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 Section 32-1b of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):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.
(c) (1) The Commissioner of Economic and Community Development shall: (A) Direct the operations of the department; (B) coordinate economic development policy between the department, state agencies, the Connecticut Economic Innovations Authority and other entities; (C) chair the board of directors of the Connecticut Economic Innovations Authority; (D) conduct and administer the functions necessary to carry out the responsibilities of the department; (E) require notice of the submission of all applications by municipalities and any agency thereof for federal and state financial assistance for economic development programs as relate to the purposes of this chapter; (F) advise the Governor and the General Assembly concerning economic and community development; and (G) report annually to the Governor pursuant to sections 4-60 and 32-1m.

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

(3) The commissioner may do all things necessary to apply for, qualify for and accept any federal funds made available or allotted under any federal act for planning or any other projects, programs or activities which may be established by federal law, for any of the purposes, or activities related thereto, of the department and said commissioner shall administer any such funds allotted to the department in accordance with federal law. The commissioner may enter into contracts with the federal government concerning the use
and repayment of such funds under any such federal act, the prosecution of the work under any such contract and the establishment of any disbursement from a separate account in which federal and state funds estimated to be required for plan preparation or other eligible activities under such federal act shall be kept. Said account shall not be a part of the General Fund of the state or any subdivision of the state.

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

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

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

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

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

[(f)] (h) If the term "Commissioner of Housing" or "Commissioner of Economic Development" is used or referred to in any public or special
act of 1995 or 1996, or in any section of the general statutes which is amended in 1995 or 1996, it shall be deemed to mean or refer to the "Commissioner of Economic and Community Development".

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

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

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

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

In addition to his or her other powers and duties, the commissioner shall have the following powers and duties:
(1) To utilize the department's resources for planning and developing an economic and community development reorganization plan which (A) sets forth policy goals for the department, (B) determines strategies to encourage economic and community development and the provision of housing in this state, including housing for very low, low and moderate income families, (C) determines the feasibility of dividing the operation of programs and resources of the state in support of economic and community development between and among the department and CDA, CHFA and CII, (D) identifies strategies to increase the leverage of resources of the state used in furtherance of the purposes of CDA, CHFA and CII, (E) identifies, if feasible, divisions and recommends a timetable and procedures for transferring resources and operations between and among the department and CDA, CHFA and CII and (F) recommends specific economic and community development objectives and administrative structures for the department and CDA, CHFA and CII. In developing such plan, the department shall be the lead agency, in collaboration with CDA, CHFA and CII, for research, planning and development of the plan and shall solicit community and regional input in the preparation of such plan in such a manner as will best help develop, clarify or further state policies for economic and community development. The commissioner shall submit a copy of the reorganization plan to the joint standing committees of the General Assembly having cognizance of matters relating to commerce and planning and development;

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

[(3)] (1) Notwithstanding the provisions of the general statutes or any special act and with the approval of the Treasurer and the Secretary of the Office of Policy and Management, to transfer to [CDA,] CHFA and [CII] the Connecticut Economic Innovations Authority: (A) Any revenues received by the department or the state in
connection with any program or project of the department and the
right to receive any such revenues; and (B) any loan assets or equity
interests held by the department in connection with any program or
project of the department; provided, no such transfer shall be
approved by the Treasurer or the Secretary of the Office of Policy and
Management if either determines that such transfer could adversely
affect the tax-exempt status of any bonds of the state, the substantial
interests of third parties, the financial budget of the state or other
essential rights, interests, or prerogatives of the state. The
commissioner may impose such conditions as he deems necessary or
appropriate with respect to the use by [CDA], CHFA or [CII] the
Connecticut Economic Innovations Authority of any revenues, rights,
assets, interests or amounts transferred to it by the department under
this subdivision; provided, the commissioner may waive any
requirement under this subdivision for the adoption of written
procedures until July 1, 1996;

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

[(5)] (3) To enter into such agreements with [CDA], CHFA and [CII]
the Connecticut Economic Innovations Authority as may be
appropriate for the purpose of performing its duties which agreements
may include, but shall not be limited to, provisions for the delivery of
services by [CDA,] CHFA and [CII] the Connecticut Economic Innovations Authority to third parties, provisions for payment by the department to [CDA,] CHFA or [CII] the Connecticut Economic Innovations Authority for the delivery of such services, provisions for advances and reimbursements to the department for any expenses incurred or to be incurred by it in delivery of any services, assistance, revenues, rights, assets and interests and provisions for the sharing with [CDA,] CHFA or [CII] the Connecticut Economic Innovations Authority of assistants, agents and other consultants, professionals and employees, and facilities and other real and personal property used in the conduct of the department’s affairs; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(d) Each member of the authority, before entering upon his or her duties, shall take and subscribe the oath or affirmation required by
article XI, section 1, of the State Constitution. A record of each such oath shall be filed in the office of the Secretary of the State. Each member of the board of directors of the authority shall execute a surety bond in the penal sum of fifty thousand dollars, or, in lieu thereof, the chairperson of the board shall execute a blanket position bond covering each member and the chief executive officer and the employees of the authority, each surety bond to be conditioned upon the faithful performance of the duties of the office or offices covered, to be executed by a surety company authorized to transact business in this state as surety and to be approved by the Attorney General and filed in the office of the Secretary of the State. The cost of each such bond shall be paid by the authority.

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

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

(g) The board of directors of the authority shall adopt written procedures, in accordance with the provisions of section 1-121 of the general statutes, for: (1) Adopting an annual budget and plan of operations, including a requirement of board approval before the budget or plan may take effect; (2) hiring, promoting and
compensating employees of the authority, including an affirmative action policy and a requirement of board approval before a position may be created; (3) purchasing, leasing or acquiring real and personal property and personal services, including a requirement of board approval for any nonbudgeted expenditure in excess of five thousand dollars; (4) contracting for financial, legal, bond underwriting and other professional services, including a requirement that the authority solicit proposals at least once every three years for each such service which it uses; (5) issuing and retiring bonds, bond anticipation notes and other obligations of the authority; (6) awarding loans, grants and other financial assistance, including eligibility criteria, the application process and the role played by the authority's staff and board of directors and including deadlines for the approval or disapproval of applications for such assistance by the authority; and (7) the use of surplus funds to the extent authorized under this section and sections 7 to 14, inclusive, of this act.

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

(i) The powers of the authority shall be vested in and exercised by not less than seven of the members of the board of directors then in office. Such number of members shall constitute a quorum and the affirmative vote of a majority of the members present at a meeting of the board shall be necessary for any action taken by the authority. No vacancy in the membership of the board shall impair the right to exercise all the rights and perform all the duties of the authority. Any action taken by the board under the provisions of this section and sections 7 to 14, inclusive, of this act may be authorized by resolution at any regular or special meeting, and each such resolution shall take effect immediately and need not be published or posted. The authority shall be exempt from the provisions of section 4-9a of the general statutes.
(j) The board of directors of the authority may delegate to three or more of its members such board powers and duties as it may deem proper. At least one of such members shall not be a state employee.

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

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

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

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

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

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

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

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

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

(7) To achieve improvements in the quality of products and services;
(8) To stimulate and encourage the development and operation of new and existing science parks and incubator facilities; and

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

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

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

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

(3) To (A) employ such assistants, agents and other employees as may be necessary or desirable, which employees shall be exempt from the classified service and shall not be employees, as defined in subsection (b) of section 5-270 of the general statutes; (B) establish all necessary or appropriate personnel practices and policies, including those relating to hiring, promotion, compensation, retirement and collective bargaining, which need not be in accordance with chapter 68 of the general statutes, and the authority shall not be an employer as defined in subsection (a) of said section 5-270; and (C) engage consultants, attorneys and appraisers as may be necessary or desirable to carry out its purposes in accordance with this chapter;
(4) To make and enter into all contracts and agreements necessary or
incidental to the performance of its duties and the execution of its
powers under this act;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(20) To transfer to the Department of Economic and Community Development: (A) Financial assistance, (B) revenues or the right to receive revenues with respect to any program under the supervision of the authority, and (C) loan assets or equity interests in connection with any program under the supervision of the authority, provided the transfer of such financial assistance, revenues, rights, assets or interests is determined by the authority to be practicable, within the constraints and not inconsistent with the fiduciary obligations of the authority imposed upon or established upon the authority by any provision of
the general statutes, the authority's bond resolutions or any other
agreement or contract of the authority and to have no adverse effect on
the tax-exempt status of any bonds of the state;

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

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

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

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

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

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

(b) (1) The authority may establish one or more subsidiaries to stimulate, encourage and carry out the remediation, development and financing of contaminated property within this state, in coordination
with the Department of Environmental Protection, and to provide
financial, developmental and environmental expertise to others
including, but not limited to, municipalities, interested in or
undertaking such remediation, development or financing which are
determined to be public purposes for which public funds may be
expended. Each subsidiary shall be deemed a quasi-public agency for
purposes of chapter 12 of the general statutes. The authority may
transfer to any such subsidiary any moneys and real or personal
property. Each such subsidiary shall have all the privileges,
immunities, tax exemptions and other exemptions of the authority.

(2) Each such subsidiary may sue and shall be subject to suit
provided the liability of each such subsidiary shall be limited solely to
the assets, revenues and resources of such subsidiary and without
recourse to the general funds, revenues, resources or any other assets
of the authority or any other subsidiary. No such subsidiary may
provide for any bonded indebtedness of the state for the cost of any
liability or contingent liability for the remediation of contaminated real
property unless such indebtedness is specifically authorized by an act
of the General Assembly. Each such subsidiary shall have the power to
do all acts and things necessary or convenient to carry out the
purposes of this subsection, section 12-81r of the general statutes,
subsection (h) of section 22a-133m of the general statutes, subsection
(a) of section 22a-133x of the general statutes, sections 22a-133aa, 22a-
133bb and 22a-133dd of the general statutes, subsection (l) of section
22a-134 of the general statutes, and sections 22a-452f, 32-7e and 32-
23pp to 32-23rr, inclusive, of the general statutes, including, but not
limited to, (A) solicit, receive and accept aid, grants or contributions
from any source of money, property or labor or other things of value,
to be held, used and applied to carry out the purposes of this
subsection, section 12-81r of the general statutes, subsection (h) of
section 22a-133m of the general statutes, subsection (a) of section 22a-
133x of the general statutes, sections 22a-133aa, 22a-133bb and 22a-
133dd of the general statutes, subsection (l) of section 22a-134 of the
general statutes, and sections 22a-452f, 32-7e and 32-23pp to 32-23rr,
inclusive, of the general statutes subject to the conditions upon which
such grants and contributions may be made, including, but not limited
to, gifts, grants or loans, from any department, agency or quasi-public
agency of the United States or the state; (B) enter into agreements with
persons upon such terms and conditions as are consistent with the
purposes of such subsidiary to acquire or facilitate the remediation,
development or financing of contaminated real or personal property;
(C) to acquire, take title, lease, purchase, own, manage, hold and
dispose of real and personal property and lease, convey or deal in or
enter into agreements with respect to such property; (D) examine,
inspect, rehabilitate, remediate or improve real or personal property or
engage others to do so on such subsidiary's behalf, or enter into
contracts therefor; (E) mortgage, convey or dispose of its assets and
pledge its revenues in order to secure any borrowing, for the purpose
of financing, refinancing, rehabilitating, remediating, improving or
developing its assets, provided each such borrowing or mortgage shall
be a special obligation of such subsidiary, which obligation may be in
the form of notes, bonds, bond anticipation notes and other obligations
issued by or to such subsidiary to the extent permitted under this
chapter to fund and refund the same and provide for the rights of the
holders thereof, and to secure the same by pledge of revenues, notes or
other assets and which shall be payable solely from the assets,
revenues and other resources of such subsidiary; (F) to create real
estate investment trusts or similar entities or to become a member of a
limited liability company or to become a partner in limited or general
partnerships or establish other contractual arrangements with private
and public sector entities as such subsidiary deems necessary to
remediate, develop or finance environmentally contaminated property
in the state; and (G) any other powers enumerated in subsection (e) of
section 32-23 of the general statutes necessary or appropriate to carry
out the purposes of this subsection, subsection (h) of section 22a-133m
of the general statutes, subsection (a) of section 22a-133x of the general
statutes, sections 22a-133aa, 22a-133bb and 22a-133dd of the general
statutes, subsection (l) of section 22a-134 of the general statutes, and
sections 22a-452f, 32-7e and 32-23pp to 32-23rr, inclusive, of the general
statutes. The board of directors, executive director, officers and staff of
the authority may serve as members of any advisory or other board
which may be established to carry out the purposes of this subsection,
subsection (h) of section 22a-133m of the general statutes, subsection
(a) of section 22a-133x of the general statutes, sections 22a-133aa, 22a-
133bb and 22a-133dd of the general statutes, subsection (l) of section
22a-134 of the general statutes, and sections 22a-452f, 32-7e and 32-
23pp to 32-23rr, inclusive, of the general statutes.

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

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

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

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

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

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

Sec. 11. (NEW) (Effective July 1, 2009) (a) Not later than November 1, 2009, and annually thereafter, the Connecticut Economic Innovations Authority, established pursuant to section 6 of this act, shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the Governor, the Auditors of Public Accounts and the joint standing committees of the General Assembly having cognizance of matters relating to commerce, appropriations and the budgets of state agencies and capital bonding, which shall include the following information with respect to new and outstanding financial assistance provided by the authority during the twelve-month period ending on June thirtieth next preceding the date of the report for each financial
assistance program administered by the authority: (1) A list of the names, addresses and locations of all recipients of such assistance, (2) for each recipient: (A) The business activities, (B) the Standard Industrial Classification Manual codes, (C) the gross revenues during the recipient's most recent fiscal year, (D) the number of employees at the time of application, (E) whether the recipient is a minority or woman-owned business, (F) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance, job creation or retention requirements, and anticipated wage rates, and (G) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, (3) the economic benefit criteria used in determining which applications have been approved or disapproved, and (4) for each recipient of assistance, a comparison between the number of jobs to be created, the number of jobs to be retained and the average wage rates for each such category of jobs, as projected in the recipient's application, versus the actual number of jobs created, the actual number of jobs retained and the average wage rates for each such category. The report shall also indicate the actual number of full-time jobs and the actual number of part-time jobs in each such category and the benefit levels for each such subcategory. In addition, the report shall state (i) for each final application approved during the twelve-month period covered by the report, (I) the date that the final application was received by the authority, and (II) the date of such approval; (ii) for each final application withdrawn during the twelve-month period covered by the report, (I) the municipality in which the applicant is located, (II) the Standard Industrial Classification Manual code for the applicant, (III) the date that the final application was received by the authority, and (IV) the date of such withdrawal; (iii) for each final application disapproved during the twelve-month period covered by the report, (I) the municipality in which the applicant is located, (II) the Standard Industrial Classification Manual code for the applicant, (III) the date that the final application was received by the authority, and (IV) the date of such disapproval; and (vi) for each final application on which no action has been taken by the applicant or the agency in the twelve-
month period covered by the report and for which no report has been
submitted under this subsection, (I) the municipality in which the
applicant is located, (II) the Standard Industrial Classification Manual
code for the applicant, and (III) the date that the final application was
received by the authority. The provisions of this subsection shall not
apply to activities of the authority under the provisions of chapter 581
of the general statutes which shall continue to be reported on as
provided in section 32-47a of the general statutes, as amended by this
act.

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

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

(2) All notes, bonds or other obligations issued by the Connecticut
Development Authority for the financing of any project or projects
shall be in accordance with their terms of full force and effect and valid
and binding upon the authority as the successor to the Connecticut
Development Authority and with respect to any resolution, contract,
deed, trust agreement, mortgage, conditional sale or loan agreement,
commitment, obligation or liability or other such document, public
record, right, remedy, special act or public act, obligation, liability or
responsibility pertaining thereto, the authority shall be, and shall be
deemed to be, the successor to the Connecticut Development
Authority. All properties, rights in land, buildings and equipment and
any funds, moneys, revenues and receipts or assets of such authority
pledged or otherwise securing any such notes, bonds or other
obligations shall belong to the authority as successor to the
Connecticut Development Authority, subject to such pledges and other
security arrangements and to agreements with the holders of the
outstanding notes, bonds or other obligations. Any resolution with
respect to the issuance of bonds of the Connecticut Development
Authority for the purposes of the act and any other action taken by the
authority with respect to assisting in the financing of any project shall
be, or shall be deemed to be, a resolution of the authority or an action
taken by the authority subject only to any agreements with the holders
of outstanding notes, bonds or other obligations of the authority.

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

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

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

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

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

(4) The procedures of the Connecticut Development Authority, adopted pursuant to section 1-121 of the general statutes, shall remain
in full force and effect with respect to any other matter before the Connecticut Economic Innovations Authority.

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

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

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

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


Sec. 15. Section 1-120 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):
As used in sections 1-120 to 1-123, inclusive, as amended by this act:


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

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

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

(a) The Connecticut Development Authority, Connecticut Economic Innovations Authority, the Connecticut Health and Educational Facilities Authority, the Connecticut Higher Education Supplemental Loan Authority, the Connecticut Housing Finance Authority, the Connecticut Housing Authority, the Connecticut Resources Recovery Authority and the Capital City Economic Development Authority shall not borrow any money or issue any bonds or notes which are guaranteed by the state of Connecticut or for
which there is a capital reserve fund of any kind which is in any way contributed to or guaranteed by the state of Connecticut until and unless such borrowing or issuance is approved by the State Treasurer or the Deputy State Treasurer appointed pursuant to section 3-12. The approval of the State Treasurer or said deputy shall be based on documentation provided by the authority that it has sufficient revenues to (1) pay the principal of and interest on the bonds and notes issued, (2) establish, increase and maintain any reserves deemed by the authority to be advisable to secure the payment of the principal of and interest on such bonds and notes, (3) pay the cost of maintaining, servicing and properly insuring the purpose for which the proceeds of the bonds and notes have been issued, if applicable, and (4) pay such other costs as may be required.

(b) To the extent the Connecticut Development Authority, Connecticut Economic Innovations Authority, Connecticut Innovations, Incorporated, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recovery Authority, Connecticut Health and Educational Facilities Authority or the Capital City Economic Development Authority is permitted by statute and determines to exercise any power to moderate interest rate fluctuations or enter into any investment or program of investment or contract respecting interest rates, currency, cash flow or other similar agreement, including, but not limited to, interest rate or currency swap agreements, the effect of which is to subject a capital reserve fund which is in any way contributed to or guaranteed by the state of Connecticut, to potential liability, such determination shall not be effective until and unless the State Treasurer or his or her deputy appointed pursuant to section 3-12 has approved such agreement or agreements. The approval of the State Treasurer or his or her deputy shall be based on documentation provided by the authority that it has sufficient revenues to meet the financial obligations associated with the agreement or agreements.
Sec. 17. Section 1-125 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The directors, officers and employees of the [Connecticut Development Authority, Connecticut Innovations, Incorporated] Connecticut Economic Innovations Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recovery Authority, including ad hoc members of the Connecticut Resources Recovery Authority, Connecticut Health and Educational Facilities Authority, Capital City Economic Development Authority and Connecticut Lottery Corporation and any person executing the bonds or notes of the agency shall not be liable personally on such bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof, nor shall any director or employee of the agency, including ad hoc members of the Connecticut Resources Recovery Authority, be personally liable for damage or injury, not wanton, reckless, wilful or malicious, caused in the performance of his or her duties and within the scope of his or her employment or appointment as such director, officer or employee, including ad hoc members of the Connecticut Resources Recovery Authority. The agency shall protect, save harmless and indemnify its directors, officers or employees, including ad hoc members of the Connecticut Resources Recovery Authority, from financial loss and expense, including legal fees and costs, if any, arising out of any claim, demand, suit or judgment by reason of alleged negligence or alleged deprivation of any person's civil rights or any other act or omission resulting in damage or injury, if the director, officer or employee, including ad hoc members of the Connecticut Resources Recovery Authority, is found to have been acting in the discharge of his or her duties or within the scope of his or her employment and such act or omission is found not to have been wanton, reckless, wilful or malicious.

Sec. 18. Section 3-24d of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

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

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

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

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

(a) The Office of Workforce Competitiveness shall, within available appropriations and in consultation with the council established under subsection (b) of this section, establish a competitive "Innovation Challenge Grant" program to promote and encourage partnerships...
and collaborations involving technology-based business and industry
with institutions of higher education and regional vocational-technical
schools for the development of educational programs in emerging and
interdisciplinary technology fields and to address related issues.

