provide funding support for
5315 projects undertaken by businesses and business-led consortia for the
5316 development or commercialization of advanced technologies,
5317 including without limitation technologies applied or applicable to
5318 national defense, and (B) requires recipients to furnish a portion of the
5319 funds necessary to carry out such activities;

5320 (7) "Micro business" means a business entity, including its affiliates,
5321 that (A) is independently owned and operated, and (B) employs fewer
5322 than fifty full-time employees or has gross annual sales of less than
5323 five million dollars.

5324 Sec. 106. Section 32-356 of the general statutes is repealed and the
5325 following is substituted in lieu thereof (*Effective July 1, 2009*):

5326 (a) For purposes of this section, "incubator facilities" shall have the
5327 same meaning as incubator facilities in section 32-34.

5328 (b) The Commissioner of Economic and Community Development
5329 shall establish the small business incubator program to provide grants
5330 to entities operating incubator facilities, as defined in section 32-34.
5331 The Department of Economic and Community Development may
5332 enter into an agreement, pursuant to chapter 55a, with a person, firm,
5333 corporation or other entity to operate such program. The department,
5334 or a program operator selected pursuant to this subsection, shall,
5335 subject to the availability of funds, operate a technology-based small
5336 business incubator program. In accordance with the written guidelines
5337 developed by the department, the department or program operator, if
5338 any, may provide grants to assist small businesses operating within
5339 incubator facilities. Grants made pursuant to this section shall be used
5340 by such entities to provide operating funds and related services,
5341 including business plan preparation, assistance in acquiring financing
5342 and management counseling.

5343 (c) An entity shall submit an application for a grant pursuant to this
5344 section in the manner prescribed by the Commissioner of Economic
5345 and Community Development.

5346 (d) There is established an account to be known as the small
5347 business incubator account, which shall be a separate, nonlapsing
5348 account within the General Fund. The commissioner may use funds
5349 from the account to provide administrative expenses and grants
5350 pursuant to this section.

5351 (e) (1) There is established a Small Business Incubator Advisory
5352 Board. Said board shall consist of: (A) The Commissioner of Economic
5353 and Community Development; (B) the **[**president of the Connecticut
5354 Development Authority and the**]** executive director of **[**Connecticut
5355 Innovations, Incorporated**]** the Connecticut Economic Innovations
5356 Authority, or the executive director's designee, as an ex-officio
5357 nonvoting **[**members, or their designees**]** member; (C) one member to
5358 be appointed by the Governor; (D) two members with experience in
5359 the field of technology transfer and commercialization, to be appointed
5360 by the speaker of the House of Representatives; (E) two members with
5361 experience in new product and market development, to be appointed
5362 by the president pro tempore of the Senate; (F) one member to be
5363 appointed by the majority leader of the Senate; (G) one member to be
5364 appointed by the majority leader of the House of Representatives; (H)
5365 one member with experience in seed and early stage capital
5366 investment, to be appointed by the minority leader of the House of
5367 Representatives; and (I) one member with experience in seed and early
5368 stage capital investment, to be appointed by the minority leader of the
5369 Senate. All initial appointments to said board shall be made not later
5370 than September 1, 2007.

5371 (2) The Commissioner of Economic and Community Development
5372 shall schedule the first meeting of said board not later than October 15,
5373 2007. Thereafter, the board shall meet at least once annually to evaluate
5374 and recommend changes to the guidelines adopted pursuant to this
5375 section.

5376 Sec. 107. Section 32-450 of the general statutes is repealed and the
5377 following is substituted in lieu thereof (*Effective July 1, 2009*):

5378 As used in sections 32-450 to 32-457, inclusive:

5379 (1) "Awarding authority" means the Commissioner of Economic and
5380 Community Development **[**,**]** and the board of directors of the
5381 **[**Connecticut Development Authority and the board of directors of
5382 Connecticut Innovations, Incorporated**]** Connecticut Economic

5383 Innovations Authority.

5384 (2) "Economic development financial assistance" means any grant,
5385 loan or loan guarantee, or combination thereof, or any tax credits
5386 approved pursuant to section 32-9t, provided to a business for the
5387 purpose of economic development.

5388 (3) "Employee representatives" means representatives of any
5389 certified or recognized bargaining agents for employees of a business.

5390 (4) "Threshold project" means (A) a project for which a business
5391 operating in the state and having twenty-five or more full-time
5392 employees in the state submits a request to an awarding authority for
5393 economic development financial assistance in the form of (i) a grant in
5394 the amount of two hundred fifty thousand dollars or more or (ii) a
5395 combination of a grant and a loan or loan guarantee, totaling two
5396 hundred fifty thousand dollars or more, or (B) a project for which a
5397 business operating in the state and having one hundred or more full-
5398 time employees in the state submits a request to an awarding authority
5399 for economic development financial assistance in the form of (i) a loan
5400 or a loan guarantee, in the amount of one million dollars or more, or
5401 (ii) a combination of a loan and a loan guarantee, totaling one million
5402 dollars or more.

5403 Sec. 108. Section 32-462 of the general statutes is repealed and the
5404 following is substituted in lieu thereof (*Effective July 1, 2009*):

5405 (a) As used in this section:

5406 (1) "Agency" means the Department of Economic and Community
5407 Development **[**, the Connecticut Development Authority**]** or
5408 **[**Connecticut Innovations, Incorporated**]** the Connecticut Economic
5409 Innovations Authority.

5410 (2) "Financial assistance" means grants, loans, loan guarantees,
5411 contracts of insurance, investments, or combinations thereof, which are
5412 provided from the proceeds of bonds, notes or other obligations of the

5413 state or an agency which constitute a debt or liability of the state or
5414 which are secured by a special capital reserve fund payable from
5415 amounts appropriated or deemed appropriated from the General
5416 Fund.

5417 (3) "Applicant" means any eligible applicant seeking financial
5418 assistance from an agency for a business project. The term "applicant"
5419 shall not include any political subdivision of the state.

5420 (4) "Business project" means a business proposal undertaken by one
5421 or more applicants, but does not include housing unless undertaken in
5422 combination with another unrelated type of business.

5423 (5) "Biotechnology business project" means any commercial project
5424 to be used or occupied by any person to conduct laboratory activity
5425 relating to, or the research, development or manufacture of,
5426 biologically active molecules or devices that apply to, affect or analyze
5427 biological processes.

5428 (b) (1) No agency or agencies may award more than a total of ten
5429 million dollars of financial assistance during any two-year period to an
5430 applicant or for a business project unless such financial assistance is
5431 specifically authorized by an act of the General Assembly which has
5432 been enacted before, on or after July 1, 1994. (2) The provisions of
5433 subdivision (1) of this subsection shall not apply to any awards funded
5434 or to be funded by bonds authorized to be issued by the State Bond
5435 Commission before July 1, 1994.

5436 (c) Notwithstanding the provisions of subsection (b) of this section,
5437 no agency or agencies may award more than twenty million dollars of
5438 financial assistance for a biotechnology business project during any
5439 two-year period unless such financial assistance is specifically
5440 authorized by an act of the General Assembly which has been enacted
5441 before, on or after July 1, 2001.

5442 Sec. 109. Section 32-478 of the general statutes is repealed and the
5443 following is substituted in lieu thereof (*Effective July 1, 2009*):

5444 The board of directors of **[**Connecticut Innovations, Incorporated**]**
5445 the Connecticut Economic Innovations Authority shall give priority to
5446 applicants who have established a work environment consistent with
5447 the criteria set forth in section 32-475 in awarding financial assistance
5448 under the program authorized pursuant to sections 32-344, 32-345 and
5449 32-346, to the extent consistent with any state or regional economic
5450 development strategy.

5451 Sec. 110. Section 32-479 of the general statutes is repealed and the
5452 following is substituted in lieu thereof (*Effective July 1, 2009*):

5453 Not later than July 1, 1996, the Commissioner of Economic and
5454 Community Development, the Labor Commissioner **[**, the Connecticut
5455 Development Authority and Connecticut Innovations, Incorporated**]**
5456 and the Connecticut Economic Innovations Authority shall jointly
5457 develop goals and objectives and quantifiable outcome measures
5458 related to the percentage of financial assistance which is being
5459 provided to high performance work organizations. The Labor
5460 Commissioner **[**, the Connecticut Development Authority**]** and
5461 **[**Connecticut Innovations, Incorporated**]** the Connecticut Economic
5462 Innovations Authority shall submit an annual report concerning such
5463 goals, objectives and measures to the joint standing committee of the
5464 General Assembly having cognizance of matters relating to labor and
5465 public employees and the joint standing committee having cognizance
5466 of matters relating to commerce.

5467 Sec. 111. Section 32-480 of the general statutes is repealed and the
5468 following is substituted in lieu thereof (*Effective July 1, 2009*):

5469 The Department of Economic and Community Development, the
5470 Labor Department **[**, the Connecticut Development Authority**]** and
5471 **[**Connecticut Innovations, Incorporated**]** the Connecticut Economic
5472 Innovations Authority shall, when appropriate, encourage persons,
5473 firms and corporations which contact said departments or authorities
5474 for financial assistance to utilize high performance work practices in
5475 their business operations.

5476 Sec. 112. Section 32-700 of the general statutes is repealed and the
5477 following is substituted in lieu thereof (*Effective July 1, 2009*):

5478 As used in sections 32-701 to 32-703, inclusive, and this section:

5479 (1) "Awarding authority" means the Commissioner of Economic and
5480 Community Development, the board of directors of the **[**Connecticut
5481 Development Authority, the board of directors of Connecticut
5482 Innovations, Incorporated,**]** Connecticut Economic Innovations
5483 Authority and the head of any other quasi-public agency, as defined in
5484 section 1-120, and any state agency authorized to award state
5485 assistance, as defined in subdivision (2) of this section.

5486 (2) "State assistance" means any grant, loan, loan guarantee or
5487 issuance of tax benefit not of general applicability for the purpose of
5488 economic development that is (A) made to a business entity operated
5489 for profit, and (B) in an amount greater than one million dollars or
5490 that, if added to any other such state assistance made to the same
5491 business entity during the preceding two years, would total greater
5492 than one million dollars.

5493 Sec. 113. Section 32-701 of the general statutes is repealed and the
5494 following is substituted in lieu thereof (*Effective July 1, 2009*):

5495 (a) The terms and conditions of any agreement for state assistance
5496 under any program of the general statutes to a business entity
5497 operated for profit administered by the Department of Economic and
5498 Community Development **[**, Connecticut Development Authority**]** and
5499 **[**Connecticut Innovations, Incorporated,**]** the Connecticut Economic
5500 Innovations Authority shall include provisions for (1) specific goals for
5501 the creation and retention of full-time and part-time jobs and for
5502 periodic reports by the recipient on progress in achieving such goals if
5503 the primary purpose of the state assistance is job creation or retention,
5504 and (2) a requirement that an applicant for any type of state assistance,
5505 except grants and loans of a term of less than one year, provide the
5506 agency with appropriate security for such financial assistance,

5507 including, but not limited to, a letter of credit, a lien on real property or
5508 a security interest in goods, equipment, inventory or other property of
5509 any kind and that the recipient of such state assistance will remain in
5510 substantial material compliance with state and federal law.

5511 (b) If a recipient fails to create or retain the number of jobs in this
5512 state stipulated in an agreement for state assistance and such failure is
5513 due to circumstances within the control of such recipient, the recipient
5514 shall repay an amount that is in proportion to the number of jobs that
5515 it failed to create or retain unless the awarding authority deems it is in
5516 the best interests of the state or the community in which the recipient
5517 is located to revise such job creation goals. In such event, the parties
5518 shall enter into a revised agreement subject to the approvals required
5519 by subsection (c) of this section. Upon request of the awarding
5520 authority, a recipient shall provide information necessary to determine
5521 compliance with this section, including information showing the
5522 compensation paid to employees on jobs created as a result of the state
5523 assistance.

5524 (c) The awarding authority, in its discretion, may modify the terms
5525 and conditions of any state assistance, including, but not limited to,
5526 forgiveness of repayment of a loan, revision of job creation and
5527 retention goals or changes to interest rates, provided such awarding
5528 authority notifies the State Bond Commission or the appropriate board
5529 of directors, if any, of the modification.

5530 Sec. 114. Section 32-717 of the general statutes is repealed and the
5531 following is substituted in lieu thereof (*Effective July 1, 2009*):

5532 (a) The Commissioner of Economic and Community Development,
5533 **[**the chairperson of Connecticut Innovations, Incorporated,**]** the
5534 president of The University of Connecticut and the **[**chairperson of the
5535 Connecticut Development Authority**]** <u>executive director of the</u>
5536 <u>Connecticut Economic Innovations Authority</u>, or their respective
5537 designees, shall prepare, within available appropriations, and in
5538 consultation with the Governor's Competitiveness Council, the

5539 Commissioner of Education, the Commissioner of Higher Education,
5540 the chancellor of the community-technical college system, the director
5541 of the Office of Workforce Competitiveness and any other agencies
5542 and leading technology-focused organizations deemed appropriate by
5543 the Commissioner of Economic and Community Development,
5544 recommendations for an implementation plan and budget to establish
5545 an Innovation Network that will include the following: (1) The creation
5546 of endowed chairs and the hiring of leading academic professionals in
5547 targeted fields based on core competencies to work at universities,
5548 state colleges and community colleges, in collaboration with other
5549 technology initiatives; (2) the focused and aggressive solicitation of
5550 and leveraged partnership with federal research funds; (3) increased
5551 corporate-sponsored research; (4) the establishment of at least one
5552 innovation accelerator, linked to universities and involving
5553 corporations and start-up enterprises focused on advanced technology
5554 and leveraging the efforts underway by the Connecticut Center for
5555 Advanced Technology in the Hartford area; (5) the strengthening of
5556 technology transfer and entrepreneurship activities at universities in
5557 the state; (6) incentives and financial support for collaborative research
5558 between universities and industry or federally sponsored technology
5559 centers; (7) the creation of linkages to angel networks; and (8) the
5560 creation of linkages to incubators in Connecticut. Said plan shall also
5561 include provisions for the utilization of existing resources, including,
5562 but not limited to, **[**Connecticut Innovations, Incorporated, the
5563 Connecticut Development Authority**]** <u>the Connecticut Economic</u>
5564 <u>Innovations Authority</u>, The University of Connecticut and the Office of
5565 Workforce Competitiveness.

5566 (b) Not later than January 1, 2006, the Commissioner of Economic
5567 and Community Development, in consultation with **[**the chairperson
5568 of Connecticut Innovations, Incorporated,**]** the president of The
5569 University of Connecticut and the **[**chairperson of the Connecticut
5570 Development Authority**]** <u>executive director of the Connecticut</u>
5571 <u>Economic Innovations Authority</u>, shall develop an implementation
5572 plan for the Innovation Network, within available resources, and

5573 submit said plan and budget to the Governor and the joint standing
5574 committees of the General Assembly having cognizance of matters
5575 relating to economic development, education and labor, in accordance
5576 with the provisions of section 11-4a.

5577 Sec. 115. Section 32-718 of the general statutes is repealed and the
5578 following is substituted in lieu thereof (*Effective July 1, 2009*):

5579 The Department of Economic and Community Development,
5580 **[**Connecticut Innovations, Incorporated,**]** The University of
5581 Connecticut, the **[**Connecticut Development Authority**]** Connecticut
5582 Economic Innovations Authority and the Office of Workforce
5583 Competitiveness may use up to ten million dollars of their existing
5584 resources for plan implementation and to provide a catalyst for an
5585 additional forty million dollars of private investment. The plan for
5586 how these funds will be applied and how they will leverage the
5587 private money shall be presented to and approved by the State Bond
5588 Commission.

5589 Sec. 116. Section 8-192 of the general statutes is repealed and the
5590 following is substituted in lieu thereof (*Effective July 1, 2009*):

5591 (a) For the purpose of carrying out or administering a development
5592 plan or other functions authorized under this chapter, a municipality,
5593 acting by and through its development agency, is authorized, subject
5594 only to the limitations and procedures set forth in this section, to issue
5595 from time to time bonds of the municipality which are payable solely
5596 from and secured by: (1) A pledge of and lien upon any or all of the
5597 income, proceeds, revenues and property of development projects,
5598 including the proceeds of grants, loans, advances or contributions from
5599 the federal government, the state or other source, including financial
5600 assistance furnished by the municipality or any other public body
5601 pursuant to this chapter; (2) taxes or payments in lieu of taxes, or both,
5602 in whole or in part, allocated to and paid into a special fund of the
5603 municipality pursuant to the provisions of section 8-192a; or (3) any
5604 combination of the methods in subdivisions (1) and (2) of this section.

5605 Any bonds payable and secured as provided in this subsection shall be
5606 authorized and the appropriation of the proceeds thereof approved by
5607 a resolution adopted by the legislative body of the municipality,
5608 notwithstanding the provisions of any other statute, local law or
5609 charter governing the authorization and issuance of bonds and the
5610 appropriation of the proceeds thereof generally by the municipality.
5611 No such resolution shall be adopted until after a public hearing has
5612 been held upon such authorization. Notice of such hearing shall be
5613 published not less than five days prior to such hearing in a newspaper
5614 having a general circulation in the municipality. Such bonds shall be
5615 issued and sold in such manner; bear interest at such rate or rates,
5616 including variable rates to be determined in such manner as set forth
5617 in the proceedings authorizing the issuance of the bonds; provide for
5618 the payment of interest on such dates, whether before or at maturity;
5619 be issued at, above or below par; mature at such time or times not
5620 exceeding forty years from their date in the case of bonds issued to
5621 finance housing and facilities related thereto or thirty years from their
5622 date in all other cases; have such rank or priority; be payable in such
5623 medium of payment; be issued in such form, including, without
5624 limitation, registered or book-entry form; carry such registration and
5625 transfer privileges and be made subject to purchase or redemption
5626 before maturity at such price or prices and under such terms and
5627 conditions, including the condition that such bonds be subject to
5628 purchase or redemption on the demand of the owner thereof; and
5629 contain such other terms and particulars as the legislative body of the
5630 municipality or the officers delegated such authority by the legislative
5631 body of the municipality shall determine. The proceedings under
5632 which bonds are authorized to be issued may, subject to the provisions
5633 of the general statutes, contain any or all of the following: (A)
5634 Provisions respecting custody of the proceeds from the sale of the
5635 bonds and any bond anticipation notes, including any requirements
5636 that such proceeds be held separate from or not be commingled with
5637 other funds of the municipality; (B) provisions for the investment and
5638 reinvestment of bond proceeds until such proceeds are used to pay
5639 project costs and for the disposition of any excess bond proceeds or

5640 investment earnings thereon; (C) provisions for the execution of
5641 reimbursement agreements, or similar agreements, in connection with
5642 credit facilities, including, but not limited to, letters of credit or policies
5643 of bond insurance, remarketing agreements and agreements for the
5644 purpose of moderating interest rate fluctuations; (D) provisions for the
5645 collection, custody, investment, reinvestment and use of the pledged
5646 revenues or other receipts, funds or moneys pledged for payment of
5647 bonds as provided in this section; (E) provisions regarding the
5648 establishment and maintenance of reserves, sinking funds and any
5649 other funds and accounts as shall be approved by the legislative body
5650 of the municipality in such amounts as may be established by the
5651 legislative body of the municipality, and the regulation and disposition
5652 thereof, including requirements that any such funds and accounts be
5653 held separate from or not be commingled with other funds of the
5654 municipality; (F) covenants for the establishment of maintenance
5655 requirements with respect to facilities and properties; (G) provisions
5656 for the issuance of additional bonds on a parity with bonds issued
5657 prior to the issuance of such additional bonds, including establishment
5658 of coverage requirements with respect to such bonds as herein
5659 provided; (H) provisions regarding the rights and remedies available
5660 in case of a default to the bond owners, note owners or any trustee
5661 under any contract, loan agreement, document, instrument or trust
5662 indenture, including the right to appoint a trustee to represent their
5663 interests upon occurrence of any event of default, as defined in any
5664 such default proceedings, provided that if any bonds or bond
5665 anticipation notes are secured by a trust indenture, the respective
5666 owners of such bonds or notes shall have no authority except as set
5667 forth in such trust indenture to appoint a separate trustee to represent
5668 them; and (I) other provisions or covenants of like or different
5669 character from the foregoing which are consistent with this section and
5670 which the legislative body of the municipality determines in such
5671 proceedings are necessary, convenient or desirable in order to better
5672 secure the bonds or bond anticipation notes, or will tend to make the
5673 bonds or bond anticipation notes more marketable, and which are in
5674 the best interests of the municipality. Any provisions which may be

5675 included in proceedings authorizing the issuance of bonds under this
5676 section may be included in an indenture of trust duly approved in
5677 accordance with this section which secures the bonds and any notes
5678 issued in anticipation thereof, and in such case the provisions of such
5679 indenture shall be deemed to be a part of such proceedings as though
5680 they were expressly included therein. Any pledge made by the
5681 municipality shall be valid and binding from the time when the pledge
5682 is made, and any revenues or other receipts, funds or moneys so
5683 pledged and thereafter received by the municipality shall be subject
5684 immediately to the lien of such pledge without any physical delivery
5685 thereof or further act. The lien of any such pledge shall be valid and
5686 binding as against all parties having claims of any kind in tort, contract
5687 or otherwise against the municipality, irrespective of whether such
5688 parties have notice of such lien. Neither the resolution nor any other
5689 instrument by which a pledge is created need be recorded. The
5690 legislative body of the municipality may enter into a trust indenture by
5691 and between the municipality and a corporate trustee, which may be
5692 any trust company or bank having the powers of a trust company
5693 within or without the municipality. Such trust indenture may contain
5694 such provisions for protecting and enforcing the rights and remedies
5695 of the bond owners and note owners as may be reasonable and proper
5696 and not in violation of law, including covenants setting forth the duties
5697 of the municipality in relation to the exercise of its powers pursuant to
5698 this section and the custody, safeguarding and application of all
5699 moneys. The municipality may provide by such trust indenture for the
5700 payment of the pledged revenues or other receipts, funds or moneys to
5701 the trustee under such trust indenture or to any other depository, and
5702 for the method of disbursement thereof, with such safeguards and
5703 restrictions as it may determine. All expenses incurred in carrying out
5704 such trust indenture may be treated as project costs. Such bonds shall
5705 not be included in computing the aggregate indebtedness of the
5706 municipality, provided, if such bonds are made payable, in whole or in
5707 part, from funds contracted to be advanced by the municipality, the
5708 aggregate amount of such funds not yet appropriated to such purpose
5709 shall be included in computing the aggregate indebtedness of the

5710 municipality. As used in this section, "bonds" means any bonds,
5711 including refunding bonds, notes, temporary notes, interim
5712 certificates, debentures or other obligations. Temporary notes issued in
5713 accordance with this subsection in anticipation of the receipt of the
5714 proceeds of bond issues may be issued for a period of not more than
5715 five years and notes issued for a shorter period of time may be
5716 renewed by the issue of other notes, provided the period from the date
5717 of the original notes to the maturity of the last notes issued in renewal
5718 thereof shall not exceed five years.

5719 (b) For the purpose of carrying out or administering a development
5720 plan or other functions authorized under this chapter, a municipality,
5721 acting by and through its development agency, may accept grants,
5722 advances, loans or other financial assistance from the federal
5723 government, the state or other source, and may do any and all things
5724 necessary or desirable to secure such financial aid. To assist any
5725 development project located in the area in which it is authorized to act,
5726 any public body, including the state, or any city, town, borough,
5727 authority, district, subdivision or agency of the state, may, upon such
5728 terms as it determines, furnish service or facilities, provide property,
5729 lend or contribute funds, and take any other action of a character
5730 which it is authorized to perform for other purposes. To obtain funds
5731 for the temporary and definitive financing of any development project,
5732 a municipality may, in addition to other action authorized under this
5733 chapter or other law, issue its general obligation bonds, notes,
5734 temporary notes or other obligations secured by a pledge of the
5735 municipality's full faith and credit. Such bonds, notes, temporary notes
5736 and other obligations shall be authorized in accordance with the
5737 requirements for the authorization of such obligations generally by the
5738 municipality and the authorization, issuance and sale thereof shall be
5739 subject to the limitations contained in the general statutes, including
5740 provisions on the limitation of the aggregate indebtedness of the
5741 municipality. Notwithstanding the provisions of sections 7-264, 7-378
5742 and 7-378a, and any other public or special act or charter or bond
5743 ordinance or bond resolution which limits the issuance or renewal of

5744 temporary notes issued in anticipation of the receipt of the proceeds of
5745 bond issues to a period of time of less than five years from the date of
5746 the original notes or requires a reduction in the principal amount of
5747 such notes or renewal notes prior to the fifth anniversary of the date of
5748 the original notes, such temporary notes may be issued for a period of
5749 not more than five years and notes issued for a shorter period of time
5750 may be renewed by the issue of other notes, provided the period from
5751 the date of the original notes to the maturity of the last notes issued in
5752 renewal thereof shall not exceed five years.

5753 (c) Notwithstanding the provisions of subsections (a) and (b) of this
5754 section and any other public or special act or charter or bond ordinance
5755 or bond resolution which limits the renewal of temporary notes issued
5756 pursuant to said subsections in anticipation of the receipt of the
5757 proceeds of bond issues to five years or less from the date of the
5758 original notes, any municipality may renew temporary notes in
5759 accordance with the provisions of this section for an additional period
5760 of not more than four years from the end of such five-year period. The
5761 officers or board authorized to issue the bonds or determine the
5762 particulars of the bonds may adopt a resolution authorizing the
5763 renewal of temporary notes for such additional period under the
5764 following conditions: (1) All project grant payments and bond sale
5765 proceeds received shall be promptly applied toward project costs or
5766 toward payment of such temporary notes as the same shall become
5767 due and payable or shall be deposited in trust for such purposes; (2) no
5768 later than the end of each period of twelve months after the end of
5769 such five-year period a portion of such temporary notes equal to at
5770 least one-twentieth of the municipality's estimated cost of the project
5771 shall be retired from funds other than project grants or land sale
5772 proceeds or note proceeds; (3) the interest on all temporary notes
5773 renewed after such five-year period shall be paid from funds other
5774 than project grants or land sale proceeds or note proceeds; (4) the
5775 principal amount of each bond issue when sold shall be reduced by the
5776 amounts spent under subdivision (2) of this subsection, and the
5777 principal of such bonds shall be paid in annual installments

5778 commencing no later than one year from the date of issue; and (5) the
5779 maximum authorized term of the bonds when sold shall be reduced by
5780 not less than the number of months from the end of such five-year
5781 period to the date of issue. Any anticipated federal or state project
5782 grants or land sale proceeds may be used in computing the
5783 municipality's cost of the project. Any municipality in which such
5784 resolution is passed shall include in its annual budget or shall
5785 otherwise appropriate sufficient funds to make the payments required
5786 by subdivisions (2) and (3) of this subsection.

5787 (d) For the purposes of carrying out or administering a specified
5788 development plan authorized under this chapter, the **[**Connecticut
5789 Development Authority**]** Connecticut Economic Innovations Authority
5790 may, upon a resolution with respect to such project adopted by the
5791 legislative body of the municipality, issue and administer bonds which
5792 are payable solely or in part from and secured by the pledge and
5793 security provided for in subsection (a) of this section subject to the
5794 general terms and provisions of law applicable to the issuance of
5795 bonds by the **[**Connecticut Development Authority**]** Connecticut
5796 Economic Innovations Authority, except that the provisions of
5797 subsection (b) of section 32-23j shall not apply. For purposes of this
5798 section and section 8-192a, references to the **[**Connecticut Development
5799 Authority**]** Connecticut Economic Innovations Authority shall include
5800 any subsidiary of the **[**Connecticut Development Authority established
5801 pursuant to subsection (l) of section 32-11a**]** Connecticut Economic
5802 Innovations Authority.

5803 Sec. 117. Section 8-192a of the general statutes is repealed and the
5804 following is substituted in lieu thereof (*Effective July 1, 2009*):

5805 Any development plan authorized under this chapter or any
5806 proceedings authorizing the issuance of bonds under this chapter may
5807 contain a provision that taxes, if any, identified in such plan or such
5808 authorizing proceeding and levied upon taxable real or personal
5809 property, or both, in a development project each year or payments in
5810 lieu of such taxes authorized pursuant to chapter 114, or both, by or for

5811 the benefit of any one or more municipalities, districts or other public
5812 taxing agencies after adoption of the development plan as provided by
5813 section 8-191 or such authorizing proceedings, as the case may be, shall
5814 be divided as follows: (a) In each fiscal year that portion of the taxes or
5815 payments in lieu of taxes, or both, which would be produced by
5816 applying the then current tax rate of each of the taxing agencies to the
5817 total sum of the assessed value of the taxable property in the
5818 development project on the effective date of such adoption or the date
5819 of such authorizing proceedings, as the case may be, or on any date
5820 between such two dates which is identified in such proceedings, shall
5821 be allocated to and when collected shall be paid into the funds of the
5822 respective taxing agencies in the same manner as taxes by or for said
5823 taxing agencies on all other property are paid; and (b) that portion of
5824 the assessed taxes or the payments in lieu of taxes, or both, each fiscal
5825 year in excess of the amount referred to in subdivision (a) of this
5826 section shall be allocated to and when collected shall be paid into a
5827 special fund of the municipality or the **[**Connecticut Development
5828 Authority**]** Connecticut Economic Innovations Authority as issuer of
5829 such bonds to be used in each fiscal year, first to pay the principal of
5830 and interest due in such fiscal year on loans, moneys advanced to, or
5831 indebtedness, whether funded, refunded, assumed, or otherwise,
5832 incurred by such municipality or the **[**Connecticut Development
5833 Authority**]** Connecticut Economic Innovations Authority as issuer of
5834 such bonds to finance or refinance in whole or in part, such
5835 development project, and then, at the option of the municipality or the
5836 **[**Connecticut Development Authority**]** Connecticut Economic
5837 Innovations Authority as issuer of such bonds, to purchase bonds
5838 issued for the project which has generated the tax increments or
5839 payments in lieu of taxes and then, at the option of the municipality or
5840 the **[**Connecticut Development Authority**]** Connecticut Economic
5841 Innovations Authority as issuer of such bonds, to reimburse the
5842 provider of or reimbursement party with respect to any guarantee,
5843 letter of credit, policy of bond insurance, funds deposited in a debt
5844 service reserve fund, funds deposited as capitalized interest or other
5845 credit enhancement device used to secure payment of debt service on

5846 any bonds, notes or other indebtedness issued pursuant to section 8-
5847 192 to finance or refinance such development project, to the extent of
5848 any payments of debt service made therefrom. Unless and until the
5849 total assessed valuation of the taxable property in a development
5850 project exceeds the total assessed value of the taxable property in such
5851 project as shown by the last assessment list referred to in subdivision
5852 (a) of this section, all of the taxes levied and collected and all of the
5853 payments in lieu of taxes due and collected upon the taxable property
5854 in such development project shall be paid into the funds of the
5855 respective taxing agencies. When such loans, advances, and
5856 indebtedness, if any, and interest thereon, and such debt service
5857 reimbursement to the provider of or reimbursement party with respect
5858 to such credit enhancement, have been paid in full, all moneys
5859 thereafter received from taxes or payments in lieu of taxes, or both,
5860 upon the taxable property in such development project shall be paid
5861 into the funds of the respective taxing agencies in the same manner as
5862 taxes on all other property are paid.

5863 Sec. 118. Section 8-240m of the general statutes is repealed and the
5864 following is substituted in lieu thereof (*Effective July 1, 2009*):

5865 (a) The state, acting by and through the Commissioner of Economic
5866 and Community Development, may provide financial assistance,
5867 including, without limitation financial assistance in the form of grants,
5868 loans and the purchase of capital stock, for the program established
5869 pursuant to subsection (a) of section 8-240k, upon the execution of a
5870 financial assistance agreement containing such terms and conditions as
5871 the Commissioner of Economic and Community Development shall
5872 deem necessary and appropriate to fulfill the purposes of sections 8-
5873 240k to 8-240n, inclusive. Notwithstanding the provisions of section 4-
5874 66c, the Commissioner of Economic and Community Development
5875 may provide such financial assistance from the proceeds of bonds
5876 authorized for the Department of Economic and Community
5877 Development pursuant to said section 4-66c.

5878 (b) The **[**Connecticut Development Authority**]** <u>Connecticut</u>

5879 Economic Innovations Authority may provide financial assistance,
5880 including, without limitation, financial assistance in the form of grants,
5881 loans and the purchase of capital stock, for the program established
5882 pursuant to subsection (a) of section 8-240k, upon the execution of a
5883 financial assistance agreement containing such terms and conditions as
5884 the [Connecticut Development Authority] Connecticut Economic
5885 Innovations Authority shall deem necessary and appropriate to fulfill
5886 the purposes of sections 8-240k to 8-240n, inclusive.

5887 (c) The Connecticut Housing Finance Authority may provide
5888 financial assistance, including, without limitation, financial assistance
5889 in the form of grants, loans and the purchase of capital stock, for the
5890 program established pursuant to subsection (a) of section 8-240k, upon
5891 the execution of a financial assistance agreement containing such terms
5892 and conditions as the Connecticut Housing Finance Authority shall
5893 deem necessary and appropriate to fulfill the purposes of sections 8-
5894 240k to 8-240n, inclusive.

5895 Sec. 119. Section 13b-79w of the general statutes is repealed and the
5896 following is substituted in lieu thereof (*Effective July 1, 2009*):

5897 The [Connecticut Development Authority] Connecticut Economic
5898 Innovations Authority is authorized to make loans, on such terms and
5899 subject to such conditions as it determines, to (1) support transit-
5900 oriented development projects, as defined in section 13b-79o; and (2)
5901 encourage the development and use of port and rail freight facilities
5902 and services, including trackage and related infrastructure.

5903 Sec. 120. Section 16-243v of the general statutes is repealed and the
5904 following is substituted in lieu thereof (*Effective July 1, 2009*):

5905 (a) For purposes of this section: (1) "Connecticut electric efficiency
5906 partner program" means the coordinated effort among the Department
5907 of Public Utility Control, persons and entities providing enhanced
5908 demand-side management technologies, and electric consumers to
5909 conserve electricity and reduce demand in Connecticut through the

5910 purchase and deployment of energy efficient technologies; (2)
5911 "enhanced demand-side management technologies" means demand-
5912 side management solutions, customer-side emergency dispatchable
5913 generation resources, customer-side renewable energy generation, load
5914 shifting technologies and conservation and load management
5915 technologies that reduce electric distribution company customers'
5916 electric demand, and high efficiency natural gas and oil boilers and
5917 furnaces; and (3) "Connecticut electric efficiency partner" means an
5918 electric distribution company customer who acquires an enhanced
5919 demand-side management technology or a person, other than an
5920 electric distribution company, that provides enhanced demand-side
5921 management technologies to electric distribution company customers.

5922 (b) The Energy Conservation Management Board, in consultation
5923 with the Renewable Energy Investments Advisory Committee, shall
5924 evaluate and approve enhanced demand-side management
5925 technologies that can be deployed by Connecticut electric efficiency
5926 partners to reduce electric distribution company customers' electric
5927 demand. Such evaluation shall include an examination of the potential
5928 to reduce customers' demand, federally mandated congestion charges
5929 and other electric costs. On or before October 15, 2007, the Energy
5930 Conservation Management Board shall file such evaluation with the
5931 Department of Public Utility Control for the department to review and
5932 approve or to review, modify and approve on or before October 15,
5933 2007.

5934 (c) Not later than October 15, 2007, the Energy Conservation
5935 Management Board shall file with the department, for the department
5936 to review and approve or to review, modify and approve, an analysis
5937 of the state's electric demand, peak electric demand and growth
5938 forecasts for electric demand and peak electric demand. Such analysis
5939 shall identify the principal drivers of electric demand and peak electric
5940 demand, associated electric charges tied to electric demand and peak
5941 electric demand growth, including, but not limited to, federally
5942 mandated congestion charges and other electric costs, and any other

5943 information the department deems appropriate. The analysis shall
5944 include, but not be limited to, an evaluation of the costs and benefits of
5945 the enhanced demand-side management technologies approved
5946 pursuant to subsection (b) of this section and establishing suggested
5947 funding levels for said individual technologies.