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

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

For the purpose of carrying out or administering a redevelopment
plan or other functions authorized under this chapter, a municipality,
acting by and through its redevelopment agency, is hereby authorized,
subject only to the limitations and procedures set forth in this section,
to issue from time to time bonds of the municipality which are payable
solely from and secured by: (a) A pledge of and lien upon any or all of
the income, proceeds, revenues and property of redevelopment
projects, including the proceeds of grants, loans, advances or
contributions from the federal government, the state or other source, including financial assistance furnished by the municipality or any other public body pursuant to section 8-135; (b) taxes or payments in lieu of taxes, or both, in whole or in part, allocated to and paid into a special fund of the municipality pursuant to the provisions of section 8-134a, as amended by this act; or (c) any combination of the methods in subsections (a) and (b) of this section. For the purposes of a specified project only, the [Connecticut Development Authority] Connecticut Economic Innovations Authority may, upon a resolution with respect to such project adopted by the legislative body of the municipality, issue and administer bonds which are payable solely or in part from and secured by the pledge and security provided for in this section subject to the general terms and provisions of law applicable to the issuance of bonds by the [Connecticut Development Authority] Connecticut Economic Innovations Authority, except that the provisions of subsection (b) of section 32-23j shall not apply. Any bonds payable and secured as provided in this section shall be authorized by a resolution adopted by the legislative body of the municipality, notwithstanding the provisions of any other statute, local law or charter governing the authorization and issuance of bonds generally by the municipality. No such resolution shall be adopted until after a public hearing has been held upon such authorization. Notice of such hearing shall be published not less than five days prior to such hearing in a newspaper having a general circulation in the municipality. Such bonds shall be issued and sold in such manner; bear interest at such rate or rates, including variable rates to be determined in such manner as set forth in the proceedings authorizing the issuance of the bonds; provide for the payment of interest on such dates, whether before or at maturity; be issued at, above or below par; mature at such time or times not exceeding forty years from their date in the case of bonds issued to finance housing and facilities related thereto or thirty years from their date in all other cases; have such rank or priority; be payable in such medium of payment; be issued in such form, including, without limitation, registered or book-entry form, carry such registration and transfer privileges and be made subject to
purchase or redemption before maturity at such price or prices and
under such terms and conditions, including the condition that such
bonds be subject to purchase or redemption on the demand of the
owner thereof; and contain such other terms and particulars as the
legislative body of the municipality or the officers delegated such
authority by the legislative body of the municipality body shall
determine. The proceedings under which bonds are authorized to be
issued may, subject to the provisions of the general statutes, contain
any or all of the following: (1) Provisions respecting custody of the
proceeds from the sale of the bonds and any bond anticipation notes,
including any requirements that such proceeds be held separate from
or not be commingled with other funds of the municipality; (2)
provisions for the investment and reinvestment of bond proceeds until
such proceeds are used to pay project costs and for the disposition of
any excess bond proceeds or investment earnings thereon; (3)
provisions for the execution of reimbursement agreements, or similar
agreements, in connection with credit facilities, including, but not
limited to, letters of credit or policies of bond insurance, remarketing
agreements and agreements for the purpose of moderating interest
rate fluctuations; (4) provisions for the collection, custody, investment,
reinvestment and use of the pledged revenues or other receipts, funds
or moneys pledged for payment of bonds as provided in this section;
(5) provisions regarding the establishment and maintenance of
reserves, sinking funds and any other funds and accounts as shall be
approved by the legislative body of the municipality in such amounts
as may be established by the legislative body of the municipality and
the regulation and disposition thereof, including requirements that any
such funds and accounts be held separate from or not be commingled
with other funds of the municipality; (6) covenants for the
establishment of maintenance requirements with respect to facilities
and properties; (7) provisions for the issuance of additional bonds on a
parity with bonds issued prior to the issuance of such additional
bonds, including establishment of coverage requirements with respect
to such bonds as herein provided; (8) provisions regarding the rights
and remedies available to the bond owners, note owners or any trustee
under any contract, loan agreement, document, instrument or trust
indenture in case of a default, including the right to appoint a trustee
to represent their interests upon occurrence of any event of default, as
defined in any such default proceedings, provided that if any bonds or
bond anticipation notes are secured by a trust indenture, the respective
owners of such bonds or notes shall have no authority except as set
forth in such trust indenture to appoint a separate trustee to represent
them; and (9) other provisions or covenants of like or different
caracter from the foregoing which are consistent with this section and
which the legislative body of the municipality determines in such
proceedings are necessary, convenient or desirable in order to better
secure the bonds or bond anticipation notes, or will tend to make the
bonds or bond anticipation notes more marketable, and which are in
the best interests of the municipality. Any provisions which may be
included in proceedings authorizing the issuance of bonds under this
section may be included in an indenture of trust duly approved in
accordance with this section which secures the bonds and any notes
issued in anticipation thereof, and in such case the provisions of such
indenture shall be deemed to be a part of such proceedings as though
they were expressly included therein. Any pledge made by the
municipality shall be valid and binding from the time when the pledge
is made, and any revenues or other receipts, funds or moneys so
pledged and thereafter received by the municipality shall be subject
immediately to the lien of such pledge without any physical delivery
thereof or further act. The lien of any such pledge shall be valid and
binding as against all parties having claims of any kind in tort, contract
or otherwise against the municipality, irrespective of whether such
parties have notice of such lien. Neither the resolution nor any other
instrument by which a pledge is created need be recorded. The
legislative body of the municipality may enter into a trust indenture by
and between the municipality and a corporate trustee, which may be
any trust company or bank having the powers of a trust company
within or without the municipality. Such trust indenture may contain
such provisions for protecting and enforcing the rights and remedies
of the bond owners and note owners as may be reasonable and proper
and not in violation of law, including covenants setting forth the duties
of the municipality in relation to the exercise of its powers pursuant to
this section and the custody, safeguarding and application of all
moneys. The municipality may provide by such trust indenture for the
payment of the pledged revenues or other receipts, funds or moneys to
the trustee under such trust indenture or to any other depository, and
for the method of disbursement thereof, with such safeguards and
restrictions as it may determine. All expenses incurred in carrying out
such trust indenture may be treated as project costs. Such bonds shall
not be included in computing the aggregate indebtedness of the
municipality, provided, if such bonds are made payable, in whole or in
part, from funds contracted to be advanced by the municipality, the
aggregate amount of such funds not yet appropriated to such purpose
shall be included in computing the aggregate indebtedness of the
municipality. As used in this section, "bonds" means any bonds,
including refunding bonds, notes, interim certificates, debentures or
other obligations. For purposes of this section and section 8-134a, as
amended by this act, references to the [Connecticut Development
Authority] Connecticut Economic Innovations Authority shall include
any subsidiary of the [Connecticut Development Authority]
Connecticut Economic Innovations Authority established pursuant to
subsection (l) of section 32-11a] section 6 of this act.

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

Any redevelopment plan authorized under this chapter or any
proceedings authorizing the issuance of bonds under this chapter may
contain a provision that taxes, if any, identified in such plan or such
authorizing proceedings and levied upon taxable real or personal
property, or both, in a redevelopment project each year, or payments
in lieu of such taxes authorized pursuant to chapter 114, or both, by or
for the benefit of any one or more municipalities, districts, or other
public taxing agencies after the effective date of the ordinance
approving the redevelopment plan or such bond authorizing
proceedings, as the case may be, shall be divided as follows: (1) In each fiscal year that portion of the taxes or payments in lieu of taxes, or both, which would be produced by applying the then current tax rate of each of the taxing agencies to the total sum of the assessed value of the taxable property in the redevelopment project on the effective date of such ordinance or the date of such authorizing proceedings, as the case may be, or on any date between such two dates which is identified in such proceedings, shall be allocated to and when collected shall be paid into the funds of the respective taxing agencies in the same manner as taxes by or for said taxing agencies on all other property are paid; and (2) that portion of the assessed taxes or payments in lieu of taxes, or both, each fiscal year in excess of the amount referred to in subdivision (1) of this section shall be allocated to and when collected shall be paid into a special fund of the municipality or the Connecticut Economic Innovations Authority as issuer of such bonds to be used in each fiscal year, first to pay the principal of and interest due in such fiscal year on loans, moneys advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, incurred by such municipality or the Connecticut Development Authority Connecticut Economic Innovations Authority as issuer of such bonds to finance or refinance in whole or in part, such redevelopment project, and then, at the option of the municipality or the Connecticut Development Authority Connecticut Economic Innovations Authority as issuer of such bonds, to purchase bonds issued for the project which has generated the increments in taxes or payments in lieu of taxes and then, at the option of the municipality or the Connecticut Development Authority Connecticut Economic Innovations Authority as issuer of such bonds, to reimburse the provider of or reimbursement party with respect to any guarantee, letter of credit, policy of bond insurance, funds deposited in a debt service reserve fund, funds deposited as capitalized interest or other credit enhancement device used to secure payment of debt service on any bonds, notes or other indebtedness of a municipality or the Connecticut Development Authority Connecticut Economic Innovations Authority as issuer of
such bonds issued pursuant to section 8-134, as amended by this act, to
finance or refinance such redevelopment project, to the extent of any
payments of debt service made therefrom. Unless and until the total
assessed valuation of the taxable property in a redevelopment project
exceeds the total assessed value of the taxable property in such project
as shown by the last assessment list, referred to in subdivision (1) of
this section, all of the taxes levied and collected and all of the
payments in lieu of taxes due and collected upon the taxable property
in such redevelopment project shall be paid into the funds of the
respective taxing agencies. When such loans, advances, and
indebtedness, if any, and interest thereon, and such debt service
reimbursement to the provider of or reimbursement party with respect
to such credits, have been paid, in full, all moneys thereafter received
from taxes or payments in lieu of taxes, or both, upon the taxable
property in such redevelopment project shall be paid into the funds of
the respective taxing agencies in the same manner as taxes on all other
property are paid.

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

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

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

The state of Connecticut does hereby pledge to and agree with the
holders of any bonds and notes issued under the provisions of the
authority legislation, as defined in subsection (hh) of section 32-23d,
and with those parties who may enter into contracts with the
[Connecticut Development Authority] Connecticut Economic
Innovations Authority or its successor agency pursuant to the
provisions of such authority legislation, that the state will not limit or alter the rights hereby vested in the authority until such obligations, together with the interest thereon, are fully met and discharged and such contracts are fully performed on the part of the authority, provided nothing contained herein shall preclude such limitation or alteration if and when adequate provision shall be made by law for the protection of the holders of such bonds and notes of the authority or those entering into such contracts with the authority. The authority is authorized to include this pledge and undertaking for the state in such bonds and notes or contracts.

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

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

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

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

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

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

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

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

It is hereby found and declared as a matter of legislative determination that there is a continuing need for stimulation and encouragement of the growth and development of the state economy through the provision of two comprehensive loan programs and the establishment of a locally administered business outreach center challenge grant program which address the economic needs of a wide variety of business enterprises located throughout the state, including, but not limited to, development corporations, small contractors, small manufacturers, small business investment companies, employee groups, small water companies, small exporters, businesses affected by emergencies or disasters, small farmers, small retailers or service firms, high risk small businesses, start-up businesses, businesses located in various regions of the state, and other businesses that may be unable to obtain adequate financing from conventional sources. It is further
found and declared that consolidating many of the separate loan programs currently administered by the Department of Economic and Community Development into two revolving loan funds to be administered by the [Connecticut Development Authority] Connecticut Economic Innovations Authority will enhance such programs for all borrowers, permit better targeting of state assistance to firms important to the economic base of the state, improve marketing, accounting and administration, alleviate certain administrative and technical problems created by changes in federal tax law, permit more effective use of existing resources and better enable the state to protect itself from losses through the establishment of a loan loss reserve and an improved loan work-out capability. It is further found and declared that major changes in the financial markets have altered the availability of capital to small and medium firms in the state, that assistance to high risk small and start-up businesses is important to the state economy and that such loan consolidation will better enable the [Connecticut Development Authority] Connecticut Economic Innovations Authority to leverage state assistance through active participation of private sector investments in small businesses.

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

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

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

(a) As used in this section:

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

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

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

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

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

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

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

(8) "Person" means any person or entity, including affiliates, engaged in a for-profit activity or activities in this state and who, except for an impacted business, is not an eligible borrower for
assistance under the provisions of the Connecticut Growth Fund established under section 32-23v, as amended by this act;

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

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

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

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

(13) "Water facilities" means (A) investor-owned water companies which supply water to at least twenty-five but less than ten thousand customers, (B) municipally-owned water companies, and (C) owners of privately and municipally-owned dams which the Commissioner of
Environmental Protection has determined benefit the public.

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

(a) A Business Environmental Clean-Up Revolving Loan Fund is created. The state, acting through the [Connecticut Development Authority] Connecticut Economic Innovations Authority, may provide loans or lines of credit from the Business Environmental Clean-Up Revolving Loan Fund (1) to businesses for the purposes of the containment and removal or mitigation of the discharge, spillage, uncontrolled loss, seepage or filtration of oil or petroleum or chemical liquids or solid, liquid or gaseous products or hazardous wastes and (2) to businesses which convert gas and diesel-powered motor vehicles to vehicles powered by either gas or diesel fuel and a clean-burning alternative fuel, including but not limited to, compressed natural gas or electricity. Loans or lines of credit under subdivision (2) shall be for working or development capital. For the purposes of this section, "business" means any business which (A) if applying for assistance under subdivision (1), has been in business for at least one year prior to the date of application for its loan or line of credit or, if applying for assistance under subdivision (2), has been in business for at least two years prior to such application date, (B) has gross revenues, including revenues of affiliates, less than three million dollars in the most recent fiscal year before the date of the application or has less than one hundred fifty employees and, if applying for assistance under subdivision (2), derived at least seventy-five per cent of its gross revenues in such year from motor vehicle fuel conversion activities, (C) if applying for assistance under subdivision (1), has been doing business and has maintained its principal office and place of business in the state for a period of at least one year prior to the date of its application for assistance under this section or, if applying for assistance under subdivision (2), has been doing business and has maintained such office and business in the state for a period of at least two years prior to such application date and (D) demonstrates, to the
satisfaction of the authority and in its sole discretion, that it is unable
to obtain financing from conventional sources on reasonable terms or
in reasonable amounts. The [Connecticut Development Authority]
Connecticut Economic Innovations Authority shall charge and collect
interest on each such loan or line of credit at a rate to be determined in
accordance with regulations adopted pursuant to subsection (b) of this
section. The total amount of such loans or lines of credit provided to
any single business in any period of twelve consecutive months shall
not exceed two hundred thousand dollars. Payments made by
businesses on all loans and lines of credit paid to the Treasurer for
deposit in the Business Environmental Clean-Up Revolving Loan Fund
shall be credited to such fund.

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

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

d) Each such loan or extension of credit shall be authorized by the
[Connecticut Development Authority] Connecticut Economic
Innovations Authority or, if the authority so determines, by a
committee of the authority consisting of the chairman and either one
other member of the authority or its executive director, as specified in
the determination of the authority. Any administrative expenses
incurred in carrying out the provisions of this section, to the extent not
paid by the authority, shall be paid from the Business Environmental
Clean-Up Revolving Loan Fund. Payments from the Business
Environmental Clean-Up Revolving Loan Fund to businesses or to pay
such administrative expenses shall be made by the Treasurer upon certification by the executive director of the authority that the payment is authorized under the provisions of this section, under the applicable rules and regulations of the authority, and, if made to a business, under the terms and conditions established by the authority or the duly appointed committee thereof in authorizing the making of the loan or the extension of credit.

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

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

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

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

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

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

(3) "Financial assistance" means any and all forms of loans, extensions of credit, guarantees, equity investments or any other form of financing or refinancing to persons for the purchase, acquisition, construction, expansion, continued operation, reconstruction, financing, refinancing or placing in operation of an economic development project, including, but not limited to, fixed assets, working capital, equity participations and acquisitions, employee buyouts, refinancing, financial restructuring, and other purposes.
which the authority determines further the purposes of sections 32-23gg to 32-23ll, inclusive;

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

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

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

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

(a) An Environmental Assistance Revolving Loan Fund is created. The state, acting through the [Connecticut Development Authority] Connecticut Economic Innovations Authority, or any subsidiary of the
authority may provide grants, loans, lines of credit or loan guarantees to municipalities or businesses from the Environmental Assistance Revolving Loan Fund for the purposes of pollution prevention activities, as defined in section 32-23rr, for purchases and the costs associated with compliance with the Clean Air Act Amendments of 1990 (42 USC 7401, et seq.), as amended, or for remediation of contaminated real property. Within the Environmental Assistance Revolving Loan Fund, a loan subfund is created solely to provide loans and lines of credit as provided in this section, a guarantee subfund is created solely to provide loan guarantees as provided in this section and a grant subfund is created solely to provide grants as provided under this section. No financial assistance, nor any commitment to provide financial assistance, shall be provided by or entered into by the authority or any subsidiary of the authority pursuant to sections 32-23pp to 32-23ss, inclusive, as amended by this act, which would cause the aggregate amount of all such financial assistance and commitments then outstanding to exceed the sum of the amounts in the applicable subfund of the Environmental Assistance Revolving Loan Fund plus the amount of any unpaid grants authorized to be made by the Department of Economic and Community Development to the authority or any subsidiary of the authority for deposit in the applicable subfund of the Environmental Assistance Revolving Loan Fund, provided the amount of financial assistance in the form of any guarantee shall be measured by the portion of unpaid loan principal which is guaranteed by the authority. Notwithstanding the above, the aggregate amount of financial assistance in the form of guarantees and commitments with respect thereto, calculated as above, may be up to four times the sum of the amounts available in the guarantee subfund of the Environmental Assistance Revolving Loan Fund plus the amount of any unpaid grants which remain available and are specifically designated by the department for purposes of such subfund pursuant to the bond authorization in section 32-23ss, as amended by this act. For the purposes of this section, "business" means any business which (1) has gross revenues of less than twenty-five million dollars in its fiscal year ending prior to the application for any
such loans, lines of credit or loan guarantees, or (2) has fewer than one hundred fifty employees. The Connecticut Development Authority or any subsidiary of the Connecticut Economic Innovations Authority or any subsidiary of the authority shall charge and collect interest on each such loan or line of credit at a rate to be determined in accordance with procedures adopted pursuant to subsection (b) of this section. Payments made by businesses on all loans, lines of credit and loan guarantees shall be paid to the authority or any subsidiary of the authority for deposit in the Environmental Assistance Revolving Loan Fund.

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

(c) Each such grant, loan, guarantee or extension of credit shall be authorized by the Connecticut Development Authority or Connecticut Economic Innovations Authority or any subsidiary of the authority or, if the authority or any subsidiary of the authority so determines, by a committee of the authority or any subsidiary of the authority consisting of the chairman and either one other member of the authority or subsidiary or its executive director, as specified in the determination of the authority or subsidiary. Any administrative expenses incurred in carrying out the provisions of this section, to the extent not paid by the authority or any subsidiary of the authority or from moneys appropriated to the authority or any subsidiary of the authority, shall be paid from the Environmental Assistance Revolving Loan Fund. Payments from the Environmental Assistance Revolving Loan Fund to businesses or municipalities or to pay such administrative expenses shall be made by the authority or any subsidiary of the authority upon certification by the chairman of the
authority or such subsidiary that the payment is authorized under the
provisions of this section, under the applicable rules and regulations of
the authority or subsidiary, and, if made to a business or municipality
under the terms and conditions established by the authority or
subsidiary or the duly appointed committee thereof in authorizing the
making of the grant, loan or the extension of credit.

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

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

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

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

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

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

(1) "Authority" means the Connecticut Development Authority Connecticut Economic Innovations Authority established [under the provisions of this chapter] pursuant to section 6 of this act;

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

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

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

(5) "Production worker" means an employee of a manufacturer
whose principal duties are located within the state, and consist of the assembly or construction of the manufacturer's product or a portion thereof; and

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

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

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

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

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

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

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

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

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

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

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

(d) The authority may take all reasonable steps and exercise all reasonable remedies necessary or desirable to protect the obligations or interests of the authority, including, but not limited to, the purchase or redemption in foreclosure proceedings, bankruptcy proceedings or in other judicial proceedings, of any property on which it holds a
mortgage or other lien or in which it has an interest, and for such purposes and any other purposes provided in this section payment may be made from the High-Technology Infrastructure Fund upon certification by the executive director that payment is authorized under the provisions of this section, or other sections of the general statutes, applicable procedures or other programs of the authority.

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

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

(a) For the purpose of assisting (1) any information technology project, as defined in subsection (ee) of section 32-23d, which is located in an eligible municipality, as defined in subdivision (12) of subsection (a) of section 32-9t, or (2) any remediation project, as defined in subsection (ii) of section 32-23d, the Connecticut Economic Innovations Authority may, upon a resolution of the legislative body of a municipality, issue and administer bonds which are payable solely or in part from and secured by: (A) A pledge of and lien upon any and all of the income, proceeds, revenues and property of such a project, including the proceeds of grants, loans, advances or contributions from the federal government, the state or any other source, including financial assistance furnished by the municipality or any other public body, (B) taxes or payments or grants in lieu of taxes allocated to and payable into a special fund of the Connecticut Economic Innovations Authority pursuant to the provisions of subsection (b) of this section, or (C) any combination of the foregoing. Any such bonds
of the [Connecticut Development Authority] Connecticut Economic Innovations Authority shall mature at such time or times not exceeding thirty years from their date of issuance and shall be subject to the general terms and provisions of law applicable to the issuance of bonds by the [Connecticut Development Authority] Connecticut Economic Innovations Authority, except that such bonds shall be issued without a special capital reserve fund as provided in subsection (b) of section 32-23j and, for purposes of section 32-23f, only the approval of the board of directors of the authority shall be required for the issuance and sale of such bonds. Any pledge made by the municipality or the [Connecticut Development Authority] Connecticut Economic Innovations Authority for bonds issued as provided in this section shall be valid and binding from the time when the pledge is made, and revenues and other receipts, funds or moneys so pledged and thereafter received by the municipality or the [Connecticut Development Authority] Connecticut Economic Innovations Authority shall be subject to the lien of such pledge without any physical delivery thereof or further act. The lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the municipality or the [Connecticut Development Authority] Connecticut Economic Innovations Authority, even if the parties have no notice of such lien. Recording of the resolution or any other instrument by which such a pledge is created shall not be required. In connection with any such assignment of taxes or payments in lieu of taxes, the [Connecticut Development Authority] Connecticut Economic Innovations Authority may, if the resolution so provides, exercise the rights provided for in section 12-195h of an assignee for consideration of any lien filed to secure the payment of such taxes or payments in lieu of taxes. All expenses incurred in providing such assistance may be treated as project costs.

(b) Any proceedings authorizing the issuance of bonds under this section may contain a provision that taxes or a specified portion thereof, if any, identified in such authorizing proceedings and levied upon taxable real or personal property, or both, in a project each year,
or payments or grants in lieu of such taxes or a specified portion
thereof, by or for the benefit of any one or more municipalities,
districts or other public taxing agencies, as the case may be, shall be
divided as follows: (1) In each fiscal year that portion of the taxes or
payments or grants in lieu of taxes which would be produced by
applying the then current tax rate of each of the taxing agencies to the
total sum of the assessed value of the taxable property in the project on
the date of such authorizing proceedings, adjusted in the case of grants
in lieu of taxes to reflect the applicable statutory rate of
reimbursement, shall be allocated to and when collected shall be paid
into the funds of the respective taxing agencies in the same manner as
taxes by or for said taxing agencies on all other property are paid; and
(2) that portion of the assessed taxes or the payments or grants in lieu
of taxes, or both, each fiscal year in excess of the amount referred to in
subdivision (1) of this subsection shall be allocated to and when
collected shall be paid into a special fund of the Connecticut
Development Authority, Connecticut Economic Innovations Authority
to be used in each fiscal year, in the discretion of the Connecticut
Development Authority, to pay the principal of and interest due in such fiscal year
on bonds issued by the Connecticut Development Authority, Connecticut Economic Innovations Authority to finance, refinance or
otherwise assist such project, to purchase bonds issued for such
project, or to reimburse the provider of or reimbursement party with
respect to any guarantee, letter of credit, policy of bond insurance,
funds deposited in a debt service reserve fund, funds deposited as
capitalized interest or other credit enhancement device used to secure
payment of debt service on any bonds issued by the Connecticut
Development Authority, Connecticut Economic Innovations Authority
to finance, refinance or otherwise assist such project, to the extent of
any payments of debt service made therefrom. Unless and until the
total assessed valuation of the taxable property in a project exceeds the
total assessed value of the taxable property in such project as shown by
the last assessment list referred to in subdivision (1) of this subsection,
all of the taxes levied and collected and all of the payments or grants in
lieu of taxes due and collected upon the taxable property in such project shall be paid into the funds of the respective taxing agencies. When such bonds and interest thereof, and such debt service reimbursement to the provider of or reimbursement party with respect to such credit enhancement, have been paid in full, all moneys thereafter received from taxes or payments or grants in lieu of taxes upon the taxable property in such development project shall be paid into the funds of the respective taxing agencies in the same manner as taxes on all other property are paid. The total amount of bonds issued pursuant to this section which are payable from grants in lieu of taxes payable by the state shall not exceed an amount of bonds, the debt service on which in any state fiscal year is, in total, equal to one million dollars.

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

(d) As used in this section, "bonds" means any bonds, including refunding bonds, notes, temporary notes, interim certificates, debentures or other obligations; "legislative body" has the meaning
provided in subsection (w) of section 32-222; and "municipality" means a town, city, consolidated town or city or consolidated town and borough.