5948 (d) Commencing April 1, 2008, any person may apply to the
5949 department for certification and funding as a Connecticut electric
5950 efficiency partner. Such application shall include the technologies that
5951 the applicant shall purchase or provide and that have been approved
5952 pursuant to subsection (b) of this section. In evaluating the application,
5953 the department shall (1) consider the applicant's potential to reduce
5954 customers' electric demand, including peak electric demand, and
5955 associated electric charges tied to electric demand and peak electric
5956 demand growth, (2) determine the portion of the total cost of each
5957 project that shall be paid for by the customer participating in this
5958 program and the portion of the total cost of each project that shall be
5959 paid for by all electric ratepayers and collected pursuant to subsection
5960 (h) of this section. In making such determination, the department shall
5961 ensure that all ratepayer investments maintain a minimum two-to-one
5962 payback ratio, and (3) specify that participating Connecticut electric
5963 efficiency partners shall maintain the technology for a period sufficient
5964 to achieve such investment payback ratio. The annual ratepayer
5965 contribution for projects approved pursuant to this section shall not
5966 exceed sixty million dollars. Not less than seventy-five per cent of such
5967 annual ratepayer investment shall be used for the technologies
5968 themselves. No person shall receive electric ratepayer funding
5969 pursuant to this subsection if such person has received or is receiving
5970 funding from the Energy Conservation and Load Management Funds
5971 for the projects included in said person's application. No person shall
5972 receive electric ratepayer funding without receiving a certificate of
5973 public convenience and necessity as a Connecticut electric efficiency
5974 partner by the department. The department may grant an applicant a
5975 certificate of public convenience if it possesses and demonstrates
5976 adequate financial resources, managerial ability and technical

5977 competency. The department may conduct additional requests for
5978 proposals from time to time as it deems appropriate. The department
5979 shall specify the manner in which a Connecticut electric efficiency
5980 partner shall address measures of effectiveness and shall include
5981 performance milestones.

5982 (e) Beginning February 1, 2010, a certified Connecticut electric
5983 efficiency partner may only receive funding if selected in a request for
5984 proposal developed, issued and evaluated by the department. In
5985 evaluating a proposal, the department shall take into consideration the
5986 potential to reduce customers' electric demand including peak electric
5987 demand, and associated electric charges tied to electric demand and
5988 peak electric demand growth, including, but not limited to, federally
5989 mandated congestion charges and other electric costs, and shall utilize
5990 a cost benefit test established pursuant to subsection (c) of this section
5991 to rank responses for selection. The department shall determine the
5992 portion of the total cost of each project that shall be paid by the
5993 customer participating in this program and the portion of the total cost
5994 of each project that shall be paid by all electric ratepayers and collected
5995 pursuant to the provisions of this subsection. In making such
5996 determination, the department shall (1) ensure that all ratepayer
5997 investments maintain a minimum two-to-one payback ratio, and (2)
5998 specify that participating Connecticut electric efficiency partners shall
5999 maintain the technology for a period sufficient to achieve such
6000 investment payback ratio. The annual ratepayer contribution shall not
6001 exceed sixty million dollars. Not less than seventy-five per cent of such
6002 annual ratepayer investment shall be used for the technologies
6003 themselves. No Connecticut electric efficiency partner shall receive
6004 funding pursuant to this subsection if such partner has received or is
6005 receiving funding from the Energy Conservation and Load
6006 Management Funds for such technology. The department may conduct
6007 additional requests for proposals from time to time as it deems
6008 appropriate. The department shall specify the manner in which a
6009 Connecticut electric efficiency partner shall address measures of
6010 effectiveness and shall include performance milestones.

6011 (f) The department may retain the services of a third party entity
6012 with expertise in areas such as demand-side management solutions,
6013 customer-side renewable energy generation, customer-side distributed
6014 generation resources, customer-side emergency dispatchable
6015 generation resources, load shifting technologies and conservation and
6016 load management investments to assist in the development and
6017 operation of the Connecticut electric efficiency partner program. The
6018 costs for obtaining third party services pursuant to this subsection
6019 shall be recoverable through the systems benefits charge.

6020 (g) The department shall develop a long-term low-interest loan
6021 program to assist certified Connecticut electric efficiency partners in
6022 financing the customer portion of the capital costs of approved
6023 enhanced demand-side management technologies. The department
6024 may establish such financing mechanism by the use of one or more of
6025 the following strategies: (1) Modifying the existing long-term
6026 customer-side distributed generation financing mechanism established
6027 pursuant to section 16-243j, (2) negotiating and entering into an
6028 agreement with the **[**Connecticut Development Authority**]** Connecticut
6029 Economic Innovations Authority to establish a credit facility or to
6030 utilize grants, loans or loan guarantees for the purposes of this section
6031 upon such terms and conditions as the authority may prescribe
6032 including provisions regarding the rights and remedies available to the
6033 authority in case of default, or (3) selecting by competitive bid one or
6034 more entities that can provide such long-term financing.

6035 (h) The department shall provide for the payment of electric
6036 ratepayers' portion of the costs of deploying enhanced demand-side
6037 management technologies by implementing a contractual financing
6038 agreement with the **[**Connecticut Development Authority**]** Connecticut
6039 Economic Innovations Authority or a private financing entity selected
6040 through an appropriate open competitive selection process. No
6041 contractual financing agreements entered into with the **[**Connecticut
6042 Development Authority**]** Connecticut Economic Innovations Authority
6043 shall exceed ten million dollars. Any electric ratepayer costs resulting

6044 from such financing agreement shall be recovered from all electric
6045 ratepayers through the systems benefits charge.

6046 (i) On or before February 15, 2009, and annually thereafter, the
6047 department shall report to the joint standing committee of the General
6048 Assembly having cognizance of matters relating to energy regarding
6049 the effectiveness of the Connecticut electric efficiency partner program
6050 established pursuant to this section. Said report shall include, but not
6051 be limited to, an accounting of all benefits and costs to ratepayers, a
6052 description of the approved technologies, the payback ratio of all
6053 investments, the number of programs deployed and a list of proposed
6054 projects compared to approved projects and reasons for not being
6055 approved.

6056 (j) On or before April 1, 2011, the Department of Public Utility
6057 Control shall initiate a proceeding to review the effectiveness of the
6058 program and perform a ratepayer cost-benefit analysis. Based upon the
6059 department's findings in the proceeding, the department may modify
6060 or discontinue the partnership program established pursuant to this
6061 section.

6062 Sec. 121. Subparagraph (P) of subdivision (1) of section 22a-134 of
6063 the general statutes is repealed and the following is substituted in lieu
6064 thereof (*Effective July 1, 2009*):

6065 (P) Any conveyance of an establishment to any entity created or
6066 operating under chapter 130 or 132, or to an urban rehabilitation
6067 agency, as defined in section 8-292, or to a municipality under section
6068 32-224, or to the **[**Connecticut Development Authority**]** <u>Connecticut</u>
6069 <u>Economic Innovations Authority</u> or any subsidiary of the authority.

6070 Sec. 122. Section 22a-173 of the general statutes is repealed and the
6071 following is substituted in lieu thereof (*Effective July 1, 2009*):

6072 The **[**Connecticut Development Authority**]** <u>Connecticut Economic</u>
6073 <u>Innovations Authority</u> may, upon application of the proposed
6074 mortgagee, insure and make advance commitments to insure mortgage

6075 payments required by a first mortgage on new machinery, equipment
6076 and buildings for the primary purpose of reducing, controlling or
6077 eliminating air pollution, certified as approved for such purpose by the
6078 Commissioner of Environmental Protection, upon such terms and
6079 conditions as the **[**Connecticut Development Authority**]** Connecticut
6080 Economic Innovations Authority may prescribe in accordance with the
6081 provisions of chapter 579.

6082 Sec. 123. Section 22a-259 of the general statutes is repealed and the
6083 following is substituted in lieu thereof (*Effective July 1, 2009*):

6084 The following are declared to be policies of the state of Connecticut:
6085 (1) That maximum resources recovery from solid waste and maximum
6086 recycling and reuse of such resources in order to protect, preserve and
6087 enhance the environment of the state shall be considered
6088 environmental goals of the state; (2) that solid waste disposal and
6089 resources recovery facilities and projects are to be implemented either
6090 by the state of Connecticut or under state auspices, in furtherance of
6091 these goals; (3) that appropriate governmental structure, processes and
6092 support are to be provided so that effective state systems and facilities
6093 for solid waste management and large-scale resources recovery may be
6094 developed, financed, planned, designed, constructed and operated for
6095 the benefit of the people and municipalities of the state; (4) that private
6096 industry is to be utilized to the maximum extent feasible to perform
6097 planning, design, management, construction, operation,
6098 manufacturing and marketing functions related to solid waste disposal
6099 and resources recovery and to assist in the development of industrial
6100 enterprise based upon resources recovery, recycling and reuse; (5) that
6101 long-term negotiated contracts between the state and private persons
6102 and industries may be utilized as an incentive for the development of
6103 industrial and commercial enterprise based on resources recovery
6104 within the state; (6) that solid waste disposal services shall be provided
6105 for municipal and regional authorities and private persons in the state,
6106 at reasonable cost, by state systems and facilities where such services
6107 are considered necessary and desirable in accordance with the state-

6108 wide solid waste management plan and that any revenues received
6109 from the payment of the costs of such services otherwise from the
6110 operation of state systems and facilities shall be redistributed to the
6111 users of such services provided that the authority has determined that
6112 all contractual obligations related to such systems and facilities have
6113 been met and that such revenues are surplus and not needed to
6114 provide necessary support for such systems and facilities; (7) that
6115 provision shall be made for planning, research and development, and
6116 appropriate innovation in the design, management and operation of
6117 the state's systems and facilities for solid waste management, in order
6118 to permit continuing improvement and provide adequate incentives
6119 and processes for lowering operating and other costs; (8) that the
6120 authority established pursuant to this chapter shall have responsibility
6121 for implementing solid waste disposal and resources recovery systems
6122 and facilities and solid waste management services where necessary
6123 and desirable throughout the state in accordance with the state solid
6124 waste management plan and applicable statutes and regulations; (9)
6125 that actions and activities performed or carried out by the authority or
6126 its contractors in accordance with the provisions of this chapter shall
6127 be in conformity with the state solid waste management plan and with
6128 other applicable policies and regulations of the state, as promulgated
6129 from time to time in law and by action of the Department of
6130 Environmental Protection and the **[**Connecticut Development
6131 Authority**]** Connecticut Economic Innovations Authority; (10) that it
6132 being to the best interest of the state, municipalities, individual citizens
6133 and the environment to minimize the quantity of materials entering
6134 the waste stream that would require collection, transportation,
6135 processing, or disposal by any level of government, it is the intent of
6136 this legislation to promote the presegregation of recoverable or
6137 recyclable materials before they become mixed and included in the
6138 waste stream; and that this intent shall be reflected in the policy of the
6139 resources recovery authority and that no provision of this chapter or
6140 action of this authority shall either discourage or prohibit either
6141 voluntary or locally ordained solid waste segregation programs or the
6142 sale of such segregated materials to private persons, unless the

6143 authority has determined based upon a feasibility report filed with the
6144 applicable municipal authority that the reduced user fees charged to it
6145 should result in its total cost of solid waste management including user
6146 fees paid to the authority to be less without presegregation than with
6147 it, and (11) that these policies and purposes are hereby declared to be
6148 in the public interest and the provisions of this chapter to be necessary
6149 and for the public benefit, as a matter of legislative determination.

6150 Sec. 124. Section 22a-264 of the general statutes is repealed and the
6151 following is substituted in lieu thereof (*Effective July 1, 2009*):

6152 The activities of the authority in providing or contracting to provide
6153 solid waste management services to the state, regions, municipalities
6154 and persons, in implementing the state resources recovery system and
6155 in planning, designing, financing, constructing, managing or operating
6156 solid waste facilities, including their location, size and capabilities,
6157 shall be in conformity with applicable statutes and regulations and
6158 with the state solid waste management plan as promulgated by the
6159 Commissioner of Environmental Protection. The authority shall have
6160 power to assist in the preparation, revision, extension or amendment
6161 of the state solid waste management plan, and the Department of
6162 Environmental Protection is hereby authorized to utilize, by contract
6163 or other agreement, the capabilities of the authority for the carrying
6164 out of such planning functions. The authority shall have power to
6165 revise and update, as may be necessary to carry out the purposes of
6166 this chapter, that portion of the state solid waste management plan
6167 defined as the "solid waste management system". To effect such
6168 revision and updating, the authority shall prepare an annual plan of
6169 operations which shall be reviewed by the Commissioner of
6170 Environmental Protection for consistency with the state solid waste
6171 management plan. Upon approval by the Commissioner of
6172 Environmental Protection and by a two-thirds vote of the authority's
6173 full board of directors, the annual plan of operations shall be
6174 promulgated. Any activities of the authority carried out to assist in the
6175 development of industry and commerce based upon the availability of

6176 recovered resources for recycling and reuse shall be coordinated to the
6177 extent practicable with plans and activities of the **[**Connecticut
6178 Development Authority**]** Connecticut Economic Innovations Authority
6179 with due consideration given to the secondary materials industries
6180 operating within the state of Connecticut.

6181 Sec. 125. Section 25-33a of the general statutes is repealed and the
6182 following is substituted in lieu thereof (*Effective July 1, 2009*):

6183 (a) The State Bond Commission shall have power, from time to time
6184 to authorize the issuance of bonds of the state in one or more series
6185 and in principal amounts not exceeding in the aggregate four million
6186 one hundred fifty-one thousand five hundred ninety-nine dollars, for
6187 the purposes of providing funds for (1) grants to municipally-owned
6188 water companies for the planning, design, modification or construction
6189 of drinking water facilities of such companies made necessary by the
6190 requirements of the Safe Water Act of 1974, or by an order of the
6191 Department of Public Health deeming the water supplied by such
6192 companies to be inadequate, which facilities shall include, but need not
6193 be limited to, collection facilities, treatment facilities, wells, tanks,
6194 mains, pumps, transmission facilities and any other machinery and
6195 equipment necessary to meet the requirements of said act, (2) grants in
6196 accordance with the provisions of section 22a-471 to water companies,
6197 as defined in section 25-32a, which have less than ten thousand
6198 customers, as defined in said section 25-32a, for the treatment of a
6199 contaminated water supply well which is owned, maintained,
6200 operated, managed, controlled or employed by the water company,
6201 and (3) water supply emergency assistance grants to investor-owned
6202 water companies which supply water to at least twenty-five but less
6203 than one thousand customers for repair, rehabilitation, interconnection
6204 or replacement, in the event that such company has ceased to provide
6205 water as a result of equipment or facility failure and the Commissioner
6206 of Economic and Community Development, upon recommendation of
6207 the Department of Public Health and in consultation with the
6208 Department of Public Utility Control, makes a determination that the

6209 company is financially unable to immediately restore service and there
6210 is no alternative water company reasonably able to immediately
6211 supply water. The grants shall be made in accordance with terms and
6212 conditions as provided in regulations to be promulgated by the
6213 Commissioner of Economic and Community Development, subject to
6214 approval by the Commissioner of Public Health, provided the amount
6215 of any such grant under subdivision (1) of this subsection shall not
6216 exceed one hundred thousand dollars or thirty per cent of the cost of
6217 the project being funded by the grant, whichever is greater. For the
6218 purposes of this section, planning costs shall include, but need not be
6219 limited to, fees and expenses of architects, engineers, attorneys,
6220 accountants and other professional consultants, and costs of preparing
6221 surveys, studies, site plans and plans and specifications for eligible
6222 drinking water facilities. Not more than four million dollars of the
6223 proceeds of such bonds shall be allocated to the municipally-owned
6224 water companies grant program under subdivision (1) of this
6225 subsection, not more than two million dollars of the proceeds of such
6226 bonds shall be allocated for the treatment of contaminated water
6227 supply wells which are owned, maintained, operated, managed,
6228 controlled or employed by a water company under subdivision (2) of
6229 this subsection, and not more than seven hundred thousand dollars of
6230 the proceeds of such bonds shall be allocated to the investor-owned
6231 emergency assistance grant program under subdivision (3) of this
6232 subsection.

6233 (b) All provisions of section 3-20 or the exercise of any right or
6234 power granted thereby which are not inconsistent with the provisions
6235 of this section and sections 12-75, 12-76 and 25-33b are hereby adopted
6236 and shall apply to all bonds authorized by the State Bond Commission
6237 pursuant to this section, and temporary notes in anticipation of the
6238 money to be derived from the sale of any such bonds so authorized
6239 may be issued in accordance with said section 3-20 and from time to
6240 time renewed. Such bonds shall mature at such time or times not
6241 exceeding twenty years from their respective dates as may be provided
6242 in or pursuant to the resolution or resolutions of the State Bond

6243 Commission authorizing such bonds. None of said bonds shall be
6244 authorized except upon a finding by the State Bond Commission that
6245 there has been filed with it a request for such authorization, which is
6246 signed by or on behalf of the Commissioner of Economic and
6247 Community Development and states such terms and conditions as said
6248 commission, in its discretion, may require. Said bonds issued pursuant
6249 to this section shall be general obligations of the state and the full faith
6250 and credit of the state of Connecticut are pledged for the payment of
6251 the principal of and interest on said bonds as the same become due,
6252 and accordingly and as part of the contract of the state with the holders
6253 of said bonds, appropriation of all amounts necessary for punctual
6254 payment of such principal and interest is hereby made, and the
6255 Treasurer shall pay such principal and interest as the same become
6256 due.

6257 (c) Each grant made pursuant to subsection (a) of this section shall
6258 be authorized by the **[**Connecticut Development Authority**]**
6259 Connecticut Economic Innovations Authority or, if the authority so
6260 determines, by a committee of the authority consisting of the chairman
6261 and either one other member of the authority or its executive director.
6262 The **[**Connecticut Development Authority**]** Connecticut Economic
6263 Innovations Authority shall charge reasonable application and other
6264 fees to be applied to the administrative expenses incurred in carrying
6265 out the provisions of this section, to the extent such expenses are not
6266 paid by the authority or from moneys appropriated to the department.
6267 Each such payment shall be made by the Treasurer upon certification
6268 by the Commissioner of Economic and Community Development that
6269 the payment is authorized under the provisions of this section under
6270 the applicable rules and regulations of the department, and under the
6271 terms and conditions established by the authority or the duly
6272 appointed committee thereof in authorizing the making of the grant.

6273 Sec. 126. Subsection (a) of section 32-1o of the general statutes is
6274 repealed and the following is substituted in lieu thereof (*Effective July*
6275 *1, 2009*):

6276 (a) On or before July 1, 2009, and every five years thereafter, the
6277 Commissioner of Economic and Community Development, within
6278 available appropriations, shall prepare an economic strategic plan for
6279 the state in consultation with the Secretary of the Office of Policy and
6280 Management, the Commissioners of Environmental Protection and
6281 Transportation, the Labor Commissioner, the executive directors of the
6282 Connecticut Housing Finance Authority, the **[**Connecticut
6283 Development Authority, the Connecticut Innovations, Inc., the
6284 Commission on Culture and Tourism**]** Connecticut Economic
6285 Innovations Authority and the Connecticut Health and Educational
6286 Facilities Authority, and the president of the Office of Workforce
6287 Competitiveness, or their respective designees, and any other agencies
6288 the Commissioner of Economic and Community Development deems
6289 appropriate.

6290 Sec. 127. Section 32-5a of the general statutes is repealed and the
6291 following is substituted in lieu thereof (*Effective July 1, 2009*):

6292 The Commissioner of Economic and Community Development and
6293 the board of directors of the **[**Connecticut Development Authority**]**
6294 Connecticut Economic Innovations Authority shall require, as a
6295 condition of any financial assistance provided on and after June 23,
6296 1993, under any program administered by the Department of
6297 Economic and Community Development or such authority to any
6298 business organization, that such business organization: (1) Shall not
6299 relocate outside of the state for ten years after receiving such assistance
6300 or during the term of a loan or loan guarantee, whichever is longer,
6301 unless the full amount of the assistance is repaid to the state and a
6302 penalty equal to five per cent of the total assistance received is paid to
6303 the state and (2) shall, if the business organization relocates within the
6304 state during such period, offer employment at the new location to its
6305 employees from the original location if such employment is available.
6306 For the purposes of subdivision (1) of this section, the value of a
6307 guarantee shall be equal to the amount of the state's liability under the
6308 guarantee. As used in this section, "relocate" means the physical

6309 transfer of the operations of a business in its entirety or of any division
6310 of a business which independently receives any financial assistance
6311 from the state from the location such business or division occupied at
6312 the time it accepted the financial assistance to another location.
6313 Notwithstanding the provisions of this section, the Commissioner of
6314 Economic and Community Development shall adopt regulations in
6315 accordance with chapter 54 to establish the terms and conditions of
6316 repayment, including specifying the conditions under which
6317 repayment may be deferred, following a determination by the
6318 commissioner of a legitimate hardship.

6319 Sec. 128. Section 32-6j of the general statutes is repealed and the
6320 following is substituted in lieu thereof (*Effective July 1, 2009*):

6321 In the assessment and provision of job training for employers, the
6322 Commissioner of Economic and Community Development and the
6323 executive director of the **[**Connecticut Development Authority**]**
6324 Connecticut Economic Innovations Authority shall request the
6325 assistance of the Labor Commissioner. Upon receipt of a request for job
6326 training pursuant to this section, the Labor Commissioner shall notify
6327 the chancellor of the regional community-technical colleges, or his
6328 designee, of such request. The chancellor, or his designee, shall
6329 determine if a training program exists or can be designed at a regional
6330 community-technical college to meet such training need and shall
6331 notify the Labor Commissioner of such determination. The Labor
6332 Commissioner shall to the extent possible make arrangements for the
6333 participation of the regional community-technical colleges, the
6334 Connecticut State University System, other institutions of higher
6335 education, other postsecondary institutions, adult education programs
6336 and state regional vocational-technical schools in implementing the
6337 program. Nothing in this section shall preclude the Labor
6338 Commissioner from considering or choosing other providers to meet
6339 such training need.

6340 Sec. 129. Section 32-9c of the general statutes is repealed and the
6341 following is substituted in lieu thereof (*Effective July 1, 2009*):

6342 (a) In accordance with the provisions of section 4-38d, all powers
6343 and duties of the Connecticut Development Commission under the
6344 provisions of chapter 579, shall be transferred to the **[**Connecticut
6345 Development Authority**]** Connecticut Economic Innovations Authority
6346 and all the powers and duties of said commission under the provisions
6347 of this chapter shall be transferred to the Department of Economic and
6348 Community Development.

6349 (b) In accordance with the provisions of section 4-38d, all powers
6350 and duties of the Connecticut Development Commission under the
6351 provisions of sections 7-137b, 8-155 to 8-159, inclusive, and 8-170 to 8-
6352 185, inclusive, shall be transferred to the Department of Economic and
6353 Community Development and the words "Connecticut Development
6354 Commission" or "commissioner" used in said sections, shall mean
6355 "Department of Economic and Community Development".

6356 (c) In accordance with the provisions of section 4-38d, all powers
6357 and duties of the Connecticut Development Commission under the
6358 provisions of sections 8-163 to 8-167, inclusive, shall be transferred to
6359 the Department of Economic and Community Development and the
6360 words "Connecticut Development Commission" and "Development
6361 Commission" when used in said sections shall mean "Department of
6362 Economic and Community Development".

6363 Sec. 130. Section 32-9n of the general statutes is repealed and the
6364 following is substituted in lieu thereof (*Effective July 1, 2009*):

6365 (a) There is established within the Department of Economic and
6366 Community Development an Office of Small Business Affairs. Such
6367 office shall aid and encourage small business enterprises, particularly
6368 those owned and operated by minorities and other socially or
6369 economically disadvantaged individuals in Connecticut. As used in
6370 this section, minority means: (1) Black Americans, including all
6371 persons having origins in any of the Black African racial groups not of
6372 Hispanic origin; (2) Hispanic Americans, including all persons of
6373 Mexican, Puerto Rican, Cuban, Central or South American, or other

6374 Spanish culture or origin, regardless of race; (3) all persons having
6375 origins in the Iberian Peninsula, including Portugal, regardless of race;
6376 (4) women; (5) Asian Pacific Americans and Pacific islanders; or (6)
6377 American Indians and persons having origins in any of the original
6378 peoples of North America and maintaining identifiable tribal
6379 affiliations through membership and participation or community
6380 identification.

6381 (b) Said Office of Small Business Affairs shall: (1) Administer the
6382 small business development center program run by the Department of
6383 Economic and Community Development; (2) coordinate the flow of
6384 information within the technical and management assistance program
6385 run by the Department of Economic and Community Development; (3)
6386 encourage the **[**Connecticut Development Authority**]** Connecticut
6387 Economic Innovations Authority to grant loans to small businesses,
6388 particularly those owned and operated by minorities and other socially
6389 or economically disadvantaged individuals; (4) coordinate and serve
6390 as a liaison between all federal, state, regional and municipal agencies
6391 and programs affecting small business affairs; and (5) administer any
6392 business management training program established under section 32-
6393 352 or section 32-355 as the Commissioner of Economic and
6394 Community Development may determine.

6395 Sec. 131. Subsection (d) of section 32-9cc of the general statutes is
6396 repealed and the following is substituted in lieu thereof (*Effective July*
6397 *1, 2009*):

6398 (d) The Department of Environmental Protection, the Connecticut
6399 Development Authority and the Department of Public Health shall
6400 each designate one or more staff members to act as a liaison between
6401 their offices and the Office of Brownfield Remediation and
6402 Development. The Commissioners of Economic and Community
6403 Development, Environmental Protection and Public Health and the
6404 executive director of the **[**Connecticut Development Authority**]**
6405 Connecticut Economic Innovations Authority shall enter into a
6406 memorandum of understanding concerning each entity's

6407 responsibilities with respect to the Office of Brownfield Remediation
6408 and Development. The Office of Brownfield Remediation and
6409 Development may develop and recruit two volunteers from the private
6410 sector, including a person from the Connecticut chapter of the National
6411 Brownfield Association, with experience in different aspects of
6412 brownfield remediation and development. Said volunteers may assist
6413 the Office of Brownfield Remediation and Development in achieving
6414 the goals of this section.

6415 Sec. 132. Section 32-9kk of the general statutes is repealed and the
6416 following is substituted in lieu thereof (*Effective July 1, 2009*):

6417 (a) As used in subsections (b) to (k), inclusive, of this section:

6418 (1) "Brownfield" means any abandoned or underutilized site where
6419 redevelopment and reuse has not occurred due to the presence or
6420 potential presence of pollution in the buildings, soil or groundwater
6421 that requires remediation before or in conjunction with the restoration,
6422 redevelopment and reuse of the property;

6423 (2) "Commissioner" means the Commissioner of Economic and
6424 Community Development;

6425 (3) "Department" means the Department of Economic and
6426 Community Development;

6427 (4) "Eligible applicant" means any municipality, a for-profit or
6428 nonprofit organization or entity, a local or regional economic
6429 development entity acting on behalf of a municipality or any
6430 combination thereof;

6431 (5) "Financial assistance" means grants, extensions of credit, loans or
6432 loan guarantees, participation interests in loans made to eligible
6433 applicants by the **[**Connecticut Development Authority**]** <u>Connecticut</u>
6434 <u>Economic Innovations Authority</u> or combinations thereof;

6435 (6) "Municipality" means a town, city, consolidated town and city or

6436 consolidated town and borough;

6437 (7) "Eligible brownfield project" means the foreclosure,
6438 investigation, assessment, remediation and development of a
6439 brownfield undertaken pursuant to this subsection and subsections (b)
6440 to (k), inclusive, of this section;

6441 (8) "Project area" means the area within which a brownfield
6442 development project is located;

6443 (9) "Real property" means land, buildings and other structures and
6444 improvements thereto, subterranean or subsurface rights, any and all
6445 easements, air rights and franchises of any kind or nature;

6446 (10) "State" means the state of Connecticut; and

6447 (11) "Eligible grant recipients" means municipalities, economic
6448 development authorities, regional economic development authorities,
6449 or qualified nonprofit community and economic development
6450 corporations.

6451 (b) Subject to the availability of funds, the Commissioner of
6452 Economic and Community Development may, in consultation with the
6453 Commissioner of Environmental Protection, provide financial
6454 assistance pursuant to subsections (e) and (f) of this section in support
6455 of eligible brownfield projects, as defined in subdivision (7) of
6456 subsection (a) of this section.

6457 (c) An eligible applicant, as defined in subdivision (4) of subsection
6458 (a) of this section, shall submit an application for financial assistance to
6459 the Commissioner of Economic and Community Development on
6460 forms provided by said commissioner and with such information said
6461 commissioner deems necessary, including, but not limited to: (1) A
6462 description of the proposed project; (2) an explanation of the expected
6463 benefits of the project in relation to the purposes of subsections (a) to
6464 (i), inclusive, of this section; (3) information concerning the financial
6465 and technical capacity of the eligible applicant to undertake the

6466 proposed project; (4) a project budget; (5) a description of the condition
6467 of the property involved including the results of any environmental
6468 assessment of the property; and (6) the names of any persons known to
6469 be liable for the remediation of the property.

6470 (d) The commissioner may approve, reject or modify any
6471 application properly submitted. In reviewing an application and
6472 determining the type and amount of financial assistance, if any, to be
6473 provided, the commissioner shall consider the following criteria: (1)
6474 The availability of funds; (2) the estimated costs of assessing and
6475 remediating the site, if known; (3) the relative economic condition of
6476 the municipality; (4) the relative need of the eligible project for
6477 financial assistance; (5) the degree to which financial assistance is
6478 necessary as an inducement to the eligible applicant to undertake the
6479 project; (6) the public health and environmental benefits of the project;
6480 (7) relative economic benefits of the project to the municipality, the
6481 region and the state, including, but not limited to, the extent to which
6482 the project will likely result in a contribution to the municipality's tax
6483 base and the retention and creation of jobs; (8) the time frame in which
6484 the contamination occurred; (9) the relationship of the applicant to the
6485 person or entity that caused the contamination; (10) the length of time
6486 the property has been abandoned; (11) the taxes owed and the
6487 projected revenues that may be restored to the community; (12) the
6488 type of financial assistance requested pursuant to this section; and (13)
6489 such other criteria as the commissioner may establish consistent with
6490 the purposes of subsection (a) to (k), inclusive, of this section.

6491 (e) (1) There is established a remedial action and redevelopment
6492 municipal grant program to be administered by the Department of
6493 Economic and Community Development for the purpose of providing
6494 financial assistance in the form of grants to eligible grant recipients.
6495 Eligible grant recipients may use grant funds for any development
6496 project, including manufacturing, retail, residential, municipal,
6497 educational, parks, community centers and mixed-use development,
6498 and the project's associated costs, including (A) soil, groundwater and

6499 infrastructure investigation, (B) assessment, (C) remediation, (D)
6500 abatement, (E) hazardous materials or waste disposal, (F) long-term
6501 groundwater or natural attenuation monitoring, (G) environmental
6502 land use restrictions, (H) attorneys' fees, (I) planning, engineering and
6503 environmental consulting, and (J) building and structural issues,
6504 including demolition, asbestos abatement, polychlorinated biphenyls
6505 removal, contaminated wood or paint removal, and other
6506 infrastructure remedial activities.

6507 (2) The Commissioner of Economic and Community Development
6508 shall award grants on a competitive basis, based at a minimum on an
6509 annual request for applications, the first of which shall be issued on
6510 October 1, 2008, and the following to be issued on June first each year,
6511 with awards being made by the following January first. The
6512 commissioner, at the commissioner's discretion, may increase the
6513 frequency of requests for applications and awards depending upon the
6514 number of applicants and the availability of funding.

6515 (3) A grant awarded pursuant to this section shall not exceed four
6516 million dollars. If the eligible costs exceed four million dollars, the
6517 commissioner may request and seek funding through other state
6518 programs.

6519 (4) If the eligible grant recipient develops and sells the property,
6520 such applicant shall return any money received pursuant to this
6521 subsection, to the brownfield remediation and development account
6522 established pursuant to subsection (l) of this section, minus twenty per
6523 cent, which such eligible grant recipient shall retain to cover costs of
6524 oversight, administration, development and, if applicable, lost tax
6525 revenue.

6526 (5) Any eligible grant recipient shall be immune from liability to the
6527 extent provided in subsection (a) of section 32-9ee.

6528 (6) The eligible grant recipient may make low-interest loans to a
6529 redeveloper, if the future reuse is known and an agreement with the

6530 redeveloper is in place and the private party is a coapplicant. Loan
6531 principal and interest payments shall be returned to the brownfield
6532 remediation and development account established pursuant to
6533 subsection (l) of this section, minus twenty per cent of the principal,
6534 which the eligible grant recipient shall retain. If the eligible grant
6535 recipient provides a loan, such loan may be secured by a state or
6536 municipal lien on the property.

6537 (7) Any eligible grant recipients that provide a loan pursuant to
6538 subdivision (6) of this subsection shall require the loan recipient to
6539 enter a voluntary program pursuant to section 22a-133x or 22a-133y
6540 with the Commissioner of Environmental Protection for brownfield
6541 remediation. The commissioner may use not more than five per cent of
6542 eligible grant or loan proceeds for reasonable administrative expenses.

6543 (8) Notwithstanding section 22a-134a, the eligible grant recipient
6544 may acquire and convey its interest in the property without such
6545 recipient or the subsequent purchaser incurring liability, including any
6546 such liability incurred pursuant to section 22a-134a, provided the
6547 property was remediated pursuant to section 22a-133x or 22a-133y or
6548 pursuant to an order issued by the Commissioner of Environmental
6549 Protection and such remediation was performed in accordance with
6550 the standards adopted pursuant to section 22a-133k as determined by
6551 said commissioner or, if authorized by said commissioner, verified by
6552 a licensed environmental professional unless such verification has
6553 been rejected by said commissioner subsequent to an audit conducted
6554 by said commissioner and provided the subsequent purchaser has no
6555 direct or related liability for the site conditions.

6556 (f) (1) The Department of Economic and Community Development
6557 shall develop a targeted brownfield development loan program to
6558 provide financial assistance in the form of low-interest loans to eligible
6559 applicants who are potential brownfield purchasers who have no
6560 direct or related liability for the site conditions and eligible applicants
6561 who are existing property owners who (A) are currently in good
6562 standing and otherwise compliant with the Department of

6563 Environmental Protection's regulatory programs, (B) demonstrate an
6564 inability to fund the investigation and cleanup themselves, and (C)
6565 cannot retain or expand jobs due to the costs associated with the
6566 investigating and remediating of the contamination.

6567 (2) The commissioner shall provide low-interest loans to eligible
6568 applicants who are purchasers or existing property owners pursuant to
6569 this section who seek to develop property for purposes of retaining or
6570 expanding jobs in the state or for developing housing to serve the
6571 needs of first-time home buyers. Loans shall be available to
6572 manufacturing, retail, residential or mixed-use developments,
6573 expansions or reuses. The commissioner shall provide loans based
6574 upon project merit and viability, the economic and community
6575 development opportunity, municipal support, contribution to the
6576 community's tax base, number of jobs, past experience of the applicant,
6577 compliance history and ability to pay.

6578 (3) Any loan recipient who is a brownfields purchaser and who (A)
6579 receives a loan in excess of thirty thousand dollars, or (B) uses loan
6580 proceeds to perform a Phase II environmental investigation, shall be
6581 subject to section 22a-134a or shall enter a voluntary program for
6582 remediation of the property with the Department of Environmental
6583 Protection. Any loan recipient who is an existing property owner shall
6584 enter a voluntary program with the Department of Environmental
6585 Protection.

6586 (4) Loans made pursuant to this subsection shall have such terms
6587 and conditions and shall be subject to such eligibility, loan approval
6588 and criteria, as determined by the commissioner. Such conditions shall
6589 include, but not be limited to, performance requirements and
6590 commitments to maintain or retain jobs. Loan repayment shall coincide
6591 with the restoration of the site to a productive use or the completion of
6592 the expansion. Such loans shall be for a period not to exceed twenty
6593 years.

6594 (5) If the property is sold before loan repayment, the loan is payable

6595 upon closing, with interest, unless the commissioner agrees otherwise.
6596 The commissioner may carry the loan forward as an encumbrance to
6597 the purchaser with the same terms and conditions as the original loan.