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

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

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

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

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

(1) ["Corporation" means Connecticut Innovations, Incorporated as}
created under section 32-35] "Authority" means the Connecticut Economic Innovations Authority established pursuant to section 6 of this act;

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

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

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

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

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

[(7)] (6) "Person" means any individual, general or limited partnership, corporation, limited liability company, institution of higher education, governmental entity or joint venture conducting research into ideas with commercial potential or carrying on business, or proposing to carry on business, within the state which (A) in the case of an individual, general or limited partnership, corporation, limited liability company or joint venture, demonstrates to the corporation the inability (i) to obtain conventional financing in satisfactory amounts or on satisfactory terms or (ii) to locate or continue operations in the state without assistance as provided in this chapter, and (B) demonstrates to the corporation that any project for...
research into or the development of specific technologies, products, devices, techniques or procedures or the marketing of services based on the use of such technologies, products, devices, techniques or procedures for which assistance under this chapter, is sought, (i) will create new or retain existing jobs in the state, (ii) will result in an increase in the amount of goods or services exported from the state, (iii) will help to strengthen the economy of the state, or (iv) will promote the development and utilization of technology in the state;

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

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

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

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

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

[(13)] (12) "Advanced technology center" means a cooperative research center in a specified field of science and technology established and funded, subject to the requirements in sections 32-40a,
as amended by this act, 32-40b, as amended by this act, and 32-40c, as amended by this act, through an academic, industrial and governmental partnership for purposes of technological research with a direct relationship to economic development in the state;

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

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

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

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

[(18)] (17) "Preseed financing" means financial aid provided for
research and formulation of a concept;

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

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

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

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

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

(a) With respect to any affiliate created pursuant to section [32-39] 8 of this act, liability shall be limited solely to the assets and revenues or other resources of any such affiliate and without recourse liability to [Connecticut Innovations, Incorporated,] Connecticut Economic Innovations Authority its other funds or any other assets of the [corporation] authority, except to the extent of any express written
guarantees by the [corporation] authority or any investments made or committed to by the [corporation] authority.

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

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

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

Sec. 41. Section 32-39e of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):
(a) If, in the exercise of its powers under section 32-39, [Connecticut Innovations, Incorporated] as amended by this act, the Connecticut Economic Innovations Authority finds that the use of a certain technology, product or process would promote public health and safety, environmental protection or economic development and such technology, product or process was developed by a business domiciled in this state to which the [corporation] authority has provided financial assistance or in which the corporation has invested, the [corporation] authority, upon application of such business, may recommend to the Secretary of the Office of Policy and Management that an agency of the state be directed to test such technology, product or process by employing it in the operations of such agency on a trial basis. The purpose of such test program shall be to validate the commercial viability of such technology, product or process provided no business in which [Connecticut Innovations, Incorporated] the Connecticut Economic Innovations Authority has invested shall be required to participate in such program. No such recommendation may be made unless such business has submitted a viable business plan for manufacturing and marketing such technology, product or process and such business (1) will manufacture or produce such technology, product or process in this state, (2) demonstrates that the usage of such technology, product or process by the state agency will not adversely affect safety, (3) demonstrates that sufficient research and development has occurred to warrant participation in the test program, and (4) demonstrates that the technology, product or process has potential for commercialization not later than two years following the completion of any test program involving a state agency under this section.

(b) If the Secretary of the Office of Policy and Management finds that employing such technology, product or process would be feasible in the operations of a state agency and would not have any detrimental effect on such operations, said secretary, notwithstanding the requirement of chapter 58, may direct an agency of the state to accept delivery of such technology, product or process and to undertake such a test program. Any costs associated with the acquisition and use of
such technology, product or process by the testing agency shall be
borne by [Connecticut Innovations, Incorporated] the Connecticut
Economic Innovations Authority, the business or by any investor or
participant in such business. The acquisition of any technology,
product or process for purposes of the test program established
pursuant to this section shall not be deemed to be a purchase under the
provisions of the state procurement policy. The testing agency, on
behalf of [Connecticut Innovations, Incorporated] the Connecticut
Economic Innovations Authority shall maintain records related to such
test program, as requested by [Connecticut Innovations, Incorporated]
the Connecticut Economic Innovations Authority and shall make such
records and any other information derived from such test program
available to [Connecticut Innovations, Incorporated] the Connecticut
Economic Innovations Authority and the business. Any proprietary
information derived from such test program shall be exempt from the
provisions of subsection (a) of section 1-210.

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

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

(a) All applications for financial aid shall be forwarded, together
with an application fee prescribed by the [corporation] authority, to
the executive director of the [corporation] authority. Each such application shall be processed in accordance with the written procedures adopted by the [corporation] authority under subdivision (5) of subsection (d) of section 32-35. The [finance committee] board of directors of the [corporation] authority shall approve or deny each application recommended by the chief executive [director] officer. If the [finance committee] board of directors approves an application, [such committee] it may authorize the [corporation] authority to enter into an agreement or agreements on behalf of the [corporation] authority to provide financial aid to the applicant. The applicant shall be promptly notified of such action by the [corporation] authority.

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

(c) All financial and credit information and all trade secrets contained in any application for financial aid submitted to the [corporation] authority or obtained by the [corporation] authority concerning any applicant, project, activity, technology, product or
invention shall be exempt from the provisions of subsection (a) of section 1-210.

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

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

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

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

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

(4) Details concerning the organization and content of an annual
report to be submitted to the [corporation] authority by such center reviewing the progress of research, with the understanding that funding shall be contingent upon satisfactory performance evaluations.

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

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

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

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

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

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

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

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

(7) The center's plan to involve minority students and minority-
owned businesses in its activities; and

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

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

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

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

(a) There is hereby created a "Connecticut Innovations [, Incorporated] Fund". Proceeds from the sale of bonds authorized by the State Bond Commission in accordance with [section] sections 32-41 and [section] 32-41b, as amended by this act, shall be paid directly to the Treasurer of the state as agent of the [corporation] Connecticut Economic Innovations Authority and the Treasurer shall deposit all such amounts in the Connecticut Innovations [, Incorporated] Fund. The moneys in said fund shall be paid by checks signed by the Treasurer of the state or by his deputy appointed pursuant to section 3-12 on requisition of the [executive director of the corporation] the chief executive officer of the authority or his designee.
(b) Any funds or revenues of [Connecticut Innovations, Incorporated] the authority derived from application fees, royalty payments, investment income and loan repayments received by the [corporation] authority in connection with its programs shall be held, administered and invested by the [corporation] authority or deposited with and invested by any institution as may be designated by the [corporation] authority at its sole discretion and paid as the [corporation] authority shall direct. All moneys in such accounts shall be used and applied to carry out the purposes of the [corporation] authority. The [corporation] authority may make payments from such accounts to the Treasurer of the state for deposit in the Connecticut Innovations [ ], Incorporated] Fund for use in accordance with subsection (c) of this section.

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

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

The State Bond Commission shall have power in accordance with the provisions of section 3-20 to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate sixty-one million four hundred forty-five thousand six hundred dollars, to carry out the purposes of this section as follows: (1) Loans for the development and marketing of products in the high technology field within the state, not exceeding thirty-four million dollars; (2) royalty financing for start-up costs and product development costs of high technology products and procedures in the state, not exceeding seven million four hundred forty-five thousand six
hundred dollars; and (3) financial aid for biotechnology and other high
technology laboratories, facilities and equipment, not exceeding
twenty million dollars. Any loans originated under subdivision (1) of
this section shall bear interest at a rate to be determined in accordance
with subsection (t) of said section 3-20. The principal and interest of
said bonds shall be payable at such place or places as may be
determined by the State Treasurer and shall bear such date or dates,
mature at such time or times, bear interest at such rate or different or
varying rates, be payable at such time or times, be in such
denominations, be in such form with or without interest coupons
attached, carry such registration and transfer privileges, be payable in
such medium of payment and be subject to such terms of redemption
with or without premium as, irrespective of the provisions of said
section 3-20, may be provided by the authorization of the State Bond
Commission or fixed in accordance therewith. The proceeds of the sale
of said bonds, after deducting therefrom all expenses of issuance and
sale, shall be paid to the Connecticut Innovations Fund created under section 32-41a, as amended by this act. When the State
Bond Commission has acted to issue such bonds or a portion thereof,
the Treasurer may, pending the issue of such bonds, issue, in the name
of the state, temporary notes in anticipation of the money to be
received from the sale of such bonds. In issuing the bonds authorized
hereunder, the State Bond Commission may require repayment of such
bonds by the corporation as shall seem desirable consistent with the
purposes of this section and section 32-41a, as amended by this act.
Such terms for repayment may include a forgiveness of interest, a
holiday in the repayment of interest or principal or both.

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

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

(1) "Act" means the Technology Deployment Act of 1993;
(2) "Advanced available technology" means a technology or process that can be applied to a manufacturing operation without substantial modification;

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

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

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

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

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

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

(9) "Small and medium-sized business" means a manufacturing business with fewer than five hundred employees.
Sec. 49. Section 32-41j of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

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

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

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

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

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

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

(c) The center's responsibilities shall include, but not be limited to, providing training for manufacturing businesses in high performance work practices.
Sec. 50. Section 32-41k of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

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

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

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

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

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

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

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

Sec. 51. Section 32-41l of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):
(a) There is established a Connecticut energy and environmental technologies deployment center program to be administered by the [corporation] authority for the purpose of promoting a nonprofit business consortium for technology deployment in two critical technologies where the state possesses unique scientific and human resources. During the three-month period beginning on July 1, 1993, the [corporation] authority shall accept applications from eligible business consortia in a form and manner prescribed by the [corporation] authority for state funding for the operation of an energy and environmental technologies application center.

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

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

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

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

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

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

(a) There is established a Connecticut educational and job training technologies deployment center program to be administered by the
[corporation] authority for the purpose of promoting a nonprofit business-led consortium for technology deployment in a critical technology in which the state possesses unique scientific and human resources. During the three-month period beginning on July 1, 1993, the [corporation] authority shall accept applications from eligible business consortia in a form and manner prescribed by the [corporation] authority for state funding for the operation of an educational and job training technologies deployment center.

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

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

2. The center's plan to deploy educational and job training software, hardware and state of the art telecommunications technologies;

3. The center's plan to involve minority students or minority-owned businesses in its activities; and

4. The adequacy of the center's proposed mechanisms for evaluating its progress.

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

(a) There is established a critical technologies grant program to be administered by the [corporation] authority for the purpose of promoting technology deployment in advanced materials, marine sciences, photonics, pharmaceutical and environmental technologies.
During the twelve-month period beginning on July 1, 1993, the [corporation] authority shall accept applications from eligible grant recipients in a form and manner prescribed by the [corporation] authority for state grants for the purpose of promoting technology deployment in such technologies.

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

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

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

3. The proposal's plan to involve minority students or minority-owned businesses in its activities; and

4. The adequacy of the program's mechanisms for evaluating its progress.

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

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

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

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

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

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

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

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

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

(3) The center's plan to involve employers, labor, institutions of higher education and other interested parties in its decision-making;
(4) The adequacy of the center's financial plan, including the matching of any state grant funds to implement specific projects with at least an equal amount of funding from private sources;

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

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

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

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

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

(c) No product may receive assistance under this section unless its
manufacturer agrees to enter into a contract to: (1) Carry out a specified percentage of the development and manufacturing work for the product in the state; and (2) when subcontracting is required, to conduct a specified percentage of such work with companies based in the state. [Connecticut Innovations, Incorporated] The Connecticut Economic Innovations Authority shall determine such percentage for the purposes of this program.

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

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

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

(a) As used in this section:

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

(2) "Eligible commercial property" means (A) real or personal property which an eligible business has (i) owned or leased and (ii) utilized at all times during the preceding twelve months, or (B) real property which the Commissioner of Economic and Community Development or [Connecticut Innovations, Incorporated] the Connecticut Economic Innovations Authority has certified as newly constructed or substantially renovated and expanded primarily for occupancy by one or more eligible businesses.
(b) On and after July 1, 1997, eligible businesses and eligible commercial property located in any municipality which has (1) a major research university with programs in biotechnology, pharmaceuticals or photonics, and (2) an enterprise zone, shall be entitled to the same benefits, subject to the same conditions, under the general statutes for which businesses located in an enterprise zone qualify.

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

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

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

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

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

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

(2) "Eligible participant" means a member of the faculty or a
researcher engaged in applied research and development at any
Connecticut college or university that agrees to participate in a high
technology research and development program established by the
[corporation] authority.

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

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

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

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

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

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

(c) The [corporation] authority shall provide financial aid, as
defined in subdivision (4) of section 32-34, as amended by this act, to
eligible participants whose proposals have been approved by the [corporation] authority as provided in subsections (a) and (b) of this section.

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

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

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

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

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

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

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

Not later than January first in each year, [Connecticut Innovations, Incorporated] the Connecticut Economic Innovations Authority shall submit a business plan containing a summary of its projected operations for the year to the joint standing committees of the General Assembly having cognizance of matters relating to the Department of Economic and Community Development, appropriations and capital bonding. Not later than November first, annually, the [corporation] authority shall submit a report to the Commissioner of Economic and Community Development, the Auditors of Public Accounts and said joint standing committees, which shall include the following information with respect to new and outstanding financial assistance provided by the [corporation] authority during the twelve-month period ending on June thirtieth next preceding the date of the report for each financial assistance program administered by the [corporation] authority: (1) A list of the names, addresses and locations of all recipients of such assistance, (2) for each such recipient: (A) The business activities, (B) the Standard Industrial Classification Manual codes, (C) the gross revenues during the recipient's most recent fiscal year, (D) the number of employees at the time of application, (E) whether the recipient is a minority or woman-owned business, (F) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance, job creation or retention requirements, and anticipated wage rates, and (G) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, (3) the economic benefit criteria used in determining which applications have been approved or disapproved, and (4) for each recipient of assistance on or after July 1, 1991, a comparison between the number of jobs to be created, the number of jobs to be retained and the average wage rates for each such category.
of jobs, as projected in the recipient's application, versus the actual number of jobs created, the actual number of jobs retained and the average wage rates for each such category. The report shall also indicate the actual number of full-time jobs and the actual number of part-time jobs in each such category and the benefit levels for each such subcategory. The November first report shall include a summary of the activities of the corporation, including all activities to assist small businesses and minority business enterprises, as defined in section 4a-60g, a complete operating and financial statement and recommendations for legislation to promote the purposes of the [corporation] authority. The [corporation] authority shall furnish such additional information upon the written request of any such committee at such times as the committee may request.

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

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

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

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

(b) The following measures shall be implemented to enhance the
operation of visitor welcome centers:

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

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

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

(4) The [commission] Department of Economic and Community Development shall place a full-time year-round supervisor and a part-time assistant supervisor at the Danbury, Darien, North Stonington and West Willington centers. The responsibilities of each supervisor shall include, but not be limited to: (A) Maintaining a sufficient inventory of up-to-date brochures for dissemination to visitors, (B) scheduling staff so as to assure coverage at all times, (C) training staff, (D) compiling and maintaining statistics on center usage, (E) serving as liaison between the commission, the Department of Transportation, the tourism district in which the center is located and businesses in such district, (F) maintaining quality tourism services, (G) rotating displays, (H) evaluating staff, (I) problem-solving, and (J) computing travel reimbursements for volunteer staff;
(5) Subject to available funds, the commission shall place a seasonal full-time supervisor and a seasonal part-time assistant supervisor at the Greenwich and Westbrook centers. The commission shall discontinue staffing at the Middletown, Plainfield and Wallingford centers, and shall, in conjunction with the tourism industry, seek contract workers to provide tourism services at the Westbrook center when not staffed by the state;

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

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

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

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

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

(b) The Department of Economic and Community Development may establish and administer a state art collection.

(c) The Department of Economic and Community Development shall establish policies and procedures with respect to the activities of the art collection and perform every other
matter and thing requisite to the proper management, maintenance, 
support and control of the Connecticut art collection.

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

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

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

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

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

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

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

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

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

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

(3) "Contribution" means cash, negotiable securities or other gifts of similar liquidity;

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

(5) "Fiscal year" means a period of twelve calendar months as determined by the arts organization's bylaws.

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

There is created a "Connecticut Arts Endowment Fund". The proceeds of any bonds issued for the purposes of sections 10-405 to 10-
408, inclusive, as amended by this act, shall be deposited in said fund. The State Treasurer shall invest the proceeds of the fund and the investment earnings shall be credited to and become part of the fund. Annually, on or before September first, the Treasurer shall notify the commissioner of the total amount of investment earnings of the fund for the prior fiscal year and such amount shall be available to the Commissioner of Economic and Community Development for payments pursuant to sections 10-407 and 10-408, as amended by this act. Any balance remaining in the fund at the end of each fiscal year shall be carried forward in the fund for the succeeding fiscal year.

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

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

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

(a) With respect to historical preservation, there is established within the Connecticut Commission on Culture and Tourism,
established under section 10-392,] Department of Economic and Community Development an Historic Preservation Council. The Historic Preservation Council shall consist of [twelve] the State Historian, the State Archaeologist and ten members to be appointed by the Governor. On or before January fifth in the even-numbered years, the Governor shall appoint [six] five members for terms of four years each to replace those whose terms expire. [One of such members shall be the State Historian and one shall be the State Archaeologist.] Members shall be appointed in accordance with the provisions of section 4-9a. No appointed member shall serve for more than two consecutive full terms. Any member who fails to attend three consecutive meetings or who fails to attend fifty per cent of all meetings held during any calendar year shall be deemed to have resigned from office. The Governor shall biennially designate one member of the council to be chairperson. The Governor shall fill any vacancy for any unexpired portion of the term and may remove any member as provided by section 4-12. No compensation shall be received by the members of the council but they shall be reimbursed for their necessary expenses. The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development may, with the advice of the Historic Preservation Council, (1) study and investigate historic structures and landmarks in this state and encourage and recommend the development, preservation and marking of such historic structures and landmarks found to have educational, recreational and historical significance; (2) prepare, adopt and maintain standards for a state register of historic places; (3) update and keep current the state historic preservation plan; (4) administer the National Register of Historic Places Program; (5) assist owners of historic structures in seeking federal or other aid for historic preservation and related purposes; (6) recommend to the General Assembly the placing and maintaining of suitable markers, memorials or monuments or other edifices to designate historic structures and landmarks found to have historical significance; (7) make recommendations to the General Assembly regarding the development and preservation of historic structures and landmarks owned by the
state; (8) maintain a program of historical, architectural, and archaeological research and development including surveys, excavation, scientific recording, interpretation and publication of the historical, architectural, archaeological and cultural resources of the state; (9) cooperate with promotional, patriotic, educational and research groups and associations, with local, state and national historical societies, associations and commissions, with agencies of the state and its political subdivisions and with the federal government, in promoting and publicizing the historical heritage of Connecticut; (10) formulate standards and criteria to guide the several municipalities in the evaluation, delineation and establishment of historic districts; (11) cooperate with the State Building Inspector, the Codes and Standards Committee and other building officials and render advisory opinions and prepare documentation regarding the application of the State Building Code to historic structures and landmarks if requested by owners of historic structures and landmarks, the State Building Inspector, the Codes and Standards Committee or other building officials; (12) review planned state and federal actions to determine their impact on historic structures and landmarks; (13) operate the Henry Whitfield House of Guilford, otherwise known as the Old Stone House, as a state historical museum and, in its discretion, charge a fee for admission to said museum and account for and deposit the same as provided in section 4-32; (14) provide technical and financial assistance to carry out the purposes of this section and sections 10-410 to 10-416, inclusive, as amended by this act; (15) adopt regulations in accordance with the provisions of chapter 54 for the preservation of sacred sites and archaeological sites; and (16) inventory state lands to identify sacred sites and archaeological sites. The commission shall study the feasibility of establishing a state museum of Connecticut history at an appropriate existing facility. The Historic Preservation Council shall (A) review and approve or disapprove requests by owners of historic properties on which the [commission] state holds preservation easements to perform rehabilitation work on sacred sites and archaeological sites; (B) request the assistance of the Attorney General to prevent the unreasonable destruction of historic properties pursuant
to the provisions of section 22a-19a; and (C) place and maintain suitable markers, memorials or monuments to designate sites or places found to have historic significance. The council shall meet monthly. The Connecticut Trust for Historic Preservation may provide technical assistance to the council.

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

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

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

For the purposes of sections 10-409 to 10-415, inclusive, as amended by this act, ["commission"] ["department" means the [Connecticut Commission on Culture and Tourism established under section 10-392]
Department of Economic and Community Development;

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

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

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

(b) Before executing any such assistance agreement under sections 10-410 to 10-415, inclusive, as amended by this act, the [commission]
department shall require that (1) the owner has developed a comprehensive historic preservation plan, approved by the [commission] department, together with specific work plans and specifications; (2) the owner provides payment and performance bonds to assure the completion of the preservation work in an authentic manner satisfactory to the [commission] department; (3) the owner has filed with the town clerk in the municipality in which the property is located a declaration of covenant guaranteeing the preservation of the historical or architectural qualities of the property in perpetuity or for a period approved by the [commission] department; (4) the owner receiving funds for the purposes of said sections plans to and can demonstrate an ability to maintain and operate properly the historic structure or landmark for an indefinite period of time and that such owner will open it to the public at reasonable times, free of charge or subject to a reasonable charge as approved by the [commission] department; (5) the owner maintains sufficient casualty and liability insurance to render the state harmless in any action arising from the acquisition, relocation, restoration or operation of properties under said sections; and (6) if such historic structure or landmark lies within the boundaries of any historic district, the proposed acquisition, relocation, preservation and restoration has been approved by the local historic district commission. Such assistance agreement may require that if the owner receiving funds under said sections fails to operate or maintain properly the historic structure or landmark, title to such property may be acquired by the [commission] department upon payment to such municipality or private organization of a sum equal to the amount provided by such municipality or private organization in accordance with such assistance agreement.

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

(d) The [commission] department shall adopt regulations pursuant to chapter 54 for its guidance before making such grants-in-aid or advances. Such regulations shall, among other things, require that the
commission determine that the historic structure or landmark to be acquired, relocated or restored is an authentic historic structure or landmark as identified in the state register of historic places.

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

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

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

Sec. 75. Section 10-413 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

The [commission] department may, subject to the provisions of
sections 4b-1, 4b-21 and 4b-22, using such funds as may be
appropriated to it or available from any other source, acquire by gift,
grant, bequest, devise, lease, purchase or otherwise historic structures
or landmarks, including such adjacent land as may be necessary for the
comfort and safety of the visiting public, which the [commission] department determines to be of national or state historical importance
and to be of such concern to the public at large that they should be
held forever in good condition for visitation by the public and for the
protection of the heritages of the people of this state and nation. The
[commission] department may restore, maintain and operate, or may
lease to private organizations or municipalities for the purpose of
restoring, maintaining and operating, such properties in such a
condition as to render them suitable for public visitation and to inform
the public of the historic event or circumstance connected therewith.