6598 (6) Loans made pursuant to this subsection may be used for any
6599 purpose, including the present or past costs of investigation,
6600 assessment, remediation, abatement, hazardous materials or waste
6601 disposal, long-term groundwater or natural attenuation monitoring,
6602 costs associated with an environmental land use restriction, attorneys'
6603 fees, planning, engineering and environmental consulting costs, and
6604 building and structural issues, including demolition, asbestos
6605 abatement, polychlorinated biphenyls removal, contaminated wood or
6606 paint removal, and other infrastructure remedial activities.

6607 (7) For any loan made pursuant to this subsection that is greater
6608 than fifty thousand dollars, the applicant shall submit a redevelopment
6609 plan that describes how the property will be used or reused for
6610 commercial, industrial or mixed-use development and how it will
6611 result in jobs and private investment in the community. For any
6612 residential development loan pursuant to this subsection, the
6613 developer shall agree that the development will provide the housing
6614 needs reasonable and appropriate for first-time home buyers or recent
6615 college graduates looking to remain in this state.

6616 (8) The loan program established pursuant to this subsection shall
6617 be available to all qualified new and existing property owners.
6618 Recipients who use loans for commercial, industrial or mixed-use
6619 development shall agree to retain or add jobs, during the term of the
6620 loan, unless otherwise agreed to by the Department of Economic and
6621 Community Development, the **[**Connecticut Development Authority**]**
6622 Connecticut Economic Innovations Authority and the Connecticut
6623 Brownfield Redevelopment Authority. The residential developer shall
6624 agree to retire the loan upon sale of the units unless the development
6625 will be apartments.

6626 (9) Each loan recipient pursuant to this subsection may be eligible

6627 for up to two million dollars per year for up to two years, subject to
6628 agency underwriting and reasonable and customary requirements to
6629 assure performance. If additional funds are needed, the Commissioner
6630 of Economic and Community Development may recommend that the
6631 project be funded through the State Bond Commission.

6632 (g) The Commissioner of Economic and Community Development
6633 shall approve applications submitted in accordance with subsection (c)
6634 of this section before awarding any financial assistance to an eligible
6635 applicant or purchasing any participation interest in a loan made by
6636 the **[**Connecticut Development Authority**]** Connecticut Economic
6637 Innovations Authority for the benefit of an eligible applicant.
6638 Notwithstanding any other provision of this section, if the applicant's
6639 request for financial assistance involves the department purchasing a
6640 participation interest in a loan made by the **[**Connecticut Development
6641 Authority**]** Connecticut Economic Innovations Authority, such
6642 authority may submit such application and other information as is
6643 required of eligible applicants under subsection (c) of this section on
6644 behalf of such eligible applicant and no further application shall be
6645 required of such eligible applicant. No financial assistance shall exceed
6646 fifty per cent of the total project cost, provided in the case of (1)
6647 planning or site evaluation projects, and (2) financial assistance to any
6648 project in a targeted investment community, such assistance shall not
6649 exceed ninety per cent of the project cost. Upon approval of the
6650 commissioner, a nonstate share of the total project cost, if any, may be
6651 satisfied entirely or partially from noncash contributions, including
6652 contributions of real property, from private sources or, to the extent
6653 permitted by federal law, from moneys received by the municipality
6654 under any federal grant program.

6655 (h) Financial assistance may be made available for (1) site
6656 investigation and assessment, (2) planning and engineering, including,
6657 but not limited to, the reasonable cost of environmental consultants,
6658 laboratory analysis, investigatory and remedial contractors, architects,
6659 attorneys' fees, feasibility studies, appraisals, market studies and

6660 related activities, (3) the acquisition of real property, provided
6661 financial assistance for such acquisition shall not exceed fair market
6662 value as appraised as if clean, (4) the construction of site and
6663 infrastructure improvements related to the site remediation, (5)
6664 demolition, asbestos abatement, hazardous waste removal, PCB
6665 removal and related infrastructure remedial activities, (6) remediation,
6666 groundwater monitoring, including, but not limited to, natural
6667 attenuation groundwater monitoring and costs associated with filing
6668 an environmental land use restriction, (7) environmental insurance,
6669 and (8) other reasonable expenses the commissioner determines are
6670 necessary or appropriate for the initiation, implementation and
6671 completion of the project. The department may purchase participation
6672 interests in loans made by the **[**Connecticut Development Authority**]**
6673 Connecticut Economic Innovations Authority for the foregoing
6674 purposes.

6675 (i) The commissioner may establish the terms and conditions of any
6676 financial assistance provided pursuant to subsections (a) to (k),
6677 inclusive, of this section. The commissioner may make any stipulation
6678 in connection with an offer of financial assistance the commissioner
6679 deems necessary to implement the policies and purposes of such
6680 sections, including, but not limited to the following: (1) Providing
6681 assurances that the eligible applicant will discharge its obligations in
6682 connection with the project; and (2) requiring that the eligible
6683 applicant provide the department with appropriate security for such
6684 financial assistance, including, but not limited to, a letter of credit, a
6685 lien on real property or a security interest in goods, equipment,
6686 inventory or other property of any kind.

6687 (j) The commissioner may use any available funds for financial
6688 assistance under the provisions of subsections (a) to (k), inclusive, of
6689 this section.

6690 (k) Whenever funds are used pursuant to subsections (a) to (k),
6691 inclusive, of this section for purposes of environmental assessments or
6692 remediation of a brownfield, the Commissioner of Environmental

6693 Protection may seek reimbursement of the costs and expenses incurred
6694 by requesting the Attorney General to bring a civil action to recover
6695 such costs and expenses from any party responsible for such pollution
6696 provided no such action shall be brought separately from any action to
6697 recover costs and expenses incurred by the Commissioner of
6698 Environmental Protection in pursuing action to contain, remove or
6699 mitigate any pollution on such site. The costs and expenses recovered
6700 may include, but shall not be limited to, (1) the actual cost of
6701 identifying, evaluating, planning for and undertaking the remediation
6702 of the site; (2) any administrative costs not exceeding ten per cent of
6703 the actual costs; (3) the costs of recovering the reimbursement; and (4)
6704 interest on the actual costs at a rate of ten per cent a year from the date
6705 such expenses were paid. The defendant in any civil action brought
6706 pursuant to this subsection shall have no cause of action or claim for
6707 contribution against any person with whom the Commissioner of
6708 Environmental Protection has entered into a covenant not to sue
6709 pursuant to sections 22a-133aa and 22a-133bb with respect to pollution
6710 on or emanating from the property that is the subject of said civil
6711 action. Funds recovered pursuant to this section shall be deposited in
6712 the brownfield remediation and development account established
6713 pursuant to subsections (l) to (o), inclusive, of this section. The
6714 provisions of this subsection shall be in addition to any other remedies
6715 provided by law.

6716 (l) There is established a separate nonlapsing account within the
6717 General Fund to be known as the "brownfield remediation and
6718 development account". There shall be deposited in the account: (1) The
6719 proceeds of bonds issued by the state for deposit into said account and
6720 used in accordance with this section; (2) repayments of assistance
6721 provided pursuant to subsection (c) of section 22a-133u; (3) interest or
6722 other income earned on the investment of moneys in the account; (4)
6723 funds recovered pursuant to subsection (i) of this section; and (5) all
6724 funds required by law to be deposited in the account. Repayment of
6725 principal and interest on loans made pursuant to subsections (a) to (k),
6726 inclusive, of this section shall be credited to such account and shall

6727 become part of the assets of the account. Any balance remaining in
6728 such account at the end of any fiscal year shall be carried forward in
6729 the account for the fiscal year next succeeding.

6730 (m) All moneys received in consideration of financial assistance,
6731 including payments of principal and interest on any loans, shall be
6732 credited to the account. At the discretion of the Commissioner of
6733 Economic and Community Development and subject to the approval
6734 of the Secretary of the Office of Policy and Management, any federal,
6735 private or other moneys received by the state in connection with
6736 projects undertaken pursuant to subsections (a) to (k), inclusive, of this
6737 section shall be credited to the assets of the account.

6738 (n) Notwithstanding any provision of law, proceeds from the sale of
6739 bonds available pursuant to subdivision (1) of subsection (b) of section
6740 4-66c may, with the approval of the Governor and the State Bond
6741 Commission, be used to capitalize the brownfield remediation and
6742 development account created by subsections (l) to (o), inclusive, of this
6743 section.

6744 (o) The commissioner may, with the approval of the Secretary of the
6745 Office of Policy and Management, provide financial assistance
6746 pursuant to subsections (a) to (k), inclusive, of this section from the
6747 account established under subsection (l) to (o), inclusive, of this
6748 section.

6749 Sec. 133. Subdivision (1) of subsection (b) of section 32-9qq of the
6750 general statutes is repealed and the following is substituted in lieu
6751 thereof (*Effective July 1, 2009*):

6752 (1) A business outreach center shall be any nonprofit or
6753 governmental entity providing or able to provide assistance to small
6754 businesses and minority business enterprises in the areas of business
6755 plan development, financial projection, loan package planning,
6756 including loan packaging for small businesses and minority business
6757 enterprises which are seeking financial assistance from the

6758 [Connecticut Development Authority] Connecticut Economic
6759 Innovations Authority, business counseling and related monitoring
6760 and follow-up services.

6761 Sec. 134. Section 32-22b of the general statutes is repealed and the
6762 following is substituted in lieu thereof (*Effective July 1, 2009*):

6763 The [Connecticut Development Authority] Connecticut Economic
6764 Innovations Authority may establish a loan guarantee program to
6765 provide guarantees of not more than thirty per cent of the loan to
6766 lenders who provide financing to eligible developers or eligible
6767 property owners as defined in subsection (a) of section 32-9kk.

6768 Sec. 135. Subsection (b) of section 32-23o of the general statutes is
6769 repealed and the following is substituted in lieu thereof (*Effective July*
6770 *1, 2009*):

6771 (b) Each such loan or extension of credit shall be authorized by the
6772 [Connecticut Development Authority] Connecticut Economic
6773 Innovations Authority or, if the authority so determines, by a
6774 committee of the authority consisting of the chairman and either one
6775 other member of the authority or its executive director, as specified in
6776 the determination of the authority. Any administrative expenses
6777 incurred in carrying out the provisions of this section, to the extent not
6778 paid by the authority or from moneys appropriated to the department,
6779 shall be paid from the Small Contractors' Revolving Loan Fund.
6780 Payments from the Small Contractors' Revolving Loan Fund to small
6781 contractors or to pay such administrative expenses shall be made by
6782 the Treasurer upon certification by the Commissioner of Economic and
6783 Community Development that the payment is authorized under the
6784 provisions of this section, under the applicable rules and regulations of
6785 the department, and, if made to a small contractor, under the terms
6786 and conditions established by the authority or the duly appointed
6787 committee thereof in authorizing the making of the loan or the
6788 extension of credit.

6789 Sec. 136. Section 32-23s of the general statutes is repealed and the
6790 following is substituted in lieu thereof (*Effective July 1, 2009*):

6791 The amendments to sections 32-11a, 32-16, 32-23c, 32-23d, 32-23e,
6792 32-23f and 32-23j effective on June 29, 1981, are intended and shall be
6793 construed as a clarification and expansion of the powers of the
6794 **[**Connecticut Development Authority**]** Connecticut Economic
6795 Innovations Authority, and shall not limit or impair any obligation
6796 incurred or right exercised by the authority under its powers prior to
6797 said date.

6798 Sec. 137. Section 32-61 of the general statutes is repealed and the
6799 following is substituted in lieu thereof (*Effective July 1, 2009*):

6800 As used in this chapter, "authority" means the **[**Connecticut
6801 Development Authority created under subsection (a) of section 32-11a**]**
6802 Connecticut Economic Innovations Authority established pursuant to
6803 this act; "executive director" means the executive director of the
6804 **[**Connecticut Development Authority appointed pursuant to
6805 subsection (d) of section 32-11a**]** Connecticut Economic Innovations
6806 Authority established pursuant to section 6 of this act; "project" means
6807 a project as defined in subsection (d) of section 32-23d; "insurance
6808 fund" means the Revenue Bond Mortgage Insurance Fund created
6809 under section 32-62; "eligible financial institution" means an eligible
6810 financial institution as defined in section 32-65; "state" means the state
6811 of Connecticut; and "loan" means loans, notes, bonds or other forms of
6812 indebtedness related to the financing or refinancing of a project by the
6813 authority or an eligible financial institution, or any participation or
6814 other interest therein, however evidenced, or any pool or portion of the
6815 foregoing.

6816 Sec. 138. Subsection (a) of section 32-141 of the general statutes is
6817 repealed and the following is substituted in lieu thereof (*Effective July*
6818 *1, 2009*):

6819 (a) (1) The total amount of private activity bonds which may be

6820 issued by state issuers in the calendar year commencing January 1,
6821 2001, under the state ceiling in effect for such year, shall be allocated as
6822 follows: (A) Sixty per cent to the Connecticut Housing Finance
6823 Authority; (B) fifteen per cent to the **[**Connecticut Development
6824 Authority**]** Connecticut Economic Innovations Authority; and (C)
6825 twenty-five per cent to municipalities and political subdivisions,
6826 departments, agencies, authorities and other bodies of municipalities,
6827 the Connecticut Higher Education Supplemental Loan Authority and
6828 for contingencies.

6829 (2) The total amount of private activity bonds which may be issued
6830 by state issuers in the calendar year commencing January 1, 2007, and
6831 each calendar year thereafter, under the state ceiling in effect for each
6832 such year, shall be allocated as follows: (A) Sixty per cent to the
6833 Connecticut Housing Finance Authority; (B) twelve and one-half per
6834 cent to the **[**Connecticut Development Authority**]** Connecticut
6835 Economic Innovations Authority; and (C) twenty-seven and one-half
6836 per cent to municipalities and political subdivisions, departments,
6837 agencies, authorities and other bodies of municipalities and the
6838 Connecticut Higher Education Supplemental Loan Authority, then to
6839 the Connecticut Student Loan Foundation and then for contingencies.
6840 At least ten per cent of bonds allocated under subparagraph (A) of this
6841 subdivision shall be used for multifamily residential housing in the
6842 calendar year commencing January 1, 2008. In each calendar year
6843 commencing January 1, 2009, fifteen per cent of such bonds shall be
6844 used for multifamily residential housing.

6845 (3) The board of directors of the Connecticut Housing Finance
6846 Authority shall undertake a review and analysis of the multifamily
6847 housing goals and programs of the authority to determine the extent to
6848 which the authority can increase the production of multifamily
6849 housing and promote its preservation, including production of
6850 multifamily housing that serves households with incomes less than
6851 fifty per cent of the area median income and households with incomes
6852 less than twenty-five per cent of the area median income. Such review

6853 and analysis shall include, but not be limited to, the use of private
6854 activity bonds in conjunction with four per cent federal tax credits. The
6855 board of directors of the authority shall report its findings and
6856 recommendations to the joint standing committee of the General
6857 Assembly having cognizance of matters relating to planning and
6858 development and to the select committee on housing not later than
6859 January 1, 2008.

6860 Sec. 139. Section 32-222 of the general statutes is repealed and the
6861 following is substituted in lieu thereof (*Effective July 1, 2009*):

6862 As used in sections 32-220 to 32-234, inclusive: (a) "Business
6863 development project" means a project undertaken by an eligible
6864 applicant involving one or more of the following:

6865 (1) The construction, substantial renovation, improvement or
6866 expansion of a facility;

6867 (2) The acquisition of new machinery and equipment;

6868 (3) The acquisition, improvement, demolition, cultivation or
6869 disposition of real property, or combinations thereof, or the
6870 remediation of contaminated real property;

6871 (4) The creation at a facility, within twenty-four months of the
6872 initiation of a hiring program, not less than ten new jobs or an increase
6873 in the number of persons employed at the facility of twenty per cent,
6874 whichever is greater;

6875 (5) Economic diversification of the economy of an area of the state or
6876 manufacturing or other economic base business where such area or
6877 business is substantially reliant upon defense and related industry;

6878 (6) Participation in the avoidance of an imminent plant closing or
6879 relocation by a manufacturing or other economic base business or
6880 assist or improve the economy of an area of the state which has been or
6881 is likely to be significantly and adversely impacted by one or more

6882 major plant closings or relocations;

6883 (7) Support research and development or commercialization of
6884 technologies, products, processes or techniques of a manufacturing or
6885 other economic base business;

6886 (8) Creation or support of organizations that provide technical and
6887 engineering assistance to small manufacturers or other economic base
6888 businesses to assist them with the design, testing, manufacture and
6889 marketing of new products and the instruction and implementation of
6890 new techniques and technologies;

6891 (9) Support of substantial workforce development efforts;

6892 (10) Promotion of community conservation or development or
6893 improvement of the quality of life for urban residents of the state; or

6894 (11) Promotion of the revitalization of underutilized, state-owned
6895 former railroad depots and areas adjacent to such depots;

6896 (b) "Business support services" means activities related to a
6897 municipal development project or business development project which
6898 support the economic competitiveness of manufacturing or economic
6899 base businesses or which further the interests of the state, including,
6900 but not limited to, facilities and services related to day care, job
6901 training, education, transportation, employee housing, energy
6902 conservation, pollution control and recycling, provided activities
6903 related to employee housing shall be limited to feasibility and
6904 implementation studies;

6905 (c) "Commissioner" means the Commissioner of Economic and
6906 Community Development;

6907 (d) "Economic base business" means a business that the
6908 commissioner determines will materially contribute to the economy of
6909 the state by creating or retaining jobs, exporting products or services
6910 beyond the state's boundaries, encouraging innovation in products or

6911 services, adding value to products or services or otherwise supporting
6912 or enhancing existing activities important to the economy of the state;

6913 (e) "Economic cluster" means an economic cluster, as defined in
6914 section 32-4e, recognized by the commissioner;

6915 (f) "Department" means the Department of Economic and
6916 Community Development;

6917 (g) "Development plan" means a plan for a municipal development
6918 project prepared in accordance with the provisions of subsection (b) of
6919 section 32-223;

6920 (h) "Eligible applicant" means any for-profit or nonprofit
6921 organization, or any combination thereof, any municipality, regional
6922 planning agency or any combination thereof and further provided, in
6923 the case of a loan made by the **[**Connecticut Development Authority**]**
6924 Connecticut Economic Innovations Authority in which the department
6925 purchases a participation interest, "eligible applicant" means the for-
6926 profit or nonprofit organization, or any combination thereof, that will
6927 receive the proceeds of such loan;

6928 (i) "Financial assistance" means grants, funds for the purchase of
6929 insurance policies and payment of deductibles for insurance policies to
6930 cover remediation costs, extensions of credit, loans or loan guarantees,
6931 participation interests in loans made to eligible applicants by the
6932 **[**Connecticut Development Authority**]** Connecticut Economic
6933 Innovations Authority or combinations thereof;

6934 (j) "For-profit organization" means a for-profit partnership or sole
6935 proprietorship or corporation or limited liability company which is an
6936 economic base business or has a North American Industrial
6937 Classification code of 311111 through 339999 or 493110, 493120, 493130,
6938 493190, 511210, 512110, 512120, 512191, 522210, 522293, 522294, 522298,
6939 522310, 522320, 522390, 523110, 523120, 523130, 523140, 523210, 523910,
6940 524113, 524114, 524126, 524127, 524128, 524130, 524292, 541711, 541712,
6941 551111, 551112, 551114, 561422, 611310, 611410, 611420, 611430, 611513,

6942 611519, 611710 and 624410 or any business that is part of an economic
6943 cluster, or any establishment or auxiliary or operating unit thereof, as
6944 defined in the North American Industrial Classification System
6945 Manual, which has demonstrated to the satisfaction of the
6946 commissioner that it has the qualifications, including financial
6947 qualifications, necessary to carry out a business development project;

6948 (k) "Implementing agency" means one of the following agencies
6949 designated by a municipality under section 32-223: (1) An economic
6950 development commission, redevelopment agency; sewer authority or
6951 sewer commission; public works commission; water authority or water
6952 commission; port authority or port commission or harbor authority or
6953 harbor commission; parking authority or parking commission; (2) a
6954 nonprofit development corporation; or (3) any other agency
6955 designated and authorized by a municipality to undertake a project
6956 and approved by the commissioner;

6957 (l) "Municipal development project" means a business development
6958 project through which real property is acquired by a municipality or
6959 implementing agency as part of such project;

6960 (m) "Municipality" means a town, city, consolidated town and city
6961 or consolidated town and borough;

6962 (n) "Nonprofit organization" means a municipality or nonprofit
6963 corporation as defined in section 33-1002 and organized under the
6964 laws of this state and for purposes of this chapter includes any
6965 constituent unit of the state system of higher education;

6966 (o) "Planning commission" means a planning and zoning
6967 commission designated pursuant to section 8-4a or a planning
6968 commission created pursuant to section 8-19;

6969 (p) "Project" means a municipal development project or business
6970 development project;

6971 (q) "Project area" means the area within which a municipal

6972 development project or business development project is located;

6973 (r) "Real property" means land, buildings and other structures and
6974 improvements thereto, subterranean or subsurface right, any and all
6975 easements, air rights and franchises of any kind or nature;

6976 (s) "Site and infrastructure improvements" means improvements to:
6977 (1) Sanitary sewer facilities; (2) natural gas pipes, electric, telephone
6978 and telecommunications conduits and other facilities and waterlines
6979 and water supply facilities, except for any such pipes, wires, conduits,
6980 waterlines or any such pipes, wires, conduits, waterlines or facilities
6981 which a public service company, as defined in section 16-1, water
6982 company, as defined in section 25-32a, or municipal utility is required
6983 to install pursuant to any provision of the general statutes or any
6984 special act, regulation or order of the Department of Public Utility
6985 Control or a certificate of public convenience and necessity; (3) storm
6986 drainage facilities, including facilities to control flooding; (4) site
6987 grading, landscaping, environmental improvements, including
6988 remediation of contaminated sites, parking facilities, roadways and
6989 related appurtenances; (5) railroad spurs; (6) public port or docking
6990 facilities; and (7) such other related improvements necessary or
6991 appropriate to carry out the project;

6992 (t) "State" means the state of Connecticut;

6993 (u) "Targeted investment community" means a municipality which
6994 contains an enterprise zone designated pursuant to section 32-70;

6995 (v) "Total project cost" means costs of any kind or nature relating to
6996 the planning, implementation and completion of a municipal or
6997 business development project;

6998 (w) "Legislative body" means (1) the board of selectmen in a town
6999 that does not have a charter, special act or home rule ordinance
7000 relating to its government, or (2) the council, board of aldermen,
7001 representative town meeting, board of selectmen or other elected
7002 legislative body described in a charter, special act or home rule

7003 ordinance relating to its government in a city, consolidated town and
7004 city, consolidated town and borough or a town having a charter,
7005 special act, consolidation ordinance or home rule ordinance relating to
7006 its government.

7007 Sec. 140. Section 32-223 of the general statutes is repealed and the
7008 following is substituted in lieu thereof (*Effective July 1, 2009*):

7009 (a) An eligible applicant shall submit an application for financial
7010 assistance to the commissioner on forms provided by the
7011 commissioner and with such information the commissioner deems
7012 necessary, including, but not limited to: (1) A description of the
7013 proposed project; (2) an explanation of the expected benefits of the
7014 project in relation to the purposes of sections 32-220 to 32-234,
7015 inclusive; (3) information concerning the financial and technical
7016 capacity of the eligible applicant to undertake the proposed project; (4)
7017 a project budget; and (5) identification, when appropriate, of business
7018 support services that may be of benefit to the state and the
7019 manufacturing and economic base businesses located or locating in the
7020 project area as part of the project. In the case of a municipal
7021 development project the eligible applicant shall, in addition to an
7022 application for financial assistance, submit a development plan
7023 prepared pursuant to subsection (b) of section 32-224 and approved by
7024 the commissioner, provided an eligible applicant may, prior to the
7025 submission of a development plan, receive financial assistance for
7026 activities related to the planning of a municipal development project to
7027 the extent such assistance is provided for under subsection (b) of this
7028 section.

7029 (b) Applications properly submitted shall be reviewed and may be
7030 approved, disapproved or modified by the commissioner. In reviewing
7031 an application and determining the type and amount of financial
7032 assistance, if any, to be provided, the commissioner shall consider the
7033 following criteria: (1) The availability of funds; (2) the relative
7034 economic condition of the municipality; (3) the relative need of the
7035 eligible applicant or project for financial assistance; (4) the degree to

7036 which financial assistance is necessary as an inducement to the eligible
7037 applicant to undertake the project or to the manufacturing or economic
7038 base business to locate or undertake the project in the state; (5) the
7039 relative economic benefit of the project to the state, including, but not
7040 limited to: (A) The extent to which the project will likely result in the
7041 retention and creation of jobs, the retention, expansion or relocation of
7042 manufacturing or economic base businesses in the state or the
7043 diversification of such businesses, or (B) the extent to which the project
7044 will increase competitiveness of such businesses, respond to potential
7045 or actual dislocation as a result of major plant closings or relocations
7046 and address the business service needs of such businesses and the
7047 state; and (6) such other criteria as the commissioner may establish
7048 consistent with the purposes of sections 32-220 to 32-234, inclusive. The
7049 commissioner shall not deny an application for financial assistance for
7050 a project solely because the project site does not have sewer service or
7051 access to sewer service.

7052 (c) No financial assistance shall be given to an eligible applicant and
7053 no participation interest in a loan made by the **[**Connecticut
7054 Development Authority**]** Connecticut Economic Innovations Authority
7055 for the benefit of an eligible applicant shall be purchased by the
7056 department until the commissioner has approved the application
7057 submitted in accordance with subsection (a) of this section.
7058 Notwithstanding any other provision of this section, in the event that
7059 the financial assistance requested is the purchase by the department of
7060 a participation interest in a loan made by the **[**Connecticut
7061 Development Authority**]** Connecticut Economic Innovations
7062 Authority, such authority may submit such application and other
7063 information as is required of eligible applicants under subsection (a) of
7064 this section on behalf of such eligible applicant and no further
7065 application shall be required of such eligible applicant. No financial
7066 assistance shall exceed: (1) Except as otherwise provided in
7067 subdivisions (2) to (5), inclusive, of this subsection, fifty per cent of the
7068 total project cost, (2) in the case of financial assistance to any project in
7069 a targeted investment community, ninety per cent of the project cost,

7070 (3) when two or more municipalities which are not targeted
7071 investment communities jointly initiate a municipal development
7072 project in accordance with the provisions of subsection (e) of section
7073 32-224, seventy-five per cent of the total project cost, (4) in the case of a
7074 municipal development project jointly initiated by two or more
7075 municipalities at least one of which is a targeted investment
7076 community, the sum of: (A) Seventy-five per cent of the portion of the
7077 total project cost allocable to the participation of the municipality or
7078 municipalities which are not targeted investment communities, and (B)
7079 ninety per cent of the portion of the total project cost allocable to the
7080 participation of any targeted investment community or communities,
7081 and (5) in the case of a defense diversification project, ninety per cent
7082 of the total project cost if the project involves a municipal development
7083 project or the acquisition or development, or both, of real property for
7084 an unspecified occupant, and one hundred per cent in the case of any
7085 other defense diversification project. A municipality's share of the total
7086 project cost, if any, may, with the approval of the commissioner, be
7087 satisfied entirely or partially from noncash contributions, including
7088 contributions of real property, from private sources, or, to the extent
7089 permitted by federal law, from moneys received by the municipality
7090 under any federal grant program.

7091 (d) Financial assistance, whether provided directly to eligible
7092 applicants or indirectly in the form of the department's purchase of a
7093 participation interest in a loan made by the **[**Connecticut Development
7094 Authority**]** Connecticut Economic Innovations Authority under
7095 sections 32-220 to 32-234, inclusive, may be used for (1) the planning of
7096 a municipal development project or business development project,
7097 including, but not limited to, the reasonable cost of feasibility studies,
7098 engineering, appraisals, market studies and related activities; (2) the
7099 acquisition of real property, machinery or equipment, or any
7100 combination thereof, provided such financial assistance shall not
7101 exceed fair market value; (3) the construction of site and infrastructure
7102 improvements relating to a municipal development or business
7103 development project; (4) the construction, renovation and demolition

7104 of buildings; (5) relocation expenses for the purpose of assisting an
7105 eligible applicant to locate, construct, renovate or acquire a facility; or
7106 (6) such other reasonable expenses necessary or appropriate for the
7107 initiation, implementation and completion of the project, including,
7108 but not limited to: (A) Administrative expenses of the eligible
7109 applicant; and (B) business support services in conjunction with
7110 another state agency when such agency does not provide adequate
7111 funds for such services or when no other state agency provides such
7112 services. The department may purchase participation interests in loans
7113 made by the **[**Connecticut Development Authority**]** Connecticut
7114 Economic Innovations Authority for the foregoing purposes. All
7115 relocation assistance provided under sections 32-220 to 32-234,
7116 inclusive, to persons residing in the project area shall be in
7117 conformance with chapter 135.

7118 (e) The commissioner may establish the terms and conditions of any
7119 financial assistance provided under sections 32-220 to 32-234, inclusive,
7120 except that the interest rate on any loans shall be determined by the
7121 State Bond Commission in accordance with subsection (t) of section 3-
7122 20. The commissioner may make any stipulation in connection with an
7123 offer of financial assistance he deems necessary to implement the
7124 policies and purposes of sections 32-220 to 32-234, inclusive, including,
7125 but not limited to the following: (1) The provision of assurances that
7126 the eligible applicant will discharge its obligations in connection with
7127 the project, and (2) a requirement that the eligible applicant provide
7128 the department with appropriate security for such financial assistance,
7129 including, but not limited to, a letter of credit, a lien on real property or
7130 a security interest in goods, equipment, inventory or other property of
7131 any kind.

7132 Sec. 141. Section 32-227 of the general statutes is repealed and the
7133 following is substituted in lieu thereof (*Effective July 1, 2009*):

7134 (a) For the purpose of carrying out or administering a municipal or
7135 business development project, (1) a municipality, acting by and
7136 through its implementing agency, may, subject to the limitations and

7137 procedures set forth in this section, issue from time to time bonds of
7138 the municipality, and (2) the **[**Connecticut Development Authority**]**
7139 Connecticut Economic Innovations Authority may, upon a resolution
7140 adopted by the legislative body of the municipality, issue from time to
7141 time bonds which, in either case, are payable solely or in part from and
7142 secured by: (A) A pledge of and lien upon any or all of the income,
7143 proceeds, revenues and property of development projects, including
7144 the proceeds of grants, loans, advances or contributions from the
7145 federal government, the state or other source, including financial
7146 assistance furnished by the municipality or any other public body
7147 pursuant to sections 32-220 to 32-234, inclusive; (B) taxes or payments
7148 in lieu of taxes, or both, in whole or in part, allocated to and paid into a
7149 special fund of the municipality or the **[**Connecticut Development
7150 Authority**]** Connecticut Economic Innovations Authority pursuant to
7151 the provisions of subsection (c) of this section; or (C) any combination
7152 of the methods in subparagraphs (A) and (B) of this subdivision. Any
7153 bonds payable and secured as provided in this subsection shall be
7154 authorized by, and the appropriation of the proceeds thereof approved
7155 by and subject to, a resolution adopted by the legislative body of the
7156 municipality, notwithstanding the provisions of any other statute, local
7157 law or charter governing the authorization and issuance of bonds and
7158 the appropriation of the proceeds thereof generally by the
7159 municipality. No such resolution shall be adopted until after a public
7160 hearing has been held upon such authorization. Notice of such hearing
7161 shall be published not less than five days prior to such hearing in a
7162 newspaper having a general circulation in the municipality. Any such
7163 bonds of a municipality or the **[**Connecticut Development Authority**]**
7164 Connecticut Economic Innovations Authority shall be issued and sold
7165 in such manner; bear interest at such rate or rates, including variable
7166 rates; provide for the payment of interest on such dates, whether
7167 before or at maturity; be issued at, above or below par; mature at such
7168 time or times not exceeding thirty years from their date; have such
7169 rank or priority; be payable in such medium of payment; be issued in
7170 such form, including, without limitation, registered or book-entry
7171 form; carry such registration and transfer privileges and be made

7172 subject to purchase or redemption before maturity at such price or
7173 prices and under such terms and conditions, including the condition
7174 that such bonds be subject to purchase or redemption on the demand
7175 of the owner thereof; and contain such other terms and particulars as
7176 the legislative body of the municipality or the officers delegated such
7177 authority by the legislative body of the municipality shall determine.
7178 Any such bonds of the **[**Connecticut Development Authority**]**
7179 Connecticut Economic Innovations Authority shall be issued and sold
7180 in the manner and subject to the general terms and provisions of law
7181 applicable to issuance of bonds by the **[**Connecticut Development
7182 Authority**]** Connecticut Economic Innovations Authority, except that
7183 the provisions of subsection (b) of section 32-23j shall not apply. The
7184 proceedings under which bonds are authorized to be issued may,
7185 subject to the provisions of indenture or to any other depository
7186 agreement, provide for the method of disbursement thereof, with such
7187 safeguards and restrictions as it may determine. Any pledge made by
7188 the municipality or the **[**Connecticut Development Authority**]**
7189 Connecticut Economic Innovations Authority for bonds issued as
7190 provided in this subsection shall be valid and binding from the time
7191 when the pledge is made, and any revenues or other receipts, funds or
7192 moneys so pledged and thereafter received by the municipality or the
7193 **[**Connecticut Development Authority**]** Connecticut Economic
7194 Innovations Authority shall be subject to the lien of such pledge
7195 without any physical delivery thereof or further act. The lien of any
7196 such pledge shall be valid and binding as against all parties having
7197 claims of any kind in tort, contract or otherwise against the
7198 municipality or **[**Connecticut Development Authority**]** the Connecticut
7199 Economic Innovations Authority, irrespective of whether such parties
7200 have notice of such lien. Neither the resolution nor any other
7201 instrument by which a pledge is created need be recorded. All
7202 expenses incurred in carrying out such financing may be treated as
7203 project costs. Such bonds shall not be included in computing the
7204 aggregate indebtedness of the municipality, provided, if such bonds
7205 are made payable, in whole or in part, from funds contracted to be
7206 advanced by the municipality, the aggregate amount of such funds not

7207 yet appropriated to such purpose shall be included in computing the
7208 aggregate indebtedness of the municipality. As used in this section,
7209 "bonds" means any bonds, including refunding bonds, notes,
7210 temporary notes, interim certificates, debentures or other obligations.
7211 Temporary notes issued in accordance with this subsection in
7212 anticipation of the receipt of the proceeds of bond issues may be issued
7213 for a period of not more than five years, and notes issued for a shorter
7214 period of time may be renewed by the issue of other notes, provided
7215 the period from the date of the original notes to the maturity of the last
7216 notes issued in renewal thereof shall not exceed five years. For
7217 purposes of this section, references to the Connecticut Development
7218 Authority shall include any subsidiary of the **[**Connecticut
7219 Development Authority established pursuant to subsection (l) of
7220 section 32-11a**]** Connecticut Economic Innovations Authority.

7221 (b) For the purpose of carrying out or administering a municipal or
7222 business development project, a municipality or its implementing
7223 agency may accept grants, advances, loans or other financial assistance
7224 from the federal government, the state or other source and may do any
7225 and all things necessary or desirable to secure such financial aid. To
7226 assist any project located in the area in which it is authorized to act,
7227 any public body, including the state, or any city, town, borough,
7228 authority, district, subdivision or agency of the state, may, upon such
7229 terms as it determines, furnish service or facilities, provide property,
7230 lend or contribute funds, and take any other action of a character
7231 which it is authorized to perform for other purposes. To obtain funds
7232 for the temporary and definitive financing of any project, a
7233 municipality or implementing agency may, in addition to other action
7234 authorized under this act or other law, issue its general obligation
7235 bonds, notes, temporary notes or other obligations secured by a pledge
7236 of the municipality's full faith and credit. Such bonds, notes,
7237 temporary notes and other obligations shall be authorized in
7238 accordance with the requirements for the authorization of such
7239 obligations generally by the municipality and the authorization,
7240 issuance and sale thereof shall be subject to the limitations contained in

7241 the general statutes, including provisions on the limitation of the
7242 aggregate indebtedness of the municipality. Notwithstanding the
7243 provisions of sections 7-264, 7-378 and 7-378a, and any other public or
7244 special act or charter or bond ordinance or bond resolution which
7245 limits the issuance or renewal of temporary notes issued in
7246 anticipation of the receipt of the proceeds of bond issues to a period of
7247 time of less than five years from the date of the original notes or
7248 requires a reduction in the principal amount of such notes or renewal
7249 notes prior to the fifth anniversary of the date of the original notes,
7250 such temporary notes may be issued for a period of not more than five
7251 years, and notes issued for a shorter period of time may be renewed by
7252 the issue of other notes, provided the period from the date of the
7253 original notes to the maturity of the last notes issued in renewal
7254 thereof shall not exceed five years.