Subject to the availability of funds, the department
may charge reasonable visitation or special event fees, and operate or
contract for the operation of gift shops at such properties and use
funds received to help defray the cost of maintenance and operation of
such properties and to replenish stock. The [commission] department
may cooperate with the Department of Environmental Protection and
any other appropriate municipal, state or federal agency or private
organization in carrying out functions under this section and may
enter into agreements for such purposes.

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

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

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

LCO 3089
(a) In making any grants-in-aid or providing any plaques or markers or making any direct expenditures for purposes of acquisition, relocation, restoration, maintenance or operation under sections 10-410 to 10-414, inclusive, as amended by this act, and this section the [commission] department shall utilize any programs of the federal government in concert with its actions so as to reduce the amount of state or local expenditures hereunder. The state, acting through the [commission] department, and any municipality may receive from the federal government any financial or technical assistance which may be available to it for the purpose of acquisition, historic preservation or operation of historic structures or landmarks and may also receive from any source gifts, devises, bequests or legacies.

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

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

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

(1) ["Commission"] "Department" means the [Connecticut Commission on Culture and Tourism established under section 10-392] Department of Economic and Community Development.
(2) "Historic home" means a building that: (A) Will contain one-to-four dwelling units of which at least one unit will be occupied as the principal residence of the owner for not less than five years following the completion of rehabilitation work, (B) is located in a targeted area, and (C) is (i) listed individually on the National or State Register of Historic Places, or (ii) located in a district listed on the National or State Register of Historic Places, and has been certified by the commission as contributing to the historic character of such district;

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

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

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

(6) "Qualified rehabilitation expenditures" means any costs incurred for the physical construction involved in the rehabilitation of an historic home, but excludes: (A) The owner's personal labor, (B) the cost of site improvements, unless to provide building access to persons with disabilities, (C) the cost of a new addition, except as may be
required to comply with any provision of the State Building Code or the State Fire Safety Code, (D) any cost associated with the rehabilitation of an outbuilding, unless such building contributes to the historical significance of the historic home, and (E) any nonconstruction cost such as architectural fees, legal fees and financing fees;

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

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

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

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

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

(e) Prior to beginning any rehabilitation work on an historic home,
the owner shall submit a rehabilitation plan to the [commission] department for a determination of whether such rehabilitation work meets the standards developed under the provisions of subsections (b) to (d), inclusive, of this section and shall also submit to the [commission] department an estimate of the qualified rehabilitation expenditures.

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

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

(h) Before the [commission] department issues a tax credit voucher, the owner shall deliver a signed statement to the [commission which] department that provides that: (1) The owner shall occupy the historic home as the owner's primary residence during the occupancy period,
or (2) the owner shall convey the historic home to a new owner who
will occupy it as the new owner's primary residence during the
occupancy period, or (3) an encumbrance shall be recorded, in favor of
the local, state or federal government or other funding source, that will
require the owner or the owner's successors to occupy the historic
home as the primary residence of the owner or the owner's successors
for a period equal to or longer than the occupancy period. A copy of
any such encumbrance shall be attached to the signed statement.

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

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

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

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

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

Sec. 79. Section 10-416a of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

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

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

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

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

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

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

(6) "Qualified rehabilitation expenditures" means any costs incurred for the physical construction involved in the rehabilitation of a certified historic structure for residential use, excluding: (A) The
owner's personal labor, (B) the cost of a new addition, except as
required to comply with any provision of the State Building Code or
the State Fire Safety Code, and (C) any nonconstruction cost such as
architectural fees, legal fees and financing fees;

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

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

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

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

(3) Any credits allowed under this section that are provided to
multiple owners of certified historic structures shall be passed through
to persons designated as partners, members or owners, pro rata or
pursuant to an agreement among such persons designated as partners,
members or owners documenting an alternative distribution method without regard to other tax or economic attributes of such entity. Any owner entitled to a credit under this section may assign, transfer or convey the credits, in whole or in part, by sale or otherwise to any individual or entity and such transferee shall be entitled to offset the tax imposed under chapter 207, 208, 209, 210, 211 or 212 as if such transferee had incurred the qualified rehabilitation expenditure.

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

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

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

(f) If the [commission] department certifies that the rehabilitation plan conforms to the standards developed under the provisions of subsections (b) to (d), inclusive, of this section, the [commission] department shall reserve for the benefit of the owner an allocation for a tax credit equivalent to twenty-five per cent of the projected qualified rehabilitation expenditures, not exceeding two million seven hundred
(g) Following the completion of rehabilitation of a certified historic structure, the owner shall notify the [commission] department that such rehabilitation has been completed. The owner shall provide the [commission] department with documentation of work performed on the certified historic structure and shall submit certification of the costs incurred in rehabilitating the certified historic structure. The [commission] department shall review such rehabilitation and verify its compliance with the rehabilitation plan. Following such verification, the [commission] department shall issue a tax credit voucher to the owner rehabilitating the certified historic structure or to the taxpayer named by the owner as contributing to the rehabilitation. The tax credit voucher shall be in an amount equivalent to the lesser of the tax credit reserved upon certification of the rehabilitation plan under the provisions of subsection (f) of this section or twenty-five per cent of the actual qualified rehabilitation expenditures not exceeding two million seven hundred thousand dollars. In order to obtain a credit against any state tax due that is specified in subsections (h) to (j), inclusive, of this section, the holder of the tax credit voucher shall file the voucher with the holder's state tax return.

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

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

(j) The [commission] department may charge an application fee in an amount not to exceed ten thousand dollars to cover the cost of
administering the program established pursuant to this section.

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

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

(b) The office shall:

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

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

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

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

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

(6) Establish methods and procedures to ensure the maximum involvement of members of the public, the legislature and local
officials in workforce development matters, including implementation of the Workforce Investment Act of 1998, P.L. 105-220, as from time to time amended;

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

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

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

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

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

(c) The Office of Workforce Competitiveness may call upon any office, department, board, commission or other agency of the state to supply such reports, information and assistance as may be necessary or appropriate in order to carry out the duties and requirements of the
Office for Workforce Competitiveness. Each officer or employee of such office, department, board, commission or other agency of the state is authorized and directed to cooperate with the Office of Workforce Competitiveness and to furnish such reports, information and assistance.

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

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

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

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

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

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

(5) Establish a nanotechnology post-secondary education program and clearinghouse for curriculum development, scholarships and student outreach.
(b) The Office of Workforce Competitiveness shall, within available appropriations, establish a grant program to provide funding for the advancement of research capabilities and research opportunities. Grants pursuant to this subsection shall be awarded to institutions of higher education and technology focused organizations and may be used to:

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

(2) Leverage federal funding for research centers; and

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

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

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

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

(C) Prototype grants, not to exceed two hundred fifty thousand dollars, to enable universities and companies to demonstrate whether a prototype is manufacturable and functional and the cost effectiveness of nanotechnology-related applications. Each prototype grant shall be matched with an industry grant in an amount equal to two dollars for every one dollar of such prototype grant.]
(c) The Office of Workforce Competitiveness shall, within available appropriations, establish a grant program to provide funding for the promotion of collaborative research applications between industry and institutions of higher education. Grants pursuant to this subsection shall be awarded to institutions of higher education, technology-focused organizations and business entities and may be used:

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

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

3. To develop a Connecticut Center for Nanoscale Sciences and Development to provide a shared-use laboratory in one or more sites in the state to advance university research, industry application development and education involving the synthesis, characterization and fabrication of nanoscale materials, intermediates and devices and related program activities. The Office of Workforce Competitiveness shall conduct a feasibility study and business planning model leading to the establishment of such center, including strategies for securing investments from the federal government and private entities. On or
before January 1, 2007, said office shall submit the results of such
study, in accordance with the provisions of section 11-4a, to the joint
standing committees of the General Assembly having cognizance of
matters relating to commerce and higher education and employment
advancement.

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

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

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

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

Sec. 82. (NEW) (Effective July 1, 2009) (a) The Department of
Economic and Community Development shall, within available
appropriations, establish a grant program to provide funding for the
promotion of collaborative research applications between industry and
institutions of higher education. Grants pursuant to this subsection shall be awarded to institutions of higher education, technology-focused organizations and business entities and may be used:

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

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

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

(b) The Department of Economic and Community Development shall, within available appropriations, establish a grant program to provide funding for the promotion of commercialization of research done by institutions of higher education. Grants pursuant to this subsection shall be awarded to institutions of higher education and
business entities and may be used:

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

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

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

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

(a) The legislative body shall appoint or authorize the chief elected official of the municipality to appoint an historic district study committee for the purpose of making an investigation of a proposed historic district or districts. The legislative body of a municipality which proposes to establish more than one district may establish more than one committee if the proposed districts are not contiguous to each other nor to any existing historic district. Each committee established under the provisions of this section shall consist of five regular and three alternate members who shall be electors of the municipality holding no salaried municipal office. Such alternate members shall, when seated as provided in this section, have all powers and duties of
(b) The historic district study committee shall investigate and submit a report which shall include the following: (1) An analysis of the historic significance and architectural merit of the buildings, structures, places or surroundings to be included in the proposed historic district or districts and the significance of the district as a whole; (2) a general description of the area to be included within the district or districts, including the total number of buildings in each such district or districts listed according to their known or estimated ages; (3) a map showing the exact boundaries of the area to be included within the district or districts; (4) a proposed ordinance or proposed ordinances designed to create and provide for the operation of an historic district or districts in accordance with the provisions of this part; (5) such other matters as the committee may deem necessary or advisable.

(c) The historic district study committee shall transmit copies of its report to the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, the planning commission and zoning commission, or the combined planning and zoning commission, of the municipality, if any, and, in the absence of such a planning commission, zoning commission or combined planning and zoning commission, to the chief elected official of the municipality for their comments and recommendations. In addition to such other comments and recommendations as it may make, the [Connecticut Commission on Culture and Tourism] department may recommend either approval, disapproval, modification, alteration or rejection of the proposed ordinance or ordinances and of the boundaries of each proposed district. Each such commission, board or
individual shall deliver such comments and recommendations to the committee within sixty-five days of the date of transmission of such report. Failure to deliver such comments and recommendations shall be taken as approval of the report of the committee.

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

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

(f) The historic district study committee shall submit its report with
any changes made following the public hearing, along with any
comments or recommendations received pursuant to subsection (c) of
this section, and such other materials as the committee may deem
necessary or advisable to the legislative body and the clerk of the
municipality within sixty-five days after the public hearing.

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

(h) The form of the ballot to be mailed to each owner shall be
consistent with the model ballot prepared by the Historic Preservation
Council of the [Connecticut Commission on Culture and Tourism]
Department of Economic and Community Development established
pursuant to section 10-409. The ballot shall be a secret ballot and shall
set the date by which such ballots shall be received by the clerk of the
municipality. The ballots shall be mailed by first class mail to each
owner eligible to vote in such balloting at least fifteen days in advance
of the day on which ballots must be returned. Notice of balloting shall
be published in the form of a legal advertisement appearing in a
newspaper having a substantial circulation in the municipality at least
twice, at intervals of not less than two days, the first not more than
fifteen days or less than ten days and the last not less than two days
before the day on which the ballots must be returned. Such ballot shall
be returned to the municipal clerk, inserted in an inner envelope which
shall have endorsed on the face thereof a form containing a statement
as follows: "I, the undersigned, do hereby state under the penalties of
false statement that I am an owner of record of real property to be
included in the proposed historic district and that I am, or my
predecessors in title were, liable to the municipality for taxes on an
assessment of not less than one thousand dollars on the last grand list
of the municipality of real property within the district, or who would
be or would have been so liable if not entitled to an exemption under
subdivision (7), (8), (10), (11), (13), (14), (15), (16), (17), (20), (21), (22),
(23), (24), (25), (26), (29) or (49) of section 12-81." Such statement shall
be signed and dated. Any person who intentionally falsely signs such
ballot shall be guilty of false statement as provided in section 53a-157b.
The inner envelope, in which the ballot has been inserted by the
owner, shall be returned to the municipal clerk in an outer envelope
endorsed on the outside with the words: "Official ballot". Such outer
envelope shall also contain, in the upper left corner of the face thereof,
blank spaces for the name and return address of the sender. In the
lower left corner of such outer envelope, enclosed in a printed box,
there shall be spaces upon which the municipal clerk, before issuance
of the ballot and envelopes, shall inscribe the name, street and number
of the elector's voting residence and the date by which the ballot must
be returned, and before issuance the municipal clerk shall similarly
inscribe such envelope with his name and address for the return
thereof. All outer envelopes shall be serially numbered. The ballots
shall be returned to the municipal clerk by the close of business on the
day specified, and such clerk shall compare each ballot to the list of
property owners to whom such ballots were mailed to insure that each
such ballot has been properly signed and returned.
(i) If two-thirds of all property owners voting cast votes in the affirmative, the legislative body of the municipality shall by majority vote take one of the following steps: (1) Accept the report of the committee and enact an ordinance or ordinances to create and provide for the operation of an historic district or districts in accordance with the provisions of this part; (2) reject the report of the committee, stating its reasons for such rejection; (3) return the report to the historic district study committee with such amendments and revisions thereto as it may deem advisable, for consideration by the committee. The committee shall submit an amended report to the legislative body within sixty-five days of such return. The committee need not hold a public hearing other than the one provided for in subsection (d) of this section, notwithstanding any changes in its report following such hearing, unless the legislative body has recommended a change in the boundaries of the proposed district or districts. The legislative body of the municipality may authorize another ballot of the owners within a proposed district or districts to be cast, other than the balloting provided for in subsection (g) of this section, notwithstanding any changes in the proposed ordinance following such balloting, if the boundaries of the proposed district in which the owners' property is situated are changed.

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

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

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

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

There is established, within the General Fund, a separate, nonlapsing account to be known as the "land protection, affordable housing and historic preservation account". The account shall contain any moneys required by law to be deposited in the account. The funds in the account shall be distributed every three months as follows: (1) Twenty-five per cent to the Connecticut Commission on Culture and Tourism Department of Economic and Community Development to use as follows: (A) Two hundred thousand dollars, annually, to supplement the technical assistance and preservation activities of the Connecticut Trust for Historic Preservation, established pursuant to special act 75-93, and (B) the remainder to supplement historic preservation activities as provided in sections 10-409 to 10-415, inclusive; (2) twenty-five per cent to the Connecticut Housing Finance
Authority to supplement new or existing affordable housing programs; (3) twenty-five per cent to the Department of Environmental Protection for municipal open space grants; and (4) twenty-five per cent to the Department of Agriculture to use as follows: (A) Five hundred thousand dollars annually for the agricultural viability grant program established pursuant to section 22-26j; (B) five hundred thousand dollars, annually for the farm transition program established pursuant to section 22-26k; (C) one hundred thousand dollars annually to encourage the sale of Connecticut Grown food to schools, restaurants, retailers, and other institutions and businesses in the state; (D) seventy-five thousand dollars annually for the Connecticut farm link program established pursuant to section 22-26l; and (E) the remainder for farmland preservation programs pursuant to chapter 422. Each agency receiving funds under this section may use not more than ten per cent of such funds for administration of the programs for which the funds were provided.

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

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

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

(a) The State Bond Commission may authorize the issuance of bonds of the state in one or more series in accordance with the
provisions of sections 10a-25a to 10a-25g, inclusive, but not in excess of
the aggregate amount of twenty-two million five hundred thousand
dollars.

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

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

Through [Connecticut Innovations, Incorporated] the Connecticut
Economic Innovations Authority the state may provide financial aid,
as defined in subdivision (4) of section 32-34, for the development of
high technology projects and programs in accordance with the
provisions of subdivision (2) of subsection (b) of section 10a-25b. Such
funding shall be made in accordance with written procedures adopted
by [Connecticut Innovations, Incorporated] the Connecticut Economic
Innovations Authority in accordance with the provisions of section 1-121. [Until June 30, 1996, Connecticut Innovations, Incorporated may
use not more than three per cent of the total amount of any annual
bond allocation for high technology projects and programs described
in section 10a-25b or this section, for the administration and evaluation
of such projects and programs.]
Sec. 89. Section 32-41 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

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

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

(a) The Secretary of the Office of Policy and Management shall
advise the Governor on matters concerning local government including state laws relating to local government, the impact of federal actions or proposed federal actions on local government, the financial needs and resources of local government and the allocation of program and financial responsibility between local government and the state.

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

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

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

(e) The secretary shall require that notice be given to him of all applications for federal financial assistance or for any gift, contribution, income from trust funds, or other aid from any private source submitted by the state, or any agency thereof, authorities and development agencies. The secretary may require that notice be given him of all applications for federal financial assistance submitted by municipalities or any agency thereof. The secretary may require that any notice of application for federal financial assistance be accompanied by an urban impact statement, on a form furnished by said secretary, indicating that the project or program for which such
application is being made has been reviewed in accordance with the
goals set forth in section 4-66b. Ongoing fund-raising from any private
source by an institution of higher education shall not constitute an
application under the terms of this section.

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

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

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

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

(2) To invest in, purchase, acquire and take assignments from
mortgagees of notes and mortgages evidencing loans for the
construction, rehabilitation, purchase, leasing or refinancing of
housing;
(3) To receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied to carry out the purposes of this chapter subject to such conditions upon which such grants and contributions may be made, including, but not limited to, gifts or grants from any department, agency or instrumentality of the United States or this state for any purpose consistent with this chapter;

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

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

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

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

(8) To stimulate environmental planning for housing for low and moderate income families and persons in order to enhance opportunities of such persons for self-development and employment;
(9) To encourage governmental agencies and others to participate and assist in overcoming the lack of adequate housing for low and moderate income families and persons in this state;

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

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

(12) To issue bonds, bond anticipation notes and other obligations of the authority to the extent permitted under this chapter, to fund and refund the same and provide for the rights of the holders thereof; and to secure the same by pledge of revenues, notes and mortgages of others;
(13) To acquire, lease, hold and dispose of personal property for its corporate purposes;

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

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

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

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

(18) To invest any funds not needed for immediate use or disbursement, including any funds held in reserve, in obligations issued or guaranteed by the United States of America or the state of Connecticut and in other obligations which are legal investments for savings banks in this state and in time deposits or certificates of deposit or other similar banking arrangements secured in such manner as the authority determines;
(19) To procure insurance against any loss in connection with its property and other assets, including mortgages and mortgage loans, in such amounts and from such insurers as it deems desirable;

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

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

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

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

(24) To insure mortgage payments of any mortgage loan made for
the purpose of constructing, rehabilitating, purchasing, leasing, or refinancing housing, upon such terms and conditions as the authority may prescribe;

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

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

(27) To encourage home ownership by low and moderate income
families and persons, including ownership of structures containing not
more than four dwelling units where the eligible low or moderate
income family or person owning such structure occupies a dwelling
unit therein. Structures acquired hereunder may be newly-built,
existing or rehabilitated, either before or after acquisition. If newly-
built, such structures shall conform to the State Building Code; existing
structures shall conform after rehabilitation to standards established
by the authority. The authority may assist an eligible mortgagor in the
acquisition, construction or rehabilitation of such structures by
exercising any of the powers conferred upon the authority by this
chapter. Any structure so acquired, constructed or rehabilitated by an
eligible mortgagor other than a low or moderate income family or
person shall be conveyed to a low or moderate income family or
person within one year from the date of such acquisition or from the
date of completion of such construction or acquisition, whichever date
is later;

(28) To establish a program to finance the construction or
rehabilitation of housing designed for condominium or cooperative
ownership, to convert existing housing however financed to such
forms of ownership, and to finance the ownership of individual shares
of or memberships in cooperative housing, and individual units of
condominium housing, which mortgages for such cooperative and
condominium housing are financed by the authority, and in
connection therewith to make or insure first or second mortgage loans
to finance the organization and the construction or rehabilitation of or
conversion to cooperative or condominium housing, to assist and
advise tenants during a period of conversion to cooperative or
condominium ownership, and to make or insure loans to finance the
ownership of individual shares of or memberships in existing as well
as new or rehabilitated cooperative housing, such loans to be secured
by pledges of the individual shares of or memberships in the
cooperative housing purchased or by such other security as the
authority shall prescribe, pursuant to such rules and regulations as the
authority may determine, provided, in the case of mortgage loans or
mortgage loan insurance for occupied existing housing to be converted into cooperative or condominium ownership, the authority shall determine, prior to any mortgage loan or mortgage loan insurance commitment, pursuant to rules and regulations promulgated by it, that a sufficient number of the families and persons who are tenants before such conversion have agreed to purchase individual shares of or memberships in any cooperative housing created or units in any condominium declared after conversion to ensure the economic feasibility of the conversion and to ensure that the conversion will not create undue hardship through the displacement of such tenants, provided that, if a loan made by the authority under this section is insured or if the project or any units therein are assisted by any department, agency or instrumentality of the United States or this state, and the terms of the loan insurance commitment or any governmental regulations covering such insurance or other assistance are inconsistent with the terms and conditions required by this section or established by the authority under this chapter, the terms of such loan insurance commitment or governmental regulation shall prevail, to the extent of such inconsistency. As used in this subdivision, "housing" includes the land which constitutes a mobile manufactured home park and "tenants" includes the residents of a mobile manufactured home park;

(29) To give approval or consent to the articles of incorporation or other basic documents of organization submitted to the authority by an applicant for a mortgage loan. (1) If the applicant is a nonprofit corporation, the articles of incorporation shall, in addition to other requirements of law, provide: (a) That the corporation has been organized to provide housing; (b) that all the income and earnings of the corporation shall be used exclusively for corporate purposes and that no part of the net earnings or net income of the corporation shall inure to the benefit or profit of any private individual, firm, corporation, partnership or association; (c) that the corporation is in no manner controlled or under the direction or acting in the substantial interest of any private individual, firm, partnership or association
seeking to derive profit or gain therefrom or seeking to eliminate or minimize losses in any dealing or transactions therewith; (d) that the operations of the corporation may be supervised by the authority and that the corporation shall enter into such agreements with the authority as the authority from time to time requires providing for regulation by the authority of the planning, development and management of any housing project undertaken by the corporation and the disposition of the property and franchises of the corporation. (2) If the applicant is a corporation organized for profit, the articles of incorporation shall provide, in addition to other requirements of law: (a) That the corporation has been organized to provide housing; (b) that every stockholder of the corporation shall be deemed, by the subscription or receipt of stock therein, to have agreed that he at no time shall receive from the corporation in repayment of his investment any sums in excess of the face value of the investment plus cumulative dividends not in excess of the return on equity permitted by other provisions of this chapter, computed from the initial date upon which moneys were paid or property delivered in consideration for the proprietary interest of the stockholder and upon the dissolution of the corporation any surplus in excess of such amounts shall be paid to the authority; (c) that the operations of the corporation may be supervised by the authority and that the corporation shall enter into such agreements with the authority as the authority from time to time requires providing for regulation by the authority of the planning, development and management of any housing undertaken by the corporation and the disposition of the property and franchises of the corporation. (3) If the applicant is an unincorporated association, including, but not limited to, a partnership, limited partnership, joint venture or trust, its basic documents of organization shall provide, in addition to other requirements of law: (a) That the association has been organized to provide housing; (b) that every member of the association shall be deemed by acceptance of a beneficial interest in the association or by executing the basic document of organization to have agreed that he at no time shall receive from such association any return in excess of the face value of the investment attributable to his respective interest.
plus cumulative dividend payments not in excess of the return on equity permitted by other provisions of this chapter, computed from the initial date upon which moneys were paid or property delivered in consideration for the interest, and upon the dissolution of the association any surplus in excess of such amounts shall be paid to the authority; (c) that the operations of the association may be supervised by the authority and that the association shall enter into such agreements with the authority as the authority from time to time requires providing for the regulation by the authority of the planning, development and management of any housing undertaken by the association, and the disposition of the property and franchises of the association. (4) "Surplus" as used in this subsection shall not be deemed to include any increase in assets of any recipient of a mortgage loan from the authority under this chapter, by reason of reduction of mortgage, by amortization or similar payments, or realized from the sale or disposition of any assets of such recipient, to the extent such surplus can be attributed to any increase in market value of any real property or tangible personal property accruing during the period the assets were owned and held by such recipient. (5) The articles of incorporation or similar basic documents of organization shall further provide that the authority shall have the power to appoint to the board of directors of the nonprofit or for-profit corporation a number of new directors, which number shall be sufficient to constitute a majority of the board, and to appoint a managing agent of the unincorporated association, notwithstanding any other provisions of the articles of incorporation or other basic documents of organization or any other provisions of law, if: (a) The authority determines that the loan or advance made to such recipient is in jeopardy of not being repaid; (b) the authority determines that the proposed housing project for which the loan or advance was made is in jeopardy of not being constructed; (c) the recipient is a nonprofit corporation, and the authority determines that some part of the net income or earnings of the corporation is inuring to the benefit of any private individual, firm, partnership, corporation or association, or that the corporation is in some manner controlled by or under the direction of or acting in the
(30) To do all acts and things necessary or convenient to carry out the purposes of this chapter and the powers expressly granted by this chapter;