7255 (c) Any development plan authorized under sections 32-220 to 32-
7256 234, inclusive, or any proceedings authorizing the issuance of bonds
7257 under said sections may contain a provision that taxes, if any,
7258 identified in such plan or such authorizing proceedings and levied
7259 upon taxable real or personal property, or both, in a project each year
7260 or payments in lieu of such taxes authorized pursuant to chapter 114,
7261 or both, by or for the benefit of any one or more municipalities,
7262 districts or other public taxing agencies, as the case may be, shall be
7263 divided as follows: (1) In each fiscal year that portion of the taxes or
7264 payments in lieu of taxes, or both, which would be produced by
7265 applying the then current tax rate of each of the taxing agencies to the
7266 total sum of the assessed value of the taxable property in the project on
7267 the effective date of such adoption or the date of such authorizing
7268 proceedings, as the case may be, or on any date between such two
7269 dates which is identified in such proceedings, shall be allocated to and
7270 when collected shall be paid into the funds of the respective taxing
7271 agencies in the same manner as taxes by or for said taxing agencies on
7272 all other property are paid; and (2) that portion of the assessed taxes or
7273 the payments in lieu of taxes, or both, each fiscal year in excess of the
7274 amount referred to in subdivision (1) of this subsection shall be

7275 allocated to and when collected shall be paid into a special fund of the
7276 municipality or the [Connecticut Development Authority] Connecticut
7277 Economic Innovations Authority to be used in each fiscal year, first to
7278 pay the principal of and interest due in such fiscal year on loans,
7279 moneys advanced to, or indebtedness, whether funded, refunded,
7280 assumed, or otherwise, incurred by such municipality or the
7281 [Connecticut Development Authority] Connecticut Economic
7282 Innovations Authority to finance or refinance in whole or in part, such
7283 project, and then, at the option of the municipality or the [Connecticut
7284 Development Authority] Connecticut Economic Innovations
7285 Authority, to purchase bonds issued for the project which has
7286 generated the tax increments or payments in lieu of taxes and then, at
7287 the option of the municipality or the [Connecticut Development
7288 Authority] Connecticut Economic Innovations Authority, to reimburse
7289 the provider of or reimbursement party with respect to any guarantee,
7290 letter of credit, policy of bond insurance, funds deposited in a debt
7291 service reserve fund, funds deposited as capitalized interest or other
7292 credit enhancement device used to secure payment of debt service on
7293 any bonds, notes or other indebtedness issued pursuant to this section
7294 to finance or refinance such project, to the extent of any payments of
7295 debt service made therefrom. Unless and until the total assessed
7296 valuation of the taxable property in a project exceeds the total assessed
7297 value of the taxable property in such project as shown by the last
7298 assessment list referred to in subdivision (1) of this subsection, all of
7299 the taxes levied and collected and all of the payments in lieu of taxes
7300 due and collected upon the taxable property in such project shall be
7301 paid into the funds of the respective taxing agencies. When such loans,
7302 advances, and indebtedness, if any, and interest thereof, and such debt
7303 service reimbursement to the provider of or reimbursement party with
7304 respect to such credit enhancement, have been paid in full, all moneys
7305 thereafter received from taxes or payments in lieu of taxes, or both,
7306 upon the taxable property in such development project shall be paid
7307 into the funds of the respective taxing agencies in the same manner as
7308 taxes on all other property are paid.

7309 (d) Notwithstanding the provisions of subsection (a) or (b) of this
7310 section and any other public or special act or charter or bond ordinance
7311 or bond resolution which limits the renewal of temporary notes issued
7312 pursuant to said subsections in anticipation of the receipt of the
7313 proceeds of bond issues to five years from the date of the original
7314 notes, any municipality may renew temporary notes in accordance
7315 with the provisions of this section for an additional period of not more
7316 than four years from the end of such five-year period. The officers or
7317 board authorized to issue the bonds or determine the particulars of the
7318 bonds may adopt a resolution authorizing the renewal of temporary
7319 notes for such additional period under the following conditions: (1) All
7320 project grant payments and bond sale proceeds received shall be
7321 promptly applied toward project costs or toward payment of such
7322 temporary notes as the same shall become due and payable or shall be
7323 deposited in trust for such purposes; (2) no later than the end of each
7324 period of twelve months after the end of such five-year period a
7325 portion of such temporary notes equal to at least one-twentieth of the
7326 municipality's estimated cost of the project shall be retired from funds
7327 other than project grants or land sale proceeds or note proceeds; (3) the
7328 interest on all temporary notes renewed after such five-year period
7329 shall be paid from funds other than project grants or land sale
7330 proceeds or note proceeds; (4) the principal amount of each bond issue
7331 when sold shall be reduced by the amounts spent under subdivision
7332 (2) of this section, and the principal of such bonds shall be paid in
7333 annual installments commencing no later than one year from the date
7334 of issue; and (5) the maximum authorized term of the bonds when sold
7335 shall be reduced by not less than the number of months from the end
7336 of such five-year period to the date of issue. Any anticipated federal or
7337 state project grants or land sale proceeds may be used in computing
7338 the municipality's cost of the project. Any municipality in which such
7339 resolution is passed shall include in its annual budget or shall
7340 otherwise appropriate sufficient funds to make the payments required
7341 by subdivisions (2) and (3) of this subsection.

7342 Sec. 142. Section 32-244 of the general statutes is repealed and the

7343 following is substituted in lieu thereof (*Effective July 1, 2009*):

7344 (a) All data and other information received by the Department of
7345 Economic and Community Development, the **[**Connecticut
7346 Development Authority**]** Connecticut Economic Innovations Authority
7347 or any implementing agency, as defined in section 32-222, or any
7348 advisory board or committee of the department, authority or agency,
7349 from any person in connection with an application for, or the provision
7350 of, financial assistance, which consists of the following, shall be
7351 deemed, for purposes of a public records request pursuant to the
7352 Freedom of Information Act, as defined in section 1-200, made to the
7353 Department of Economic and Community Development, the
7354 **[**Connecticut Development Authority**]** Connecticut Economic
7355 Innovations Authority or any such implementing agency, advisory
7356 board or committee, to be information described in subdivision (5) of
7357 subsection (b) of section 1-210: (1) Actual trade secrets or information
7358 that a person intends to become a trade secret, (2) material that a
7359 person intends to patent, (3) patented material, (4) marketing or
7360 business plans, (5) plans for new products or services, (6) reports of
7361 customer orders or sales or other documents that would disclose
7362 names and addresses of customers or potential customers, (7)
7363 information concerning the financial condition or personal affairs of
7364 any individual, (8) financial statements or projections, (9) sales or
7365 earnings forecasts, (10) capital or strategic plans, (11) information
7366 regarding research and development, (12) tax returns, or (13) other
7367 commercial, credit or financial information with respect to the financial
7368 condition or business operations of an applicant for or recipient of
7369 financial assistance which is of a type not customarily made available
7370 to the public.

7371 (b) The enumeration in this section of particular types of data and
7372 information shall not be construed to limit the possible applicability of
7373 subdivision (5) of subsection (b) of section 1-210 to other data or
7374 information not so enumerated.

7375 Sec. 143. Section 32-244a of the general statutes is repealed and the

7376 following is substituted in lieu thereof (*Effective July 1, 2009*):

7377 All information contained in any application for financial assistance
7378 submitted to the Department of Economic and Community
7379 Development or the **[**Connecticut Development Authority**]**
7380 Connecticut Economic Innovations Authority prior to October 1, 2000,
7381 and all information with respect to any person or project, including all
7382 financial, credit and proprietary information, obtained by the
7383 Department of Economic and Community Development or the
7384 **[**Connecticut Development Authority**]** Connecticut Economic
7385 Innovations Authority prior to October 1, 2000, or on or after October
7386 1, 2000, pursuant to the requirements of an agreement entered into
7387 prior to October 1, 2000, shall be exempt from the provisions of
7388 subsection (a) of section 1-210.

7389 Sec. 144. Subsection (k) of section 32-261 of the general statutes is
7390 repealed and the following is substituted in lieu thereof (*Effective July*
7391 *1, 2009*):

7392 (k) As used in this section, the following terms shall have the
7393 following meanings unless the context indicates another meaning and
7394 intent:

7395 (1) "Authority" means the **[**Connecticut Development Authority
7396 created under subsection (a) of section 32-23d**]** Connecticut Economic
7397 Innovations Authority established pursuant to section 6 of this act;

7398 (2) "Eligible financial institution" shall have the same meaning as
7399 "eligible financial institution", as defined in subsection (e) of section 32-
7400 23d;

7401 (3) "Loans" means loans, notes, bonds and all other forms of debt
7402 financing or extensions of credit, secured or unsecured, including
7403 loans for working capital purposes;

7404 (4) "Other investments" means (A) any and all forms of equity
7405 financing made by the authority or an eligible financial institution, (B)

7406 any participation or other interest in such equity financing, however
7407 evidenced, or (C) any pool or portfolio of, or position in, loans, such
7408 equity financing or any combination thereof;

7409 (5) "Person" means a person, as defined in subsection (s) of section
7410 32-23d; and

7411 (6) "State" means the state of Connecticut.

7412 Sec. 145. Subsection (b) of section 32-262 of the general statutes is
7413 repealed and the following is substituted in lieu thereof (*Effective July*
7414 *1, 2009*):

7415 (b) The proceeds of the sale of said bonds, to the extent of the
7416 amount stated in subsection (a) of this section, shall be used by the
7417 Department of Economic and Community Development to make
7418 grants to the **[**Connecticut Development Authority**]** Connecticut
7419 Economic Innovations Authority for deposit in the Investment and
7420 Loan Guaranty Fund to be used for the purpose of section 32-261. The
7421 terms and conditions of said grants shall be governed in accordance
7422 with a grant contract between the department and the authority.

7423 Sec. 146. Section 32-265 of the general statutes is repealed and the
7424 following is substituted in lieu thereof (*Effective July 1, 2009*):

7425 (a) As used in this section: (1) "Authority" means the **[**Connecticut
7426 Development Authority**]** Connecticut Economic Innovations
7427 Authority, and (2) "financial institution" means an eligible financial
7428 institution, as defined in subsection (e) of section 32-23d, which is
7429 approved by the authority to participate in the program established by
7430 this section.

7431 (b) In order to stimulate and encourage the growth and
7432 development of the state economy, the Connecticut Capital Access
7433 Fund is created to provide portfolio insurance to participating financial
7434 institutions to assist them in making loans that are somewhat riskier
7435 than conventional loans. The insurance shall be based on a portfolio

7436 insurance mechanism applicable to loans enrolled by a financial
7437 institution in the program, rather than loans by loan guarantees. The
7438 state, acting through the [Connecticut Development Authority]
7439 Connecticut Economic Innovations Authority, shall enter into a
7440 participation agreement with each financial institution approved to
7441 participate in the program. A participation agreement entered into by
7442 the authority and a financial institution shall establish a separate loan
7443 loss reserve account, owned and controlled by the [Connecticut
7444 Development Authority] Connecticut Economic Innovations
7445 Authority, but earmarked to cover losses on loans enrolled by that
7446 financial institution in the program. A separate loan loss reserve
7447 account shall be established for each participating financial institution.
7448 Each time a financial institution enrolls a loan in the program,
7449 payments shall be made into the earmarked loan loss reserve account
7450 by the borrower, financial institution and the authority, in amounts
7451 consistent with the provisions of the participation agreement. The
7452 financial institution shall be allowed to recover the cost of its payment
7453 from the borrower.

7454 (c) To carry out the purposes of this section, the authority shall have
7455 those powers set forth in section 32-23. The authority shall also have
7456 the power to take all reasonable steps and exercise all available
7457 remedies necessary or desirable to protect the obligations or interests
7458 of the authority including, but not limited to, the purchase or
7459 redemption in foreclosure proceedings, bankruptcy proceedings or in
7460 other judicial proceedings of any property on which it holds a
7461 mortgage or other lien or in which it has an interest, and for such
7462 purposes payment may be made from the Connecticut Capital Access
7463 Fund.

7464 (d) Approval of loans for which payments may be made into an
7465 account established under this section shall be within the sole
7466 discretion of the financial institution making the loan except that such
7467 loans shall comply with the requirements specified in the participation
7468 agreement.

7469 (e) The authority shall adopt written procedures in accordance with
7470 section 1-121 for implementing the program. Such written procedures
7471 shall include the form of participation agreement which shall set forth
7472 procedures for use of the program and the rights and responsibilities
7473 of participating financial institutions and the authority. The
7474 participation agreement shall require that loans enrolled in the
7475 program shall be for a business purpose in the state and shall not be
7476 used for residential housing, passive real estate ownership, an insider
7477 transaction or to refinance a prior loan by the financial institution
7478 which was not covered under the program, except that if new funds
7479 are provided to a borrower, an amount equal to the amount of the new
7480 funds may be covered under the program.

7481 (f) (1) For the purposes described in subdivision (2) of this
7482 subsection, the State Bond Commission shall have the power, from
7483 time to time, to authorize the issuance of bonds of the state in one or
7484 more series and in principal amounts not exceeding in the aggregate
7485 five million dollars.

7486 (2) The proceeds of the sale of said bonds, to the extent of the
7487 amount stated in subdivision (1) of this subsection, shall be used by the
7488 Department of Economic and Community Development to make
7489 grants to the **[**Connecticut Development Authority**]** Connecticut
7490 Economic Innovations Authority for deposit in the Connecticut Capital
7491 Access Fund to be used for the purposes authorized under this section
7492 and section 32-341.

7493 (3) All provisions of section 3-20, or the exercise of any right or
7494 power granted thereby which are not inconsistent with the provisions
7495 of this section are hereby adopted and shall apply to all bonds
7496 authorized by the State Bond Commission pursuant to this section, and
7497 temporary notes in anticipation of the money to be derived from the
7498 sale of any such bonds so authorized may be issued in accordance with
7499 said section 3-20 and from time to time renewed. Such bonds shall
7500 mature at such time or times not exceeding twenty years from their
7501 respective dates as may be provided in or pursuant to the resolution or

7502 resolutions of the State Bond Commission authorizing such bonds.
7503 None of said bonds shall be authorized except upon a finding by the
7504 State Bond Commission that there has been filed with it a request for
7505 such authorization, which is signed by or on behalf of the Secretary of
7506 the Office of Policy and Management and states such terms and
7507 conditions as said commission, in its discretion, may require. Said
7508 bonds issued pursuant to this section shall be general obligations of the
7509 state and the full faith and credit of the state of Connecticut are
7510 pledged for the payment of the principal of and interest on said bonds
7511 as the same become due, and accordingly and as part of the contract of
7512 the state with the holders of said bonds, appropriation of all amounts
7513 necessary for punctual payment of such principal and interest is
7514 hereby made, and the Treasurer shall pay such principal and interest
7515 as the same become due.

7516 Sec. 147. Section 32-266 of the general statutes is repealed and the
7517 following is substituted in lieu thereof (*Effective July 1, 2009*):

7518 As used in sections 32-266 to 32-284, inclusive:

7519 (1) "Authority" means the **[**Connecticut Development Authority**]**
7520 Connecticut Economic Innovations Authority; and

7521 (2) "Regional corporation" means a corporation formed by three or
7522 more municipal development corporations, a regional economic
7523 development corporation or a regional community development
7524 corporation.

7525 Sec. 148. Subsection (b) of section 32-285 of the general statutes is
7526 repealed and the following is substituted in lieu thereof (*Effective July*
7527 *1, 2009*):

7528 (b) As used in this section: (1) "Authority" means the **[**Connecticut
7529 Development Authority**]** Connecticut Economic Innovations
7530 Authority; and (2) "eligible project" means a large-scale economic
7531 development project (A) that may add a substantial amount of new
7532 economic activity and employment in the municipality in which it is to

7533 be located and surrounding areas, and may generate significant
7534 additional tax revenues in the state; (B) for which use of the tax
7535 incremental financing mechanism may be necessary to attract the
7536 project to locate in the state; (C) which is economically viable and self-
7537 sustaining, taking into account the application of the proceeds of the
7538 bonds to be issued under the tax incremental financing program; (D)
7539 for which the direct and indirect economic benefits to the state and the
7540 municipality in which it will be located outweigh the costs of the
7541 project; and (E) which is consistent with the strategic development
7542 priorities of the state.

7543 Sec. 149. Section 32-341 of the general statutes is repealed and the
7544 following is substituted in lieu thereof (*Effective July 1, 2009*):

7545 (a) There is established within the **[**Connecticut Development
7546 Authority**]** Connecticut Economic Innovations Authority a small
7547 business assistance program under which the authority shall make
7548 loans and loan guarantees and provide equity equivalent capital to
7549 businesses in this state that employ not more than one hundred
7550 persons and are unable to obtain conventional financial assistance. The
7551 authority may establish criteria for such loans, including, but not
7552 limited to, whether such assistance would enable an applicant to create
7553 or retain jobs and whether the applicant exports goods or services out
7554 of the state.

7555 (b) The authority shall develop an accelerated application process
7556 for such program. No business may receive more than two hundred
7557 thousand dollars in loans, loan guarantees or equity equivalent capital
7558 under the program. Payments of principal and interest of loans under
7559 the program shall be made to the authority for deposit in the
7560 Connecticut Works Fund authorized under section 32-23ii. The
7561 authority is authorized for the purposes of this section to enter into
7562 contracts with financial institutions for the purpose of guaranteeing
7563 loans, participating in loans or participating in providing equity
7564 equivalent capital to businesses.

7565 Sec. 150. Subdivision (1) of section 32-500 of the general statutes is
7566 repealed and the following is substituted in lieu thereof (*Effective July*
7567 *1, 2009*):

7568 (1) "Authority" means the **[**Connecticut Development Authority**]**
7569 Connecticut Economic Innovations Authority.

7570 Sec. 151. Section 32-503 of the general statutes is repealed and the
7571 following is substituted in lieu thereof (*Effective July 1, 2009*):

7572 (a) The **[**Connecticut Development Authority**]** Connecticut
7573 Economic Innovations Authority shall establish an export division
7574 within the authority. The division shall, within available resources,
7575 provide: (1) Working capital loans to small and medium-sized
7576 companies which are unable to obtain export financing, (2) access for
7577 such companies to existing public and private export lenders and other
7578 export funding sources, including, but not limited to, transaction
7579 financing, letters of credit, equity investments and loan guarantees,
7580 and (3) technical assistance to such companies in obtaining such
7581 financing. Such export division may give priority to assisting
7582 Connecticut businesses with regard to trade with African countries
7583 with whom the United States has diplomatic relations.

7584 (b) On or before January 30, 1998, the authority shall submit a report
7585 to the joint standing committee of the General Assembly having
7586 cognizance of matters relating to economic development on the
7587 progress of the authority in carrying out the purposes of this section,
7588 including a list of successful transactions.

7589 Sec. 152. Section 32-609 of the general statutes is repealed and the
7590 following is substituted in lieu thereof (*Effective July 1, 2009*):

7591 With the concurrence of the Secretary of the Office of Policy and
7592 Management and the State Treasurer, the Capital City Economic
7593 Development Authority may submit an application to the **[**Connecticut
7594 Development Authority**]** Connecticut Economic Innovations Authority
7595 on behalf of the convention center project as defined in subdivision (3)

7596 of section 32-600, for a loan or loans consistent with the requirements
7597 of chapter 579 and the **[**Connecticut Development Authority is hereby
7598 authorized to**]** Connecticut Economic Innovations Authority may
7599 review such application as a package for the purposes of its
7600 requirements, including eligibility for federal or state funding in
7601 addition to the financing applied for. Any loan by the **[**Connecticut
7602 Development Authority**]** Connecticut Economic Innovations Authority
7603 to the Capital City Economic Development Authority shall be
7604 evidenced by the general obligation bond of such authority, in fully
7605 marketable form, duly executed and accompanied by an approving
7606 legal opinion with respect to validity, security and tax matters as
7607 would otherwise be required in a public offering. Any loan with
7608 respect to the hotel or other portions of private investment pertaining
7609 to the convention center project shall be on such terms and conditions
7610 as the **[**Connecticut Development Authority**]** Connecticut Economic
7611 Innovations Authority requires to satisfy its eligibility for financing of
7612 a loan from the proceeds of its general obligation program bonds.

7613 Sec. 153. (NEW) (*Effective July 1, 2009*) (a) As used in this section:

7614 (1) "Commissioner" means the Commissioner of Economic and
7615 Community Development;

7616 (2) "Taxpayer" means a person subject to tax under title 12 of the
7617 general statutes;

7618 (3) "New job" means a full-time job in this state which (A) did not
7619 exist in this state prior to a taxpayer's application to the commissioner
7620 for an eligibility certificate under subsection (c) of this section, and (B)
7621 is filled by a new employee;

7622 (4) "New employee" means a person hired by the taxpayer to fill a
7623 new job, not including a person who was employed in Connecticut by
7624 a related person with respect to the taxpayer during the prior twelve
7625 months or a person who is employed by the taxpayer if the taxpayer's
7626 total number of full-time employees in an income year decreases below

7627 the taxpayer's number of full-time employees at the time of the
7628 application under subsection (c) of this section;

7629 (5) "Full-time job" means a job in which an employee is required to
7630 work at least thirty-five hours per week and does not include a
7631 temporary or seasonal job;

7632 (6) "Related person" means (A) a corporation, limited liability
7633 company, partnership, association or trust controlled by the taxpayer,
7634 (B) an individual, corporation, limited liability company, partnership,
7635 association or trust that is in control of the taxpayer, (C) a corporation,
7636 limited liability company, partnership, association or trust controlled
7637 by an individual, corporation, limited liability company, partnership,
7638 association or trust that is in control of the taxpayer, or (D) a member
7639 of the same controlled group as the taxpayer;

7640 (7) "Control", with respect to a corporation, means ownership,
7641 directly or indirectly, of stock possessing fifty per cent or more of the
7642 total combined voting power of all classes of the stock of such
7643 corporation entitled to vote. "Control", with respect to a trust, means
7644 ownership, directly or indirectly, of fifty per cent or more of the
7645 beneficial interest in the principal or income of such trust. The
7646 ownership of stock in a corporation, of a capital or profits interest in a
7647 partnership, limited liability company or association or of a beneficial
7648 interest in a trust shall be determined in accordance with the rules for
7649 constructive ownership of stock provided in Section 267(c) of the
7650 Internal Revenue Code of 1986, or any subsequent corresponding
7651 internal revenue code of the United States, as from time to time
7652 amended, other than paragraph (3) of said Section 267(c);

7653 (8) "Retained jobs" means the number of full-time jobs at a facility
7654 of a taxpayer situated in this state on a specific date preceding the date
7655 of an application pursuant to subsection (c) of this section, as such
7656 specific date and number are determined by the commissioner;

7657 (9) "Qualifying economic development project" means a new or

7658 expanded business facility in this state that (A) represents an
7659 investment of a minimum of five million dollars, and (B) will result in
7660 the creation of at least one hundred new jobs or the retention of two
7661 hundred fifty retained jobs;

7662 (10) "Expanded business facility" means any business facility in this
7663 state, other than a new business facility, resulting from the acquisition,
7664 construction, reconstruction, installation or erection of improvements
7665 or additions to existing property if such improvements or additions are
7666 begun on or after July 1, 2009;

7667 (11) "Internal Revenue Code" means the Internal Revenue Code of
7668 1986, or any subsequent corresponding internal revenue code of the
7669 United States, as from time to time amended;

7670 (12) "New business facility" means a business facility in this state
7671 which (A) is employed by a taxpayer in the conduct of a business,
7672 provided, a facility shall not be considered a new business facility in
7673 the hands of the taxpayer if the taxpayer's only activity with respect to
7674 such facility is to lease such facility to another person or persons, (B) is
7675 purchased by, or leased to, the taxpayer on or after July 1, 2009, and
7676 (C) was not purchased or leased by the taxpayer from a related person;
7677 and

7678 (13) "Qualified expenditures" means tangible personal property
7679 incorporated in the new or expanded business facility or equipment
7680 that is installed therein.

7681 (b) There is established a sales and use tax relief program for
7682 qualified expenditures that are made for a qualifying economic
7683 development project. The goal of the program shall be to encourage
7684 economic development by granting sales tax relief to projects that
7685 generate new jobs or retain existing jobs.

7686 (c) Any taxpayer who intends to develop a new or expanded
7687 business facility in this state may make application to the
7688 Commissioner of Economic and Community Development for

7689 approval of such project as a qualifying economic development
7690 project. Such application shall include the number of jobs to be created
7691 or retained and the time over which any new jobs will be created, a
7692 commitment to retain the created or retained jobs for at least five years,
7693 and an agreement to repay the sales tax refund if the jobs are not
7694 retained for the specified period.

7695 (d) The commissioner shall determine whether: (1) The taxpayer
7696 making the application qualifies for the relief program, (2) (A) the
7697 proposed new jobs would provide a net benefit to economic
7698 development and employment opportunities in the state, or (B) the
7699 retained jobs represent employment that but for the incentive of the
7700 relief program it is unlikely that the taxpayer would be able to retain
7701 such employment in this state, and (3) the location or locations of the
7702 proposed new jobs conform to the state plan of conservation and
7703 development prepared pursuant to part I of chapter 297 of the general
7704 statutes. The commissioner may require the taxpayer to submit such
7705 additional information as may be necessary to evaluate the application.

7706 (e) The commissioner, upon consideration of the application and
7707 any additional information the commissioner requires, may, with the
7708 approval of the Secretary of the Office of Policy and Management,
7709 approve the application, in whole or in part, if the commissioner
7710 concludes that the state tax revenue generated from the proposed new
7711 jobs or retained jobs and the state tax revenue generated due to
7712 economic development and employment opportunities created in the
7713 state exceeds the state tax revenue loss from exempting the sales and
7714 use tax on the qualified expenditures with a five-year period.

7715 (f) If such application is approved, the commissioner shall issue an
7716 eligibility certificate designating such project as a qualified economic
7717 development project. Such certification will allow the taxpayer
7718 developing the project to obtain sales tax relief as provided in this
7719 section.

7720 (g) (1) The commissioner shall approve the total amount of qualified

7721 expenditures that are eligible to be purchased exempt from sales and
7722 use tax subject to the limitations set forth in subdivision (2) of this
7723 subsection.

7724 (2) (A) The taxpayer shall provide the commissioner with a written
7725 request to purchase tangible personal property that will qualify as
7726 qualified expenditures. The commissioner shall authorize such
7727 purchase and require the taxpayer to provide a detailed accounting of
7728 the purchases and the sales tax relief attributable to such purchases. (B)
7729 The aggregate amount of sales and use taxes that are exempted
7730 pursuant to this section shall not exceed (i) five thousand dollars for
7731 each new job, or (ii) two thousand dollars for each retained job. (C) If
7732 the amount of purchases made by the taxpayer represents sales and
7733 use tax savings in excess of the limitations in this subsection, the
7734 taxpayer shall immediately pay such excess amount to the state, which
7735 amount shall be treated as a sales and use tax liability of the taxpayer
7736 pursuant to chapter 219 of the general statutes.

7737 (h) If the taxpayer relocates its business operations outside the state
7738 within a ten-year period following the receipt of the benefits of the
7739 sales and use tax relief program, it shall agree to repay to the state a
7740 payment equal to the total amount of sales and use tax savings which
7741 actually accrued to the taxpayer plus an amount equal to seven and
7742 one-half per cent of such actual sales and use tax savings. As used in
7743 this subsection, "relocates" shall have the same meaning as in section
7744 32-5a of the general statutes.

7745 (i) The aggregate amount of sales and use tax exempted pursuant to
7746 this section shall not exceed five million dollars in any fiscal year.

7747 (j) The commissioner, in consultation with the Commissioner of
7748 Revenue Services, shall adopt regulations, in accordance with the
7749 provisions of chapter 54 of the general statutes, as may be necessary
7750 for the administration of this section.

7751 Sec. 154. Section 12-412 of the general statutes is amended by adding

7752 subdivision (119) as follows (*Effective July 1, 2009*):

7753 (NEW) (119) Sales of tangible personal property treated as qualified
7754 expenditures by the Commissioner of Economic and Community
7755 Development pursuant to section 161 of this act.

7756 Sec. 155. Section 32-23h of the general statutes is repealed and the
7757 following is substituted in lieu thereof (*Effective July 1, 2009*):

7758 (a) The exercise of the powers granted by the authority legislation,
7759 as defined in subsection (hh) of section 32-23d, shall constitute the
7760 performance of an essential governmental function and the authority
7761 shall not be required to pay any taxes or assessments upon or in
7762 respect of a project, or any property or moneys of the authority, levied
7763 by any municipality or political subdivision or special district having
7764 taxing powers of the state, nor shall the authority be required to pay
7765 state taxes of any kind, and the authority, its projects, property and
7766 moneys and any bonds and notes issued under the provisions of said
7767 chapters and sections, their transfer and the income therefrom,
7768 including any profit made on the sale thereof, shall at all times be free
7769 from taxation of every kind by the state except for estate or succession
7770 taxes and by the municipalities and all other political subdivisions or
7771 special districts having taxing powers of the state; provided any
7772 person leasing a project from the authority shall pay to the
7773 municipality, or other political subdivision or special district having
7774 taxing powers, in which such project is located, a payment in lieu of
7775 taxes which shall equal the taxes on real and personal property,
7776 including water and sewer assessments, which such lessee would have
7777 been required to pay had it been the owner of such property during
7778 the period for which such payment is made and neither the authority
7779 nor its projects, properties, money or bonds and notes shall be
7780 obligated, liable or subject to lien of any kind for the enforcement,
7781 collection or payment thereof. **[**The sale of tangible personal property
7782 or services by the authority is exempt from the sales tax under chapter
7783 219, and the storage, use or other consumption in this state of tangible
7784 personal property or services purchased from the authority is exempt

7785 from the use tax under chapter 219.**]** If and to the extent the
7786 proceedings under which the bonds authorized to be issued under the
7787 provisions of said chapters and sections so provide, the authority may
7788 agree to cooperate with the lessee of a project in connection with any
7789 administrative or judicial proceedings for determining the validity or
7790 amount of such payments and may agree to appoint or designate and
7791 reserve the right in and for such lessee to take all action which the
7792 authority may lawfully take in respect of such payments and all
7793 matters relating thereto, provided such lessee shall bear and pay all
7794 costs and expenses of the authority thereby incurred at the request of
7795 such lessee or by reason of any such action taken by such lessee in
7796 behalf of the authority. Any lessee of a project which has paid the
7797 amounts in lieu of taxes required by this section to be paid shall not be
7798 required to pay any such taxes in which a payment in lieu thereof has
7799 been made to the state or to any such municipality or other political
7800 subdivision or special district having taxing powers, any other statute
7801 to the contrary notwithstanding. Any industrial pollution control
7802 facility financed under said chapters and sections shall be subject to
7803 such approvals, as may be required by law, of any agency of the state
7804 and any agency of the United States having jurisdiction in the matter
7805 and, in the discretion of the authority, may be acquired, constructed or
7806 improved as part of or jointly with a pollution control facility
7807 undertaken by a municipality or political subdivision or special district
7808 having taxing powers in the state and the authority is authorized to
7809 cooperate and execute contracts with such a municipality or political
7810 subdivision or special district.

7811 <u>(b) On and after the effective date of this section, the Connecticut</u>
7812 <u>Economic Innovations Authority shall conclude all sales tax exemption</u>
7813 <u>agreements entered into by the Connecticut Development Authority.</u>
7814 <u>No new agreements shall be entered into and the program shall</u>
7815 <u>terminate on July 1, 2010.</u>

7816 Sec. 156. Section 3-110f of the general statutes is repealed and the
7817 following is substituted in lieu thereof (*Effective July 1, 2009*):

7818 The **[**Connecticut Commission on Culture and Tourism**]**
7819 Department of Economic and Community Development may appoint
7820 a state poet laureate.

7821 Sec. 157. Section 3-110h of the general statutes is repealed and the
7822 following is substituted in lieu thereof (*Effective July 1, 2009*):

7823 There shall be an official state troubadour. The **[**Connecticut
7824 Commission on Culture and Tourism**]** Department of Economic and
7825 Community Development shall biennially designate a troubadour to
7826 serve in the position.

7827 Sec. 158. Section 3-110i of the general statutes is repealed and the
7828 following is substituted in lieu thereof (*Effective July 1, 2009*):

7829 Charles Edward Ives is designated as the composer of the state of
7830 Connecticut. There shall be a "Charles Edward Ives Memorial
7831 Composer Laureate of the state of Connecticut". The board of directors
7832 of the Charles Ives Center for the Arts, in consultation with the panel
7833 established under this section, may designate from time to time a
7834 composer who was born or is living in Connecticut to serve in the
7835 position of composer laureate. There is established a panel that shall
7836 meet from time to time to advise said board of directors on the
7837 designation of the composer laureate. The panel shall be comprised of
7838 eight members, one of whom shall be a representative of the
7839 **[**Connecticut Commission on Culture and Tourism**]** Department of
7840 Economic and Community Development, one of whom shall be a
7841 representative of the New Haven Symphony Orchestra, one of whom
7842 shall be a representative of the Hartford Symphony Orchestra, one of
7843 whom shall be a representative of the Yale University School of Music,
7844 one of whom shall be a representative of the Hartt School of Music of
7845 The University of Hartford, one of whom shall be a representative of
7846 The Charles Ives Society, Inc., one of whom shall be a representative of
7847 The University of Connecticut through its music department, and one
7848 of whom shall be a representative of the Connecticut State University
7849 through the music department of Western Connecticut State

7850 University. Each member of the panel shall be selected by the entity
7851 that the member represents.

7852 Sec. 159. Section 4-5 of the general statutes is repealed and the
7853 following is substituted in lieu thereof (*Effective July 1, 2009*):

7854 As used in sections 4-6, 4-7 and 4-8, the term "department head"
7855 means Secretary of the Office of Policy and Management,
7856 Commissioner of Administrative Services, Commissioner of Revenue
7857 Services, Banking Commissioner, Commissioner of Children and
7858 Families, Commissioner of Consumer Protection, Commissioner of
7859 Correction, Commissioner of Economic and Community Development,
7860 State Board of Education, Commissioner of Emergency Management
7861 and Homeland Security, Commissioner of Environmental Protection,
7862 Commissioner of Agriculture, Commissioner of Public Health,
7863 Insurance Commissioner, Labor Commissioner, Liquor Control
7864 Commission, Commissioner of Mental Health and Addiction Services,
7865 Commissioner of Public Safety, Commissioner of Social Services,
7866 Commissioner of Developmental Services, Commissioner of Motor
7867 Vehicles, Commissioner of Transportation, Commissioner of Public
7868 Works, Commissioner of Veterans' Affairs, Commissioner of Health
7869 Care Access, Chief Information Officer, the chairperson of the Public
7870 Utilities Control Authority, the executive director of the Board of
7871 Education and Services for the Blind, **[**the executive director of the
7872 Connecticut Commission on Culture and Tourism,**]** the Ombudsman
7873 for Property Rights and the executive director of the Office of Military
7874 Affairs. As used in sections 4-6 and 4-7, "department head" also means
7875 the Commissioner of Education.

7876 Sec. 160. Section 4-9a of the general statutes is repealed and the
7877 following is substituted in lieu thereof (*Effective July 1, 2009*):

7878 (a) The Governor shall appoint the chairperson and executive
7879 director, if any, of all boards and commissions within the Executive
7880 Department, except the Board of Governors of Higher Education,
7881 provided the Governor shall appoint the initial chairman of said board

7882 as provided in section 10a-2, the State Properties Review Board, the
7883 State Elections Enforcement Commission, the Commission on Human
7884 Rights and Opportunities, the Citizen's Ethics Advisory Board, the
7885 Commission on Aging and the Commission on Fire Prevention and
7886 Control.

7887 (b) Public members shall constitute not less than one-third of the
7888 members of each board and commission within the Executive
7889 Department, except the Gaming Policy Board and the Commission on
7890 Human Rights and Opportunities. Public member means an elector of
7891 the state who has no substantial financial interest in, is not employed
7892 in or by, and is not professionally affiliated with, any industry,
7893 profession, occupation, trade or institution regulated or licensed by the
7894 relevant board or commission, and who has had no professional
7895 affiliation with any such industry, profession, occupation, trade or
7896 institution for three years preceding his appointment to the board or
7897 commission. Except as otherwise specifically provided by the general
7898 statutes, this section shall not apply to the Commission on Fire
7899 Prevention and Control, boards and commissions the membership of
7900 which is entirely composed of state department heads, elected officials
7901 or deputies appointed by such department heads or where the
7902 membership of such board or commission is determined in accordance
7903 with the provisions of any federal law.

7904 (c) Notwithstanding any provision of law to the contrary, the term
7905 of each member of each board and commission within the executive
7906 branch, except the State Board of Education, the Board of Governors of
7907 Higher Education, the Gaming Policy Board, the Commission on
7908 Human Rights and Opportunities, the State Elections Enforcement
7909 Commission, the State Properties Review Board, the Citizen's Ethics
7910 Advisory Board, the Commission on Medicolegal Investigations, the
7911 Psychiatric Security Review Board, the Commission on Fire Prevention
7912 and Control, the E 9-1-1 Commission, **[**the Connecticut Commission on
7913 Culture and Tourism,**]** the Commission on Aging and the board of
7914 trustees of each constituent unit of the state system of higher

7915 education, commencing on or after July 1, 1979, shall be coterminous
7916 with the term of the Governor or until a successor is chosen, whichever
7917 is later.

7918 (d) Each member of each board and commission within the
7919 executive branch shall serve at the pleasure of the appointing authority
7920 except where otherwise specifically provided by any provision of the
7921 general statutes.

7922 Sec. 161. Section 4-89 of the general statutes is repealed and the
7923 following is substituted in lieu thereof (*Effective July 1, 2009*):

7924 (a) No officer, department, board, commission, institution or other
7925 agency of the state shall, after the close of any fiscal year, incur, or vote
7926 or order or approve the incurring of, any obligation or expenditure
7927 under any appropriation made by the General Assembly for any fiscal
7928 year that had expired at the time the obligation for such expenditure
7929 was incurred. The Comptroller is authorized to draw warrants or
7930 process interdepartmental transactions against the available
7931 appropriations made for the current fiscal year for the payment of
7932 expenditures incurred during the prior fiscal year for which
7933 appropriations were made or in fulfillment of contracts properly made
7934 during such prior year, and the Treasurer is authorized to pay such
7935 warrants or record such interdepartmental transactions. The balances
7936 of certain appropriations which otherwise would lapse at the close of
7937 any fiscal year and for which no appropriation is made in the
7938 following year shall be extended into the succeeding fiscal year for the
7939 period of one month to permit liquidation of obligations of the prior
7940 fiscal year.

7941 (b) Except as provided in this section, all unexpended balances of
7942 appropriations made by the General Assembly in the state budget act
7943 shall lapse at the end of the period for which they have been made and
7944 shall revert to the unappropriated surplus of the fund from which such
7945 appropriation or appropriations were made, except that any
7946 appropriation for the improvement of or maintenance work by

7947 contract on public roads, for the purchase of land or the erection of
7948 buildings or new construction or for specific projects for capital
7949 improvements and repairs, provided in the case of such specific
7950 projects allotments shall have been made by the Governor for design
7951 and construction, shall continue to be available until the attainment of
7952 the object or the completion of the work for which such appropriation
7953 was made, but in no case for more than six years unless renewed by
7954 act of the General Assembly.

7955 (c) All unexpended balances of special appropriations made by the
7956 General Assembly for special programs, projects or studies shall lapse
7957 at the end of the period for which they have been made, except that if
7958 satisfied that the work of any such program, project or study is not
7959 completed and will continue during the following fiscal year, the
7960 Secretary of the Office of Policy and Management shall order any
7961 unexpended balance remaining in the special appropriation to be
7962 continued to the ensuing fiscal year.

7963 (d) Any appropriation made by the General Assembly for no
7964 specific period, or any unexpended balance thereof, shall lapse on June
7965 thirtieth in the fourth year after such appropriation was made,
7966 provided when the purpose for which any such appropriation was
7967 made has been accomplished or there is no further need for funds
7968 thereunder, the unexpended balance thereof, upon the written consent
7969 of the head of the department, board, commission, institution or other
7970 agency to which such appropriation was made, shall lapse and shall
7971 revert to the unappropriated surplus of the fund from which such
7972 appropriation was made.

7973 (e) The provisions of this section shall not apply to appropriations
7974 for Department of Transportation equipment, the highway and
7975 planning research program administered by the Department of
7976 Transportation, Department of Environmental Protection equipment
7977 or the purchase of public transportation equipment, the minor capital
7978 improvement account in the Department of Public Works, the
7979 litigation/settlement account in the Office of Policy and Management,

7980 library or educational equipment for the constituent units of the state
7981 system of higher education, or library or educational materials for the
7982 State Library, or the state-wide tourism marketing account of the
7983 **[**Commission on Culture and Tourism**]** Department of Economic and
7984 Community Development. Such appropriations shall not lapse until
7985 the end of the fiscal year succeeding the fiscal year of the
7986 appropriation, provided an obligation to spend such funds has been
7987 incurred in the next preceding fiscal year, except that for the purposes
7988 of library or educational equipment or materials, such funds shall not
7989 exceed twenty-five per cent of the amount of the appropriation for
7990 such purposes.

7991 (f) The provisions of this section shall not apply to appropriations to
7992 the Department of Higher Education for student financial assistance
7993 for the scholarship program established under section 10a-169, for the
7994 high technology graduate scholarship program established under
7995 section 10a-170a, for Connecticut higher education centers of
7996 excellence established under section 10a-25h, for the minority
7997 advancement program established under subsection (b) of section
7998 10a-11, for the high technology doctoral fellowship program
7999 established under section 10a-25n, or to the operating funds of the
8000 constituent units of the state system of higher education established
8001 pursuant to sections 10a-105, 10a-99 and 10a-77. Such appropriations
8002 shall not lapse until the end of the fiscal year succeeding the fiscal year
8003 of the appropriation except that centers of excellence appropriations
8004 deposited by the board of governors in the Endowed Chair Investment
8005 Fund, established under section 10a-20a, shall not lapse but shall be
8006 held permanently in the Endowed Chair Investment Fund and any
8007 moneys remaining in higher education operating funds of the
8008 constituent units of the state system of higher education shall not lapse
8009 but shall be held permanently in such funds. On or before September
8010 first, annually, the Board of Governors of Higher Education shall
8011 submit a report to the joint standing committee of the General
8012 Assembly having cognizance of matters relating to appropriations and
8013 the budgets of state agencies, through the Office of Fiscal Analysis,

8014 concerning the amount of each such appropriation carried over from
8015 the preceding fiscal year.

8016 (g) The provisions of this section shall not apply to appropriations
8017 to the Commission on the Deaf and Hearing Impaired in an amount
8018 not greater than the amount of reimbursements of prior year
8019 expenditures for the services of interpreters received by the
8020 commission during the fiscal year pursuant to section 46a-33b and
8021 such appropriations shall not lapse until the end of the fiscal year
8022 succeeding the fiscal year of the appropriation.

8023 (h) The provisions of this section shall not apply to appropriations
8024 from the municipal solid waste recycling trust account established
8025 under subsection (d) of section 22a-241. Such appropriations shall not
8026 lapse.

8027 (i) The provisions of this section shall not apply to appropriations to
8028 the Labor Department, from the General Fund, for the federal
8029 Workforce Investment Act. Such appropriations shall not lapse.

8030 Sec. 162. Section 4-124uu of the general statutes is repealed and the
8031 following is substituted in lieu thereof (*Effective July 1, 2009*):

8032 (a) The **[**Office of Workforce Competitiveness**]** Department of
8033 Economic and Community Development, in consultation with the
8034 Labor Commissioner **[**, the Commissioners of Education and Economic
8035 and Community Development, and the Connecticut Commission on
8036 Culture and Tourism**]** and the Commissioner of Education, shall
8037 establish a program that is designed to develop a trained workforce for
8038 the film industry in the state. Such program shall have three
8039 components: (1) An unpaid intern training program for high school
8040 and college students; (2) a production assistant training program open
8041 to any state resident; and (3) a workforce training program that would
8042 include classroom training, on-set training and a mentor program.

8043 (b) Not later than ninety days after July 1, 2007, the Office of
8044 Workforce Competitiveness shall establish written participation

8045 guidelines for the program authorized under this section.

8046 (c) Not later than January 1, 2008, and annually thereafter, the Office
8047 of Workforce Competitiveness shall submit a status report, in
8048 accordance with the provisions of section 11-4a, on the establishment
8049 and operation of the program authorized under this section to the
8050 Connecticut Employment and Training Commission, the joint standing
8051 committees of the General Assembly having cognizance of matters
8052 relating to commerce, and higher education and employment
8053 advancement.

8054 Sec. 163. Section 4b-53 of the general statutes is repealed and the
8055 following is substituted in lieu thereof (*Effective July 1, 2009*):

8056 (a) For purposes of this section, the following terms have the
8057 following meanings: "State building" means any building or facility
8058 owned or leased by the state of Connecticut and open to the public or
8059 intended for such use, exclusive of any shed, warehouse, garage,
8060 building of a temporary nature or building located on the grounds of a
8061 correctional institution; "proposal development expenses" means the
8062 cost of preparing a detailed drawing, model or plan as determined by
8063 the **[**Connecticut Commission on Culture and Tourism**]** Department of
8064 Economic and Community Development; and "work of art" means art
8065 work which is to be an integrated part of such state building, including
8066 but not limited to, fresco, mosaic, sculpture and other architectural
8067 embellishment or functional art created by a professional artist, artisan
8068 or craftsperson, and any work of visual art which is not to be an
8069 integrated part of such state building, including but not limited to, a
8070 drawing, painting, sculpture, mosaic, photograph, work of calligraphy
8071 or work of graphic art or mixed media. Work of art as used in this
8072 section shall not include landscape architecture or landscape
8073 gardening.

8074 (b) The State Bond Commission, in the allocation of proceeds of
8075 state bonds for purposes of construction, reconstruction or remodeling
8076 of any state building, shall allocate for works of art, with respect to

8077 each such project and for the purposes of subsection (c) of this section,
8078 an amount from such proceeds not less than one per cent of the total
8079 estimated cost of such construction, reconstruction or remodeling,
8080 exclusive of (1) the cost of any land acquisition, (2) any
8081 nonconstruction costs including the cost of such work of art, and (3)
8082 any augmentations to such cost, provided any such allocation for work
8083 of art as provided in this section must be approved, prior to
8084 authorization of such allocation by the State Bond Commission, by the
8085 Commissioner of Public Works in consultation with the **[**Connecticut
8086 Commission on Culture and Tourism**]** Department of Economic and
8087 Community Development. Such allocation may be used to reimburse
8088 any artist, artisan, craftsperson or person who creates a work of art, for
8089 proposal development expenses when the **[**Connecticut Commission
8090 on Culture and Tourism**]** Department of Economic and Community
8091 Development requests such proposal development or to compensate
8092 persons who, at the request of the **[**Connecticut Commission on
8093 Culture and Tourism**]** Department of Economic and Community
8094 Development determine whether such works of art require proposal
8095 development.

8096 (c) There is established within the General Fund a state building
8097 works of art account, which shall be a separate, nonlapsing account.
8098 The moneys within said account shall be used (1) for the purchase of
8099 works of art from distinguished Connecticut artists, which shall be
8100 placed on public view in state buildings, (2) to establish a bank of
8101 major works of art, from which individual works of art may be
8102 circulated among state buildings, public art museums and nonprofit
8103 galleries, and (3) for repair of all works acquired under this section.
8104 The **[**Connecticut Commission on Culture and Tourism**]** Department of
8105 Economic and Community Development, in consultation with the
8106 Commissioner of Public Works, shall adopt regulations in accordance
8107 with the provisions of chapter 54, which shall (A) indicate the portion
8108 of the one per cent allocation under subsection (b) of this section, up to
8109 one quarter of such allocation, which shall be deposited in the General
8110 Fund and credited to said account, (B) set forth the manner in which

8111 the moneys in said account shall be allocated and expended for the
8112 purposes of this subsection, and (C) establish procedures to ensure
8113 accountability in maintaining the integrity of such bank of works of
8114 art.

8115 (d) There is established a subaccount within the state buildings
8116 works of art account, established pursuant to subsection (c) of this
8117 section, to be known as the "maintenance account" to be used solely for
8118 the conservation, repair and cleaning of artworks commissioned and
8119 purchased for state buildings pursuant to this section. The
8120 **[**Connecticut Commission on Culture and Tourism**]** Department of
8121 Economic and Community Development shall determine what
8122 percentage of the one per cent allocation pursuant to subsection (b) of
8123 this section, up to ten per cent of such allocation, to credit to said
8124 subaccount.

8125 (e) The **[**Connecticut Commission on Culture and Tourism**]**
8126 Department of Economic and Community Development shall, with
8127 respect to a work of art in any project under subsection (b) of this
8128 section, be responsible for the selection of any artist, artisan or
8129 craftsperson, review of any design or plan, and execution, completion,
8130 acceptance and placement of such work of art, provided any work of
8131 art to be located in any building under the supervision, security,
8132 utilization and control of the Joint Committee on Legislative
8133 Management shall be approved by said committee. The Commissioner
8134 of Public Works, in consultation with said commission, (1) shall be
8135 responsible for the contractual arrangements with any such artist,
8136 artisan or craftsperson, and (2) shall adopt regulations concerning
8137 implementation of the purposes of subsection (b) of this section and
8138 this subsection.

8139 Sec. 164. Section 4b-60 of the general statutes is repealed and the
8140 following is substituted in lieu thereof (*Effective July 1, 2009*):

8141 (a) There shall be a State Commission on Capitol Preservation and
8142 Restoration to consist of twelve members to be appointed as follows:

8143 Two members shall be appointed by the Governor, two by the speaker
8144 of the House of Representatives, two by the president pro tempore of
8145 the Senate, one by the House minority leader, one by the Senate
8146 minority leader, two members of the Joint Committee on Legislative
8147 Management, one appointed by each of the chairmen of said
8148 committee, and **[**one member of the Connecticut Commission on
8149 Culture and Tourism appointed by its chairman**]** the Commissioner of
8150 Economic and Community Development or the commissioner's
8151 designee. The Commissioner of Public Works shall be an ex-officio
8152 member of the commission and shall attend its meetings. Vacancies on
8153 the commission shall be filled by the original appointing authority for
8154 the unexpired portion of the term. The members shall serve without
8155 compensation for their services but shall be reimbursed for their actual
8156 and necessary expenses incurred in the performance of their duties.
8157 The commission shall meet at least quarterly, and more often on the
8158 call of the chairman or on the written request of a majority of the
8159 members. The commission may designate subcommittees to carry out
8160 its functions. Any member who fails to attend three consecutive
8161 meetings or fails to attend fifty per cent of all meetings held during
8162 any calendar year shall be deemed to have resigned.

8163 (b) The commission: (1) Shall undertake a continuing review and
8164 study of the State Capitol building and grounds, with a view to
8165 developing a master plan for the preservation and restoration of the
8166 Capitol, including necessary structural changes, consistent with the
8167 original historical character of the building, with due regard being
8168 given to enhancing the interior and exterior beauty of the building,
8169 making better use of existing space and reducing public safety
8170 hazards; (2) may consult with state, federal or private agencies with
8171 respect thereto, and disseminate information on its activities; and (3)
8172 shall report on its activities to the Joint Committee on Legislative
8173 Management annually or as often as the committee shall direct. The
8174 Department of Administrative Services shall provide professional staff
8175 assistance to the commission when available. If such assistance cannot
8176 be provided within a reasonable time, the commission may, with the

8177 approval of the Joint Committee on Legislative Management, retain
8178 technical advisors to assist in reviewing project plans and work.

8179 (c) The commission is authorized to accept gifts, donations and
8180 grants from the federal government or other public or private sources
8181 for the purpose of such preservation and restoration.

8182 (d) The Joint Committee on Legislative Management may undertake
8183 capital expenditure programs for which capital funds are authorized,
8184 in connection with such preservation and restoration. Such programs
8185 shall be carried out by the committee, pursuant to plans and
8186 specifications approved by the commission and in accordance with the
8187 bidding procedures in part II of chapter 60. The commission shall
8188 adopt regulations establishing basic artistic standards in keeping with
8189 the original historical character of the Capitol to assist the committee in
8190 the preparation of plans and specifications.

8191 (e) The commission shall be an independent body within the
8192 Legislative Department for administrative purposes only.

8193 Sec. 165. Section 4b-64 of the general statutes is repealed and the
8194 following is substituted in lieu thereof (*Effective July 1, 2009*):

8195 Each state department, institution or agency intending to dispose of,
8196 demolish or transfer ownership of any structure more than fifty years
8197 old shall notify the **[**Connecticut Commission on Culture and Tourism**]**
8198 Department of Economic and Community Development of such intent
8199 ninety days before the disposition, demolition or transfer. The
8200 department, institution or agency, not more than one hundred twenty
8201 days and not less than thirty days before such disposition, demolition
8202 or transfer, shall publish notice of its intent three times in a newspaper
8203 of general circulation in the municipality in which such structure is
8204 located and shall post a sign stating its intent in a conspicuous place on
8205 the property on which such structure is located not less than thirty
8206 days before the disposition, demolition or transfer.

8207 Sec. 166. Section 4b-66a of the general statutes is repealed and the

8208 following is substituted in lieu thereof (*Effective July 1, 2009*):

8209 (a) There is established a Connecticut Capitol Center Commission.
8210 The commission shall consist of (1) the Secretary of the Office of Policy
8211 and Management, or the secretary's designee; (2) the Commissioner of
8212 Public Works, or the commissioner's designee; (3) the Commissioner of
8213 Economic and Community Development, or the commissioner's
8214 designee; (4) **[**the executive director of the Connecticut Commission on
8215 Culture and Tourism, or the executive director's designee; (5)**]** one
8216 member appointed by the speaker of the House of Representatives;
8217 **[**(6)**]** (5) one member appointed by the president pro tempore of the
8218 Senate; **[**(7)**]** (6) one member appointed by the majority leader of the
8219 House of Representatives; **[**(8)**]** (7) one member appointed by the
8220 majority leader of the Senate; **[**(9)**]** (8) one member appointed by the
8221 minority leader of the House of Representatives; **[**(10)**]** (9) one member
8222 appointed by the minority leader of the Senate; **[**(11)**]** (10) the
8223 chairperson of the Hartford Commission on the City Plan; **[**(12)**]** (11)
8224 one member appointed by the mayor of the city of Hartford; and **[**(13)**]**
8225 (12) one member from the South Downtown Neighborhood
8226 Revitalization Committee.

8227 (b) The Secretary of the Office of Policy and Management, or the
8228 secretary's designee, shall serve as chairperson of the commission. The
8229 chairperson shall schedule the first meeting of the commission which
8230 shall be held no later than sixty days after October 1, 2001.

8231 (c) The commission shall review the master plan for the
8232 development of the Connecticut Capitol Center in Hartford and make
8233 recommendations in accordance with section 4b-66.

8234 Sec. 167. Section 5-198 of the general statutes is repealed and the
8235 following is substituted in lieu thereof (*Effective July 1, 2009*):

8236 The offices and positions filled by the following-described
8237 incumbents shall be exempt from the classified service:

8238 (a) All officers and employees of the Judicial Department;

8239 (b) All officers and employees of the Legislative Department;

8240 (c) All officers elected by popular vote;

8241 (d) All agency heads, members of boards and commissions and
8242 other officers appointed by the Governor;

8243 (e) All persons designated by name in any special act to hold any
8244 state office;

8245 (f) All officers, noncommissioned officers and enlisted men in the
8246 military or naval service of the state and under military or naval
8247 discipline and control;

8248 (g) (1) All correctional wardens, as provided in section 18-82, and (2)
8249 all superintendents of state institutions, the State Librarian, the
8250 president of The University of Connecticut and any other
8251 commissioner or administrative head of a state department or
8252 institution who is appointed by a board or commission responsible by
8253 statute for the administration of such department or institution;

8254 (h) The State Historian appointed by the State Library Board;

8255 (i) Deputies to the administrative head of each department or
8256 institution designated by statute to act for and perform all of the duties
8257 of such administrative head during such administrative head's absence
8258 or incapacity;

8259 (j) Executive assistants to each state elective officer and each
8260 department head, as defined in section 4-5, provided each position of
8261 executive assistant shall have been created in accordance with section
8262 5-214;

8263 (k) One personal secretary to the administrative head and to each
8264 undersecretary or deputy to such head of each department or
8265 institution provided any classified employee whose position is affected
8266 by this subsection shall retain classified status in such position;

8267 (l) All members of the professional and technical staffs of the
8268 constituent units of the state system of higher education, as defined in
8269 section 10a-1, of all other state institutions of learning, of the
8270 Department of Higher Education, and of the agricultural experiment
8271 station at New Haven, professional and managerial employees of the
8272 Department of Education and teachers certified by the State Board of
8273 Education and employed in teaching positions at state institutions;

8274 (m) Physicians, dentists, student nurses in institutions and other
8275 professional specialists who are employed on a part-time basis;

8276 (n) Persons employed to make or conduct a special inquiry,
8277 investigation, examination or installation;

8278 (o) Students in educational institutions who are employed on a part-
8279 time basis;

8280 (p) Forest fire wardens provided for by section 23-36;

8281 (q) Patients or inmates of state institutions who receive
8282 compensation for services rendered therein;

8283 (r) Employees of the Governor including employees working at the
8284 executive office, official executive residence at 990 Prospect Avenue,
8285 Hartford and the Washington D.C. office;

8286 (s) Persons filling positions expressly exempted by statute from the
8287 classified service;

8288 (t) Librarians employed by the State Board of Education or any
8289 constituent unit of the state system of higher education;

8290 (u) Employees in the senior executive service;

8291 (v) All officers and employees of the Division of Criminal Justice;

8292 (w) One executive assistant to the chairman of the Office of Health
8293 Care Access, provided such position shall have been created in

8294 accordance with section 5-214;

8295 (x) Professional employees of the Bureau of Rehabilitation Services
8296 in the Department of Social Services;

8297 (y) Lieutenant colonels in the Division of State Police within the
8298 Department of Public Safety appointed on or after June 6, 1990, and
8299 majors in the Division of State Police within the Department of Public
8300 Safety appointed on or after July 1, 1999;

8301 (z) The Deputy State Fire Marshal in the Division of Fire,
8302 Emergency and Building Services within the Department of Public
8303 Safety;

8304 (aa) The chief administrative officer of the Workers' Compensation
8305 Commission;

8306 (bb) Employees in the education professions bargaining unit;

8307 (cc) Disability policy specialists employed by the Council on
8308 Developmental Disabilities; and

8309 (dd) The director for digital media and motion picture activities in
8310 the **[**Connecticut Commission on Culture and Tourism**]** Department of
8311 Economic and Community Development.

8312 Sec. 168. Section 7-147a of the general statutes is repealed and the
8313 following is substituted in lieu thereof (*Effective July 1, 2009*):

8314 (a) As used in this part: "Altered" means changed, modified, rebuilt,
8315 removed, demolished, restored, razed, moved or reconstructed;
8316 "erected" means constructed, built, installed or enlarged; "exterior
8317 architectural features" means such portion of the exterior of a structure
8318 or building as is open to view from a public street, way or place;
8319 "building" means a combination of materials forming a shelter for
8320 persons, animals or property; "structure" means any combination of
8321 materials, other than a building, which is affixed to the land, and shall

8322 include, but not be limited to, signs, fences and walls; "municipality"
8323 means any town, city, borough, consolidated town and city or
8324 consolidated town and borough; "appropriate" means not incongruous
8325 with those aspects of the historic district which the historic district
8326 commission determines to be historically or architecturally significant.

8327 (b) Any municipality may, by vote of its legislative body and in
8328 conformance with the standards and criteria formulated by the
8329 **[**Connecticut Commission on Culture and Tourism**]** Department of
8330 Economic and Community Development, establish within its confines
8331 an historic district or districts to promote the educational, cultural,
8332 economic and general welfare of the public through the preservation
8333 and protection of the distinctive characteristics of buildings and places
8334 associated with the history of or indicative of a period or style of
8335 architecture of the municipality, of the state or of the nation.

8336 (c) The legislative body of any municipality may make
8337 appropriations for the purpose of carrying out the provisions of this
8338 part.

8339 Sec. 169. Section 7-147c of the general statutes is repealed and the
8340 following is substituted in lieu thereof (*Effective July 1, 2009*):

8341 (a) Once an historic district has been established, the historic district
8342 study committee shall cease to exist and thereafter an historic district
8343 commission shall perform all the functions of the committee relative to
8344 the new district and to administering the provisions of this part.

8345 (b) The historic district commission may from time to time, by
8346 following the procedure for creation of an historic district provided for
8347 in section 7-147b, suggest that an historic district be enlarged or that
8348 additional districts be created. Where additional property is to be
8349 included within an existing district, the owners of such additional
8350 property shall vote pursuant to subsection (g) of section 7-147b.

8351 (c) Notwithstanding the provisions of section 7-147b, the legislative
8352 body of the municipality may enact amendments to the ordinance or

8353 ordinances of an historic district established pursuant to this part if
8354 such amendments do not involve changing district boundaries or the
8355 creation of new districts. No amendment shall be enacted until the
8356 substance of such amendment has first been submitted to the historic
8357 district commission having jurisdiction over the district affected for its
8358 comments and recommendations and either its comments and
8359 recommendations have been received or sixty-five days have elapsed
8360 without receipt of such comments and recommendations. The historic
8361 district commission may suggest amendments to the legislative body.

8362 (d) The historic district commission established under the
8363 provisions of this part shall consist of five regular and three alternate
8364 members, who shall be electors of the municipality in which the
8365 district is situated holding no salaried municipal office. The ordinance
8366 shall provide that one or more of the members or alternates of the
8367 historic district commission shall reside in an historic district under the
8368 jurisdiction of the commission, if any persons reside in any such
8369 district and are willing to serve on such commission. Such alternate
8370 members shall, when seated as provided in this section, have all
8371 powers and duties of a member of the commission. If a regular
8372 member of said commission is absent or has a conflict of interest, the
8373 chairman of the commission shall designate an alternate to so act,
8374 choosing alternates in rotation so that they shall act as nearly equal a
8375 number of times as possible. If any alternate is not available in
8376 accordance with such rotation, such fact shall be recorded in the
8377 minutes of the meeting. The method of appointment shall be fixed by
8378 ordinance. The appointments to membership in the commission shall
8379 be so arranged that the term of at least one member shall expire each
8380 year, and their successors shall be appointed in like manner for terms
8381 of five years. Vacancies shall be filled for the unexpired term and in the
8382 same manner as the original appointment. The commission shall elect
8383 annually a chairman, a vice-chairman and a clerk from its own
8384 number. Each member and alternate shall continue in office until his
8385 successor is duly appointed. All members and alternates shall serve
8386 without compensation. Any member or alternate may be appointed for

8387 another term or terms.

8388 (e) The historic district commission shall adopt rules of procedure
8389 not inconsistent with the provisions of this part. The commission may
8390 adopt regulations not inconsistent with the provisions of this part to
8391 provide guidance to property owners as to factors to be considered in
8392 preparing an application for a certificate of appropriateness.

8393 (f) The historic district commission shall keep a permanent record of
8394 its resolutions, transactions and determinations and of the vote of each
8395 member participating therein.

8396 (g) A copy of any ordinance creating an historic district adopted
8397 under authority of this part, amendments to any such ordinance, maps
8398 of any districts created under this part, annual reports and other
8399 publications of the historic district commission and the roster of
8400 membership of such commission shall be transmitted to the
8401 **[**Connecticut Commission on Culture and Tourism**]** Department of
8402 Economic and Community Development. The historic district
8403 commission shall also file with the **[**Connecticut Commission on
8404 Culture and Tourism**]** Department of Economic and Community
8405 Development at least once every year a brief summary of its actions
8406 during that year, including a statement of the number and nature of
8407 certificates of appropriateness issued, any changes in the membership
8408 of the commission and any other information deemed appropriate by
8409 the historic district commission.

8410 (h) The historic district commission may accept grants and gifts,
8411 employ clerical and technical assistance or consultants and incur other
8412 expenses appropriate to the carrying on of its work, subject to
8413 appropriation by the municipality or receipt of such grants or gifts and
8414 may expend the same for such purposes.

8415 (i) A municipality which has more than one historic district may
8416 establish more than one historic district commission if the districts are
8417 not contiguous.

8418 (j) Any historic district commission established under this section
8419 may, unless prohibited by charter, ordinance or special act: (1) Make
8420 periodic reports to the legislative body; (2) provide information to
8421 property owners and others involving the preservation of the district;
8422 (3) suggest pertinent legislation; (4) initiate planning and zoning
8423 proposals; (5) cooperate with other regulatory agencies and civic
8424 organizations and groups interested in historic preservation; (6)
8425 comment on all applications for zoning variances and special
8426 exceptions where they affect historic districts; (7) render advice on
8427 sidewalk construction and repair, tree planting, street improvements
8428 and the erection or alteration of public buildings not otherwise under
8429 its control where they affect historic districts; (8) furnish information
8430 and assistance in connection with any capital improvement program
8431 involving historic districts; (9) consult with groups of experts.

8432 Sec. 170. Section 7-147j of the general statutes is repealed and the
8433 following is substituted in lieu thereof (*Effective July 1, 2009*):

8434 (a) Nothing in this part shall be construed to prevent the ordinary
8435 maintenance or repair of any exterior architectural feature in the
8436 historic district which does not involve a change in the appearance or
8437 design thereof; nor to prevent the erection or alteration of any such
8438 feature which the building inspector or a similar agent certifies is
8439 required by the public safety because of a condition which is unsafe or
8440 dangerous due to deterioration; nor to prevent the erection or
8441 alteration of any such feature under a permit issued by a building
8442 inspector or similar agent prior to the effective date of establishment of
8443 such district.

8444 (b) If a building in an historic district is to be demolished, no
8445 demolition shall occur for ninety days from issuance of a demolition
8446 permit if during such time the historic district commission or the
8447 **[**Connecticut Commission on Culture and Tourism**]** <u>Department of</u>
8448 <u>Economic and Community Development</u> is attempting to find a
8449 purchaser who will retain or remove such building or who will present
8450 some other reasonable alternative to demolition. During such ninety-

8451 day period the municipality may abate all real property taxes. At the
8452 conclusion of such ninety-day period, the demolition permit shall
8453 become effective and the demolition may occur. Nothing in this section
8454 shall be construed to mandate that the owner of such property sell
8455 such property or building.

8456 Sec. 171. Section 7-147p of the general statutes is repealed and the
8457 following is substituted in lieu thereof (*Effective July 1, 2009*):

8458 (a) As used in this part: "Historic property" means any individual
8459 building, structure, object or site that is significant in the history,
8460 architecture, archaeology and culture of the state, its political
8461 subdivisions or the nation and the real property used in connection
8462 therewith; "altered" means changed, modified, rebuilt, removed,
8463 demolished, restored, razed, moved or reconstructed; "erected" means
8464 constructed, built, installed or enlarged; "exterior architectural
8465 features" means such portion of the exterior of a structure or building
8466 as is open to view from a public street, way or place; "building" means
8467 a combination of materials forming a shelter for persons, animals or
8468 property; "structure" means any combination of materials, other than a
8469 building, which is affixed to the land, and shall include, but not be
8470 limited to, signs, fences and walls; "municipality" means any town,
8471 city, borough, consolidated town and city or consolidated town and
8472 borough.

8473 (b) Any municipality may, by ordinance and in conformance with
8474 the standards and criteria formulated by the **[**Connecticut Commission
8475 on Culture and Tourism**]** <u>Department of Economic and Community</u>
8476 <u>Development</u>, designate within its confines an historic property or
8477 properties to promote the educational, cultural, economic and general
8478 welfare of the public through the preservation and protection of the
8479 distinctive characteristics of individual buildings and places associated
8480 with the history of or indicative of a period or style of architecture of
8481 the municipality, of the state or of the nation.

8482 (c) The legislative body of any municipality may make

8483 appropriations for the purpose of carrying out the provisions of this
8484 part.

8485 Sec. 172. Section 7-147q of the general statutes is repealed and the
8486 following is substituted in lieu thereof (*Effective July 1, 2009*):

8487 Prior to the designation of an historic property or properties, the
8488 following steps shall be taken:

8489 (a) The legislative body shall appoint or authorize the chief elected
8490 official of the municipality to appoint an historic properties study
8491 committee for the purpose of making an investigation of one or more
8492 proposed historic properties. The legislative body of a municipality
8493 which proposes to establish more than one historic property may
8494 establish more than one committee. An already existing historic
8495 properties commission or an historic district commission established in
8496 the municipality pursuant to part I of this chapter may be appointed to
8497 make this investigation. Each committee established under the
8498 provisions of this section shall consist of five regular and three
8499 alternate members who shall be electors of the municipality holding no
8500 salaried municipal office. Such alternate members shall, when seated
8501 as provided in this section, have all powers and duties of a member of
8502 the committee. If a regular member of such committee is absent or has
8503 a conflict of interest, the chairman of the committee shall designate an
8504 alternate to so act, choosing alternates in rotation so that they shall act
8505 as nearly equal a number of times as possible. If any alternate is not
8506 available in accordance with such rotation, such fact shall be recorded
8507 in the minutes of the meeting.

8508 (b) The historic properties study committee shall investigate and
8509 submit a report which shall include the following: (1) An analysis of
8510 the historic significance and architectural merit of the buildings,
8511 structures, objects or sites proposed as historic properties; (2) a map
8512 showing the exact boundaries of the area to be designated as the
8513 historic property or properties; (3) a proposed ordinance or proposed
8514 ordinances designed to designate and provide for the protection of an

8515 historic property or properties in accordance with the provisions of
8516 this part; and (4) such other matters as the committee may deem
8517 necessary or advisable.

8518 (c) The historic properties study committee shall transmit copies of
8519 its report to the **[**Connecticut Commission on Culture and Tourism**]**
8520 Department of Economic and Community Development, the planning
8521 commission and zoning commission, or the combined planning and
8522 zoning commission, of the municipality, if any, and, in the absence of
8523 such a planning commission, zoning commission or combined
8524 planning and zoning commission, to the chief elected official of the
8525 municipality for their comments and recommendations. In addition to
8526 such other comments and recommendations as it may make, the
8527 **[**Connecticut Commission on Culture and Tourism**]** Department of
8528 Economic and Community Development may recommend either
8529 approval, disapproval, modification, alteration or rejection of the
8530 proposed ordinance or ordinances and of the boundaries of each
8531 proposed historic property. Each such commission, board or
8532 individual shall deliver such comments and recommendations to the
8533 committee within sixty-five days of the date of transmission of such
8534 report. Failure to deliver such comments and recommendations shall
8535 be taken as approval of the report of the committee.

8536 (d) The historic properties study committee shall hold a public
8537 hearing on the designation of each proposed historic property not less
8538 than sixty-five nor more than one hundred thirty days after the
8539 transmission of the report to each party as provided in subsection (c) of
8540 this section, except that, if all such parties have delivered their
8541 comments and recommendations to the committee, such hearing may
8542 be held less than sixty-five days after the transmittal of the report. The
8543 comments and recommendations received pursuant to subsection (c)
8544 of this section shall be read in full at the public hearing.

8545 (e) Notice of the time and place of such hearing shall be given as
8546 follows: (1) Written notice of the time, place and purpose of such
8547 hearing, postage prepaid, shall be mailed by certified mail to the

8548 owner or owners of record of the real property to be included in each
8549 proposed historic property, as they appear on the last-completed
8550 grand list, at the addresses shown thereon, at least fifteen days before
8551 the time set for such hearing, together with a copy of the report of the
8552 historic properties study committee or a fair and accurate synopsis of
8553 such report. A complete copy of the report, a copy of all
8554 recommendations made under subsection (c) of this section, a map
8555 showing the boundaries of the real property to be included in each
8556 proposed historic property and a copy of the proposed ordinance shall
8557 be available at no charge from the town clerk during business hours or
8558 shall be mailed, upon request, to any owner of record of real property
8559 in the proposed historic property or properties with the notice of the
8560 hearing; and (2) by publication of such notice in the form of a legal
8561 advertisement appearing in a newspaper having a substantial
8562 circulation in the municipality at least twice, at intervals of not less
8563 than two days, the first not more than fifteen days nor less than ten
8564 days and the last not less than two days before such hearing.