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

(32) To make commitments to purchase, and to purchase, service and sell mortgages and to make loans directly upon the security of any substantial interest of any private individual, firm, corporation, partnership or association seeking to derive benefit or gain therefrom or seeking to eliminate or minimize losses in any dealings or transactions therewith; (d) the recipient is a for-profit corporation or unincorporated association, and the authority determines that some part of the net income or earnings of the recipient, in excess of that permitted by other provisions of this chapter, shall inure to the benefit of any private individual, firm, corporation, partnership or association; (e) the authority determines that the recipient is in violation of any rules or regulations promulgated by the authority under the provisions of this chapter; (f) the authority determines that the recipient is in violation of any agreements entered into with the authority providing for regulation by the authority of the planning, development and management of any housing undertaken by the recipient or the disposition of the property and franchises of such recipient;
mortgage, or to purchase and sell Federal Home Loan Mortgage Corporation participation sale certificates, Government National Mortgage Association mortgage-backed securities or other similar securities which are insured by any department, agency or instrumentality of the United States of America or public corporation chartered by Congress during the maximum yields reasonably obtainable for the purpose of generating income to the authority which will enable the authority to provide a lower interest rate than is presently possible for families of low and moderate income. Income limitations adopted by the authority shall not apply to mortgages or securities purchased pursuant to this subsection;

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

(34) In addition to powers previously provided pursuant to this chapter and without regard to the limitations in sections 8-253a and 8-254a: (1) To establish a program to finance urban area mortgages and to make, enter into and enforce all contracts or agreements necessary, convenient or desirable with respect thereto; provided applications for urban area mortgages may be considered only when the desired loan may not be otherwise available on reasonable terms; (2) to insure mortgage payments for any urban area mortgage on the same terms
and conditions of and subject to the applicable provisions of sections 8-253 and 8-254 and to enter into mortgage insurance agreements with lending institutions in connection with the lending of money by such institutions for the making of urban area mortgages; and (3) from time to time to adopt, modify, amend or repeal rules and regulations governing the making, purchasing, servicing and sale of such urban area mortgages;

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

(36) To provide in all programs of the authority means to finance project costs for the purchase, construction and installation in new and existing buildings of energy conservation measures and renewable energy systems providing space heating or cooling, domestic hot
water, electricity or other useful energy, regardless of whether a
building is presently financed in whole or in part by other programs of
the authority. Such energy financing programs shall include making or
insuring first or second mortgage loans or loans secured by a security
other than a mortgage, as the authority may prescribe. The authority's
energy loan programs shall be designed to carry out the state policy of
couraging energy conservation and the widespread use of
renewable energy to reduce dependence on conventional fuels subject
to rapid increases in cost and uncertain availability. The authority may
prescribe loan conditions and loan eligibility criteria consistent with
state policy. For the purposes of this subsection "renewable energy"
means solar, wind, water and biomass energy;

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

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

(39) (a) In connection with, or incidental to, the issuance or carrying
of bonds, or acquisition or carrying of any investment or program of
investment, to enter into any contract which the authority determines
to be necessary or appropriate to place the obligation or investment of
the authority, as represented by the bonds, investment or program of
investment and the contract or contracts, in whole or in part, on the
interest rate, currency, cash flow, or other basis desired by the
authority, including, without limitations, contracts commonly known
as interest rate swap agreements, currency swap agreements, forward
payment conversion agreements, futures, or contracts providing for
payments based on levels of, or changes in, interest rates, currency
exchange rates, stock or other indices, or contracts to exchange cash
flows or a series of payments, or contracts, including, without
limitation, interest rate floors or caps, options, puts or calls to hedge
payment, currency, rate, spread, or similar exposure or, contracts for
the purchase of option rights with respect to the mandatory tender for
purchase of bonds, notes or other obligations of the authority, which
are subject to mandatory tender or redemption, including the issuance
of certificates evidencing the right of the owner to exercise such option
rights. These contracts or arrangements may also be entered into by
the authority in connection with, or incidental to, entering into or
maintaining any agreement which secures its bonds, notes or other
obligations, subject to the terms and conditions thereof respecting
outstanding obligations. (b) Bonds issued by the authority may be
payable in accordance with their terms, in whole or in part, in currency
other than lawful money of the United States of America, provided
that the authority enter into a currency swap or similar agreement for
payments in lawful money of the United States of America, which
covers the entire amount of the debt service payment obligation of the
authority with respect to the bonds payable in other currency, and
provided further, that if the term of that agreement is less than the
term of the bonds, the authority shall include a best efforts covenant to
enter into additional agreements as may be necessary to cover the
entire amount of the debt service payment obligation. (c) In connection
with, or incidental to, the issuance or carrying of bonds, notes or other
obligations or entering into any of the contracts or agreement referred
to in subdivision (a), the authority may enter into credit enhancement
or liquidity agreements, with payment, interest rate, currency, security,
default, remedy and other terms and conditions as the authority
determines;

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

(41) To make, originate, administer, hold and service grants,
delayed loans and loans and the security given therefor, and to
perform such other functions as may be necessary and appropriate, with respect to the home ownership loan program established pursuant to sections 8-283 to 8-289, inclusive, or the private rental investment mortgage and equity program established pursuant to sections 8-400 to 8-406, inclusive; provided that not later than January 1, 1996, the authority shall adopt procedures for administration of such programs pursuant to section 1-121;

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

(43) To transfer to the department: (A) Financial assistance; (B) revenues or the right to receive revenues with respect to any program under the supervision of the authority; and (C) loan assets, equity interests or financial participation in connection with any program under the supervision of the authority, provided the transfer of such financial assistance, revenues, rights, assets, interests or participation is determined by the authority to be practicable, within the constraints
and not inconsistent with the fiduciary obligations of the authority
imposed upon or established upon the authority by any provision of
the general statutes, the authority's bond resolutions or any other
agreement or contract of the authority and to have no adverse effect on
the tax-exempt status of any bonds of the authority or the state;

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

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

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

(a) For purposes of this section, "renewable energy" means solar
photovoltaic energy, solar thermal, geothermal energy, wind, ocean
thermal energy, wave or tidal energy, fuel cells, landfill gas,
hydropower that meets the low-impact standards of the Low-Impact
Hydropower Institute, hydrogen production and hydrogen conversion
technologies, low emission advanced biomass conversion technologies,
alternative fuels, used for electricity generation including ethanol,
biodiesel or other fuel produced in Connecticut and derived from
agricultural produce, food waste or waste vegetable oil, provided the
Commissioner of Environmental Protection determines that such fuels
provide net reductions in greenhouse gas emissions and fossil fuel
consumption, usable electricity from combined heat and power systems with waste heat recovery systems, thermal storage systems and other energy resources and emerging technologies which have significant potential for commercialization and which do not involve the combustion of coal, petroleum or petroleum products, municipal solid waste or nuclear fission.

(b) On and after July 1, 2004, the Department of Public Utility Control shall assess or cause to be assessed a charge of not less than one mill per kilowatt hour charged to each end use customer of electric services in this state which shall be deposited into the Renewable Energy Investment Fund established under subsection (c) of this section. Notwithstanding the provisions of this section, receipts from such charges shall be disbursed to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005, unless the department shall, on or before October 30, 2003, issue a financing order for each affected distribution company in accordance with sections 16-245e to 16-245k, inclusive, to sustain funding of renewable energy investment programs by substituting an equivalent amount, as determined by the department in such financing order, of proceeds of rate reduction bonds for disbursement to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005. The department may authorize in such financing order the issuance of rate reduction bonds that substitute for disbursement to the General Fund for receipts of both charges under this subsection and subsection (a) of section 16-245m and also may in its discretion authorize the issuance of rate reduction bonds under this subsection and subsection (a) of section 16-245m that relate to more than one electric distribution company. The department shall, in such financing order or other appropriate order, offset any increase in the competitive transition assessment necessary to pay principal, premium, if any, interest and expenses of the issuance of such rate reduction bonds by making an equivalent reduction to the charges imposed under this subsection, provided any failure to offset all or any portion of such increase in the competitive transition assessment shall not affect the need to
implement the full amount of such increase as required by this subsection and sections 16-245e to 16-245k, inclusive. Such financing order shall also provide if the rate reduction bonds are not issued, any unrecovered funds expended and committed by the electric distribution companies for renewable resource investment through deposits into the Renewable Energy Investment Fund, provided such expenditures were approved by the department following August 20, 2003, and prior to the date of determination that the rate reduction bonds cannot be issued, shall be recovered by the companies from their respective competitive transition assessment or systems benefits charge except that such expenditures shall not exceed one million dollars per month. All receipts from the remaining charges imposed under this subsection, after reduction of such charges to offset the increase in the competitive transition assessment as provided in this subsection, shall be disbursed to the Renewable Energy Investment Fund commencing as of July 1, 2003. Any increase in the competitive transition assessment or decrease in the renewable energy investment component of an electric distribution company's rates resulting from the issuance of or obligations under rate reduction bonds shall be included as rate adjustments on customer bills.

(c) There is hereby created a Renewable Energy Investment Fund which shall be within [Connecticut Innovations, Incorporated] the Connecticut Economic Innovations Authority for administrative purposes only. The fund may receive any amount required by law to be deposited into the fund and may receive any federal funds as may become available to the state for renewable energy investments. Upon authorization of the Renewable Energy Investments Board established pursuant to subsection (d) of this section, [Connecticut Innovations, Incorporated,] the Connecticut Economic Innovations Authority may use any amount in said fund for expenditures that promote investment in renewable energy sources in accordance with a comprehensive plan developed by it to foster the growth, development and commercialization of renewable energy sources, related enterprises and stimulate demand for renewable energy and deployment of
renewable energy sources that serve end use customers in this state and for the further purpose of supporting operational demonstration projects for advanced technologies that reduce energy use from traditional sources. Such expenditures may include, but not be limited to, reimbursement for services provided by the administrator of the fund including a management fee, disbursements from the fund to develop and carry out the plan developed pursuant to subsection (d) of this section, grants, direct or equity investments, contracts or other actions which support research, development, manufacture, commercialization, deployment and installation of renewable energy technologies, and actions which expand the expertise of individuals, businesses and lending institutions with regard to renewable energy technologies.

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

(e) The Renewable Energy Investments Board shall include not
more than fifteen individuals with knowledge and experience in matters related to the purpose and activities of the Renewable Energy Investment Fund. The board shall consist of the following members:

(1) One person with expertise regarding renewable energy resources appointed by the speaker of the House of Representatives; (2) one person representing a state or regional organization primarily concerned with environmental protection appointed by the president pro tempore of the Senate; (3) one person with experience in business or commercial investments appointed by the majority leader of the House of Representatives; (4) one person representing a state or regional organization primarily concerned with environmental protection appointed by the majority leader of the Senate; (5) one person with experience in business or commercial investments appointed by the minority leader of the House of Representatives; (6) the Commissioner of Emergency Management and Homeland Security or the commissioner's designee; (7) one person with expertise regarding renewable energy resources appointed by the Governor; (8) two persons with experience in business or commercial investments appointed by the board of directors of [Connecticut Innovations, Incorporated] the Connecticut Economic Innovations Authority; (9) a representative of a state-wide business association, manufacturing association or chamber of commerce appointed by the minority leader of the Senate; (10) the Consumer Counsel; (11) the Secretary of the Office of Policy and Management or the secretary's designee; (12) the Commissioner of Environmental Protection or the commissioner's designee; (13) a representative of organized labor appointed by the Governor; and (14) a representative of residential customers or low-income customers appointed by Governor. On a biennial basis, the board shall elect a chairperson and vice-chairperson from among its members and shall adopt such bylaws and procedures it deems necessary to carry out its functions. The board may establish committees and subcommittees as necessary to conduct its business.

(f) The board shall issue annually a report to the Department of Public Utility Control reviewing the activities of the Renewable Energy
Investment Fund in detail and shall provide a copy of such report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to energy and commerce and the Office of Consumer Counsel. The report shall include a description of the programs and activities undertaken during the reporting period jointly or in collaboration with the Energy Conservation and Load Management Funds established pursuant to section 16-245m.

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

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

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

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

LCO 3089 (D:\Conversion\Tob\h\2009HB-06369-R01-HB.doc) 149 of 332
(b) [Connecticut Innovations, Incorporated] The Connecticut Economic Innovations Authority, in consultation with the Department of Public Utility Control, the Department of Education and the Department of Emergency Management and Homeland Security, shall establish a municipal renewable energy and efficient energy generation grant program. [Connecticut Innovations, Incorporated,] The Connecticut Economic Innovations Authority shall make grants under said program to municipalities for the purchase of (1) renewable energy sources, including solar energy, geothermal energy and fuel cells or other energy-efficient hydrogen-fueled energy, or (2) energy-efficient generation sources, including units providing combined heat-and-power operations with greater than sixty-five per cent efficiency or such higher efficiency level as [Connecticut Innovations, Incorporated,] the Connecticut Economic Innovations Authority may prescribe, for municipal buildings. [Connecticut Innovations, Incorporated,] The Connecticut Economic Innovations Authority shall give priority to applications for grants for disaster relief centers and high schools. Each grant shall be in an amount that makes the cost of purchasing and operating the renewable energy or energy-efficient generation source competitive with the municipality's current electricity expenses.

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

(d) Commencing with the fiscal year ending June 30, 2008, and for each of the five consecutive fiscal years thereafter, until the fiscal year ending June 30, 2012, not less than ten million dollars shall be available
from the municipal renewable energy and efficient energy generation grant account for grants-in-aid to municipalities for the purpose of purchasing and operating renewable energy or energy-efficient generation sources. Any balance of such amount not used for such grants-in-aid during a fiscal year shall be carried forward for the fiscal year next succeeding for such grants-in-aid.

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

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

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

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

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

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

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

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by [Connecticut Innovations, Incorporated,] the Connecticut Economic Innovations Authority for the purpose of funding the net project costs, or the balance of any projects after applying any public or private financial incentives available, for any renewable energy or combined heat and power projects in state buildings. The funds shall be made available through the Renewable Energy Investment Fund, established pursuant to section 16-245n. Eligible state buildings shall be Leadership in Energy and Environmental Design (LEED) certified or in the process of becoming LEED certified or in the process of becoming
LEED silver rating certified or receive a two-globe rating in the green Globes USA design program or in the process of receiving a two-globe rating in the Green Globes USA design program.

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

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

(a) (1) There is established a Stem Cell Research Advisory Committee. The committee shall consist of the Commissioner of Public Health and eight members who shall be appointed as follows: Two by the Governor, one of whom shall be nationally recognized as an active investigator in the field of stem cell research and one of whom shall...
have background and experience in the field of bioethics; one each by
the president pro tempore of the Senate and the speaker of the House
of Representatives, who shall have background and experience in
private sector stem cell research and development; one each by the
majority leaders of the Senate and House of Representatives, who shall
be academic researchers specializing in stem cell research; one by the
minority leader of the Senate, who shall have background and
experience in either private or public sector stem cell research and
development or related research fields, including, but not limited to,
embryology, genetics or cellular biology; and one by the minority
leader of the House of Representatives, who shall have background
and experience in business or financial investments. Members shall
serve for a term of four years commencing on October first, except that
members first appointed by the Governor and the majority leaders of
the Senate and House of Representatives shall serve for a term of two
years. No member may serve for more than two consecutive four-year
terms and no member may serve concurrently on the Stem Cell
Research Peer Review Committee established pursuant to section 19a-
32g. All initial appointments to the committee shall be made by
October 1, 2005. Any vacancy shall be filled by the appointing
authority.

(2) On and after July 1, 2006, the advisory committee shall include
eight additional members who shall be appointed as follows: Two by
the Governor, one of whom shall be nationally recognized as an active
investigator in the field of stem cell research and one of whom shall
have background and experience in the field of ethics; one each by the
president pro tempore of the Senate and the speaker of the House of
Representatives, who shall have background and experience in private
sector stem cell research and development; one each by the majority
leaders of the Senate and House of Representatives, who shall be
academic researchers specializing in stem cell research; one by the
minority leader of the Senate, who shall have background and
experience in either private or public sector stem cell research and
development or related research fields, including, but not limited to,
embryology, genetics or cellular biology; and one by the minority leader of the House of Representatives, who shall have background and experience in business or financial investments. Members shall serve for a term of four years, except that (A) members first appointed by the Governor and the majority leaders of the Senate and House of Representatives pursuant to this subdivision shall serve for a term of two years and three months, and (B) members first appointed by the remaining appointing authorities shall serve for a term of four years and three months. No member appointed pursuant to this subdivision may serve for more than two consecutive four-year terms and no such member may serve concurrently on the Stem Cell Research Peer Review Committee established pursuant to section 19a-32g. All initial appointments to the committee pursuant to this subdivision shall be made by July 1, 2006. Any vacancy shall be filled by the appointing authority.

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

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

(d) Notwithstanding the provisions of any other law, it shall not constitute a conflict of interest for a trustee, director, partner, officer, stockholder, proprietor, counsel or employee of any eligible institution, or for any other individual with a financial interest in any eligible institution, to serve as a member of the committee. All members shall be deemed public officials and shall adhere to the code of ethics for public officials set forth in chapter 10. Members may participate in the affairs of the committee with respect to the review or consideration of grant-in-aid applications, including the approval or disapproval of such applications, except that no member shall participate in the affairs
of the committee with respect to the review or consideration of any
grant-in-aid application filed by such member or by any eligible
institution in which such member has a financial interest, or with
whom such member engages in any business, employment, transaction
or professional activity.

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

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

(g) Not later than June 30, 2007, and annually thereafter until June
30, 2015, the Stem Cell Research Advisory Committee shall report, in
accordance with section 11-4a, to the Governor and the General Assembly on (1) the amount of grants-in-aid awarded to eligible institutions from the Stem Cell Research Fund pursuant to section 19a-32e, (2) the recipients of such grants-in-aid, and (3) the current status of stem cell research in the state.

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

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

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

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

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

(a) The Commissioner of Economic and Community Development,
in consultation with the Connecticut Resources Recovery Authority
and the Commissioner of Environmental Protection, shall prepare a
plan for the support and promotion of industries that use, process or
transport recycled materials. The plan shall outline ways existing
programs of the Department of Economic and Community Development, the Connecticut Resources Recovery Authority and agencies such as the Department of Environmental Protection [the Connecticut Development Authority and Connecticut Innovations, Incorporated] and the Connecticut Economic Innovations Authority will be used to promote such industries.

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

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

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

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

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

(3) "CDA" means the Connecticut Development Authority, as created under chapter 579;

(4) "CHFA" means the Connecticut Housing Finance Authority, as created under chapter 134; and

(5) "CII" means Connecticut Innovations, Incorporated, as created under chapter 581; and

(6) "SHA" means the State Housing Authority as created under section 8-244b.

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

Not later than August 1, 1997, and annually thereafter, the
[chairperson of the board of directors of the Connecticut Development Authority and the chairperson of the board of directors of Connecticut Innovations, Incorporated] executive director of the Connecticut Economic Innovations Authority shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to the Department of Economic and Community Development, in accordance with the provisions of section 11-4a, which details the amount of bond funds expended during the previous fiscal year on each economic cluster in the state. [by the quasi-public agency administered by such chairperson.]

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

(a) Prior to entering into a grant, loan or assistance agreement for any project which is a major traffic generator within the meaning of section 14-311, the Commissioner of Economic and Community Development and the executive directors of the Connecticut Development Authority and Connecticut Innovations, Incorporated] director of the Connecticut Economic Innovations Authority, as the case may be, shall submit an impact statement for each such project to the Connecticut Transportation Strategy Board, established pursuant to section 13b-57e. Each impact statement shall (1) describe the project and its expected impact on the transportation system, (2) summarize whether or not such project conforms to the strategy adopted in accordance with section 13b-57g, and (3) include any other information the board may require to discharge its responsibilities under this subsection including, but not limited to, (A) the size of any facility proposed in connection with the project, (B) the hours of operation of such facility, (C) a projection of whether or not an increase in daily vehicle trips including truck traffic is likely to occur as a result of such project, and (D) the availability of public transportation to and from such facility. The board shall evaluate each such impact statement to determine whether such project conforms to such strategy and shall submit to said commissioner and executive directors [director] any
findings and recommendations with respect to such project. Nothing in this subsection shall be construed as requiring any delay in the implementation of any such project.

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

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

(a) As used in this section:

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

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

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

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

(d) The moneys in the fund shall be invested as follows: (1) Not
more than twenty-five per cent in seed stage companies, and (2) not
more than seventy-five per cent in not more than twenty emerging
growth companies. Not more than three million dollars shall be
invested in any single seed stage or emerging growth company. Fund
investments shall be in the form of equity or similar instruments. An
emerging growth company may be eligible for an investment if the
company projects high growth, has a strong management team, has
current and prospective customers, has had difficulty raising early
stage venture capital and is a strong market driver but is facing entry
barriers.

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

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

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

(b) In support of the program established in subsection (a) of this
section, the [corporation] authority shall establish criteria for awarding
such financing and shall develop and implement a plan to market the
program.
(c) The board of the [corporation] authority shall review and approve each application for such financing.

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

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

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

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

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

(c) On or before July 1, 2011, and every five years thereafter, each business located within an enterprise zone shall electronically submit,
in a format determined by the commissioner, a report to the
municipality, which shall include, but not be limited to:

(1) The name of the business;

(2) The enterprise zone address of each business;

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

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

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

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

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

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

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

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

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

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

(13) The per cent of average employee contribution to the health
plan of the business as of June thirtieth of each year since certification;
(14) The amount invested by the business in job training as of June thirtieth of each year since certification;

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

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

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

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

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

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

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

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

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

(d) On or before July 1, 2011, and every five years thereafter, each municipality in which an enterprise zone is located shall electronically submit, in a format determined by the commissioner, a report to the
commissioner evaluating the progress of the municipality in meeting
the performance standards established under subsection (b) of this
section. Each municipal report shall include, to the extent available, a
list of all businesses certified within the municipality's enterprise zone,
and the information provided by businesses under subsection (c) of
this section.

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

(f) On or before January 1, 2013, the commissioner shall assess the
performance of each enterprise zone and may recommend to the joint
standing committee of the General Assembly having cognizance of all
matters relating to the Department of Economic and Community
Development [i, the Connecticut Development Authority and
Connecticut Innovations, Incorporated] that the designation be
removed if he determines that the enterprise zone has not met
performance standards established under subsection (b) of this section.
Upon such recommendation, the General Assembly may remove the
designation.

Sec. 105. Section 32-344 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

As used in this section and sections 32-345 and 32-346:

(1) "Business-led consortium" means a coalition or other group of
entities, related by contractual or other arrangements, that (A) includes
at least one Connecticut business and may include other businesses
(2) "Corporation" means [Connecticut Innovations, Incorporated, as created under section 32-35] the Connecticut Economic Innovations Authority established pursuant to section 6 of this act;

(3) "Small business" means a corporation, limited liability company, partnership, sole proprietorship or individual, operating a business for profit, which employs five hundred or fewer employees, including employees employed in any subsidiary or affiliated corporation;

(4) "Small business innovation research program" means the federal program established pursuant to the Small Business Innovation Development Act of 1982 (P.L. 97-219), as amended, which provides funds to small businesses to conduct innovative research which has potential commercial applications;

(5) "Small business technology transfer program" means the federal program established pursuant to the Small Business Research and Development Enhancement Act of 1992 (P.L. 102-564), as amended, which provides funds to small businesses that collaborate with nonprofit research institutions to conduct innovative research which has potential commercial applications;

(6) "Federal technology support program" means any program now or hereafter established by the government of the United States of America or any agency or instrumentality thereof, other than the small business innovation research program and small business technology transfer program that (A) is authorized to provide funding support for projects undertaken by businesses and business-led consortia for the development or commercialization of advanced technologies, including without limitation technologies applied or applicable to national defense, and (B) requires recipients to furnish a portion of the funds necessary to carry out such activities;
(7) "Micro business" means a business entity, including its affiliates, that (A) is independently owned and operated, and (B) employs fewer than fifty full-time employees or has gross annual sales of less than five million dollars.

Sec. 106. Section 32-356 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) For purposes of this section, "incubator facilities" shall have the same meaning as incubator facilities in section 32-34.

(b) The Commissioner of Economic and Community Development shall establish the small business incubator program to provide grants to entities operating incubator facilities, as defined in section 32-34. The Department of Economic and Community Development may enter into an agreement, pursuant to chapter 55a, with a person, firm, corporation or other entity to operate such program. The department, or a program operator selected pursuant to this subsection, shall, subject to the availability of funds, operate a technology-based small business incubator program. In accordance with the written guidelines developed by the department, the department or program operator, if any, may provide grants to assist small businesses operating within incubator facilities. Grants made pursuant to this section shall be used by such entities to provide operating funds and related services, including business plan preparation, assistance in acquiring financing and management counseling.

(c) An entity shall submit an application for a grant pursuant to this section in the manner prescribed by the Commissioner of Economic and Community Development.

(d) There is established an account to be known as the small business incubator account, which shall be a separate, nonlapsing account within the General Fund. The commissioner may use funds from the account to provide administrative expenses and grants pursuant to this section.
There is established a Small Business Incubator Advisory Board. Said board shall consist of: (A) The Commissioner of Economic and Community Development; (B) the [president of the Connecticut Development Authority and the] executive director of [Connecticut Innovations, Incorporated] the Connecticut Economic Innovations Authority, or the executive director's designee, as an ex-officio nonvoting [members, or their designees] member; (C) one member to be appointed by the Governor; (D) two members with experience in the field of technology transfer and commercialization, to be appointed by the speaker of the House of Representatives; (E) two members with experience in new product and market development, to be appointed by the president pro tempore of the Senate; (F) one member to be appointed by the majority leader of the Senate; (G) one member to be appointed by the majority leader of the House of Representatives; (H) one member with experience in seed and early stage capital investment, to be appointed by the minority leader of the House of Representatives; and (I) one member with experience in seed and early stage capital investment, to be appointed by the minority leader of the Senate. All initial appointments to said board shall be made not later than September 1, 2007.

The Commissioner of Economic and Community Development shall schedule the first meeting of said board not later than October 15, 2007. Thereafter, the board shall meet at least once annually to evaluate and recommend changes to the guidelines adopted pursuant to this section.

Sec. 107. Section 32-450 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

As used in sections 32-450 to 32-457, inclusive:

(1) "Awarding authority" means the Commissioner of Economic and Community Development [] and the board of directors of the [Connecticut Development Authority and the board of directors of Connecticut Innovations, Incorporated] Connecticut Economic
Innovations Authority.

(2) "Economic development financial assistance" means any grant, loan or loan guarantee, or combination thereof, or any tax credits approved pursuant to section 32-9t, provided to a business for the purpose of economic development.

(3) "Employee representatives" means representatives of any certified or recognized bargaining agents for employees of a business.

(4) "Threshold project" means (A) a project for which a business operating in the state and having twenty-five or more full-time employees in the state submits a request to an awarding authority for economic development financial assistance in the form of (i) a grant in the amount of two hundred fifty thousand dollars or more or (ii) a combination of a grant and a loan or loan guarantee, totaling two hundred fifty thousand dollars or more, or (B) a project for which a business operating in the state and having one hundred or more full-time employees in the state submits a request to an awarding authority for economic development financial assistance in the form of (i) a loan or a loan guarantee, in the amount of one million dollars or more, or (ii) a combination of a loan and a loan guarantee, totaling one million dollars or more.

Sec. 108. Section 32-462 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in this section:

(1) "Agency" means the Department of Economic and Community Development [, the Connecticut Development Authority] or [Connecticut Innovations, Incorporated] the Connecticut Economic Innovations Authority.

(2) "Financial assistance" means grants, loans, loan guarantees, contracts of insurance, investments, or combinations thereof, which are provided from the proceeds of bonds, notes or other obligations of the
state or an agency which constitute a debt or liability of the state or
which are secured by a special capital reserve fund payable from
amounts appropriated or deemed appropriated from the General
Fund.

(3) "Applicant" means any eligible applicant seeking financial
assistance from an agency for a business project. The term "applicant"
shall not include any political subdivision of the state.

(4) "Business project" means a business proposal undertaken by one
or more applicants, but does not include housing unless undertaken in
combination with another unrelated type of business.

(5) "Biotechnology business project" means any commercial project
to be used or occupied by any person to conduct laboratory activity
relating to, or the research, development or manufacture of,
biologically active molecules or devices that apply to, affect or analyze
biological processes.

(b) (1) No agency or agencies may award more than a total of ten
million dollars of financial assistance during any two-year period to an
applicant or for a business project unless such financial assistance is
specifically authorized by an act of the General Assembly which has
been enacted before, on or after July 1, 1994. (2) The provisions of
subdivision (1) of this subsection shall not apply to any awards funded
or to be funded by bonds authorized to be issued by the State Bond
Commission before July 1, 1994.

(c) Notwithstanding the provisions of subsection (b) of this section,
no agency or agencies may award more than twenty million dollars of
financial assistance for a biotechnology business project during any
two-year period unless such financial assistance is specifically
authorized by an act of the General Assembly which has been enacted
before, on or after July 1, 2001.

Sec. 109. Section 32-478 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):
The board of directors of Connecticut Innovations, Incorporated the Connecticut Economic Innovations Authority shall give priority to applicants who have established a work environment consistent with the criteria set forth in section 32-475 in awarding financial assistance under the program authorized pursuant to sections 32-344, 32-345 and 32-346, to the extent consistent with any state or regional economic development strategy.

Sec. 110. Section 32-479 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

Not later than July 1, 1996, the Commissioner of Economic and Community Development, the Labor Commissioner, the Connecticut Development Authority and Connecticut Innovations, Incorporated and the Connecticut Economic Innovations Authority shall jointly develop goals and objectives and quantifiable outcome measures related to the percentage of financial assistance which is being provided to high performance work organizations. The Labor Commissioner, the Connecticut Development Authority and Connecticut Innovations, Incorporated shall submit an annual report concerning such goals, objectives and measures to the joint standing committee of the General Assembly having cognizance of matters relating to labor and public employees and the joint standing committee having cognizance of matters relating to commerce.

Sec. 111. Section 32-480 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The Department of Economic and Community Development, the Labor Department, the Connecticut Development Authority and Connecticut Innovations, Incorporated the Connecticut Economic Innovations Authority shall, when appropriate, encourage persons, firms and corporations which contact said departments or authorities for financial assistance to utilize high performance work practices in their business operations.
Sec. 112. Section 32-700 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

As used in sections 32-701 to 32-703, inclusive, and this section:

(1) "Awarding authority" means the Commissioner of Economic and Community Development, the board of directors of the Connecticut Development Authority, the board of directors of Connecticut Innovations, Incorporated, Connecticut Economic Innovations Authority and the head of any other quasi-public agency, as defined in section 1-120, and any state agency authorized to award state assistance, as defined in subdivision (2) of this section.

(2) "State assistance" means any grant, loan, loan guarantee or issuance of tax benefit not of general applicability for the purpose of economic development that is (A) made to a business entity operated for profit, and (B) in an amount greater than one million dollars or that, if added to any other such state assistance made to the same business entity during the preceding two years, would total greater than one million dollars.

Sec. 113. Section 32-701 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The terms and conditions of any agreement for state assistance under any program of the general statutes to a business entity operated for profit administered by the Department of Economic and Community Development [Connecticut Development Authority] and Connecticut Innovations, Incorporated, the Connecticut Economic Innovations Authority shall include provisions for (1) specific goals for the creation and retention of full-time and part-time jobs and for periodic reports by the recipient on progress in achieving such goals if the primary purpose of the state assistance is job creation or retention, and (2) a requirement that an applicant for any type of state assistance, except grants and loans of a term of less than one year, provide the agency with appropriate security for such financial assistance,
including, but not limited to, a letter of credit, a lien on real property or a security interest in goods, equipment, inventory or other property of any kind and that the recipient of such state assistance will remain in substantial material compliance with state and federal law.

(b) If a recipient fails to create or retain the number of jobs in this state stipulated in an agreement for state assistance and such failure is due to circumstances within the control of such recipient, the recipient shall repay an amount that is in proportion to the number of jobs that it failed to create or retain unless the awarding authority deems it is in the best interests of the state or the community in which the recipient is located to revise such job creation goals. In such event, the parties shall enter into a revised agreement subject to the approvals required by subsection (c) of this section. Upon request of the awarding authority, a recipient shall provide information necessary to determine compliance with this section, including information showing the compensation paid to employees on jobs created as a result of the state assistance.

(c) The awarding authority, in its discretion, may modify the terms and conditions of any state assistance, including, but not limited to, forgiveness of repayment of a loan, revision of job creation and retention goals or changes to interest rates, provided such awarding authority notifies the State Bond Commission or the appropriate board of directors, if any, of the modification.

Sec. 114. Section 32-717 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The Commissioner of Economic and Community Development, [the chairperson of Connecticut Innovations, Incorporated,] the president of The University of Connecticut and the [chairperson of the Connecticut Development Authority] executive director of the Connecticut Economic Innovations Authority, or their respective designees, shall prepare, within available appropriations, and in consultation with the Governor's Competitiveness Council, the
Commissioner of Education, the Commissioner of Higher Education, the chancellor of the community-technical college system, the director of the Office of Workforce Competitiveness and any other agencies and leading technology-focused organizations deemed appropriate by the Commissioner of Economic and Community Development, recommendations for an implementation plan and budget to establish an Innovation Network that will include the following: (1) The creation of endowed chairs and the hiring of leading academic professionals in targeted fields based on core competencies to work at universities, state colleges and community colleges, in collaboration with other technology initiatives; (2) the focused and aggressive solicitation of and leveraged partnership with federal research funds; (3) increased corporate-sponsored research; (4) the establishment of at least one innovation accelerator, linked to universities and involving corporations and start-up enterprises focused on advanced technology and leveraging the efforts underway by the Connecticut Center for Advanced Technology in the Hartford area; (5) the strengthening of technology transfer and entrepreneurship activities at universities in the state; (6) incentives and financial support for collaborative research between universities and industry or federally sponsored technology centers; (7) the creation of linkages to angel networks; and (8) the creation of linkages to incubators in Connecticut. Said plan shall also include provisions for the utilization of existing resources, including, but not limited to, [Connecticut Innovations, Incorporated, the Connecticut Development Authority] the Connecticut Economic Innovations Authority, The University of Connecticut and the Office of Workforce Competitiveness.

(b) Not later than January 1, 2006, the Commissioner of Economic and Community Development, in consultation with [the chairperson of Connecticut Innovations, Incorporated,] the president of The University of Connecticut and the [chairperson of the Connecticut Development Authority] executive director of the Connecticut Economic Innovations Authority, shall develop an implementation plan for the Innovation Network, within available resources, and
submit said plan and budget to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to economic development, education and labor, in accordance with the provisions of section 11-4a.

Sec. 115. Section 32-718 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The Department of Economic and Community Development, [Connecticut Innovations, Incorporated,] The University of Connecticut, the [Connecticut Development Authority] Connecticut Economic Innovations Authority and the Office of Workforce Competitiveness may use up to ten million dollars of their existing resources for plan implementation and to provide a catalyst for an additional forty million dollars of private investment. The plan for how these funds will be applied and how they will leverage the private money shall be presented to and approved by the State Bond Commission.

Sec. 116. Section 8-192 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) For the purpose of carrying out or administering a development plan or other functions authorized under this chapter, a municipality, acting by and through its development agency, is authorized, subject only to the limitations and procedures set forth in this section, to issue from time to time bonds of the municipality which are payable solely from and secured by: (1) A pledge of and lien upon any or all of the income, proceeds, revenues and property of development projects, including the proceeds of grants, loans, advances or contributions from the federal government, the state or other source, including financial assistance furnished by the municipality or any other public body pursuant to this chapter; (2) taxes or payments in lieu of taxes, or both, in whole or in part, allocated to and paid into a special fund of the municipality pursuant to the provisions of section 8-192a; or (3) any combination of the methods in subdivisions (1) and (2) of this section.
Any bonds payable and secured as provided in this subsection shall be
authorized and the appropriation of the proceeds thereof approved by
a resolution adopted by the legislative body of the municipality,
notwithstanding the provisions of any other statute, local law or
charter governing the authorization and issuance of bonds and the
appropriation of the proceeds thereof generally by the municipality.
No such resolution shall be adopted until after a public hearing has
been held upon such authorization. Notice of such hearing shall be
published not less than five days prior to such hearing in a newspaper
having a general circulation in the municipality. Such bonds shall be
issued and sold in such manner; bear interest at such rate or rates,
including variable rates to be determined in such manner as set forth
in the proceedings authorizing the issuance of the bonds; provide for
the payment of interest on such dates, whether before or at maturity;
be issued at, above or below par; mature at such time or times not
exceeding forty years from their date in the case of bonds issued to
finance housing and facilities related thereto or thirty years from their
date in all other cases; have such rank or priority; be payable in such
medium of payment; be issued in such form, including, without
limitation, registered or book-entry form; carry such registration and
transfer privileges and be made subject to purchase or redemption
before maturity at such price or prices and under such terms and
conditions, including the condition that such bonds be subject to
purchase or redemption on the demand of the owner thereof; and
contain such other terms and particulars as the legislative body of the
municipality or the officers delegated such authority by the legislative
body of the municipality shall determine. The proceedings under
which bonds are authorized to be issued may, subject to the provisions
of the general statutes, contain any or all of the following: (A)
Provisions respecting custody of the proceeds from the sale of the
bonds and any bond anticipation notes, including any requirements
that such proceeds be held separate from or not be commingled with
other funds of the municipality; (B) provisions for the investment and
reinvestment of bond proceeds until such proceeds are used to pay
project costs and for the disposition of any excess bond proceeds or

LCO 3089 (D:\Conversion\Tob\h\2009HB-06369-R01-HB.doc) 177 of 332
investment earnings thereon; (C) provisions for the execution of reimbursement agreements, or similar agreements, in connection with credit facilities, including, but not limited to, letters of credit or policies of bond insurance, remarketing agreements and agreements for the purpose of moderating interest rate fluctuations; (D) provisions for the collection, custody, investment, reinvestment and use of the pledged revenues or other receipts, funds or moneys pledged for payment of bonds as provided in this section; (E) provisions regarding the establishment and maintenance of reserves, sinking funds and any other funds and accounts as shall be approved by the legislative body of the municipality in such amounts as may be established by the legislative body of the municipality, and the regulation and disposition thereof, including requirements that any such funds and accounts be held separate from or not be commingled with other funds of the municipality; (F) covenants for the establishment of maintenance requirements with respect to facilities and properties; (G) provisions for the issuance of additional bonds on a parity with bonds issued prior to the issuance of such additional bonds, including establishment of coverage requirements with respect to such bonds as herein provided; (H) provisions regarding the rights and remedies available in case of a default to the bond owners, note owners or any trustee under any contract, loan agreement, document, instrument or trust indenture, including the right to appoint a trustee to represent their interests upon occurrence of any event of default, as defined in any such default proceedings, provided that if any bonds or bond anticipation notes are secured by a trust indenture, the respective owners of such bonds or notes shall have no authority except as set forth in such trust indenture to appoint a separate trustee to represent them; and (I) other provisions or covenants of like or different character from the foregoing which are consistent with this section and which the legislative body of the municipality determines in such proceedings are necessary, convenient or desirable in order to better secure the bonds or bond anticipation notes, or will tend to make the bonds or bond anticipation notes more marketable, and which are in the best interests of the municipality. Any provisions which may be
included in proceedings authorizing the issuance of bonds under this
section may be included in an indenture of trust duly approved in
accordance with this section which secures the bonds and any notes
issued in anticipation thereof, and in such case the provisions of such
indenture shall be deemed to be a part of such proceedings as though
they were expressly included therein. Any pledge made by the
municipality shall be valid and binding from the time when the pledge
is made, and any revenues or other receipts, funds or moneys so
pledged and thereafter received by the municipality shall be subject
immediately to the lien of such pledge without any physical delivery
thereof or further act. The lien of any such pledge shall be valid and
binding as against all parties having claims of any kind in tort, contract
or otherwise against the municipality, irrespective of whether such
parties have notice of such lien. Neither the resolution nor any other
instrument by which a pledge is created need be recorded. The
legislative body of the municipality may enter into a trust indenture by
and between the municipality and a corporate trustee, which may be
any trust company or bank having the powers of a trust company
within or without the municipality. Such trust indenture may contain
such provisions for protecting and enforcing the rights and remedies
of the bond owners and note owners as may be reasonable and proper
and not in violation of law, including covenants setting forth the duties
of the municipality in relation to the exercise of its powers pursuant to
this section and the custody, safeguarding and application of all
moneys. The municipality may provide by such trust indenture for the
payment of the pledged revenues or other receipts, funds or moneys to
the trustee under such trust indenture or to any other depository, and
for the method of disbursement thereof, with such safeguards and
restrictions as it may determine. All expenses incurred in carrying out
such trust indenture may be treated as project costs. Such bonds shall
not be included in computing the aggregate indebtedness of the
municipality, provided, if such bonds are made payable, in whole or in
part, from funds contracted to be advanced by the municipality, the
aggregate amount of such funds not yet appropriated to such purpose
shall be included in computing the aggregate indebtedness of the

municipality. As used in this section, "bonds" means any bonds, including refunding bonds, notes, temporary notes, interim certificates, debentures or other obligations. Temporary notes issued in accordance with this subsection in anticipation of the receipt of the proceeds of bond issues may be issued for a period of not more than five years and notes issued for a shorter period of time may be renewed by the issue of other notes, provided the period from the date of the original notes to the maturity of the last notes issued in renewal thereof shall not exceed five years.

(b) For the purpose of carrying out or administering a development plan or other functions authorized under this chapter, a municipality, acting by and through its development agency, may accept grants, advances, loans or other financial assistance from the federal government, the state or other source, and may do any and all things necessary or desirable to secure such financial aid. To assist any development project located in the area in which it is authorized to act, any public body, including the state, or any city, town, borough, authority, district, subdivision or agency of the state, may, upon such terms as it determines, furnish service or facilities, provide property, lend or contribute funds, and take any other action of a character which it is authorized to perform for other purposes. To obtain funds for the temporary and definitive financing of any development project, a municipality may, in addition to other action authorized under this chapter or other law, issue its general obligation bonds, notes, temporary notes or other obligations secured by a pledge of the municipality's full faith and credit. Such bonds, notes, temporary notes and other obligations shall be authorized in accordance with the requirements for the authorization of such obligations generally by the municipality and the authorization, issuance and sale thereof shall be subject to the limitations contained in the general statutes, including provisions on the limitation of the aggregate indebtedness of the municipality. Notwithstanding the provisions of sections 7-264, 7-378 and 7-378a, and any other public or special act or charter or bond ordinance or bond resolution which limits the issuance or renewal of
temporary notes issued in anticipation of the receipt of the proceeds of
bond issues to a period of time of less than five years from the date of
the original notes or requires a reduction in the principal amount of
such notes or renewal notes prior to the fifth anniversary of the date of
the original notes, such temporary notes may be issued for a period of
not more than five years and notes issued for a shorter period of time
may be renewed by the issue of other notes, provided the period from
the date of the original notes to the maturity of the last notes issued in
renewal thereof shall not exceed five years.