8565 (f) The historic properties study committee shall submit its report
8566 with any changes made following the public hearing, along with any
8567 comments or recommendations received pursuant to subsection (c) of
8568 this section, and such other materials as the committee may deem
8569 necessary or advisable to the legislative body of the municipality
8570 within sixty-five days after the public hearing.

8571 (g) The owner or owners of record of a proposed historic property
8572 may object to the proposed designation by submitting to the historic
8573 properties study committee or to the legislative body of the
8574 municipality a notarized statement certifying that the person filing
8575 such objection is the entire or partial owner of the property and objects
8576 to the designation. Unless persons holding fifty per cent or more of the
8577 ownership interest in a proposed historic property object to the
8578 proposed designation within thirty days following the public hearing
8579 held pursuant to subsection (d) of this section, the legislative body of
8580 the municipality shall, by majority vote, take one of the following

8581 steps: (1) Accept the report of the committee as to the proposed historic
8582 property and enact an ordinance to designate the historic property and
8583 provide for its regulation in accordance with the provisions of this
8584 part; (2) reject the report of the committee, stating its reasons for such
8585 rejection; or (3) return the report to the historic properties study
8586 committee, with such amendments and revisions as it may deem
8587 advisable, for consideration by the committee. The committee shall,
8588 within sixty-five days of such return, submit an amended report to the
8589 legislative body and mail by certified mail a copy of the amended
8590 report to the owner or owners of record of each proposed historic
8591 property covered by the report. The committee need not hold a public
8592 hearing other than the one provided for in subsection (d) of this
8593 section. Unless persons holding fifty per cent or more of the ownership
8594 interest in a proposed historic property object to the proposed
8595 designation within thirty days of receipt of the amended report by
8596 written submission in the manner set forth in this subsection, the
8597 legislative body of the municipality may accept or reject the amended
8598 report as provided in this subsection.

8599 (h) Any ordinance, or amendment thereof, enacted pursuant to this
8600 part, which designates or alters historic property boundaries, shall
8601 contain a legal description of the area to be included within each
8602 historic property. The legislative body, when it passes such an
8603 ordinance, or amendment thereof, shall transmit to the municipal clerk
8604 a copy of the ordinance or amendment thereof. Such ordinance, or
8605 amendment thereof, shall be recorded in the land records of the
8606 municipality in which such real property is located and indexed by the
8607 municipal clerk in the grantor index under the names of the owners of
8608 record of such property.

8609 Sec. 173. Section 7-147y of the general statutes is repealed and the
8610 following is substituted in lieu thereof (*Effective July 1, 2009*):

8611 (a) Nothing in this part shall be construed to prevent the ordinary
8612 maintenance or repair of any exterior architectural feature within the
8613 boundaries of an historic property which does not involve a change in

8614 the appearance or design thereof; nor to prevent the erection or
8615 alteration of any such feature which the building inspector or a similar
8616 agent certifies is required by the public safety because of a condition
8617 which is unsafe or dangerous due to deterioration; nor to prevent the
8618 erection or alteration of any such feature under a permit issued by a
8619 building inspector or similar agent prior to designation of such historic
8620 property.

8621 (b) If a building within the boundaries of an historic property is to
8622 be demolished, no demolition shall occur for ninety days from
8623 issuance of a demolition permit if during such time the historic
8624 properties commission or the **[**Connecticut Commission on Culture
8625 and Tourism**]** Department of Economic and Community Development
8626 is attempting to find a purchaser who will retain or remove such
8627 building or who will present some other reasonable alternative to
8628 demolition. During such ninety-day period the municipality may abate
8629 all real property taxes. At the conclusion of such ninety-day period, the
8630 demolition permit shall become effective and the demolition may
8631 occur. Nothing in this section shall be construed to mandate that the
8632 owner of such property is under any obligation to sell such property or
8633 building.

8634 Sec. 174. Section 10-382 of the general statutes is repealed and the
8635 following is substituted in lieu thereof (*Effective July 1, 2009*):

8636 There is established a Native American Heritage Advisory Council
8637 to evaluate and make recommendations on the Native American
8638 heritage to the State Archaeologist and the **[**Connecticut Commission
8639 on Culture and Tourism**]** Department of Economic and Community
8640 Development. Such council shall consist of the following members:
8641 One representing each of the following Indian tribes, appointed by the
8642 tribe: The Schaghticoke, the Paucatuck Eastern Pequot, the
8643 Mashantucket Pequot, the Mohegan and the Golden Hill Paugussett;
8644 one representing the Indian Affairs Council, appointed by the
8645 chairperson of the council; one representing the Commissioner of
8646 Environmental Protection, appointed by said commissioner; one

8647 representing the Archaeological Society of Connecticut, appointed by
8648 the president pro tempore of the Senate; and three who are
8649 knowledgeable in Native American history, traditions and
8650 archaeology, one appointed by the speaker of the House of
8651 Representatives, one appointed by the minority leader of the House of
8652 Representatives and one appointed by the minority leader of the
8653 Senate.

8654 Sec. 175. Section 10-385 of the general statutes is repealed and the
8655 following is substituted in lieu thereof (*Effective July 1, 2009*):

8656 (a) The **[**Connecticut Commission on Culture and Tourism**]**
8657 Department of Economic and Community Development shall adopt
8658 regulations in accordance with the provisions of chapter 54 for the
8659 establishment, care, use and management of sites or lands designated
8660 as state archaeological preserves pursuant to section 10-384.

8661 (b) On and after the effective date of designation of sites or lands as
8662 a state archaeological preserve, no person may conduct any
8663 archaeological investigation, initiate construction or demolition
8664 activities or undertake any other activity which would endanger the
8665 archaeological integrity or sacred importance of such preserve without
8666 complying with the provisions of section 10-386 except if the
8667 commission declares an emergency.

8668 Sec. 176. Section 10-386 of the general statutes is repealed and the
8669 following is substituted in lieu thereof (*Effective July 1, 2009*):

8670 (a) No person may conduct an archaeological investigation on state
8671 lands or on a state archaeological preserve without a permit from the
8672 **[**Connecticut Commission on Culture and Tourism**]** Department of
8673 Economic and Community Development. Any such permit shall be
8674 issued with the concurrence of the State Archaeologist. The applicant
8675 shall submit an application on such form as the **[**commission**]**
8676 department may prescribe and with such information as the
8677 commission, after consultation with the State Archaeologist and the

8678 advisory council established pursuant to section 10-382, deems
8679 necessary, including, but not limited to, the time, scope, location and
8680 specific purpose of the proposed research. The applicant shall submit
8681 (1) evidence satisfactory to the commission of qualifications to perform
8682 the excavation, including evidence of experience, training and
8683 knowledge; (2) an excavation plan for the site satisfactory to the
8684 commission which includes provisions on the method of excavation
8685 and (3) a written statement that upon completion of the excavation the
8686 applicant shall submit a report of the investigation which shall include
8687 a description of archaeological artifacts discovered and relevant maps,
8688 documents, drawings and photographs. No permit shall be issued for
8689 an investigation that would disturb a known Native American
8690 cemetery, burial site or other sacred site without the review of the
8691 advisory council established pursuant to section 10-382. Failure to
8692 comply with the terms of a permit issued under this section shall be
8693 grounds to deny a subsequent permit.

8694 (b) The **[**commission**]** department shall adopt regulations in
8695 accordance with the provisions of chapter 54 establishing procedures
8696 for the issuance of permits required under this section. Such
8697 regulations shall be developed with the concurrence of the State
8698 Archaeologist.

8699 (c) Notwithstanding the provisions of this section, the **[**commission**]**
8700 department, in consultation with the State Archaeologist, may
8701 authorize an archaeological investigation without a permit if time for
8702 investigation is limited.

8703 (d) The applicant shall pay the cost of reburial of any human
8704 skeletal remains discovered in accordance with the terms and
8705 conditions of a permit issued under this section.

8706 Sec. 177. Section 10-387 of the general statutes is repealed and the
8707 following is substituted in lieu thereof (*Effective July 1, 2009*):

8708 Each state department, institution and agency shall review, in

8709 consultation with the **[**Connecticut Commission on Culture and
8710 Tourism**]** Department of Economic and Community Development,
8711 their policies and practices for consistency with the preservation and
8712 study of the state's archaeological sites and sacred lands and sites.
8713 Such review shall include preparation of an evaluation document
8714 which specifies projects and programs requiring detailed consultation
8715 to identify and protect archaeological sites and sacred lands and sites.
8716 Any project submitted to the commission for review under the
8717 provisions of sections 22a-1a to 22a-1f, inclusive, is exempt from the
8718 provisions of this section.

8719 Sec. 178. Section 10-388 of the general statutes is repealed and the
8720 following is substituted in lieu thereof (*Effective July 1, 2009*):

8721 (a) Any person who knows or reasonably believes that any human
8722 burials or human skeletal remains are being or about to be disturbed,
8723 destroyed, defaced, removed or exposed shall immediately notify the
8724 Chief Medical Examiner and State Archaeologist of such fact. If human
8725 burials or human skeletal remains are encountered during construction
8726 or agricultural, archaeological or other activity that might alter,
8727 destroy or otherwise impair the integrity of such burials or remains,
8728 the activity shall cease and not resume unless authorized by the Chief
8729 Medical Examiner and the State Archaeologist provided such
8730 authorization shall be made within five days of completion of the
8731 investigation of the Chief Medical Examiner pursuant to subsection (b)
8732 of this section.

8733 (b) After notification under subsection (a) of this section, the Chief
8734 Medical Examiner shall determine if the remains represent a human
8735 death required to be investigated under section 19a-406. After
8736 completion of his investigation, if the Chief Medical Examiner
8737 determines that the remains may be the remains of a Native American
8738 or were found in the subsurface and buried for more than fifty years,
8739 the Chief Medical Examiner shall notify the State Archaeologist of such
8740 fact. The State Archaeologist, upon such notification, shall in
8741 consultation with the **[**Connecticut Commission on Culture and

8742 Tourism] Department of Economic and Community Development, the
8743 Native American Heritage Advisory Council, established under
8744 section 10-382, the Commissioner of Environmental Protection, and the
8745 landowner determine, within seventy-two hours, if the site where such
8746 remains were discovered can be preserved in situ and protected by a
8747 preservation restriction as defined in section 47-42a.

8748 (c) If in situ preservation is not prudent and feasible or not agreed to
8749 by the landowner, the State Archaeologist, upon consultation with the
8750 landowner and, if appropriate, the Native American Heritage
8751 Advisory Council, the [Connecticut Commission on Culture and
8752 Tourism] Department of Economic and Community Development, and
8753 the Commissioner of Environmental Protection shall, if feasible,
8754 provide for removal and reburial of the remains at another location or
8755 for additional archaeological investigations and scientific analysis
8756 prior to reburial. Any excavation and recovery of remains by the State
8757 Archaeologist shall be completed not more than five business days
8758 after notification by the Chief Medical Examiner under this section
8759 unless the landowner consents to additional days.

8760 (d) Human skeletal remains discovered during archaeological
8761 investigation shall be excavated under the supervision of the State
8762 Archaeologist, pursuant to a written agreement between the State
8763 Archaeologist and the holder of the permit specifying the excavation,
8764 methods to be used and data to be collected. Due care shall be
8765 exercised during excavation, subsequent transport and storage of
8766 skeletal remains to insure that the sacred meanings of the remains for
8767 Native Americans are respected and protected.

8768 (e) The provisions of this section shall not be construed to require
8769 the owner of private lands on which human skeletal remains are found
8770 to pay the costs of excavation, removal analysis or reburial of such
8771 remains.

8772 Sec. 179. Section 10-389 of the general statutes is repealed and the
8773 following is substituted in lieu thereof (*Effective July 1, 2009*):

8774 (a) Notwithstanding the provisions of sections 7-67 and 7-69, the
8775 State Archaeologist, in consultation with the **[**Connecticut Commission
8776 on Culture and Tourism**]** Department of Economic and Community
8777 Development, the Native American Heritage Advisory Council
8778 established under section 10-382, the Commissioner of Environmental
8779 Protection and the archaeological community, shall adopt regulations
8780 in accordance with the provisions of chapter 54 establishing
8781 procedures for the storage, analysis and reburial of human skeletal
8782 remains discovered during an archaeological investigation.

8783 (b) The Commissioner of Environmental Protection shall designate
8784 state lands for use as sites for the reburial of Native American human
8785 skeletal remains. Such sites shall be deemed sacred lands and
8786 designated as state archaeological preserves in accordance with section
8787 10-384.

8788 (c) Any such human remains discovered on and after October 1,
8789 1989, shall be reburied. The State Archaeologist, the Native American
8790 Heritage Advisory Council and the Commissioner of Environmental
8791 Protection shall jointly determine the contents and organization of
8792 each reburial ceremony for Native Americans.

8793 Sec. 180. Section 10-391 of the general statutes is repealed and the
8794 following is substituted in lieu thereof (*Effective July 1, 2009*):

8795 On or before January 1, 1991, the **[**Connecticut Commission on
8796 Culture and Tourism**]** Department of Economic and Community
8797 Development, in consultation with the State Archaeologist, the Native
8798 American Heritage Advisory Council established under section 10-382
8799 and the Commissioner of Environmental Protection, shall develop
8800 procedures to inventory Native American burial sites and cemeteries.
8801 Such procedures shall provide for the availability of the inventory to
8802 state agencies, departments and institutions.

8803 Sec. 181. Section 10-392 of the general statutes is repealed and the
8804 following is substituted in lieu thereof (*Effective July 1, 2009*):

8805 (a) The General Assembly finds and declares that culture, history,
8806 the arts and the digital media and motion picture and tourism
8807 industries contribute significant value to the vitality, quality of life and
8808 economic health of Connecticut. [and therefore there is established the
8809 Connecticut Commission on Culture and Tourism.] The Connecticut
8810 Humanities Council and the Connecticut Trust for Historic
8811 Preservation shall operate in conjunction with the [commission]
8812 Department of Economic and Community Development for purposes
8813 of joint strategic planning, annual reporting on appropriations and
8814 fiscal reporting. The [purpose of the commission] department shall [be
8815 to] enhance and promote culture, history, the arts and the tourism and
8816 digital media and motion picture industries in Connecticut.

8817 (b) The [commission] Department of Economic and Community
8818 Development shall:

8819 (1) Market and promote Connecticut as a destination for leisure and
8820 business travelers through the development and implementation of a
8821 strategic state-wide marketing plan and provision of visitor services to
8822 enhance the economic impact of the tourism industry;

8823 (2) Promote the arts;

8824 (3) Recognize, protect, preserve and promote historic resources;

8825 (4) Interpret and present Connecticut's history and culture;

8826 (5) Promote Connecticut as a location in which to produce digital
8827 media and motion pictures and to establish and conduct business
8828 related to the digital media and motion picture industries to enhance
8829 these industries' economic impact in the state;

8830 (6) Beginning with the fiscal year ending June 30, 2006, and each
8831 fiscal year thereafter, prepare and submit to the Office of Policy and
8832 Management, in accordance with sections 4-77 and 4-77a, budget
8833 expenditure estimates and recommended adjustments for the next
8834 succeeding fiscal year or years and a detailed accounting of

8835 expenditures for the prior fiscal year, a copy of which shall be
8836 submitted to the General Assembly, in accordance with the provisions
8837 of section 11-4a;

8838 (7) Establish a uniform financial reporting system and forms to be
8839 used by each regional tourism district, established under section 10-
8840 397, in the preparation of the annual budget submitted to the General
8841 Assembly;

8842 (8) Integrate funding and programs whenever possible; and

8843 (9) On or before January 1, 2005, and biennially thereafter, develop
8844 and submit to the Governor and the General Assembly, in accordance
8845 with section 11-4a, a strategic plan to implement subdivisions (1) to (5),
8846 inclusive, of this subsection.

8847 (c) Any proposals for projects under the jurisdiction of the
8848 **[**commission**]** department and projects proposed by the Connecticut
8849 Humanities Council that require funding through the issuance of
8850 bonds by the State Bond Commission, in accordance with sections 13b-
8851 74 to 13b-77, inclusive, shall be submitted to the **[**Connecticut
8852 Commission on Culture and Tourism**]** Department of Economic and
8853 Community Development. The **[**commission**]** department shall review
8854 such proposals and submit any project that it believes has merit to the
8855 joint standing committee of the General Assembly having cognizance
8856 of matters relating to finance, revenue and bonding with the
8857 commission's recommendation for funding.

8858 (d) The **[**Connecticut Commission on Culture and Tourism**]**
8859 Department of Economic and Community Development shall be a
8860 successor agency to the State Commission on the Arts, the Connecticut
8861 Historical Commission, the Office of Tourism, the Connecticut
8862 Tourism Council, the Connecticut Film, Video and Media Commission
8863 and the Connecticut Film, Video and Media Office in accordance with
8864 the provisions of sections 4-38d and 4-39.

8865 **[**(e) Wherever the words "State Commission on the Arts",

8866 "Connecticut Historical Commission", "Office of Tourism",
8867 "Connecticut Film, Video and Media Office" and "Connecticut
8868 Commission on Arts, Tourism, Culture, History and Film" are used in
8869 the following sections of the general statutes, or in any public or
8870 special act of the 2003 or 2004 session the words "Connecticut
8871 Commission on Culture and Tourism" shall be substituted in lieu
8872 thereof: 3-110f, 3-110h, 3-110i, 4-9a, 4b-53, 4b-60, 4b-64, 4b-66a, 7-147a,
8873 7-147b, 7-147c, 7-147j, 7-147p, 7-147q, 7-147y, 8-2j, 10-382, 10-384, 10-
8874 385, 10-386, 10-387, 10-388, 10-389, 10-391, 10a-111a, 10a-112, 10a-112b,
8875 10a-112g, 11-6a, 12-376d, 13a-252, 19a-315b, 19a-315c, 22a-1d, 22a-19b,
8876 25-102qq, 25-109q, 29-259 and 32-6a.

8877 (f) The Legislative Commissioners' Office shall, in codifying the
8878 provisions of this section, make such technical, grammatical and
8879 punctuation changes as are necessary to carry out the purposes of this
8880 section.**]**

8881 Sec. 182. Section 10-397 of the general statutes is repealed and the
8882 following is substituted in lieu thereof (*Effective July 1, 2009*):

8883 (a) There are established five regional tourism districts, each of
8884 which shall promote and market districts as regional leisure and
8885 business traveler destinations to stimulate economic growth. The
8886 districts shall be as follows:

8887 (1) The eastern regional district, which shall consist of Ashford,
8888 Bozrah, Brooklyn, Canterbury, Chaplin, Colchester, Columbia,
8889 Coventry, East Lyme, Eastford, Franklin, Griswold, Groton, Hampton,
8890 Killingly, Lebanon, Ledyard, Lisbon, Lyme, Mansfield, Montville, New
8891 London, North Stonington, Norwich, Old Lyme, Plainfield, Pomfret,
8892 Preston, Putnam, Salem, Scotland, Sprague, Sterling, Stonington,
8893 Thompson, Union, Voluntown, Waterford, Willington, Windham and
8894 Woodstock;

8895 (2) The central regional district, which shall consist of Andover,
8896 Avon, Berlin, Bloomfield, Bolton, Canton, Chester, Cromwell, Deep

8897 River, East Granby, East Haddam, East Hampton, East Hartford, East
8898 Windsor, Ellington, Enfield, Essex, Farmington, Glastonbury, Granby,
8899 Haddam, Hartford, Hebron, Manchester, Marlborough, Meriden,
8900 Middletown, New Britain, Newington, Old Saybrook, Plainville,
8901 Portland, Rocky Hill, Somers, South Windsor, Southington, Simsbury,
8902 Stafford, Suffield, Tolland, Vernon, Windsor Locks, West Hartford,
8903 Westbrook, Wethersfield and Windsor;

8904 (3) The northwestern regional district, which shall consist of
8905 Ansonia, Barkhamsted, Beacon Falls, Bethel, Bethlehem, Bridgewater,
8906 Bristol, Brookfield, Burlington, Canaan, Colebrook, Cornwall,
8907 Danbury, Derby, Goshen, Hartland, Harwinton, Kent, Litchfield,
8908 Middlebury, Morris, Naugatuck, New Fairfield, New Hartford, New
8909 Milford, Newtown, Norfolk, North Canaan, Oxford, Plymouth,
8910 Prospect, Redding, Ridgefield, Roxbury, Salisbury, Seymour, Sharon,
8911 Sherman, Southbury, Thomaston, Torrington, Warren, Washington,
8912 Waterbury, Watertown, Winchester, Wolcott and Woodbury;

8913 (4) The south central regional district, which shall consist of
8914 Bethany, Branford, Cheshire, Clinton, Durham, East Haven, Guilford,
8915 Hamden, Killingworth, Madison, Middlefield, Milford, Orange, New
8916 Haven, North Branford, North Haven, Wallingford, West Haven and
8917 Woodbridge;

8918 (5) The southwestern regional district, which shall consist of
8919 Bridgeport, Darien, Easton, Fairfield, Greenwich, New Canaan,
8920 Monroe, Norwalk, Shelton, Stamford, Stratford, Trumbull, Weston,
8921 Westport and Wilton.

8922 (b) Each regional tourism district shall be overseen by a board of
8923 directors consisting of one representative from each municipality
8924 within the district, appointed by the legislative body of the
8925 municipality and, where the legislative body is a town meeting, by the
8926 board of selectmen. Any such member of a board of directors shall
8927 serve for a term of three years. In addition, the board of directors may
8928 appoint up to twenty-one persons representing tourism interests

8929 within the district to serve on the board. No board member shall be
8930 deemed a state employee for serving on said board. All appointments
8931 to the board of directors shall be reported to the [executive director of
8932 the Connecticut Commission on Culture and Tourism] Department of
8933 Economic and Community Development.

8934 (c) The provisions of the Freedom of Information Act, as defined in
8935 section 1-200, shall apply to each regional tourism district.

8936 (d) Not later than October 1, 2003, the [commission] department
8937 shall assist each regional tourism district in establishing a committee to
8938 draft a charter and bylaws for the regional tourism district and to
8939 organize the initial meeting of the board of directors of the district, to
8940 be held no later than October 15, 2003.

8941 (e) Each regional tourism district shall (1) comply with uniform
8942 standards for accounting and reporting expenditures that are
8943 established by the [commission] department in accordance with
8944 section 10-392 and are based on industry accounting standards
8945 developed by the International Association of Convention and Visitor
8946 Bureaus or other national organizations related to tourism, and (2) on
8947 or before January first of each year, submit to the [commission]
8948 department, the Office of Policy and Management and the Office of
8949 Fiscal Analysis an independent audit in accordance with the
8950 provisions of sections 4-230 to 4-236, inclusive.

8951 (f) Each regional tourism district shall solicit and may accept private
8952 funds for the promotion of tourism within its towns and cities and
8953 shall coordinate its activities with any private nonprofit tourist
8954 association within the district and within this state, that promotes
8955 tourism industry businesses in this state, in order to foster cooperation
8956 in the promotion of such businesses. Any funds received by a regional
8957 tourism district may be deposited in the account established in section
8958 10-395 or in an account established by such tourism district to receive
8959 such funds.

8960 Sec. 183. Section 10-397a of the general statutes is repealed and the
8961 following is substituted in lieu thereof (*Effective July 1, 2009*):

8962 (a) As used in this section:

8963 (1) **[**"Commission" means the Connecticut Commission on Culture
8964 and Tourism created by section 10-392**]** "Department" means the
8965 Department of Economic and Community Development;

8966 (2) **[**"Executive director" means the executive director of the
8967 Connecticut Commission on Culture and Tourism appointed pursuant
8968 to section 10-393**]** "Commissioner" means the Commissioner of
8969 Economic and Community Development;

8970 (3) "Former tourism district" means the tourism districts, as defined
8971 in section 32-302 of the general statutes, revision of 1958, revised to
8972 January 1, 2003; and

8973 (4) "Regional tourism district" means one of the five regional
8974 tourism districts created by section 10-397.

8975 (b) Any former tourism district having a cash surplus, after
8976 accounting for all liabilities, may distribute such surplus to the
8977 regional tourism district or districts serving the towns formerly served
8978 by such district. Any distribution shall be divided among the new
8979 district or districts in accordance with the following schedule:

	Former District	New District(s)
T1		
T2		
T3		
T4	Northeastern	Eastern (100%)
T5	Southeastern	Eastern (100%)
T6	North Central	Central (100%)
T7	Greater Hartford	Central (95%)
T8		Northwestern (5%)

T9	Central Connecticut	Central (80%)
T10		South Central (20%)
T11	Connecticut Valley	Central (60%)
T12		South Central (40%)
T13	Greater New Haven	South Central (67%)
T14		Northwestern (20%)
T15		Southwestern (13%)
T16	Litchfield Hills	Northwestern (100%)
T17	Housatonic Valley	Northwestern (100%)
T18	Greater Waterbury	Northwestern (100%)
T19	Greater Fairfield	Southwestern (100%)

8980 (c) Any former tourism district may, with the approval of the
8981 **[**executive director**]** commissioner, transfer noncash assets, including
8982 fixed assets and leases, to a regional tourism district or districts serving
8983 the towns formerly served by such district.

8984 (d) Any regional tourism district may, by vote of its board of
8985 directors and with the approval of the **[**commission**]** department,
8986 assume the liabilities of a former tourism district that served all or part
8987 of the area served by the new district. No such assumption shall be
8988 approved unless (1) the regional district's approved budget makes
8989 provision for the costs arising from the assumption of liability; and (2)
8990 the **[**commission**]** department finds that the proposed assumption of
8991 liability is fair and equitable.

8992 Sec. 184. Section 10-401 of the general statutes is repealed and the
8993 following is substituted in lieu thereof (*Effective July 1, 2009*):

8994 **[**The Connecticut Commission on Culture and Tourism**]** Subject to
8995 the availability of funds, the Department of Economic and Community
8996 Development, established under section 10-392, shall establish and
8997 administer a "special incentive grant program" to provide financial
8998 assistance for artistic and cultural programs and activities pursuant to
8999 subdivision (2) of section 10-400. No state funds appropriated to the

9000 **[**commission**]** department for the purposes of said program shall be
9001 disbursed unless one-third of the amount of such financial assistance
9002 consists of nonfederal funds raised and received by said **[**commission**]**
9003 department.

9004 Sec. 185. Section 10-416b of the general statutes is repealed and the
9005 following is substituted in lieu thereof (*Effective July 1, 2009*):

9006 (a) As used in this section, the following terms shall have the
9007 following meanings unless the context clearly indicates another
9008 meaning:

9009 (1) **[**"Commission" means the Connecticut Commission on Culture
9010 and Tourism established pursuant to section 10-392**]** "Department"
9011 means the Department of Economic and Community Development;

9012 (2) "Certified historic structure" means an historic commercial or
9013 industrial property that: (A) Is listed individually on the National or
9014 State Register of Historic Places, or (B) is located in a district listed on
9015 the National or State Register of Historic Places, and has been certified
9016 by the commission as contributing to the historic character of such
9017 district;

9018 (3) "Certified rehabilitation" means any rehabilitation of a certified
9019 historic structure for mixed residential and nonresidential uses
9020 consistent with the historic character of such property or the district in
9021 which the property is located as determined by regulations adopted by
9022 the commission;

9023 (4) "Owner" means any person, firm, limited liability company,
9024 nonprofit or for-profit corporation or other business entity which
9025 possesses title to an historic structure and undertakes the rehabilitation
9026 of such structure;

9027 (5) "Placed in service" means that substantial rehabilitation work has
9028 been completed which would allow for issuance of a certificate of
9029 occupancy for the entire building or, in projects completed in phases,

9030 for individual residential units that are an identifiable portion of the
9031 building;

9032 (6) "Qualified rehabilitation expenditures" means any costs incurred
9033 for the physical construction involved in the rehabilitation of a
9034 certified historic structure for mixed residential and nonresidential
9035 uses where at least thirty-three per cent of the total square footage of
9036 the rehabilitation is placed into service for residential use, excluding:
9037 (A) The owner's personal labor, (B) the cost of a new addition, except
9038 as required to comply with any provision of the State Building Code or
9039 the State Fire Safety Code, and (C) any nonconstruction cost such as
9040 architectural fees, legal fees and financing fees;

9041 (7) "Rehabilitation plan" means any construction plans and
9042 specifications for the proposed rehabilitation of a certified historic
9043 structure in sufficient detail for evaluation by compliance with the
9044 standards developed under the provisions of subsections (b) to (d),
9045 inclusive, of this section; and

9046 (8) "Substantial rehabilitation" or "substantially rehabilitate" means
9047 the qualified rehabilitation expenditures of a certified historic structure
9048 that exceed twenty-five per cent of the assessed value of such
9049 structure.

9050 (b) (1) The **[**commission**]** <u>department</u> shall administer a system of
9051 tax credit vouchers within the resources, requirements and purposes of
9052 this section for owners rehabilitating certified historic structures.

9053 (2) The credit authorized by this section shall be available in the tax
9054 year in which the substantially rehabilitated certified historic structure
9055 is placed in service. In the case of projects completed in phases, the tax
9056 credit shall be prorated to the substantially rehabilitated identifiable
9057 portion of the building placed in service. If the tax credit is more than
9058 the amount owed by the taxpayer for the year in which the
9059 substantially rehabilitated certified historic structure is placed in
9060 service, the amount that is more than the taxpayer's tax liability may be

9061 carried forward and credited against the taxes imposed for the
9062 succeeding five years or until the full credit is used, whichever occurs
9063 first.

9064 (3) Any credits allowed under this section that are provided to
9065 multiple owners of certified historic structures shall be passed through
9066 to persons designated as partners, members or owners, pro rata or
9067 pursuant to an agreement among such persons designated as partners,
9068 members or owners documenting an alternative distribution method
9069 without regard to other tax or economic attributes of such entity. Any
9070 owner entitled to a credit under this section may assign, transfer or
9071 convey the credits, in whole or in part, by sale or otherwise to any
9072 individual or entity and such transferee shall be entitled to offset the
9073 tax imposed under chapter 207, 208, 209, 210, 211 or 212 as if such
9074 transferee had incurred the qualified rehabilitation expenditure.

9075 (c) The **[**commission**]** department shall develop standards for the
9076 approval of rehabilitation of certified historic structures for which a tax
9077 credit voucher is sought. Such standards shall take into account
9078 whether the rehabilitation of a certified historic structure will preserve
9079 the historic character of the building.

9080 (d) The **[**commission**]** department shall adopt regulations, in
9081 accordance with chapter 54, to carry out the purposes of this section.
9082 Such regulations shall include provisions for the filing of applications,
9083 rating criteria and for timely approval by the commission.

9084 (e) Prior to beginning any rehabilitation work on a certified historic
9085 structure, the owner shall submit (1) a rehabilitation plan to the
9086 **[**commission**]** department for a determination of whether or not such
9087 rehabilitation work meets the standards developed under the
9088 provisions of subsections (b) to (d), inclusive, of this section, (2) an
9089 estimate of the qualified rehabilitation expenditures, and (3) for
9090 projects pursuant to subdivision (2) of subsection (f) of this section, (A)
9091 the number of units of affordable housing, as defined in section 8-39a,
9092 to be created, (B) the proposed rents or sale prices of such units, and

9093 (C) the median income for the municipality where the project is
9094 located. In the case of a project pursuant to subdivision (2) of
9095 subsection (f) of this section the owner shall submit a copy of data
9096 required under subdivision (3) of this subsection to the **[**Department of
9097 Economic and Community Development**]** department.

9098 (f) If the **[**commission**]** department certifies that the rehabilitation
9099 plan conforms to the standards developed under the provisions of
9100 subsections (b) to (d), inclusive, of this section, the commission shall
9101 reserve for the benefit of the owner an allocation for a tax credit
9102 equivalent to (1) twenty-five per cent of the projected qualified
9103 rehabilitation expenditures, or (2) for rehabilitation plans submitted
9104 pursuant to subsection (e) of this section on or after June 14, 2007,
9105 thirty per cent of the projected qualified rehabilitation expenditures if
9106 (A) at least twenty per cent of the units are rental units and qualify as
9107 affordable housing, as defined in section 8-39a, or (B) at least ten per
9108 cent of the units are individual homeownership units and qualify as
9109 affordable housing, as defined in section 8-39a. No tax credit shall be
9110 allocated for the purposes of this subdivision unless an applicant has
9111 submitted to the commission a certificate from the **[**Department of
9112 Economic and Community Development**]** department pursuant to
9113 subsections (k) and (l) of this section confirming that the project
9114 complies with affordable housing requirements under section 8-39a.

9115 (g) Following the completion of rehabilitation of a certified historic
9116 structure, the owner shall notify the **[**commission**]** department that
9117 such rehabilitation has been completed. The owner shall provide the
9118 **[**commission**]** department with documentation of work performed on
9119 the certified historic structure and shall submit certification of the costs
9120 incurred in rehabilitating the certified historic structure. The
9121 **[**commission**]** department shall review such rehabilitation and verify
9122 its compliance with the rehabilitation plan. Following such
9123 verification, the **[**commission**]** department shall issue a tax credit
9124 voucher to the owner rehabilitating the certified historic structure or to
9125 the taxpayer named by the owner as contributing to the rehabilitation.

9126 The tax credit voucher shall be in an amount equivalent to the lesser of
9127 the tax credit reserved upon certification of the rehabilitation plan
9128 under the provisions of subsection (f) of this section or (1) twenty-five
9129 per cent of the actual qualified rehabilitation expenditures, or (2) for
9130 projects including affordable housing pursuant to subdivision (2) of
9131 subsection (f) of this section, thirty per cent of the actual qualified
9132 rehabilitation expenditures. In order to obtain a credit against any state
9133 tax due that is specified in subsection (h) of this section, the holder of
9134 the tax credit voucher shall file the voucher with the holder's state tax
9135 return.

9136 (h) The Commissioner of Revenue Services shall grant a tax credit to
9137 a taxpayer holding the tax credit voucher issued under subsections (e)
9138 to (i), inclusive, of this section against any tax due under chapter 207,
9139 208, 209, 210, 211 or 212 in the amount specified in the tax credit
9140 voucher. Such taxpayer shall submit the voucher and the
9141 corresponding tax return to the Department of Revenue Services.

9142 (i) The **[**commission**]** department may charge an application fee in
9143 an amount not to exceed ten thousand dollars to cover the cost of
9144 administering the program established pursuant to this section.

9145 (j) The aggregate amount of all tax credits which may be reserved by
9146 the **[**Commission on Culture and Tourism**]** Department of Economic
9147 and Community Development upon certification of rehabilitation
9148 plans under subsections (a) to (i), inclusive, of this section shall not
9149 exceed fifty million dollars for the fiscal three-year period beginning
9150 July 1, 2008, and ending June 30, 2011, inclusive, and each fiscal three-
9151 year period thereafter. No project may receive tax credits in an amount
9152 exceeding ten per cent of such aggregate amount.

9153 (k) On or before October 1, 2009, and annually thereafter, the
9154 **[**Commission on Culture and Tourism**]** Department of Economic and
9155 Community Development shall report the total amount of historic
9156 preservation tax credits and affordable housing tax credits reserved for
9157 the previous fiscal year under subsections (a) to (i), inclusive, of this

9158 section, to the joint standing committees of the General Assembly
9159 having cognizance of matters relating to commerce and to finance,
9160 revenue and bonding. Each such report shall include the following
9161 information for each project for which tax credit has been reserved: (1)
9162 The total project costs, (2) the value of the tax credit reservation for the
9163 purpose of historic preservation, (3) a statement whether the
9164 reservation is for mixed-use and if so, the proportion of the project that
9165 is not residential, and (4) the number of residential units to be created,
9166 and, for affordable housing reservations, the value of the reservation
9167 and percentage of residential units that will qualify as affordable
9168 housing, as defined in section 8-39a.

9169 (l) (1) If the total amount of such tax credits reserved in the first
9170 fiscal year of a fiscal three-year period is more than sixty-five per cent
9171 of the aggregate amount of tax credits reserved under subsections (a)
9172 to (i), inclusive, of this section, then no additional reservation shall be
9173 allowed for the second fiscal year of such fiscal three-year period
9174 unless the joint standing committees of the General Assembly having
9175 cognizance of matters relating to commerce and to finance, revenue
9176 and bonding each vote separately to authorize continuance of tax
9177 credit reservations under the program.