(c) Notwithstanding the provisions of subsections (a) and (b) of this
section and any other public or special act or charter or bond ordinance
or bond resolution which limits the renewal of temporary notes issued
pursuant to said subsections in anticipation of the receipt of the
proceeds of bond issues to five years or less from the date of the
original notes, any municipality may renew temporary notes in
accordance with the provisions of this section for an additional period
of not more than four years from the end of such five-year period. The
officers or board authorized to issue the bonds or determine the
particulars of the bonds may adopt a resolution authorizing the
renewal of temporary notes for such additional period under the
following conditions: (1) All project grant payments and bond sale
proceeds received shall be promptly applied toward project costs or
toward payment of such temporary notes as the same shall become
due and payable or shall be deposited in trust for such purposes; (2) no
later than the end of each period of twelve months after the end of
such five-year period a portion of such temporary notes equal to at
least one-twentieth of the municipality’s estimated cost of the project
shall be retired from funds other than project grants or land sale
proceeds or note proceeds; (3) the interest on all temporary notes
renewed after such five-year period shall be paid from funds other
than project grants or land sale proceeds or note proceeds; (4) the
principal amount of each bond issue when sold shall be reduced by the
amounts spent under subdivision (2) of this subsection, and the
principal of such bonds shall be paid in annual installments
commencing no later than one year from the date of issue; and (5) the maximum authorized term of the bonds when sold shall be reduced by not less than the number of months from the end of such five-year period to the date of issue. Any anticipated federal or state project grants or land sale proceeds may be used in computing the municipality's cost of the project. Any municipality in which such resolution is passed shall include in its annual budget or shall otherwise appropriate sufficient funds to make the payments required by subdivisions (2) and (3) of this subsection.

(d) For the purposes of carrying out or administering a specified development plan authorized under this chapter, the [Connecticut Development Authority] Connecticut Economic Innovations Authority may, upon a resolution with respect to such project adopted by the legislative body of the municipality, issue and administer bonds which are payable solely or in part from and secured by the pledge and security provided for in subsection (a) of this section subject to the general terms and provisions of law applicable to the issuance of bonds by the [Connecticut Development Authority] Connecticut Economic Innovations Authority, except that the provisions of subsection (b) of section 32-23j shall not apply. For purposes of this section and section 8-192a, references to the [Connecticut Development Authority] Connecticut Economic Innovations Authority shall include any subsidiary of the [Connecticut Development Authority established pursuant to subsection (l) of section 32-11a] Connecticut Economic Innovations Authority.

Sec. 117. Section 8-192a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

Any development plan authorized under this chapter or any proceedings authorizing the issuance of bonds under this chapter may contain a provision that taxes, if any, identified in such plan or such authorizing proceeding and levied upon taxable real or personal property, or both, in a development project each year or payments in lieu of such taxes authorized pursuant to chapter 114, or both, by or for
the benefit of any one or more municipalities, districts or other public
taxing agencies after adoption of the development plan as provided by
section 8-191 or such authorizing proceedings, as the case may be, shall
be divided as follows: (a) In each fiscal year that portion of the taxes or
payments in lieu of taxes, or both, which would be produced by
applying the then current tax rate of each of the taxing agencies to the
total sum of the assessed value of the taxable property in the
development project on the effective date of such adoption or the date
of such authorizing proceedings, as the case may be, or on any date
between such two dates which is identified in such proceedings, shall
be allocated to and when collected shall be paid into the funds of the
respective taxing agencies in the same manner as taxes by or for said
taxing agencies on all other property are paid; and (b) that portion of
the assessed taxes or the payments in lieu of taxes, or both, each fiscal
year in excess of the amount referred to in subdivision (a) of this
section shall be allocated to and when collected shall be paid into a
special fund of the municipality or the [Connecticut Development
Authority] Connecticut Economic Innovations Authority as issuer of
such bonds to be used in each fiscal year, first to pay the principal of
and interest due in such fiscal year on loans, moneys advanced to, or
indebtedness, whether funded, refunded, assumed, or otherwise,
incurred by such municipality or the [Connecticut Development
Authority] Connecticut Economic Innovations Authority as issuer of
such bonds to finance or refinance in whole or in part, such
development project, and then, at the option of the municipality or the
[Connecticut Development Authority] Connecticut Economic
Innovations Authority as issuer of such bonds, to purchase bonds
issued for the project which has generated the tax increments or
payments in lieu of taxes and then, at the option of the municipality or
the [Connecticut Development Authority] Connecticut Economic
Innovations Authority as issuer of such bonds, to reimburse the
provider of or reimbursement party with respect to any guarantee,
letter of credit, policy of bond insurance, funds deposited in a debt
service reserve fund, funds deposited as capitalized interest or other
credit enhancement device used to secure payment of debt service on
any bonds, notes or other indebtedness issued pursuant to section 8-192 to finance or refinance such development project, to the extent of any payments of debt service made therefrom. Unless and until the total assessed valuation of the taxable property in a development project exceeds the total assessed value of the taxable property in such project as shown by the last assessment list referred to in subdivision (a) of this section, all of the taxes levied and collected and all of the payments in lieu of taxes due and collected upon the taxable property in such development project shall be paid into the funds of the respective taxing agencies. When such loans, advances, and indebtedness, if any, and interest thereon, and such debt service reimbursement to the provider of or reimbursement party with respect to such credit enhancement, have been paid in full, all moneys thereafter received from taxes or payments in lieu of taxes, or both, upon the taxable property in such development project shall be paid into the funds of the respective taxing agencies in the same manner as taxes on all other property are paid.

Sec. 118. Section 8-240m of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The state, acting by and through the Commissioner of Economic and Community Development, may provide financial assistance, including, without limitation financial assistance in the form of grants, loans and the purchase of capital stock, for the program established pursuant to subsection (a) of section 8-240k, upon the execution of a financial assistance agreement containing such terms and conditions as the Commissioner of Economic and Community Development shall deem necessary and appropriate to fulfill the purposes of sections 8-240k to 8-240n, inclusive. Notwithstanding the provisions of section 4-66c, the Commissioner of Economic and Community Development may provide such financial assistance from the proceeds of bonds authorized for the Department of Economic and Community Development pursuant to said section 4-66c.

(b) The [Connecticut Development Authority] Connecticut
Economic Innovations Authority may provide financial assistance, including, without limitation, financial assistance in the form of grants, loans and the purchase of capital stock, for the program established pursuant to subsection (a) of section 8-240k, upon the execution of a financial assistance agreement containing such terms and conditions as the Connecticut Economic Innovations Authority shall deem necessary and appropriate to fulfill the purposes of sections 8-240k to 8-240n, inclusive.

(c) The Connecticut Housing Finance Authority may provide financial assistance, including, without limitation, financial assistance in the form of grants, loans and the purchase of capital stock, for the program established pursuant to subsection (a) of section 8-240k, upon the execution of a financial assistance agreement containing such terms and conditions as the Connecticut Housing Finance Authority shall deem necessary and appropriate to fulfill the purposes of sections 8-240k to 8-240n, inclusive.

Sec. 119. Section 13b-79w of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The Connecticut Development Authority Connecticut Economic Innovations Authority is authorized to make loans, on such terms and subject to such conditions as it determines, to (1) support transit-oriented development projects, as defined in section 13b-79o; and (2) encourage the development and use of port and rail freight facilities and services, including trackage and related infrastructure.

Sec. 120. Section 16-243v of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) For purposes of this section: (1) "Connecticut electric efficiency partner program" means the coordinated effort among the Department of Public Utility Control, persons and entities providing enhanced demand-side management technologies, and electric consumers to conserve electricity and reduce demand in Connecticut through the...
purchase and deployment of energy efficient technologies; (2) "enhanced demand-side management technologies" means demand-side management solutions, customer-side emergency dispatchable generation resources, customer-side renewable energy generation, load shifting technologies and conservation and load management technologies that reduce electric distribution company customers' electric demand, and high efficiency natural gas and oil boilers and furnaces; and (3) "Connecticut electric efficiency partner" means an electric distribution company customer who acquires an enhanced demand-side management technology or a person, other than an electric distribution company, that provides enhanced demand-side management technologies to electric distribution company customers.

(b) The Energy Conservation Management Board, in consultation with the Renewable Energy Investments Advisory Committee, shall evaluate and approve enhanced demand-side management technologies that can be deployed by Connecticut electric efficiency partners to reduce electric distribution company customers' electric demand. Such evaluation shall include an examination of the potential to reduce customers' demand, federally mandated congestion charges and other electric costs. On or before October 15, 2007, the Energy Conservation Management Board shall file such evaluation with the Department of Public Utility Control for the department to review and approve or to review, modify and approve on or before October 15, 2007.

(c) Not later than October 15, 2007, the Energy Conservation Management Board shall file with the department, for the department to review and approve or to review, modify and approve, an analysis of the state's electric demand, peak electric demand and growth forecasts for electric demand and peak electric demand. Such analysis shall identify the principal drivers of electric demand and peak electric demand, associated electric charges tied to electric demand and peak electric demand growth, including, but not limited to, federally mandated congestion charges and other electric costs, and any other
information the department deems appropriate. The analysis shall include, but not be limited to, an evaluation of the costs and benefits of the enhanced demand-side management technologies approved pursuant to subsection (b) of this section and establishing suggested funding levels for said individual technologies.

(d) Commencing April 1, 2008, any person may apply to the department for certification and funding as a Connecticut electric efficiency partner. Such application shall include the technologies that the applicant shall purchase or provide and that have been approved pursuant to subsection (b) of this section. In evaluating the application, the department shall (1) consider the applicant's potential to reduce customers' electric demand, including peak electric demand, and associated electric charges tied to electric demand and peak electric demand growth, (2) determine the portion of the total cost of each project that shall be paid for by the customer participating in this program and the portion of the total cost of each project that shall be paid for by all electric ratepayers and collected pursuant to subsection (h) of this section. In making such determination, the department shall ensure that all ratepayer investments maintain a minimum two-to-one payback ratio, and (3) specify that participating Connecticut electric efficiency partners shall maintain the technology for a period sufficient to achieve such investment payback ratio. The annual ratepayer contribution for projects approved pursuant to this section shall not exceed sixty million dollars. Not less than seventy-five per cent of such annual ratepayer investment shall be used for the technologies themselves. No person shall receive electric ratepayer funding pursuant to this subsection if such person has received or is receiving funding from the Energy Conservation and Load Management Funds for the projects included in said person's application. No person shall receive electric ratepayer funding without receiving a certificate of public convenience and necessity as a Connecticut electric efficiency partner by the department. The department may grant an applicant a certificate of public convenience if it possesses and demonstrates adequate financial resources, managerial ability and technical
competency. The department may conduct additional requests for proposals from time to time as it deems appropriate. The department shall specify the manner in which a Connecticut electric efficiency partner shall address measures of effectiveness and shall include performance milestones.

(e) Beginning February 1, 2010, a certified Connecticut electric efficiency partner may only receive funding if selected in a request for proposal developed, issued and evaluated by the department. In evaluating a proposal, the department shall take into consideration the potential to reduce customers' electric demand including peak electric demand, and associated electric charges tied to electric demand and peak electric demand growth, including, but not limited to, federally mandated congestion charges and other electric costs, and shall utilize a cost benefit test established pursuant to subsection (c) of this section to rank responses for selection. The department shall determine the portion of the total cost of each project that shall be paid by the customer participating in this program and the portion of the total cost of each project that shall be paid by all electric ratepayers and collected pursuant to the provisions of this subsection. In making such determination, the department shall (1) ensure that all ratepayer investments maintain a minimum two-to-one payback ratio, and (2) specify that participating Connecticut electric efficiency partners shall maintain the technology for a period sufficient to achieve such investment payback ratio. The annual ratepayer contribution shall not exceed sixty million dollars. Not less than seventy-five per cent of such annual ratepayer investment shall be used for the technologies themselves. No Connecticut electric efficiency partner shall receive funding pursuant to this subsection if such partner has received or is receiving funding from the Energy Conservation and Load Management Funds for such technology. The department may conduct additional requests for proposals from time to time as it deems appropriate. The department shall specify the manner in which a Connecticut electric efficiency partner shall address measures of effectiveness and shall include performance milestones.
(f) The department may retain the services of a third party entity with expertise in areas such as demand-side management solutions, customer-side renewable energy generation, customer-side distributed generation resources, customer-side emergency dispatchable generation resources, load shifting technologies and conservation and load management investments to assist in the development and operation of the Connecticut electric efficiency partner program. The costs for obtaining third party services pursuant to this subsection shall be recoverable through the systems benefits charge.

(g) The department shall develop a long-term low-interest loan program to assist certified Connecticut electric efficiency partners in financing the customer portion of the capital costs of approved enhanced demand-side management technologies. The department may establish such financing mechanism by the use of one or more of the following strategies: (1) Modifying the existing long-term customer-side distributed generation financing mechanism established pursuant to section 16-243j, (2) negotiating and entering into an agreement with the Connecticut Development Authority to establish a credit facility or to utilize grants, loans or loan guarantees for the purposes of this section upon such terms and conditions as the authority may prescribe including provisions regarding the rights and remedies available to the authority in case of default, or (3) selecting by competitive bid one or more entities that can provide such long-term financing.

(h) The department shall provide for the payment of electric ratepayers' portion of the costs of deploying enhanced demand-side management technologies by implementing a contractual financing agreement with the Connecticut Economic Innovations Authority or a private financing entity selected through an appropriate open competitive selection process. No contractual financing agreements entered into with the Connecticut Development Authority shall exceed ten million dollars. Any electric ratepayer costs resulting...
from such financing agreement shall be recovered from all electric
ratepayers through the systems benefits charge.

(i) On or before February 15, 2009, and annually thereafter, the
department shall report to the joint standing committee of the General
Assembly having cognizance of matters relating to energy regarding
the effectiveness of the Connecticut electric efficiency partner program
established pursuant to this section. Said report shall include, but not
be limited to, an accounting of all benefits and costs to ratepayers, a
description of the approved technologies, the payback ratio of all
investments, the number of programs deployed and a list of proposed
projects compared to approved projects and reasons for not being
approved.

(j) On or before April 1, 2011, the Department of Public Utility
Control shall initiate a proceeding to review the effectiveness of the
program and perform a ratepayer cost-benefit analysis. Based upon the
department's findings in the proceeding, the department may modify
or discontinue the partnership program established pursuant to this
section.

Sec. 121. Subparagraph (P) of subdivision (1) of section 22a-134 of
the general statutes is repealed and the following is substituted in lieu
thereof (Effective July 1, 2009):

(P) Any conveyance of an establishment to any entity created or
operating under chapter 130 or 132, or to an urban rehabilitation
agency, as defined in section 8-292, or to a municipality under section
32-224, or to the [Connecticut Development Authority] Connecticut
Economic Innovations Authority or any subsidiary of the authority.

Sec. 122. Section 22a-173 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

The [Connecticut Development Authority] Connecticut Economic
Innovations Authority may, upon application of the proposed
mortgagee, insure and make advance commitments to insure mortgage
payments required by a first mortgage on new machinery, equipment
and buildings for the primary purpose of reducing, controlling or
eliminating air pollution, certified as approved for such purpose by the
Commissioner of Environmental Protection, upon such terms and
conditions as the Connecticut Economic Innovations Authority may prescribe in accordance with the
provisions of chapter 579.

Sec. 123. Section 22a-259 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

The following are declared to be policies of the state of Connecticut:
(1) That maximum resources recovery from solid waste and maximum
recycling and reuse of such resources in order to protect, preserve and
enhance the environment of the state shall be considered
environmental goals of the state; (2) that solid waste disposal and
resources recovery facilities and projects are to be implemented either
by the state of Connecticut or under state auspices, in furtherance of
these goals; (3) that appropriate governmental structure, processes and
support are to be provided so that effective state systems and facilities
for solid waste management and large-scale resources recovery may be
developed, financed, planned, designed, constructed and operated for
the benefit of the people and municipalities of the state; (4) that private
industry is to be utilized to the maximum extent feasible to perform
planning, design, management, construction, operation,
manufacturing and marketing functions related to solid waste disposal
and resources recovery and to assist in the development of industrial
enterprise based upon resources recovery, recycling and reuse; (5) that
long-term negotiated contracts between the state and private persons
and industries may be utilized as an incentive for the development of
industrial and commercial enterprise based on resources recovery
within the state; (6) that solid waste disposal services shall be provided
for municipal and regional authorities and private persons in the state,
at reasonable cost, by state systems and facilities where such services
are considered necessary and desirable in accordance with the state-
wide solid waste management plan and that any revenues received
from the payment of the costs of such services otherwise from the
operation of state systems and facilities shall be redistributed to the
users of such services provided that the authority has determined that
all contractual obligations related to such systems and facilities have
been met and that such revenues are surplus and not needed to
provide necessary support for such systems and facilities; (7) that
provision shall be made for planning, research and development, and
appropriate innovation in the design, management and operation of
the state's systems and facilities for solid waste management, in order
to permit continuing improvement and provide adequate incentives
and processes for lowering operating and other costs; (8) that the
authority established pursuant to this chapter shall have responsibility
for implementing solid waste disposal and resources recovery systems
and facilities and solid waste management services where necessary
and desirable throughout the state in accordance with the state solid
waste management plan and applicable statutes and regulations; (9)
that actions and activities performed or carried out by the authority or
its contractors in accordance with the provisions of this chapter shall
be in conformity with the state solid waste management plan and with
other applicable policies and regulations of the state, as promulgated
from time to time in law and by action of the Department of
Environmental Protection and the [Connecticut Development
Authority] Connecticut Economic Innovations Authority; (10) that it
being to the best interest of the state, municipalities, individual citizens
and the environment to minimize the quantity of materials entering
the waste stream that would require collection, transportation,
processing, or disposal by any level of government, it is the intent of
this legislation to promote the presegregation of recoverable or
recyclable materials before they become mixed and included in the
waste stream; and that this intent shall be reflected in the policy of the
resources recovery authority and that no provision of this chapter or
action of this authority shall either discourage or prohibit either
voluntary or locally ordained solid waste segregation programs or the
sale of such segregated materials to private persons, unless the
authority has determined based upon a feasibility report filed with the applicable municipal authority that the reduced user fees charged to it should result in its total cost of solid waste management including user fees paid to the authority to be less without presegregation than with it, and (11) that these policies and purposes are hereby declared to be in the public interest and the provisions of this chapter to be necessary and for the public benefit, as a matter of legislative determination.

Sec. 124. Section 22a-264 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The activities of the authority in providing or contracting to provide solid waste management services to the state, regions, municipalities and persons, in implementing the state resources recovery system and in planning, designing, financing, constructing, managing or operating solid waste facilities, including their location, size and capabilities, shall be in conformity with applicable statutes and regulations and with the state solid waste management plan as promulgated by the Commissioner of Environmental Protection. The authority shall have power to assist in the preparation, revision, extension or amendment of the state solid waste management plan, and the Department of Environmental Protection is hereby authorized to utilize, by contract or other agreement, the capabilities of the authority for the carrying out of such planning functions. The authority shall have power to revise and update, as may be necessary to carry out the purposes of this chapter, that portion of the state solid waste management plan defined as the "solid waste management system". To effect such revision and updating, the authority shall prepare an annual plan of operations which shall be reviewed by the Commissioner of Environmental Protection for consistency with the state solid waste management plan. Upon approval by the Commissioner of Environmental Protection and by a two-thirds vote of the authority's full board of directors, the annual plan of operations shall be promulgated. Any activities of the authority carried out to assist in the development of industry and commerce based upon the availability of
recovered resources for recycling and reuse shall be coordinated to the extent practicable with plans and activities of the [Connecticut Development Authority] Connecticut Economic Innovations Authority with due consideration given to the secondary materials industries operating within the state of Connecticut.

Sec. 125. Section 25-33a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The State Bond Commission shall have power, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate four million one hundred fifty-one thousand five hundred ninety-nine dollars, for the purposes of providing funds for (1) grants to municipally-owned water companies for the planning, design, modification or construction of drinking water facilities of such companies made necessary by the requirements of the Safe Water Act of 1974, or by an order of the Department of Public Health deeming the water supplied by such companies to be inadequate, which facilities shall include, but need not be limited to, collection facilities, treatment facilities, wells, tanks, mains, pumps, transmission facilities and any other machinery and equipment necessary to meet the requirements of said act, (2) grants in accordance with the provisions of section 22a-471 to water companies, as defined in section 25-32a, which have less than ten thousand customers, as defined in said section 25-32a, for the treatment of a contaminated water supply well which is owned, maintained, operated, managed, controlled or employed by the water company, and (3) water supply emergency assistance grants to investor-owned water companies which supply water to at least twenty-five but less than one thousand customers for repair, rehabilitation, interconnection or replacement, in the event that such company has ceased to provide water as a result of equipment or facility failure and the Commissioner of Economic and Community Development, upon recommendation of the Department of Public Health and in consultation with the Department of Public Utility Control, makes a determination that the
company is financially unable to immediately restore service and there
is no alternative water company reasonably able to immediately
supply water. The grants shall be made in accordance with terms and
conditions as provided in regulations to be promulgated by the
Commissioner of Economic and Community Development, subject to
approval by the Commissioner of Public Health, provided the amount
of any such grant under subdivision (1) of this subsection shall not
exceed one hundred thousand dollars or thirty per cent of the cost of
the project being funded by the grant, whichever is greater. For the
purposes of this section, planning costs shall include, but need not be
limited to, fees and expenses of architects, engineers, attorneys,
accountants and other professional consultants, and costs of preparing
surveys, studies, site plans and plans and specifications for eligible
drinking water facilities. Not more than four million dollars of the
proceeds of such bonds shall be allocated to the municipally-owned
water companies grant program under subdivision (1) of this
subsection, not more than two million dollars of the proceeds of such
bonds shall be allocated for the treatment of contaminated water
supply wells which are owned, maintained, operated, managed,
controlled or employed by a water company under subdivision (2) of
this subsection, and not more than seven hundred thousand dollars of
the proceeds of such bonds shall be allocated to the investor-owned
emergency assistance grant program under subdivision (3) of this
subsection.

(b) All provisions of section 3-20 or the exercise of any right or
power granted thereby which are not inconsistent with the provisions
of this section and sections 12-75, 12-76 and 25-33b are hereby adopted
and shall apply to all bonds authorized by the State Bond Commission
pursuant to this section, and temporary notes in anticipation of the
money to be derived from the sale of any such bonds so authorized
may be issued in accordance with said section 3-20 and from time to
time renewed. Such bonds shall mature at such time or times not
exceeding twenty years from their respective dates as may be provided
in or pursuant to the resolution or resolutions of the State Bond
Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by or on behalf of the Commissioner of Economic and Community Development and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the Treasurer shall pay such principal and interest as the same become due.

(c) Each grant made pursuant to subsection (a) of this section shall be authorized by the [Connecticut Development Authority] Connecticut Economic Innovations Authority or, if the authority so determines, by a committee of the authority consisting of the chairman and either one other member of the authority or its executive director. The [Connecticut Development Authority] Connecticut Economic Innovations Authority shall charge reasonable application and other fees to be applied to the administrative expenses incurred in carrying out the provisions of this section, to the extent such expenses are not paid by the authority or from moneys appropriated to the department. Each such payment shall be made by the Treasurer upon certification by the Commissioner of Economic and Community Development that the payment is authorized under the provisions of this section under the applicable rules and regulations of the department, and under the terms and conditions established by the authority or the duly appointed committee thereof in authorizing the making of the grant.