9178 (2) If the total amount of such credits reserved in the second year of
9179 a fiscal three-year period exceeds ninety per cent of the aggregate
9180 amount of tax credits reserved under subsections (a) to (i), inclusive, of
9181 this section, then no additional reservation shall be allowed for the
9182 third fiscal year of such fiscal three-year period unless the joint
9183 standing committees of the General Assembly having cognizance of
9184 matters relating to commerce and to finance, revenue and bonding
9185 each vote separately to authorize the continuance of tax credit
9186 reservations under the program.

9187 (3) Any tax credit reservations issued before a suspension of
9188 additional tax credit reservations under subdivisions (1) and (2) of this
9189 subsection shall remain in place.

9190 Sec. 186. Section 10-417 of the general statutes is repealed and the
9191 following is substituted in lieu thereof (*Effective July 1, 2009*):

9192 (a) With respect to digital media and motion picture activities, the
9193 **[**Connecticut Commission on Culture and Tourism**]** Department of
9194 Economic and Community Development, established under section 10-
9195 392, shall have the following powers and duties:

9196 (1) To promote the use of Connecticut locations, structures, facilities
9197 and services for the production and postproduction of all digital media
9198 and motion pictures and other media-related products;

9199 (2) To provide support services to visiting and in-state production
9200 companies, including assistance to digital media and motion picture
9201 producers in securing permits from state agencies, authorities or
9202 institutions or municipalities or other political subdivisions of the
9203 state;

9204 (3) To develop and update a resource library concerning the many
9205 possible state sites which are suitable for production;

9206 (4) To develop and update a production manual of available digital
9207 media and motion picture production facilities and services in the
9208 state;

9209 (5) To conduct and attend trade shows and production workshops
9210 to promote Connecticut locations and facilities;

9211 (6) To prepare an explanatory guide showing the impact of relevant
9212 state and municipal tax statutes, regulations and administrative
9213 opinions on typical production activities and to implement the tax
9214 credits provided for in section 12-217jj;

9215 (7) To formulate and propose guidelines for state agencies for a "one
9216 stop permitting" process for matters including, but not limited to, the
9217 use of state roads and highways, the use of state-owned real or
9218 personal property for production activities and the conduct of

9219 regulated activities, and to hold workshops to assist state agencies in
9220 implementing such process;

9221 (8) To formulate and recommend to municipalities model local
9222 ordinances and forms to assist production activities, including, but not
9223 limited to, "one stop permitting" of digital media and motion picture
9224 and other production activity to be conducted in a municipality, and to
9225 hold workshops to assist municipalities in implementing such
9226 ordinances;

9227 (9) To accept any funds, gifts, donations, bequests or grants of funds
9228 from private and public sources for the purposes of this section;

9229 (10) To request and obtain from any state agency, authority or
9230 institution or any municipality or other political subdivision of the
9231 state such assistance and data as will enable the commission to carry
9232 out the purposes of this section;

9233 (11) To assist and promote cooperation among all segments of
9234 management and labor that are engaged in digital media and motion
9235 pictures;

9236 (12) To take any other administrative action which may improve the
9237 position of the state's digital media and motion picture production
9238 industries in national and international markets.

9239 (b) On or before January 15, 2008, and biennially thereafter, the
9240 commission shall submit to the General Assembly, in accordance with
9241 section 11-4a, a report on the activities of the **[**commission**]** <u>department</u>
9242 under this section and the estimated direct and indirect economic
9243 impact of all digital media, motion pictures and related production
9244 activity in the state, during the preceding calendar years. Each such
9245 report shall also include an analysis of the impact on the state of each
9246 qualified production, as defined in section 12-217jj.

9247 Sec. 187. Section 10-418 of the general statutes is repealed and the
9248 following is substituted in lieu thereof (*Effective July 1, 2009*):

9249 Notwithstanding any provision of the general statutes, each state
9250 agency, department or institution issuing a request for proposals for
9251 any digital media, motion picture or related production activity shall,
9252 at the time of such issuance, transmit a copy of such request for
9253 proposals to the **[**Connecticut Commission on Culture and Tourism**]**
9254 Department of Economic and Community Development. Said
9255 **[**commission**]** department shall notify the executive head of each state
9256 agency of the requirements of this section.

9257 Sec. 188. Section 10-425 of the general statutes is repealed and the
9258 following is substituted in lieu thereof (*Effective July 1, 2009*):

9259 (a) Not later than October 1, 2008, the **[**executive director of the
9260 Connecticut Commission on Culture and Tourism**]** Commissioner of
9261 Economic and Community Development shall establish a Sports
9262 Advisory Board within the **[**commission**]** department that shall advise
9263 the **[**executive director**]** commissioner on the most effective ways to
9264 utilize state resources to promote, attract and market in-state
9265 professional and amateur sports and sporting events. Such board shall
9266 also advise the **[**executive director**]** commissioner on ways to
9267 coordinate the use of state-owned facilities in order to enhance sports-
9268 related tourism in the state and develop methods for the dissemination
9269 of information concerning in-state professional and amateur sports
9270 and sporting events to residents of the state and the northeast.

9271 (b) Such advisory board shall consist of one member from each of
9272 the following entities: (1) The University of Connecticut's Athletic
9273 Department; (2) the Connecticut State University System's Athletic
9274 Department; (3) the XL Center; (4) Northland AEG; (5) the Traveler's
9275 Championship Golf Tournament; (6) the Pilot Pen Tennis Tournament;
9276 (7) the Special Olympics; (8) the Mohegan Sun Arena; (9) Foxwoods
9277 Resort Casino; (10) Lime Rock Park Race Track; (11) the Arena at
9278 Harbor Yard; (12) New Britain Stadium; (13) the Connecticut Marine
9279 Trades Association; (14) the Office of Policy and Management; (15) **[**the
9280 Department of Economic and Community Development; (16)**]** the
9281 Capital City Economic Development Authority; **[**(17)**]** (16) the Nutmeg

9282 State Games; [(18)] (17) the Connecticut Interscholastic Athletic
9283 Conference; [(19)] (18) Fairfield University; [(20)] (19) Quinnipiac
9284 University; [(21)] (20) Sacred Heart University; [(22)] (21) any other
9285 entity involved in sports or sporting events that the executive director
9286 deems appropriate; [(23)] (22) the Connecticut State Golf Association;
9287 and [(24)] (23) Dodd Stadium.

9288 (c) The first meeting of the Sports Advisory Board shall convene not
9289 later than November 15, 2008, and the advisory board shall meet not
9290 less than once per calendar quarter thereafter. The advisory board shall
9291 provide any recommendations of the advisory board to the [executive
9292 director] commissioner not later than thirty days after any such
9293 meeting.

9294 (d) The members of the advisory board may select a chairperson
9295 from among its membership who shall be responsible for the
9296 scheduling and conducting of any such meeting.

9297 (e) The [Connecticut Commission on Culture and Tourism]
9298 Department of Economic and Community Development shall provide
9299 staff support to the board.

9300 (f) Not later than thirty days prior to each regular session of the
9301 General Assembly, the [executive director of the Connecticut
9302 Commission on Culture and Tourism] Commissioner of Economic and
9303 Community Development shall submit a report to the joint standing
9304 committee of the General Assembly having cognizance of matters
9305 relating to commerce that includes information on the status of the
9306 Sports Advisory Board's activities, the implementation of any
9307 recommendations of such advisory board and any legislative
9308 proposals related to such recommendations.

9309 Sec. 189. Section 10a-111a of the general statutes is repealed and the
9310 following is substituted in lieu thereof (*Effective July 1, 2009*):

9311 (a) The Board of Trustees of The University of Connecticut, shall
9312 appoint an appropriate history scholar to serve as State Historian, who

9313 shall serve at the pleasure of the board of trustees.

9314 (b) The State Historian shall: (1) **[**Be a member of the Connecticut
9315 Commission on Culture and Tourism, established pursuant to section
9316 10-392, (2)**]** edit or supervise the editing and publication of the public
9317 records of the state, **[**(3)**]** (2) provide information and advice to
9318 members of the government at all levels, **[**(4)**]** (3) assist the State Board
9319 of Education in efforts to promote the teaching of history in schools
9320 and teacher preparation programs, **[**(5)**]** (4) respond to requests for
9321 advice from historical societies, **[**(6)**]** (5) respond to requests for
9322 information on the state's history, **[**(7)**]** (6) make public appearances
9323 and addresses on the state's history, **[**(8)**]** (7) prepare bibliographies
9324 and other research aids relating to the history of the state, and **[**(9)**]** (8)
9325 promote by appropriate informative and educational programs the
9326 celebration or commemoration of significant historical events.

9327 Sec. 190. Section 10a-112 of the general statutes is repealed and the
9328 following is substituted in lieu thereof (*Effective July 1, 2009*):

9329 (a) Until such time as a State Archaeologist is appointed pursuant to
9330 subsection (b) of this section, the trustees of The University of
9331 Connecticut shall designate a member of the faculty of said university
9332 to serve as State Archaeologist, who shall serve without additional
9333 compensation. He shall conduct research in the ethnohistory of the
9334 Indians of this region and of their archaeology, and shall cooperate
9335 with agencies of this state and of the federal government and with
9336 private individuals and corporations in an effort to protect and
9337 preserve archaeological remains which are threatened with destruction
9338 or loss by the construction of dams or highways or otherwise.

9339 (b) The Board of Directors of the State Museum of Natural History
9340 shall appoint a State Archaeologist and staff for the Office of
9341 Archaeology established pursuant to section 10a-112a. The State
9342 Archaeologist shall have the following powers and duties: (1) To
9343 supervise the care and study of the archaeological collection of the
9344 State Museum of Natural History; (2) to coordinate (A) the

9345 archaeological salvage of properties threatened with destruction, (B)
9346 public and private archaeological research and the encouragement of
9347 the highest possible standards in archaeological investigations, and (C)
9348 the preservation of native American and other human osteological
9349 remains and cemeteries with the **[**Connecticut Commission on Culture
9350 and Tourism**]** Department of Economic and Community Development,
9351 the Office of the Chief Medical Examiner, the Indian Affairs Council
9352 and other state agencies; (3) to conduct research on the state's
9353 prehistory and history and disseminate the results of such research
9354 through publications and other means; (4) to educate the public about
9355 the significance and fragility of archaeological resources; (5) to respond
9356 to inquiries about the state's archaeological resources; and (6) to
9357 maintain comprehensive site files and maps.

9358 Sec. 191. Section 10a-112b of the general statutes is repealed and the
9359 following is substituted in lieu thereof (*Effective July 1, 2009*):

9360 (a) The Board of Directors of the State Museum of Natural History
9361 shall consist of the following: The Commissioners of Education,
9362 Environmental Protection, **[**and**]** Agriculture and Economic and
9363 Community Development or their designees, **[**the director of the
9364 Connecticut Commission on Culture and Tourism, or his designee**]**
9365 and not more than eleven members appointed by the president of The
9366 University of Connecticut, of which seven shall be professors, at least
9367 one from each of the following fields: Anthropology or archaeology,
9368 geology, vertebrate biology, invertebrate biology, botany, systematic
9369 biology and any other field the president deems appropriate. The
9370 terms of one-third of the initial appointments shall expire one year
9371 after the date of such appointment; the terms of one-third shall expire
9372 two years after the date of such appointment and the terms of one-
9373 third shall expire three years after the date of such appointment. The
9374 president shall appoint members to succeed members whose terms
9375 expire. Such members shall serve for a term of three years. Members
9376 shall be eligible for reappointment.

9377 (b) The board shall annually elect a chairman and other officers.

9378 Sec. 192. Section 10a-112g of the general statutes is repealed and the
9379 following is substituted in lieu thereof (*Effective July 1, 2009*):

9380 (a) The William Benton Museum of Art, The University of
9381 Connecticut shall be the State Museum of Art. The museum shall
9382 collect, preserve and research works of art and prepare public exhibits
9383 at the museum and educational exhibits and programs that may be
9384 used by colleges, universities, schools, libraries, institutions,
9385 appropriate state agencies or other public organizations.

9386 (b) There is established an advisory committee to advise the
9387 president of The University of Connecticut with respect to the policies,
9388 collections, programs, activities and operations of the State Museum of
9389 Art. The advisory committee shall consist of eleven members as
9390 follows: The Commissioner of Education and the Commissioner of
9391 Higher Education, or their designees; two members of the **[**Connecticut
9392 Commission on Culture and Tourism**]** Department of Economic and
9393 Community Development appointed by **[**said commission**]** its
9394 commissioner; and seven persons nominated by the president of The
9395 University of Connecticut and appointed by the Governor, one of
9396 whom shall be a member of the board of trustees of the university, one
9397 of whom shall be an alumnus of the university and five of whom shall
9398 be private citizens representing various geographic areas of the state
9399 and widely known for their knowledge, competence and experience in
9400 connection with the visual arts. The advisory committee shall elect a
9401 member who is a private citizen as its chairperson.

9402 Sec. 193. Section 11-6a of the general statutes is repealed and the
9403 following is substituted in lieu thereof (*Effective July 1, 2009*):

9404 (a) The State Library Board shall establish and operate the Raymond
9405 E. Baldwin Museum of Connecticut History and Heritage to acquire,
9406 preserve, and exhibit collections and artifacts that interpret the state's
9407 culture and heritage and to provide public programs and activities.

9408 (b) There is established an advisory committee to advise the State

9409 Library Board with respect to the policies, collections, programs,
9410 activities and operations of the Raymond E. Baldwin Museum of
9411 Connecticut History and Heritage. The advisory committee shall
9412 consist of eight members as follows: The **[**executive director of the
9413 Connecticut Commission on Culture and Tourism**]** Commissioner of
9414 Economic and Community Development or the commissioner's
9415 designee; the executive director of the Connecticut Historical Society;
9416 the State Historian; and five persons appointed by the Governor, three
9417 of whom shall be experienced museum professionals.

9418 (c) The State Librarian shall, subject to the provisions of chapter 67,
9419 appoint an assistant who shall be the director of the Raymond E.
9420 Baldwin Museum of Connecticut History and Heritage. The director
9421 shall be a qualified and experienced museum professional.

9422 Sec. 194. Section 12-217jj of the general statutes is repealed and the
9423 following is substituted in lieu thereof (*Effective July 1, 2009*):

9424 (a) As used in this section:

9425 (1) "Commissioner" means the Commissioner of Revenue Services.

9426 (2) **[**"Commission" means the Connecticut Commission on Culture
9427 and Tourism**]** "Department" means the Department of Economic and
9428 Community Development.

9429 (3) (A) "Qualified production" means entertainment content created
9430 in whole or in part within the state, including motion pictures;
9431 documentaries; long-form, specials, mini-series, series, sound
9432 recordings, videos and music videos and interstitials television
9433 programming; interactive television; interactive games; videogames;
9434 commercials; infomercials; any format of digital media, including an
9435 interactive web site, created for distribution or exhibition to the
9436 general public; and any trailer, pilot, video teaser or demo created
9437 primarily to stimulate the sale, marketing, promotion or exploitation of
9438 future investment in either a product or a qualified production via any
9439 means and media in any digital media format, film or videotape,

9440 provided such program meets all the underlying criteria of a qualified
9441 production.

9442 (B) "Qualified production" shall not include any ongoing television
9443 program created primarily as news, weather or financial market
9444 reports, a production featuring current events, sporting events, an
9445 awards show or other gala event, a production whose sole purpose is
9446 fundraising, a long-form production that primarily markets a product
9447 or service, a production used for corporate training or in-house
9448 corporate advertising or other similar productions, or any production
9449 for which records are required to be maintained under 18 USC 2257
9450 with respect to sexually explicit content.

9451 (4) "Eligible production company" means a corporation, partnership,
9452 limited liability company, or other business entity engaged in the
9453 business of producing qualified productions on a one-time or ongoing
9454 basis, and qualified by the Secretary of the State to engage in business
9455 in the state.

9456 (5) "Production expenses or costs" means all expenditures clearly
9457 and demonstrably incurred in the state in the development,
9458 preproduction, production or postproduction costs of a qualified
9459 production, including:

9460 (A) Expenditures incurred in the state in the form of either
9461 compensation or purchases including production work, production
9462 equipment not eligible for the infrastructure tax credit provided in
9463 section 12-217kk, production software, postproduction work,
9464 postproduction equipment, postproduction software, set design, set
9465 construction, props, lighting, wardrobe, makeup, makeup accessories,
9466 special effects, visual effects, audio effects, film processing, music,
9467 sound mixing, editing, location fees, soundstages and any and all other
9468 costs or services directly incurred in connection with a state-certified
9469 qualified production;

9470 (B) Expenditures for distribution, including preproduction,

9471 production or postproduction costs relating to the creation of trailers,
9472 marketing videos, commercials, point-of-purchase videos and any and
9473 all content created on film or digital media, including the duplication
9474 of films, videos, CDs, DVDs and any and all digital files now in
9475 existence and those yet to be created for mass consumer consumption;
9476 the purchase, by a company in the state, of any and all equipment
9477 relating to the duplication or mass market distribution of any content
9478 created or produced in the state by any digital media format which is
9479 now in use and those formats yet to be created for mass consumer
9480 consumption; and

9481 (C) "Production expenses or costs" does not include the following:
9482 (i) On and after January 1, 2008, compensation in excess of fifteen
9483 million dollars paid to any individual or entity representing an
9484 individual, for services provided in the production of a qualified
9485 production; (ii) media buys, promotional events or gifts or public
9486 relations associated with the promotion or marketing of any qualified
9487 production; (iii) deferred, leveraged or profit participation costs
9488 relating to any and all personnel associated with any and all aspects of
9489 the production, including, but not limited to, producer fees, director
9490 fees, talent fees and writer fees; (iv) costs relating to the transfer of the
9491 production tax credits; and (v) any amounts paid to persons or
9492 businesses as a result of their participation in profits from the
9493 exploitation of the qualified production.

9494 (6) "Sound recording" means a recording of music, poetry or
9495 spoken-word performance, but does not include the audio portions of
9496 dialogue or words spoken and recorded as part of a motion picture,
9497 video, theatrical production, television news coverage or athletic event.

9498 (7) "State-certified qualified production" means a qualified
9499 production produced by an eligible production company that (A) is in
9500 compliance with regulations adopted pursuant to subsection (g) of this
9501 section, (B) is authorized to conduct business in this state, and (C) has
9502 been approved by the commission as qualifying for a production tax
9503 credit under this section.

9504 (8) "Interactive web site" means a web site, the production costs of
9505 which (A) exceed five hundred thousand dollars per income year, and
9506 (B) is primarily (i) interactive games or end user applications, or (ii)
9507 animation, simulation, sound, graphics, story lines or video created or
9508 repurposed for distribution over the Internet. An interactive web site
9509 does not include a web site primarily used for institutional, private,
9510 industrial, retail or wholesale marketing or promotional purposes, or
9511 which contains obscene content.

9512 (9) "Post-certification remedy" means the recapture, disallowance,
9513 recovery, reduction, repayment, forfeiture, decertification or any other
9514 remedy that would have the effect of reducing or otherwise limiting
9515 the use of a tax credit provided by this section.

9516 (b) (1) The **[**Connecticut Commission on Culture and Tourism**]**
9517 Department of Economic and Community Development shall
9518 administer a system of tax credit vouchers within the resources,
9519 requirements and purposes of this section for eligible production
9520 companies producing a state-certified qualified production in the state.
9521 For income years commencing on or after January 1, 2006, any eligible
9522 production company incurring production expenses or costs in excess
9523 of fifty thousand dollars shall be eligible for a credit against the tax
9524 imposed under chapter 207 or this chapter equal to thirty per cent of
9525 such production expenses or costs, provided (A) on and after January
9526 1, 2009, fifty per cent of such expenses or costs shall be counted toward
9527 such credit when incurred outside the state and used within the state,
9528 and one hundred per cent of such expenses or costs shall be counted
9529 toward such credit when incurred within the state and used within the
9530 state, and (B) on and after January 1, 2012, no expenses or costs
9531 incurred outside the state and used within the state shall be eligible for
9532 a credit, and one hundred per cent of such expenses or costs shall be
9533 counted toward such credit when incurred within the state and used
9534 within the state.

9535 (2) On and after July 1, 2006, and for income years commencing on
9536 or after January 1, 2006, any credit allowed pursuant to this subsection

9537 may be sold, assigned or otherwise transferred, in whole or in part, to
9538 one or more taxpayers, provided no credit, after issuance, may be sold,
9539 assigned or otherwise transferred, in whole or in part, more than three
9540 times.

9541 (3) On and after July 1, 2006, and for income years commencing on
9542 or after January 1, 2006, any such credit allowed under this subsection
9543 shall be claimed against the tax imposed under chapter 207 or this
9544 chapter for the income year in which the production expenses or costs
9545 were incurred, and may be carried forward for the three immediately
9546 succeeding income years. Any production tax credit allowed under
9547 this subsection shall be nonrefundable.

9548 (c) (1) An eligible production company shall apply to the
9549 **[**commission**]** department for a tax credit voucher on an annual basis,
9550 but not later than ninety days after the first production expenses or
9551 costs are incurred in the production of a qualified production, and
9552 shall provide with such application such information as the
9553 **[**commission**]** department may require to determine such company's
9554 eligibility to claim a credit under this section. No production expenses
9555 or costs may be listed more than once for purposes of the tax credit
9556 voucher pursuant to this section, or pursuant to section 12-217kk or 12-
9557 217*ll*, and if a production expense or cost has been included in a claim
9558 for a credit, such production expense or cost may not be included in
9559 any subsequent claim for a credit.

9560 (2) Not earlier than three months after the application in subdivision
9561 (1) of this subsection, an eligible production company may apply to the
9562 **[**commission**]** department for a production tax credit voucher, and
9563 shall provide with such application such information and independent
9564 certification as the **[**commission**]** department may require pertaining to
9565 the amount of such company's production expenses or costs to date. If
9566 the **[**commission**]** department determines that such company is eligible
9567 to be issued a production tax credit voucher, the **[**commission**]**
9568 department shall enter on the voucher the amount of production
9569 expenses or costs that has been established to the satisfaction of the

9570 [commission] department, and the amount of such company's credit
9571 under this section. The [commission] department shall provide a copy
9572 of such voucher to the commissioner, upon request.

9573 (3) Not later than ninety days after the end of the annual period, or
9574 after the last production expenses or costs are incurred in the
9575 production of a qualified production, an eligible production company
9576 shall apply to the [commission] department for a production tax credit
9577 voucher, and shall provide with such application such information and
9578 independent certification as the [commission] department may require
9579 pertaining to the amount of such company's production expenses or
9580 costs. If the [commission] department determines that such company is
9581 eligible to be issued a production tax credit voucher, the [commission]
9582 department shall enter on the voucher the amount of production
9583 expenses or costs that has been established to the satisfaction of the
9584 [commission] department, minus the amount of any credit issued
9585 pursuant to subdivision (2) of this subsection, and the amount of such
9586 company's credit under this section. The [commission] department
9587 shall provide a copy of such voucher to the commissioner, upon
9588 request.

9589 (d) If an eligible production company sells, assigns or otherwise
9590 transfers a credit under this section to another taxpayer, the transferor
9591 and transferee shall jointly submit written notification of such transfer
9592 to the [commission] department not later than thirty days after such
9593 transfer. If such transferee sells, assigns or otherwise transfers a credit
9594 under this section to a subsequent transferee, such transferee and such
9595 subsequent transferee shall jointly submit written notification of such
9596 transfer to the [commission] department not later than thirty days after
9597 such transfer. The notification after each transfer shall include the
9598 credit voucher number, the date of transfer, the amount of such credit
9599 transferred, the tax credit balance before and after the transfer, the tax
9600 identification numbers for both the transferor and the transferee, and
9601 any other information required by the [commission] department.
9602 Failure to comply with this subsection will result in a disallowance of

9603 the tax credit until there is full compliance on the part of the transferor
9604 and the transferee, and for a second or third transfer, on the part of all
9605 subsequent transferors and transferees. The [commission] department
9606 shall provide a copy of the notification of assignment to the
9607 commissioner upon request.

9608 (e) Any eligible production company that wilfully submits
9609 information to the [commission] department that it knows to be
9610 fraudulent or false shall, in addition to any other penalties provided by
9611 law, be liable for a penalty equal to the amount of such company's
9612 credit entered on the production tax credit certificate issued under this
9613 section.

9614 (f) The issuance by the [commission] department of a tax credit
9615 voucher with respect to an amount of tax credits stated thereon shall
9616 mean that none of such tax credits are subject to a post-certification
9617 remedy, and that the [commission] department and the commissioner
9618 shall have no right, except in the case of possible material
9619 misrepresentation or fraud, to conduct any further or additional
9620 review, examination or audit of the expenditures or costs for which
9621 such tax credits were issued. If at any time after the issuance of a tax
9622 credit voucher the [commission] department or the commissioner
9623 determines that there was a material misrepresentation or fraud on the
9624 part of an eligible production company in connection with the
9625 submission of an expense report and the result of such material
9626 misrepresentation or fraud was that (1) a specific amount of tax credits
9627 was reflected on the tax credit voucher issued in response to such
9628 expense report that would not have otherwise been so reflected, and
9629 (2) such tax credits would otherwise be subject to a post-certification
9630 remedy, such tax credits shall not be subject to any post-certification
9631 remedy and the sole and exclusive remedy of the [commission]
9632 department and the commissioner shall be to seek collection of the
9633 amount of such tax credits from the eligible production company that
9634 committed the fraud or misrepresentation, not from any transferee of
9635 such tax credits.

9636 (g) The [commission] department, in consultation with the
9637 commissioner, shall adopt regulations, in accordance with the
9638 provisions of chapter 54, as may be necessary for the administration of
9639 this section.

9640 Sec. 195. Section 12-217kk of the general statutes is repealed and the
9641 following is substituted in lieu thereof (*Effective July 1, 2009*):

9642 (a) As used in this section:

9643 (1) "Commissioner" means the Commissioner of Revenue Services.

9644 (2) [**"Commission" means the Connecticut Commission on Culture**
9645 **and Tourism**] "Department" means the Department of Economic and
9646 Community Development.

9647 (3) "Infrastructure project" means a capital project to provide basic
9648 buildings, facilities or installations needed for the functioning of the
9649 digital media and motion picture industry in this state.

9650 (4) "State-certified project" means an infrastructure project
9651 undertaken in this state by an entity that (A) is in compliance with
9652 regulations adopted pursuant to subsection (e) of this section, (B) is
9653 authorized to conduct business in this state, (C) is not in default on a
9654 loan made by the state or a loan guaranteed by the state, nor has ever
9655 declared bankruptcy under which an obligation of the entity to pay or
9656 repay public funds was discharged as a part of such bankruptcy, and
9657 (D) has been approved by the commission as qualifying for an
9658 infrastructure tax credit under this section.

9659 (5) "Post-certification remedy" means the recapture, disallowance,
9660 recovery, reduction, repayment, forfeiture, decertification or any other
9661 remedy that would have the effect of reducing or otherwise limiting
9662 the use of a tax credit provided by this section.

9663 (b) (1) There shall be allowed a state-certified project credit against
9664 the tax imposed under chapter 207 or this chapter to any taxpayer that

9665 invests in a state-certified project. Such credit may be in the following
9666 amounts: (A) For state-certified projects costing greater than fifteen
9667 thousand dollars and less than one hundred fifty thousand dollars,
9668 each taxpayer may be allowed a tax credit of ten per cent of the
9669 investment made by such taxpayer; (B) for state-certified projects
9670 costing one hundred fifty thousand dollars or more, but less than one
9671 million dollars, each taxpayer may be allowed a tax credit of fifteen per
9672 cent of the investment made by such taxpayer; and (C) for state-
9673 certified projects costing one million dollars or more, each taxpayer
9674 may be allowed a tax credit of twenty per cent of the investment made
9675 by such taxpayer.

9676 (2) Eligible expenditures pursuant to this section shall include the
9677 following: All expenditures for a capital project to provide buildings,
9678 facilities or installations, whether leased or purchased, together with
9679 necessary equipment for a film, video, television, digital production
9680 facility or digital animation production facility; project development,
9681 including design, professional consulting fees and transaction costs;
9682 development, preproduction, production, post-production and
9683 distribution equipment and system access; and fixtures and other
9684 equipment.

9685 (3) Any credit allowed pursuant to this section may be sold,
9686 assigned or otherwise transferred, in whole or in part, to one or more
9687 taxpayers, and such taxpayers may sell, assign or otherwise transfer, in
9688 whole or in part, such credit. Any taxpayer holding such credit may
9689 claim such credit only for the income year in which expenditures were
9690 made by the taxpayer for the infrastructure project.

9691 (4) Any credit allowed pursuant to this section shall be claimed
9692 against the tax imposed under chapter 207 or this chapter. If the
9693 amount of the credit allowable under this section exceeds the sum of
9694 any taxes due from a taxpayer, any such excess amount of the credit
9695 allowable under this section may be taken in any of the three
9696 immediately succeeding income years.

9697 (5) Any tax credit earned under this section shall be nonrefundable.

9698 (c) (1) An entity undertaking an infrastructure project shall apply to
9699 the [commission] department for an eligibility certificate not later than
9700 ninety days after the first expenses or costs are incurred, and shall
9701 provide with such application such information as the [commission]
9702 department may require to determine such infrastructure project's
9703 eligibility as a state-certified project.

9704 (2) Each application for an eligibility certificate shall include: (A) A
9705 detailed description of the infrastructure project; (B) a preliminary
9706 budget; (C) estimated completion date; and (D) such other information
9707 as the commission may require. The [commission] department may
9708 require an independent audit of all project costs and expenditures
9709 prior to certification. If the [commission] department determines that
9710 such project is eligible to be a state-certified project, the [commission]
9711 department shall indicate the amount of costs or expenditures that has
9712 been established to the satisfaction of the [commission] department,
9713 and issue to such entity a tax credit certification letter for investors
9714 indicating the amount of tax credits available under this section. The
9715 [commission] department shall provide a copy of such letter to the
9716 commissioner, upon request.

9717 (3) Prior to the issuance of a state-certified project tax credit voucher
9718 to a taxpayer based upon the tax credit certification letter issued
9719 pursuant to subdivision (2) of this subdivision, the entity undertaking
9720 such infrastructure project shall provide the [commission] department
9721 with a description of the progress on such project and an estimated
9722 completion date. The [commission] department may require an
9723 independent audit of all project costs and expenditures prior to
9724 issuance of such tax credit voucher to a taxpayer. No such tax credit
9725 voucher may be issued prior to such time as such state-certified project
9726 is shown to be not less than sixty per cent complete.

9727 (d) If a taxpayer sells, assigns or otherwise transfers a credit under
9728 this section to another taxpayer, the transferor and transferee shall

9729 jointly submit written notification of such transfer to the [commission]
9730 department not later than thirty days after such transfer. The
9731 notification shall include the credit certificate number, the date of
9732 transfer, the amount of such credit transferred, the tax credit balance
9733 before and after the transfer, the tax identification numbers for both
9734 the transferor and the transferee and any other information required
9735 by the commissioner. After the initial issuance of a tax credit, such
9736 credit may be sold, assigned or otherwise transferred not more than
9737 three times. Failure to comply with this subsection will result in a
9738 disallowance of the tax credit until there is full compliance on both the
9739 part of the transferor and the transferee, and all subsequent transferors
9740 and transferees. The [commission] department shall provide a copy of
9741 the notification of assignment to the commissioner upon request.

9742 (e) The issuance by the [commission] department of a tax credit
9743 voucher with respect to an amount of tax credits stated thereon shall
9744 mean that none of such tax credits are subject to a post-certification
9745 remedy, and that the [commission] department and the commissioner
9746 shall have no right except in the case of a possible material
9747 misrepresentation or fraud, to conduct any further or additional
9748 review, examination or audit of the expenditures or costs for which
9749 such tax credits were issued. If at any time after the issuance of a tax
9750 credit voucher the [commission] department or the commissioner
9751 determines that there was a material misrepresentation or fraud on the
9752 part of a taxpayer in connection with the submission of an expense
9753 report and the result of such material misrepresentation or fraud was
9754 that (1) a specific amount of tax credits was reflected on the tax credit
9755 voucher issued in response to such expense report that would not have
9756 otherwise been so reflected, and (2) such tax credits would otherwise
9757 be subject to a post-certification remedy, such tax credits shall not be
9758 subject to any post-certification remedy and the sole and exclusive
9759 remedy of the commission and the commissioner shall be to seek
9760 collection of the amount of such tax credits from the taxpayer that
9761 committed the fraud or misrepresentation, not from any transferee of
9762 the tax credits.

9763 (f) The [commission] department, in consultation with the
9764 commissioner, shall adopt regulations, in accordance with the
9765 provisions of chapter 54, as may be necessary for the administration of
9766 this section.

9767 Sec. 196. Section 12-217*ll* of the general statutes is repealed and the
9768 following is substituted in lieu thereof (*Effective July 1, 2009*):

9769 (a) As used in this section:

9770 (1) "Commissioner" means the Commissioner of Revenue Services.

9771 (2) [**"Commission" means the Connecticut Commission on Culture**
9772 **and Tourism**] "Department" means the Department of Economic and
9773 Community Development.

9774 (3) "Digital animation production company" means a corporation,
9775 partnership, limited liability company or other business entity engaged
9776 exclusively in digital animation production activity on an ongoing
9777 basis, and that is qualified by the Secretary of the State to engage in
9778 business in the state.

9779 (4) "State-certified digital animation production company" means a
9780 digital animation production company that (A) maintains studio
9781 facilities located within the state at which digital animation production
9782 activities are conducted, (B) employs at least two hundred full-time
9783 employees within the state, (C) is in compliance with regulations
9784 adopted pursuant to subsection (h) of this section, and (D) has been
9785 certified by the commission.

9786 (5) "Digital animation production activity" means the creation,
9787 development and production of computer-generated animation
9788 content for distribution or exhibition to the general public, but not for
9789 the production of any material for which records are required to be
9790 maintained under 18 USC 2257 with respect to sexually explicit
9791 content.

9792 (6) "Full-time employee" means an employee required to work at
9793 least thirty-five hours or more per week, and who is not a temporary
9794 or seasonal employee.

9795 (7) "Post-certification remedy" means the recapture, disallowance,
9796 recovery, reduction, repayment, forfeiture, decertification or any other
9797 remedy that would have the effect of reducing or otherwise limiting
9798 the use of a tax credit provided by this section.

9799 (8) "Production expenses or costs" means all expenditures clearly
9800 and demonstrably incurred in the state in the development,
9801 preproduction, production or postproduction costs of a digital
9802 animation production activity, including:

9803 (A) Expenditures for optioning or purchase of any intellectual
9804 property including, but not limited to, books, scripts, music or
9805 trademarks relating to the development or purchase of a script,
9806 screenplay or format, to the extent that such expenditures are less than
9807 thirty-five per cent of the production expenses or costs incurred by a
9808 digital animation production company in any income year. Such
9809 expenses or costs shall include all expenditures generally associated
9810 with the optioning or purchase of intellectual property, including
9811 option money, agent fees and attorney fees relating to the transaction,
9812 but shall not include any and all deferrals, deferments, profit
9813 participation or recourse or nonrecourse loans which the digital
9814 animation production company may negotiate in order to obtain the
9815 rights to the intellectual property;

9816 (B) Expenditures incurred in the form of either compensation or
9817 purchases including production work, production equipment not
9818 eligible for the infrastructure tax credit provided in section 12-217kk,
9819 production software, postproduction work, postproduction
9820 equipment, postproduction software, set design, set construction,
9821 props, lighting, wardrobe, makeup, makeup accessories, special
9822 effects, visual effects, audio effects, actors, voice talent, film processing,
9823 music, sound mixing, editing, location fees, soundstages, rent, utilities,

9824 insurance, administrative support, systems support, all reasonably-
9825 related expenses in connection with digital animation production
9826 activity, and any and all other costs or services directly incurred in the
9827 state in connection with a state-certified digital animation production
9828 company;

9829 (C) Expenditures for distribution, including preproduction,
9830 production or postproduction costs relating to the creation of trailers,
9831 marketing videos, short films, commercials, point-of-purchase videos
9832 and any and all content created on film or digital media, including the
9833 duplication of films, videos, CDs, DVDs and any and all digital files
9834 now in existence and those yet to be created for mass consumer
9835 consumption; the purchase, by a company in the state, of any and all
9836 equipment relating to the duplication or mass market distribution of
9837 any content created or produced in the state by any digital media
9838 format which is now in use and those formats yet to be created for
9839 mass consumer consumption; and

9840 (D) "Production expenses or costs" does not include the following:
9841 (i) Compensation in excess of fifteen million dollars paid to any
9842 individual or entity representing an individual, for services provided
9843 in a digital animation production activity; (ii) media buys, promotional
9844 events or gifts or public relations associated with the promotion or
9845 marketing of any digital animation production activity; (iii) deferred,
9846 leveraged or profit participation costs relating to any and all personnel
9847 associated with any and all aspects of the production, including, but
9848 not limited to, producer fees, director fees, talent fees and writer fees;
9849 (iv) costs relating to the transfer of the digital animation tax credits;
9850 and (v) any amounts paid to persons or businesses as a result of their
9851 participation in profits from the exploitation of the digital animation
9852 production activity.

9853 (b) (1) The **[**Connecticut Commission on Culture and Tourism**]**
9854 Department of Economic and Community Development shall
9855 administer a system of tax credit vouchers within the resources,
9856 requirements and purposes of this section for digital animation

9857 production companies undertaking digital animation production
9858 activity in the state. For income years commencing on or after January
9859 1, 2007, any state-certified digital animation production company
9860 incurring production expenses or costs in excess of fifty thousand
9861 dollars shall be eligible for a credit against the tax imposed under
9862 chapter 207 or this chapter, equal to thirty per cent of such production
9863 expenses or costs.

9864 (2) Any credit allowed pursuant to this section may be sold,
9865 assigned or otherwise transferred, in whole or in part, to one or more
9866 taxpayers, provided no credit, after issuance, may be sold, assigned or
9867 otherwise transferred, in whole or in part, more than three times.

9868 (3) Any credit allowed pursuant to this section shall be claimed
9869 against the tax imposed under chapter 207 or this chapter, for the
9870 income year in which the production expenses or costs were incurred,
9871 and may be carried forward for the three immediately succeeding
9872 income years. Any digital animation tax credit allowed under this
9873 section shall be nonrefundable.

9874 (4) Any digital animation production company receiving a digital
9875 animation tax credit pursuant to this section shall not be eligible to
9876 apply for or receive a tax credit pursuant to section 12-217jj.

9877 (c) Not more frequently than twice during the income year of a
9878 state-certified digital animation production company, such company
9879 may apply to the **[**commission**]** <u>department</u> for a digital animation tax
9880 credit voucher, and shall provide with such application such
9881 information and independent certification as the **[**commission**]**
9882 <u>department</u> may require pertaining to the amount of such company's
9883 production expenses or costs incurred during the period for which
9884 such application is made. If the **[**commission**]** <u>department</u> determines
9885 that the company is eligible to be issued a tax credit voucher, the
9886 **[**commission**]** <u>department</u> shall enter on the voucher the amount of
9887 production expenses and costs incurred during the period for which
9888 the voucher is issued and the amount of tax credits issued pursuant to

9889 such voucher. The [commission] department shall provide a copy of
9890 such voucher to the commissioner upon request.

9891 (d) If a state-certified digital animation production company sells,
9892 assigns or otherwise transfers a credit under this section to another
9893 taxpayer, the transferor and transferee shall jointly submit written
9894 notification of such transfer to the [commission] department not later
9895 than thirty days after such transfer. If such transferee sells, assigns or
9896 otherwise transfers a credit under this section to a subsequent
9897 transferee, such transferee and such subsequent transferee shall jointly
9898 submit written notification of such transfer to the [commission]
9899 department not later than thirty days after such transfer. The
9900 notification after each transfer shall include the credit voucher number,
9901 the date of transfer, the amount of such credit transferred, the tax
9902 credit balance before and after the transfer, the tax identification
9903 numbers for both the transferor and the transferee, and any other
9904 information required by the [commission] department. Failure to
9905 comply with this subsection will result in a disallowance of the tax
9906 credit until there is full compliance on the part of the transferor and
9907 the transferee, and for a second or third transfer, on the part of all
9908 subsequent transferors and transferees. The [commission] department
9909 shall provide a copy of the notification of assignment to the
9910 commissioner upon request.

9911 (e) Any state-certified digital animation production company that
9912 wilfully submits information to the commission that it knows to be
9913 fraudulent or false shall, in addition to any other penalties provided by
9914 law, be liable for a penalty equal to the amount of such company's
9915 credit entered on the digital animation tax credit certificate issued
9916 under this section.

9917 (f) The issuance by the [commission] department of a digital
9918 animation tax credit voucher with respect to an amount of tax credits
9919 stated thereon shall mean that none of such tax credits are subject to a
9920 post-certification remedy, and that the [commission] department and
9921 the commissioner shall have no right, except in the case of possible

9922 material misrepresentation or fraud, to conduct any further or
9923 additional review, examination or audit of the expenditures or costs
9924 for which such tax credits were issued. If at any time after the issuance
9925 of a tax credit voucher the **[**commission**]** department or the
9926 commissioner determines that there was a material misrepresentation
9927 or fraud on the part of a state-certified digital animation production
9928 company in connection with the submission of an expense report and
9929 the result of such material misrepresentation or fraud was that (1) a
9930 specific amount of tax credits was reflected on the tax credit voucher
9931 issued in response to such expense report that would not have
9932 otherwise been so reflected, and (2) such tax credits would otherwise
9933 be subject to a post-certification remedy, such tax credits shall not be
9934 subject to any post-certification remedy and the sole and exclusive
9935 remedy of the **[**commission**]** department and the commissioner shall be
9936 to seek collection of the amount of such tax credits from the digital
9937 animation production company that committed the fraud or
9938 misrepresentation, not from any transferee of the tax credits.

9939 (g) The aggregate amount of all tax credits which may be reserved
9940 by the commission pursuant to this section shall not exceed fifteen
9941 million dollars in any one fiscal year.

9942 (h) The **[**commission**]** department, in consultation with the
9943 commissioner, shall adopt regulations, in accordance with the
9944 provisions of chapter 54, as may be necessary for the administration of
9945 this section.

9946 Sec. 197. Section 12-376d of the general statutes is repealed and the
9947 following is substituted in lieu thereof (*Effective July 1, 2009*):

9948 (a) There shall be allowed a credit against any tax due under this
9949 chapter with respect to the estate of any decedent who produced a
9950 work of art, as defined in this section, which the beneficiaries and the
9951 fiduciary of such decedent's estate agree to transfer to the state of
9952 Connecticut if the state accepts such work, for use as an object of
9953 visual, artistic and educational display, in exchange for a credit against

9954 the succession tax applicable to the net taxable estate of such decedent.
9955 Such tax credit shall be in an amount equivalent to the fair market
9956 value of such work of art, as determined in accordance with subsection
9957 (c) of this section, provided (1) the advisory panel established under
9958 subsection (b) of this section, for purposes of certain determinations
9959 related to any such tax credit, certifies that, in the opinion of a majority
9960 of its members, such work of art should be appraised in accordance
9961 with subsection (c) of this section and subsequently certifies that, in the
9962 opinion of a majority of its members, such work of art should be
9963 accepted by the state in exchange for such tax credit as provided in this
9964 section, and (2) the maximum total amount of all such tax credits
9965 which may be allowed in any single fiscal year, commencing July 1,
9966 1987 and thereafter, whether there is one such credit in such year or
9967 more than one, shall be two hundred thousand dollars. If the fair
9968 market value of any such work of art so accepted by the state is less
9969 than the total amount of tax due with respect to the estate, tax credit
9970 shall be allowed in reduction of the amount of the total tax due. If such
9971 fair market value is in excess of the total tax due, and the fiduciary and
9972 beneficiaries of the estate approve the transfer of such work of art to
9973 the state for purposes of such tax credit, such fair market value shall be
9974 applied in payment of the entire amount of tax due and the excess of
9975 such fair market value over the amount of tax due shall, in effect, be a
9976 gift to the state. For purposes of this section a "work of art" means any
9977 work of visual art, including but not limited to, a drawing, painting,
9978 sculpture, mosaic, photograph, work of calligraphy or work of graphic
9979 art, and as the term "work of art" is used in this section it may include
9980 a single work of any such art or more than one item of such work.

9981 (b) There shall be appointed, as part of the **[**Connecticut
9982 Commission on Culture and Tourism**]** Department of Economic and
9983 Community Development, an advisory panel to consider the proposed
9984 acceptance of any such work of art. The advisory panel shall prepare a
9985 written statement as to acceptance or rejection of any such work of art
9986 for the purposes of this section. In each instance said panel shall
9987 consist of eleven members, including the **[**executive director of the

9988 Connecticut Commission on Culture and Tourism] Commissioner of
9989 Economic and Community Development and two generally
9990 acknowledged experts as to the particular type of visual art work
9991 under consideration, as determined by said [executive director]
9992 commissioner, with such appointments to be made by said [executive
9993 director and approved by the Connecticut Commission on Culture and
9994 Tourism] commissioner. In addition said advisory panel shall include
9995 eight members of the General Assembly, with two of such members
9996 appointed by the president pro tempore of the Senate, one of such
9997 members appointed by the majority leader of the Senate, one of such
9998 members appointed by the minority leader of the Senate, two of such
9999 members appointed by the speaker of the House of Representatives,
10000 one of such members appointed by the majority leader of the House of
10001 Representatives and one of such members appointed by the minority
10002 leader of the House of Representatives.

10003 (c) The advisory panel appointed as provided in subsection (b) of
10004 this section shall contract with two professional appraisers possessing
10005 experience related to the type of appraisal necessary for purposes of
10006 the work of art proposed for acceptance. Each appraiser so employed
10007 shall conduct an independent appraisal of such work of art and submit
10008 findings as to the fair market value thereof to the advisory panel.
10009 Members of the advisory panel shall receive no compensation for their
10010 service as such but shall be reimbursed for their necessary expenses
10011 incurred in the performance of their duties.

10012 (d) If the advisory panel approves the acceptance of a work of art
10013 for purposes of such tax credit, the [executive director of the
10014 Connecticut Commission on Culture and Tourism] commissioner shall
10015 submit notification in writing of such approval to the Commissioner of
10016 Revenue Services, including all relevant documentation concerning
10017 such approval and the amount of tax credit to be allowed. The
10018 [Connecticut Commission on Culture and Tourism] Department of
10019 Economic and Community Development is authorized by this section
10020 to accept such work of art on behalf of the state and make whatever

10021 arrangements may be necessary with other agencies of the state for the
10022 care and display of such work of art.

10023 Sec. 198. Section 13a-252 of the general statutes is repealed and the
10024 following is substituted in lieu thereof (*Effective July 1, 2009*):

10025 (a) The ferries crossing the Connecticut River, known as the Rocky
10026 Hill ferry and the Chester and Hadlyme ferry, shall be maintained and
10027 operated by the Commissioner of Transportation at the expense of the
10028 state. The rates of toll or the charges to be made for travel upon said
10029 ferries shall be fixed by the commissioner with the approval of the
10030 Secretary of the Office of Policy and Management. The commissioner
10031 may establish a discounted commuter rate for travel upon said ferries.

10032 (b) All expense of maintenance, repairs and operation of said ferries
10033 shall be paid by the Comptroller on vouchers of the commissioner. The
10034 commissioner shall include in his report to the General Assembly a
10035 report of the receipts and expenditures incidental to the control and
10036 maintenance of said ferries. Said Rocky Hill ferry shall be maintained
10037 as a state historic structure and shall be so marked with an appropriate
10038 plaque by the commissioner in cooperation with the **[**Connecticut
10039 Commission on Culture and Tourism**]** Department of Economic and
10040 Community Development.

10041 Sec. 199. Section 19a-315b of the general statutes is repealed and the
10042 following is substituted in lieu thereof (*Effective July 1, 2009*):

10043 No grave marker within any cemetery or burial place shall be
10044 destroyed, injured or removed except in accordance with the
10045 provisions of either this section or section 19a-315c. Any such grave
10046 marker may be removed for the purpose of reproduction, preservation
10047 or display in an accredited museum upon (1) (A) the consent of the
10048 owner of the burial rights for the lot in which such grave marker is
10049 placed or the consent of a lineal descendant of the deceased, whose
10050 qualifications for giving such consent shall be determined by the burial
10051 ground authority, or (B) if such owner or qualified lineal descendant is

10052 unknown or does not respond within thirty days to a request for
10053 consent sent by registered or certified mail to such person's last known
10054 address, with the consent of the burial ground authority, and (2) the
10055 order of the probate court for the district in which such burial lot is
10056 located. Upon written application of such consenting owner, qualified
10057 lineal descendant or burial ground authority, the probate court may,
10058 after a hearing, with notice of such hearing having been given to the
10059 burial ground authority, the owner, the qualified lineal descendant, the
10060 **[**Connecticut Commission on Culture and Tourism**]** Department of
10061 Economic and Community Development and otherwise as the court
10062 deems appropriate, order the removal of such grave marker if it finds
10063 that such removal is necessary or desirable for the protection and
10064 preservation of such grave marker.

10065 Sec. 200. Section 19a-315c of the general statutes is repealed and the
10066 following is substituted in lieu thereof (*Effective July 1, 2009*):

10067 (a) Notwithstanding the provisions of section 19a-315b, a burial
10068 ground authority shall have the right to properly maintain an ancient
10069 burial place, cemetery or burial place, which right shall include: (1)
10070 Repair, rehabilitation, repositioning or resetting of grave markers in
10071 accordance with the rules and regulations of the burial ground
10072 authority; and (2) the renovation of the ancient burial place, cemetery
10073 or burial place as a whole.

10074 (b) For purposes of subsection (a), no renovation of an ancient burial
10075 place, cemetery or burial place as a whole may be commenced until
10076 after: (1) The burial ground authority has conspicuously posted within
10077 the ancient burial place, cemetery or burial place, for a period of not
10078 less than ninety days, a notice that such renovation shall take place;
10079 and (2) the burial ground authority, at least ninety days before
10080 commencing a renovation, has provided written notice to the probate
10081 court having jurisdiction over the location of the burial place and to the
10082 **[**Connecticut Commission on Culture and Tourism**]** Department of
10083 Economic and Community Development. Such notice to the probate
10084 court shall describe the renovation plans and include photographs of

10085 any area or grave marker involved.

10086 (c) Following the notice period provided for in subsection (b) of this
10087 section, and subject to the provisions of subsection (d) of this section, a
10088 burial ground authority may renovate an ancient burial place,
10089 cemetery or burial place by: (1) The removal of any or all fencing,
10090 railing or curbing, if such removal is determined by the burial ground
10091 authority to be necessary or desirable for the proper and efficient
10092 maintenance of the ancient burial place, cemetery or burial place as a
10093 whole; and (2) the repositioning or resetting of any monument or
10094 tombstone.

10095 (d) At any time prior to the expiration of the notice period provided
10096 for in subsection (b) of this section, the probate court may assume
10097 jurisdiction over such renovation and order a hearing, with notice of
10098 such hearing to be given to the burial ground authority, the owner, the
10099 qualified lineal descendant, the **[**Connecticut Commission on Culture
10100 and Tourism**]** Department of Economic and Community Development
10101 and otherwise as the court deems appropriate, to determine whether
10102 such renovation is necessary for the proper and efficient maintenance
10103 of the ancient burial place, cemetery or burial place as a whole. Upon
10104 notice of such hearing, the burial ground authority shall not proceed
10105 with such renovation except in accordance with the order of the
10106 probate court.

10107 Sec. 201. Section 22a-1d of the general statutes is repealed and the
10108 following is substituted in lieu thereof (*Effective July 1, 2009*):

10109 (a) Environmental impact evaluations and a summary thereof,
10110 including any negative findings shall be submitted for comment and
10111 review to the Council on Environmental Quality, the Department of
10112 Environmental Protection, **[**the Connecticut Commission on Culture
10113 and Tourism,**]** the Office of Policy and Management, the Department
10114 of Economic and Community Development in the case of a proposed
10115 action that affects existing housing, and other appropriate agencies,
10116 and to the town clerk of each municipality affected thereby, and shall

10117 be made available to the public for inspection and comment at the
10118 same time. The sponsoring agency shall publish forthwith a notice of
10119 the availability of its environmental impact evaluation and summary
10120 in a newspaper of general circulation in the municipality at least once a
10121 week for three consecutive weeks and in the Environmental Monitor.
10122 The sponsoring agency preparing an environmental impact evaluation
10123 shall hold a public hearing on the evaluation if twenty-five persons or
10124 an association having not less than twenty-five persons requests such a
10125 hearing within ten days of the publication of the notice in the
10126 Environmental Monitor.

10127 (b) All comments received by the sponsoring agency and the
10128 sponsoring agency's responses to such comments shall be forwarded to
10129 the Secretary of the Office of Policy and Management.

10130 (c) All comments and responses so forwarded to the Secretary of the
10131 Office of Policy and Management shall be available for public
10132 inspection.

10133 Sec. 202. Section 22a-19b of the general statutes is repealed and the
10134 following is substituted in lieu thereof (*Effective July 1, 2009*):

10135 The provisions of section 22a-19a shall not apply to any property or
10136 structure, or any portion thereof, that was first listed on the state
10137 register of historic places during the month of March, 2001, if (1) the
10138 owner of such property or structure delivers or has delivered to the
10139 **[**director of the Connecticut Commission on Culture and Tourism**]**
10140 Commissioner of Economic and Community Development and to the
10141 State Historic Preservation Officer a written and notarized objection to
10142 the listing of such property or structure on the National Register of
10143 Historic Places that certifies the person's ownership of such property
10144 or structure, and (2) such objection has not been withdrawn or
10145 rescinded by the owner's written and notarized notice of withdrawal
10146 or rescission of objection.

10147 Sec. 203. Section 22a-27s of the general statutes is repealed and the

10148 following is substituted in lieu thereof (*Effective July 1, 2009*):

10149 (a) There is established the Face of Connecticut Steering Committee,
10150 which shall be within the Department of Environmental Protection for
10151 administrative purposes only. Such committee shall direct the
10152 expenditure of any funds deposited in the Face of Connecticut account
10153 created under section 22a-27t. The committee shall consist of the
10154 Commissioner of Environmental Protection, the Commissioner of
10155 Economic and Community Development, or the commissioner's
10156 designee, the Commissioner of Agriculture, **[**the executive director of
10157 the Connecticut Commission on Culture and Tourism,**]** the Secretary of
10158 the Office of Policy and Management and ten members as follows: (1)
10159 A representative of a local organization involved in historic
10160 preservation, appointed by the speaker of the House of
10161 Representatives; (2) a representative of a nonprofit organization
10162 involved in farmland preservation, appointed by the president pro
10163 tempore of the Senate; (3) a representative of a local or regional
10164 nonprofit organization involved in the preservation of open space,
10165 appointed by the majority leader of the House of Representatives; (4) a
10166 representative of a water company actively involved in land
10167 preservation, appointed by the majority leader of the Senate; (5) a
10168 representative of the agricultural industry, appointed by the minority
10169 leader of the House of Representatives; (6) a representative of a state-
10170 wide nonprofit involved in the preservation of open space, appointed
10171 by the minority leader of the Senate; (7) a representative of a state-wide
10172 nonprofit organization involved in historic preservation, appointed by
10173 the Governor; (8) a representative of an organization involved with
10174 community redevelopment, appointed by the Governor; (9) a
10175 representative of the legislative Brownfields Task Force, appointed by
10176 the speaker of the House of Representatives; and (10) a representative
10177 of the environmental law section of the Connecticut Bar Association
10178 who is involved with brownfields remediation, appointed by the
10179 president pro tempore of the Senate.

10180 (b) All initial appointments to the committee shall be made not later

10181 than September 1, 2008. The term of each appointed member of the
10182 steering committee shall be coterminous with the term of the
10183 appointing authority or until a successor is chosen, whichever is later.
10184 The Commissioner of Environmental Protection shall serve as the
10185 chairperson of the committee for the two years following the
10186 appointment of the committee, followed first by the Commissioner of
10187 Agriculture for two years and subsequently by the **[**executive director
10188 of the Connecticut Commission on Culture and Tourism for two years
10189 and subsequently by the**]** Commissioner of Economic and Community
10190 Development or said commissioner's designee for two years. Such
10191 rotation shall repeat every two years thereafter in the order specified in
10192 this subsection, except that if there is a vacancy in one of said
10193 positions, one of the other commissioners or the executive director
10194 may serve as chairperson until the vacancy is filled.

10195 (c) The committee shall meet quarterly.

10196 Sec. 204. Section 25-102qq of the general statutes is repealed and the
10197 following is substituted in lieu thereof (*Effective July 1, 2009*):

10198 (a) The Commissioner of Environmental Protection shall be
10199 responsible for state-wide river policy and comprehensive protection
10200 of rivers. The commissioner shall: (1) Identify rivers or river segments
10201 to be protected, (2) designate protected river corridors**,** and (3)
10202 approve, reject or modify river corridor maps and management plans
10203 submitted pursuant to sections 25-205 and 25-235.

10204 (b) The commissioner may establish a river management and
10205 protection program designed to improve the management and
10206 protection of the state's rivers.

10207 (c) If the commissioner undertakes to establish such a program, he
10208 shall establish a River Protection Advisory Committee to assist him in
10209 developing the river protection program. The committee shall consist
10210 of the following members whose terms shall expire on October 1, 1992:
10211 (1) The Commissioners of Public Health, Transportation, Economic

10212 and Community Development and Agriculture, the Secretary of the
10213 Office of Policy and Management, [the director of the Connecticut
10214 Commission on Culture and Tourism,] and the State Archaeologist, or
10215 their designees; and (2) two members representing the business
10216 community, two members representing public service companies,
10217 seven members representing environmental and recreational
10218 organizations, four members representing river protection
10219 organizations, one member representing municipalities with a river or
10220 river segment within their borders, two members representing
10221 regional planning agencies, three members representing related
10222 professional practices and one member representing the public, which
10223 members shall be appointed by the commissioner. On and after
10224 October 1, 1992, the committee's membership shall consist of: (1) The
10225 Commissioners of Public Health, Transportation, Economic and
10226 Community Development and Agriculture, the Secretary of the Office
10227 of Policy and Management, [the director of the Connecticut
10228 Commission on Culture and Tourism,] and the State Archaeologist, or
10229 their designees; and (2) one member representing the business
10230 community, and one member representing a related professional
10231 practice appointed by the Governor; one member representing an
10232 environmental or recreational organization, one member representing
10233 a river protection organization and one member representing a related
10234 professional practice appointed by the president pro tempore of the
10235 Senate; one member representing an environmental or recreational
10236 organization, one member representing a river protection organization
10237 and one member representing a related professional practice
10238 appointed by the speaker of the House of Representatives; one
10239 member representing an environmental or recreational organization,
10240 one member representing a municipality with a river or river segment
10241 within its borders and one member representing the business
10242 community appointed by the majority leader of the Senate; two
10243 members representing an environmental or recreational organization,
10244 one member representing a river protection organization and one
10245 member representing a public service company appointed by the
10246 minority leader of the Senate; one member representing an

10247 environmental or recreational organization, one member representing
10248 a public service company and one member representing a regional
10249 planning agency appointed by the majority leader of the House of
10250 Representatives; one member representing an environmental or
10251 recreational organization, one member representing a river protection
10252 organization, one member of the public and one member representing
10253 a regional planning agency appointed by the minority leader of the
10254 House of Representatives.

10255 (d) In developing the river protection program, the commissioner,
10256 with the assistance of the River Protection Advisory Committee, may:
10257 (1) Develop a proposal for a state-wide river management and
10258 protection program, which shall include but not be limited to: (A) The
10259 coordination of existing protective state authorities as a means of
10260 improving river management and protection; (B) the development of
10261 any statutory modifications to provide effective regional and interstate
10262 cooperation for the development of river management plans; (C) the
10263 development of recommendations for river protection for use in
10264 regulations of local land use agencies; and (D) the development of any
10265 other needed protection or management of the state's rivers, as
10266 determined by the commissioner; (2) define the river resources to be
10267 inventoried and assessed; (3) conduct a state-wide inventory and
10268 assessment of the state's rivers; (4) develop a state-wide data base of
10269 river resource information to facilitate environmental planning,
10270 regulatory and management decisions; (5) develop a river
10271 classification system; (6) develop criteria for identifying rivers or river
10272 segments for designation as protected rivers and recommended
10273 priorities for the management of the rivers or river segments; and (7)
10274 develop a program to educate the public on river protection issues and
10275 ensure public involvement in the development and implementation of
10276 the river protection program.

10277 Sec. 205. Section 25-109q of the general statutes is repealed and the
10278 following is substituted in lieu thereof (*Effective July 1, 2009*):

10279 (a) There is hereby established the Quinebaug and Shetucket Rivers

10280 National Heritage Corridor Advisory Council. Said council shall
10281 prepare the Cultural Heritage and Corridor Management Plan
10282 described in Section 105 of the Quinebaug and Shetucket Rivers Valley
10283 National Heritage Corridor Act of 1994. The council shall provide for
10284 public participation in the preparation of such plan and shall hold at
10285 least one public hearing in Windham, Tolland and New London
10286 counties to facilitate such participation provided notice of each hearing
10287 is published in a newspaper having a general circulation within the
10288 relevant county at least thirty days prior to the hearing to be held in
10289 such county. The council shall submit such plan to the Governor on or
10290 before January 1, 1996.

10291 (b) The council shall consist of: A representative of the office of the
10292 Governor; the Commissioner of Environmental Protection, or his
10293 designee; the Commissioner of Economic and Community
10294 Development, or his designee; **[**the chairperson of the Connecticut
10295 Commission on Culture and Tourism, or his designee;**]** the chairperson
10296 of the Northeastern Connecticut Council of Governments, or his
10297 designee; the chairperson of the Southeastern Connecticut Council of
10298 Governments, or his designee; and the chairperson of the Windham
10299 Regional Planning Agency, or his designee. The council shall further
10300 consist of the following members appointed by the Governor: Three
10301 chief elected officials from towns listed in section 104 of said act; two
10302 persons from any such town who represent economic development or
10303 business interests; two persons from any such town who represent
10304 tourism districts within the corridor; two persons from any such town
10305 who represent land conservation or outdoor recreation interests; two
10306 persons from any such town who represent historic preservation or
10307 cultural history interests; and one person engaged in agriculture in any
10308 such town. Vacancies on the advisory council shall be filled in the
10309 same manner as original appointments.

10310 Sec. 206. Section 29-259 of the general statutes is repealed and the
10311 following is substituted in lieu thereof (*Effective July 1, 2009*):

10312 (a) The State Building Inspector and the Codes and Standards

10313 Committee shall revise the State Building Code to allow exemptions
10314 from the State Building Code for property acquired by an urban
10315 homesteading agency, pursuant to section 8-169r, and transferred to a
10316 qualified applicant pursuant to section 8-169s, and for historic
10317 structures, as defined in section 10-410, which have been classified as
10318 such in the state register of historic places, to encourage participation
10319 in urban homesteading programs and the restoration and preservation
10320 of historic places; provided such exemptions shall not affect the safe
10321 design, use or construction of such property.

10322 (b) Any person, agent of the state, municipality or any other
10323 political subdivision of the state may apply to the State Building
10324 Inspector and the Codes and Standards Committee to modify or set
10325 aside standards for historic buildings incorporated in the State
10326 Building Code. The State Building Inspector shall, within seven days of
10327 receipt of any such application, forward a copy of such application to
10328 the director of the Office of Protection and Advocacy for Persons with
10329 Disabilities and to the **[**director of the Connecticut Commission on
10330 Culture and Tourism**]** Commissioner of Economic and Community
10331 Development. Each of said directors shall, within thirty days of receipt,
10332 review such application and make such written recommendations as
10333 he deems appropriate to the State Building Inspector and the Codes
10334 and Standards Committee concerning the disposition of such
10335 application. The recommendations of such directors shall be part of the
10336 records and documents of the State Building Inspector concerning such
10337 application. The State Building Inspector and the Codes and Standards
10338 Committee shall consider such written recommendations when acting
10339 upon such application and may set aside or modify an individual
10340 standard or specification when they jointly determine that it would not
10341 be feasible or would unreasonably complicate the construction,
10342 alteration or repair in question and where alternative methods and
10343 materials have been proposed to maintain certain features. Such
10344 determination shall be in writing, shall state the reasons therefor and if
10345 it sets aside any such standard of specification, a copy of such
10346 determination shall be sent to each of said directors.

10347 (c) Regulations or codes made or amended by authority of this
10348 section shall, after a public hearing called for that purpose by the State
10349 Building Inspector not less than thirty days before the date of such
10350 hearing, be filed by the State Building Inspector with the Secretary of
10351 the State in accordance with the provisions of chapter 54 and he shall
10352 thereafter make copies available to persons having an interest therein.

10353 (d) If any regulation made or amended by authority of this section is
10354 set aside by a court, such ruling shall affect only the regulation,
10355 standard or specification included in the ruling and all other
10356 regulations, standards or specifications shall remain in effect.

10357 Sec. 207. Section 32-6a of the general statutes is repealed and the
10358 following is substituted in lieu thereof (*Effective July 1, 2009*):

10359 (a) For the purposes of encouraging quality tourism and
10360 contributing to an overall historic preservation program there is
10361 established a Committee for the Restoration of Historic Assets in
10362 Connecticut which shall consist of the Commissioner of Economic and
10363 Community Development, the chairman of the Governor's Vacation
10364 Council, **[**the chairman of the Connecticut Commission on Culture and
10365 Tourism**]** and two public members appointed by the Governor on or
10366 before December 1, 1977, for a term to expire on February 1, 1979.
10367 Thereafter terms of members appointed to succeed those whose terms
10368 expire shall be for two years and until successors are appointed. The
10369 Commissioner of Economic and Community Development may
10370 provide grants or loans as approved by the committee for projects of
10371 historic preservation and restoration from the Restoration of Historic
10372 Assets in Connecticut Fund established with the proceeds of the bonds
10373 issued pursuant to subdivision (2) of subsection (g) of section 2 of
10374 special act 77-47. For the purposes of this section, "historical asset"
10375 means any building, structure, object or site that is significant in
10376 American history, architecture, archaeology or culture or property
10377 used in connection therewith. Such grants and loans may be used, in
10378 part, for the installation or restoration of supportive improvements.
10379 Supportive improvements may include, but shall not be limited to,

10380 parking lots, office space, sanitary facilities, utilities necessary to make
10381 a building functional, information booths, provisions for the
10382 handicapped, improvements necessary to bring such asset into
10383 conformance with local ordinances, or any other improvements
10384 necessary to return the property to a state of utility provided that any
10385 such supportive improvement shall not alter, destroy or detract from
10386 the distinctive historical, aesthetic, archaeological, architectural,
10387 cultural or stylistic qualities or characteristics of the historic asset or its
10388 environment. The Commissioner of Economic and Community
10389 Development with the advice and consent of the committee shall
10390 promulgate such regulations as may be necessary to carry out the
10391 provisions of this section.

10392 (b) The Commissioner of Economic and Community Development
10393 may provide grants to develop greenways from the Restoration of
10394 Historic Assets in Connecticut Fund established with the proceeds of
10395 the bonds issued pursuant to subdivision (2) of subsection (g) of
10396 section 2 of special act 77-47. Grants may be made to municipalities
10397 and other organizations to develop greenways, including, but not
10398 limited to, transportation-related greenways supported by the federal
10399 Transportation Equity Act for the 21st Century, as amended from time
10400 to time. The amount of any grant shall be as follows: (1) For
10401 transportation greenways projects that are part of interstate
10402 greenways, not more than twenty per cent of the project cost; (2) for
10403 transportation greenways projects that are local spurs from interstate
10404 greenways or that are intertown greenways projects, not more than ten
10405 per cent of the project cost; and (3) for greenways that are not
10406 transportation greenways, not more than half of the capital costs of the
10407 project.

10408 Sec. 208. Sections 10-393, 10-396, 32-1c, 32-11a, 32-35 and 32-39 of the
10409 general statutes are repealed. (*Effective July 1, 2009*)

This act shall take effect as follows and shall amend the following sections:

Section 1	*July 1, 2009*	32-1b
Sec. 2	*July 1, 2009*	32-1*l*
Sec. 3	*July 1, 2009*	New section
Sec. 4	*from passage*	New section
Sec. 5	*July 1, 2009*	New section
Sec. 6	*July 1, 2009*	New section
Sec. 7	*July 1, 2009*	New section
Sec. 8	*July 1, 2009*	New section
Sec. 9	*July 1, 2009*	New section
Sec. 10	*July 1, 2009*	New section
Sec. 11	*July 1, 2009*	New section
Sec. 12	*October 1, 2009*	New section
Sec. 13	*July 1, 2009*	New section
Sec. 14	*July 1, 2009*	1-79(l)
Sec. 15	*July 1, 2009*	1-120
Sec. 16	*July 1, 2009*	1-124
Sec. 17	*July 1, 2009*	1-125
Sec. 18	*July 1, 2009*	3-24d
Sec. 19	*July 1, 2009*	3-24f
Sec. 20	*July 1, 2009*	4-124ff
Sec. 21	*July 1, 2009*	8-134
Sec. 22	*July 1, 2009*	8-134a
Sec. 23	*July 1, 2009*	32-23d(w)
Sec. 24	*July 1, 2009*	32-23k
Sec. 25	*July 1, 2009*	32-23q
Sec. 26	*July 1, 2009*	32-23r
Sec. 27	*July 1, 2009*	32-23t
Sec. 28	*July 1, 2009*	32-23v(a)(3)
Sec. 29	*July 1, 2009*	32-23x(a)
Sec. 30	*July 1, 2009*	32-23z
Sec. 31	*July 1, 2009*	32-23aa
Sec. 32	*July 1, 2009*	32-23hh
Sec. 33	*July 1, 2009*	32-23qq
Sec. 34	*July 1, 2009*	32-23ss
Sec. 35	*July 1, 2009*	32-23tt
Sec. 36	*July 1, 2009*	32-23yy
Sec. 37	*July 1, 2009*	32-23zz
Sec. 38	*July 1, 2009*	32-34
Sec. 39	*July 1, 2009*	32-39c
Sec. 40	*July 1, 2009*	32-39d

Sec. 41	*July 1, 2009*	32-39e
Sec. 42	*July 1, 2009*	32-40
Sec. 43	*July 1, 2009*	32-40a
Sec. 44	*July 1, 2009*	32-40b
Sec. 45	*July 1, 2009*	32-40c
Sec. 46	*July 1, 2009*	32-41a
Sec. 47	*July 1, 2009*	32-41b
Sec. 48	*July 1, 2009*	32-41i
Sec. 49	*July 1, 2009*	32-41j
Sec. 50	*July 1, 2009*	32-41k
Sec. 51	*July 1, 2009*	32-41*l*
Sec. 52	*July 1, 2009*	32-41m
Sec. 53	*July 1, 2009*	32-41n
Sec. 54	*July 1, 2009*	32-41o
Sec. 55	*July 1, 2009*	32-41p
Sec. 56	*July 1, 2009*	32-41q
Sec. 57	*July 1, 2009*	32-41s
Sec. 58	*July 1, 2009*	32-41t
Sec. 59	*July 1, 2009*	32-41u
Sec. 60	*July 1, 2009*	32-43
Sec. 61	*July 1, 2009*	32-47
Sec. 62	*July 1, 2009*	32-47a
Sec. 63	*July 1, 2009*	10-395
Sec. 64	*July 1, 2009*	10-399
Sec. 65	*July 1, 2009*	10-402
Sec. 66	*July 1, 2009*	10-403
Sec. 67	*July 1, 2009*	10-404
Sec. 68	*July 1, 2009*	10-405
Sec. 69	*July 1, 2009*	10-406
Sec. 70	*July 1, 2009*	10-408
Sec. 71	*July 1, 2009*	10-409
Sec. 72	*July 1, 2009*	10-410
Sec. 73	*July 1, 2009*	10-411
Sec. 74	*July 1, 2009*	10-412
Sec. 75	*July 1, 2009*	10-413
Sec. 76	*July 1, 2009*	10-414
Sec. 77	*July 1, 2009*	10-415
Sec. 78	*July 1, 2009*	10-416
Sec. 79	*July 1, 2009*	10-416a
Sec. 80	*July 1, 2009*	4-124w

Sec. 81	*July 1, 2009*	4-124hh
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