Sec. 126. Subsection (a) of section 32-1o of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):
(a) On or before July 1, 2009, and every five years thereafter, the Commissioner of Economic and Community Development, within available appropriations, shall prepare an economic strategic plan for the state in consultation with the Secretary of the Office of Policy and Management, the Commissioners of Environmental Protection and Transportation, the Labor Commissioner, the executive directors of the Connecticut Housing Finance Authority, the [Connecticut Development Authority, the Connecticut Innovations, Inc., the Commission on Culture and Tourism] Connecticut Economic Innovations Authority and the Connecticut Health and Educational Facilities Authority, and the president of the Office of Workforce Competitiveness, or their respective designees, and any other agencies the Commissioner of Economic and Community Development deems appropriate.

Sec. 127. Section 32-5a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The Commissioner of Economic and Community Development and the board of directors of the [Connecticut Development Authority] Connecticut Economic Innovations Authority shall require, as a condition of any financial assistance provided on and after June 23, 1993, under any program administered by the Department of Economic and Community Development or such authority to any business organization, that such business organization: (1) Shall not relocate outside of the state for ten years after receiving such assistance or during the term of a loan or loan guarantee, whichever is longer, unless the full amount of the assistance is repaid to the state and a penalty equal to five per cent of the total assistance received is paid to the state and (2) shall, if the business organization relocates within the state during such period, offer employment at the new location to its employees from the original location if such employment is available. For the purposes of subdivision (1) of this section, the value of a guarantee shall be equal to the amount of the state's liability under the guarantee. As used in this section, "relocate" means the physical
transfer of the operations of a business in its entirety or of any division
of a business which independently receives any financial assistance
from the state from the location such business or division occupied at
the time it accepted the financial assistance to another location.
Notwithstanding the provisions of this section, the Commissioner of
Economic and Community Development shall adopt regulations in
accordance with chapter 54 to establish the terms and conditions of
repayment, including specifying the conditions under which
repayment may be deferred, following a determination by the
commissioner of a legitimate hardship.

Sec. 128. Section 32-6j of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

In the assessment and provision of job training for employers, the
Commissioner of Economic and Community Development and the
executive director of the Connecticut Development Authority
Connecticut Economic Innovations Authority shall request the
assistance of the Labor Commissioner. Upon receipt of a request for job
training pursuant to this section, the Labor Commissioner shall notify
the chancellor of the regional community-technical colleges, or his
designee, of such request. The chancellor, or his designee, shall
determine if a training program exists or can be designed at a regional
community-technical college to meet such training need and shall
notify the Labor Commissioner of such determination. The Labor
Commissioner shall to the extent possible make arrangements for the
participation of the regional community-technical colleges, the
Connecticut State University System, other institutions of higher
education, other postsecondary institutions, adult education programs
and state regional vocational-technical schools in implementing the
program. Nothing in this section shall preclude the Labor
Commissioner from considering or choosing other providers to meet
such training need.

Sec. 129. Section 32-9c of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):
(a) In accordance with the provisions of section 4-38d, all powers and duties of the Connecticut Development Commission under the provisions of chapter 579, shall be transferred to the [Connecticut Development Authority] Connecticut Economic Innovations Authority and all the powers and duties of said commission under the provisions of this chapter shall be transferred to the Department of Economic and Community Development.

(b) In accordance with the provisions of section 4-38d, all powers and duties of the Connecticut Development Commission under the provisions of sections 7-137b, 8-155 to 8-159, inclusive, and 8-170 to 8-185, inclusive, shall be transferred to the Department of Economic and Community Development and the words "Connecticut Development Commission" or "commissioner" used in said sections, shall mean "Department of Economic and Community Development".

(c) In accordance with the provisions of section 4-38d, all powers and duties of the Connecticut Development Commission under the provisions of sections 8-163 to 8-167, inclusive, shall be transferred to the Department of Economic and Community Development and the words "Connecticut Development Commission" and "Development Commission" when used in said sections shall mean "Department of Economic and Community Development".

Sec. 130. Section 32-9n of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) There is established within the Department of Economic and Community Development an Office of Small Business Affairs. Such office shall aid and encourage small business enterprises, particularly those owned and operated by minorities and other socially or economically disadvantaged individuals in Connecticut. As used in this section, minority means: (1) Black Americans, including all persons having origins in any of the Black African racial groups not of Hispanic origin; (2) Hispanic Americans, including all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other
Spanish culture or origin, regardless of race; (3) all persons having
origins in the Iberian Peninsula, including Portugal, regardless of race;
(4) women; (5) Asian Pacific Americans and Pacific islanders; or (6)
American Indians and persons having origins in any of the original
peoples of North America and maintaining identifiable tribal
affiliations through membership and participation or community
identification.

(b) Said Office of Small Business Affairs shall: (1) Administer the
small business development center program run by the Department of
Economic and Community Development; (2) coordinate the flow of
information within the technical and management assistance program
run by the Department of Economic and Community Development; (3)
encourage the [Connecticut Development Authority] Connecticut
Economic Innovations Authority to grant loans to small businesses,
particularly those owned and operated by minorities and other socially
or economically disadvantaged individuals; (4) coordinate and serve
as a liaison between all federal, state, regional and municipal agencies
and programs affecting small business affairs; and (5) administer any
business management training program established under section 32-
352 or section 32-355 as the Commissioner of Economic and
Community Development may determine.

Sec. 131. Subsection (d) of section 32-9cc of the general statutes is
repealed and the following is substituted in lieu thereof (Effective July
1, 2009):

(d) The Department of Environmental Protection, the Connecticut
Development Authority and the Department of Public Health shall
each designate one or more staff members to act as a liaison between
their offices and the Office of Brownfield Remediation and
Development. The Commissioners of Economic and Community
Development, Environmental Protection and Public Health and the
executive director of the [Connecticut Development Authority]
Connecticut Economic Innovations Authority shall enter into a
memorandum of understanding concerning each entity's
responsibilities with respect to the Office of Brownfield Remediation and Development. The Office of Brownfield Remediation and Development may develop and recruit two volunteers from the private sector, including a person from the Connecticut chapter of the National Brownfield Association, with experience in different aspects of brownfield remediation and development. Said volunteers may assist the Office of Brownfield Remediation and Development in achieving the goals of this section.

Sec. 132. Section 32-9kk of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in subsections (b) to (k), inclusive, of this section:

(1) "Brownfield" means any abandoned or underutilized site where redevelopment and reuse has not occurred due to the presence or potential presence of pollution in the buildings, soil or groundwater that requires remediation before or in conjunction with the restoration, redevelopment and reuse of the property;

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

(3) "Department" means the Department of Economic and Community Development;

(4) "Eligible applicant" means any municipality, a for-profit or nonprofit organization or entity, a local or regional economic development entity acting on behalf of a municipality or any combination thereof;

(5) "Financial assistance" means grants, extensions of credit, loans or loan guarantees, participation interests in loans made to eligible applicants by the [Connecticut Development Authority] Connecticut Economic Innovations Authority or combinations thereof;

(6) "Municipality" means a town, city, consolidated town and city or
consolidated town and borough;

(7) "Eligible brownfield project" means the foreclosure, investigation, assessment, remediation and development of a brownfield undertaken pursuant to this subsection and subsections (b) to (k), inclusive, of this section;

(8) "Project area" means the area within which a brownfield development project is located;

(9) "Real property" means land, buildings and other structures and improvements thereto, subterranean or subsurface rights, any and all easements, air rights and franchises of any kind or nature;

(10) "State" means the state of Connecticut; and

(11) "Eligible grant recipients" means municipalities, economic development authorities, regional economic development authorities, or qualified nonprofit community and economic development corporations.

(b) Subject to the availability of funds, the Commissioner of Economic and Community Development may, in consultation with the Commissioner of Environmental Protection, provide financial assistance pursuant to subsections (e) and (f) of this section in support of eligible brownfield projects, as defined in subdivision (7) of subsection (a) of this section.

(c) An eligible applicant, as defined in subdivision (4) of subsection (a) of this section, shall submit an application for financial assistance to the Commissioner of Economic and Community Development on forms provided by said commissioner and with such information said commissioner deems necessary, including, but not limited to: (1) A description of the proposed project; (2) an explanation of the expected benefits of the project in relation to the purposes of subsections (a) to (i), inclusive, of this section; (3) information concerning the financial and technical capacity of the eligible applicant to undertake the
proposed project; (4) a project budget; (5) a description of the condition
of the property involved including the results of any environmental
assessment of the property; and (6) the names of any persons known to
be liable for the remediation of the property.

(d) The commissioner may approve, reject or modify any
application properly submitted. In reviewing an application and
determining the type and amount of financial assistance, if any, to be
provided, the commissioner shall consider the following criteria: (1)
The availability of funds; (2) the estimated costs of assessing and
remediating the site, if known; (3) the relative economic condition of
the municipality; (4) the relative need of the eligible project for
financial assistance; (5) the degree to which financial assistance is
necessary as an inducement to the eligible applicant to undertake the
project; (6) the public health and environmental benefits of the project;
(7) relative economic benefits of the project to the municipality, the
region and the state, including, but not limited to, the extent to which
the project will likely result in a contribution to the municipality's tax
base and the retention and creation of jobs; (8) the time frame in which
the contamination occurred; (9) the relationship of the applicant to the
person or entity that caused the contamination; (10) the length of time
the property has been abandoned; (11) the taxes owed and the
projected revenues that may be restored to the community; (12) the
type of financial assistance requested pursuant to this section; and (13)
such other criteria as the commissioner may establish consistent with
the purposes of subsection (a) to (k), inclusive, of this section.

(e) (1) There is established a remedial action and redevelopment
municipal grant program to be administered by the Department of
Economic and Community Development for the purpose of providing
financial assistance in the form of grants to eligible grant recipients.
Eligible grant recipients may use grant funds for any development
project, including manufacturing, retail, residential, municipal,
educational, parks, community centers and mixed-use development,
and the project's associated costs, including (A) soil, groundwater and
infrastructure investigation, (B) assessment, (C) remediation, (D) abatement, (E) hazardous materials or waste disposal, (F) long-term groundwater or natural attenuation monitoring, (G) environmental land use restrictions, (H) attorneys' fees, (I) planning, engineering and environmental consulting, and (J) building and structural issues, including demolition, asbestos abatement, polychlorinated biphenyls removal, contaminated wood or paint removal, and other infrastructure remedial activities.

(2) The Commissioner of Economic and Community Development shall award grants on a competitive basis, based at a minimum on an annual request for applications, the first of which shall be issued on October 1, 2008, and the following to be issued on June first each year, with awards being made by the following January first. The commissioner, at the commissioner's discretion, may increase the frequency of requests for applications and awards depending upon the number of applicants and the availability of funding.

(3) A grant awarded pursuant to this section shall not exceed four million dollars. If the eligible costs exceed four million dollars, the commissioner may request and seek funding through other state programs.

(4) If the eligible grant recipient develops and sells the property, such applicant shall return any money received pursuant to this subsection, to the brownfield remediation and development account established pursuant to subsection (l) of this section, minus twenty percent, which such eligible grant recipient shall retain to cover costs of oversight, administration, development and, if applicable, lost tax revenue.

(5) Any eligible grant recipient shall be immune from liability to the extent provided in subsection (a) of section 32-9ee.

(6) The eligible grant recipient may make low-interest loans to a redeveloper, if the future reuse is known and an agreement with the
redeveloper is in place and the private party is a coapplicant. Loan principal and interest payments shall be returned to the brownfield remediation and development account established pursuant to subsection (l) of this section, minus twenty per cent of the principal, which the eligible grant recipient shall retain. If the eligible grant recipient provides a loan, such loan may be secured by a state or municipal lien on the property.

(7) Any eligible grant recipients that provide a loan pursuant to subdivision (6) of this subsection shall require the loan recipient to enter a voluntary program pursuant to section 22a-133x or 22a-133y with the Commissioner of Environmental Protection for brownfield remediation. The commissioner may use not more than five per cent of eligible grant or loan proceeds for reasonable administrative expenses.

(8) Notwithstanding section 22a-134a, the eligible grant recipient may acquire and convey its interest in the property without such recipient or the subsequent purchaser incurring liability, including any such liability incurred pursuant to section 22a-134a, provided the property was remediated pursuant to section 22a-133x or 22a-133y or pursuant to an order issued by the Commissioner of Environmental Protection and such remediation was performed in accordance with the standards adopted pursuant to section 22a-133k as determined by said commissioner or, if authorized by said commissioner, verified by a licensed environmental professional unless such verification has been rejected by said commissioner subsequent to an audit conducted by said commissioner and provided the subsequent purchaser has no direct or related liability for the site conditions.

(f) (1) The Department of Economic and Community Development shall develop a targeted brownfield development loan program to provide financial assistance in the form of low-interest loans to eligible applicants who are potential brownfield purchasers who have no direct or related liability for the site conditions and eligible applicants who are existing property owners who (A) are currently in good standing and otherwise compliant with the Department of
Environmental Protection's regulatory programs, (B) demonstrate an inability to fund the investigation and cleanup themselves, and (C) cannot retain or expand jobs due to the costs associated with the investigating and remediating of the contamination.

(2) The commissioner shall provide low-interest loans to eligible applicants who are purchasers or existing property owners pursuant to this section who seek to develop property for purposes of retaining or expanding jobs in the state or for developing housing to serve the needs of first-time home buyers. Loans shall be available to manufacturing, retail, residential or mixed-use developments, expansions or reuses. The commissioner shall provide loans based upon project merit and viability, the economic and community development opportunity, municipal support, contribution to the community's tax base, number of jobs, past experience of the applicant, compliance history and ability to pay.

(3) Any loan recipient who is a brownfields purchaser and who (A) receives a loan in excess of thirty thousand dollars, or (B) uses loan proceeds to perform a Phase II environmental investigation, shall be subject to section 22a-134a or shall enter a voluntary program for remediation of the property with the Department of Environmental Protection. Any loan recipient who is an existing property owner shall enter a voluntary program with the Department of Environmental Protection.

(4) Loans made pursuant to this subsection shall have such terms and conditions and shall be subject to such eligibility, loan approval and criteria, as determined by the commissioner. Such conditions shall include, but not be limited to, performance requirements and commitments to maintain or retain jobs. Loan repayment shall coincide with the restoration of the site to a productive use or the completion of the expansion. Such loans shall be for a period not to exceed twenty years.

(5) If the property is sold before loan repayment, the loan is payable
upon closing, with interest, unless the commissioner agrees otherwise. The commissioner may carry the loan forward as an encumbrance to the purchaser with the same terms and conditions as the original loan.

(6) Loans made pursuant to this subsection may be used for any purpose, including the present or past costs of investigation, assessment, remediation, abatement, hazardous materials or waste disposal, long-term groundwater or natural attenuation monitoring, costs associated with an environmental land use restriction, attorneys’ fees, planning, engineering and environmental consulting costs, and building and structural issues, including demolition, asbestos abatement, polychlorinated biphenyls removal, contaminated wood or paint removal, and other infrastructure remedial activities.

(7) For any loan made pursuant to this subsection that is greater than fifty thousand dollars, the applicant shall submit a redevelopment plan that describes how the property will be used or reused for commercial, industrial or mixed-use development and how it will result in jobs and private investment in the community. For any residential development loan pursuant to this subsection, the developer shall agree that the development will provide the housing needs reasonable and appropriate for first-time home buyers or recent college graduates looking to remain in this state.

(8) The loan program established pursuant to this subsection shall be available to all qualified new and existing property owners. Recipients who use loans for commercial, industrial or mixed-use development shall agree to retain or add jobs, during the term of the loan, unless otherwise agreed to by the Department of Economic and Community Development, the Connecticut Development Authority, Connecticut Economic Innovations Authority and the Connecticut Brownfield Redevelopment Authority. The residential developer shall agree to retire the loan upon sale of the units unless the development will be apartments.

(9) Each loan recipient pursuant to this subsection may be eligible
for up to two million dollars per year for up to two years, subject to
agency underwriting and reasonable and customary requirements to
assure performance. If additional funds are needed, the Commissioner
of Economic and Community Development may recommend that the
project be funded through the State Bond Commission.

(g) The Commissioner of Economic and Community Development
shall approve applications submitted in accordance with subsection (c)
of this section before awarding any financial assistance to an eligible
applicant or purchasing any participation interest in a loan made by
the [Connecticut Development Authority] Connecticut Economic
Innovations Authority for the benefit of an eligible applicant.
Notwithstanding any other provision of this section, if the applicant's
request for financial assistance involves the department purchasing a
participation interest in a loan made by the [Connecticut Development
Authority] Connecticut Economic Innovations Authority, such
authority may submit such application and other information as is
required of eligible applicants under subsection (c) of this section on
behalf of such eligible applicant and no further application shall be
required of such eligible applicant. No financial assistance shall exceed
fifty per cent of the total project cost, provided in the case of (1)
planning or site evaluation projects, and (2) financial assistance to any
project in a targeted investment community, such assistance shall not
exceed ninety per cent of the project cost. Upon approval of the
commissioner, a nonstate share of the total project cost, if any, may be
satisfied entirely or partially from noncash contributions, including
contributions of real property, from private sources or, to the extent
permitted by federal law, from moneys received by the municipality
under any federal grant program.

(h) Financial assistance may be made available for (1) site
investigation and assessment, (2) planning and engineering, including,
but not limited to, the reasonable cost of environmental consultants,
laboratory analysis, investigatory and remedial contractors, architects,
attorneys' fees, feasibility studies, appraisals, market studies and
related activities, (3) the acquisition of real property, provided financial assistance for such acquisition shall not exceed fair market value as appraised as if clean, (4) the construction of site and infrastructure improvements related to the site remediation, (5) demolition, asbestos abatement, hazardous waste removal, PCB removal and related infrastructure remedial activities, (6) remediation, groundwater monitoring, including, but not limited to, natural attenuation groundwater monitoring and costs associated with filing an environmental land use restriction, (7) environmental insurance, and (8) other reasonable expenses the commissioner determines are necessary or appropriate for the initiation, implementation and completion of the project. The department may purchase participation interests in loans made by the [Connecticut Development Authority] Connecticut Economic Innovations Authority for the foregoing purposes.

(i) The commissioner may establish the terms and conditions of any financial assistance provided pursuant to subsections (a) to (k), inclusive, of this section. The commissioner may make any stipulation in connection with an offer of financial assistance the commissioner deems necessary to implement the policies and purposes of such sections, including, but not limited to the following: (1) Providing assurances that the eligible applicant will discharge its obligations in connection with the project; and (2) requiring that the eligible applicant provide the department with appropriate security for such financial assistance, including, but not limited to, a letter of credit, a lien on real property or a security interest in goods, equipment, inventory or other property of any kind.

(j) The commissioner may use any available funds for financial assistance under the provisions of subsections (a) to (k), inclusive, of this section.

(k) Whenever funds are used pursuant to subsections (a) to (k), inclusive, of this section for purposes of environmental assessments or remediation of a brownfield, the Commissioner of Environmental
Protection may seek reimbursement of the costs and expenses incurred by requesting the Attorney General to bring a civil action to recover such costs and expenses from any party responsible for such pollution provided no such action shall be brought separately from any action to recover costs and expenses incurred by the Commissioner of Environmental Protection in pursuing action to contain, remove or mitigate any pollution on such site. The costs and expenses recovered may include, but shall not be limited to, (1) the actual cost of identifying, evaluating, planning for and undertaking the remediation of the site; (2) any administrative costs not exceeding ten per cent of the actual costs; (3) the costs of recovering the reimbursement; and (4) interest on the actual costs at a rate of ten per cent a year from the date such expenses were paid. The defendant in any civil action brought pursuant to this subsection shall have no cause of action or claim for contribution against any person with whom the Commissioner of Environmental Protection has entered into a covenant not to sue pursuant to sections 22a-133aa and 22a-133bb with respect to pollution on or emanating from the property that is the subject of said civil action. Funds recovered pursuant to this section shall be deposited in the brownfield remediation and development account established pursuant to subsections (l) to (o), inclusive, of this section. The provisions of this subsection shall be in addition to any other remedies provided by law.

(l) There is established a separate nonlapsing account within the General Fund to be known as the "brownfield remediation and development account". There shall be deposited in the account: (1) The proceeds of bonds issued by the state for deposit into said account and used in accordance with this section; (2) repayments of assistance provided pursuant to subsection (c) of section 22a-133u; (3) interest or other income earned on the investment of moneys in the account; (4) funds recovered pursuant to subsection (i) of this section; and (5) all funds required by law to be deposited in the account. Repayment of principal and interest on loans made pursuant to subsections (a) to (k), inclusive, of this section shall be credited to such account and shall
become part of the assets of the account. Any balance remaining in such account at the end of any fiscal year shall be carried forward in the account for the fiscal year next succeeding.

(m) All moneys received in consideration of financial assistance, including payments of principal and interest on any loans, shall be credited to the account. At the discretion of the Commissioner of Economic and Community Development and subject to the approval of the Secretary of the Office of Policy and Management, any federal, private or other moneys received by the state in connection with projects undertaken pursuant to subsections (a) to (k), inclusive, of this section shall be credited to the assets of the account.

(n) Notwithstanding any provision of law, proceeds from the sale of bonds available pursuant to subdivision (1) of subsection (b) of section 4-66c may, with the approval of the Governor and the State Bond Commission, be used to capitalize the brownfield remediation and development account created by subsections (l) to (o), inclusive, of this section.

(o) The commissioner may, with the approval of the Secretary of the Office of Policy and Management, provide financial assistance pursuant to subsections (a) to (k), inclusive, of this section from the account established under subsection (l) to (o), inclusive, of this section.

Sec. 133. Subdivision (1) of subsection (b) of section 32-9qq of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(1) A business outreach center shall be any nonprofit or governmental entity providing or able to provide assistance to small businesses and minority business enterprises in the areas of business plan development, financial projection, loan package planning, including loan packaging for small businesses and minority business enterprises which are seeking financial assistance from the
Sec. 134. Section 32-22b of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The Connecticut Development Authority Connecticut Economic Innovations Authority may establish a loan guarantee program to provide guarantees of not more than thirty per cent of the loan to lenders who provide financing to eligible developers or eligible property owners as defined in subsection (a) of section 32-9kk.

Sec. 135. Subsection (b) of section 32-23o of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(b) Each such loan or extension of credit shall be authorized by the Connecticut Development Authority Connecticut Economic Innovations Authority or, if the authority so determines, by a committee of the authority consisting of the chairman and either one other member of the authority or its executive director, as specified in the determination of the authority. Any administrative expenses incurred in carrying out the provisions of this section, to the extent not paid by the authority or from moneys appropriated to the department, shall be paid from the Small Contractors' Revolving Loan Fund. Payments from the Small Contractors' Revolving Loan Fund to small contractors or to pay such administrative expenses shall be made by the Treasurer upon certification by the Commissioner of Economic and Community Development that the payment is authorized under the provisions of this section, under the applicable rules and regulations of the department, and, if made to a small contractor, under the terms and conditions established by the authority or the duly appointed committee thereof in authorizing the making of the loan or the extension of credit.
Sec. 136. Section 32-23s of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The amendments to sections 32-11a, 32-16, 32-23c, 32-23d, 32-23e, 32-23f and 32-23j effective on June 29, 1981, are intended and shall be construed as a clarification and expansion of the powers of the [Connecticut Development Authority] Connecticut Economic Innovations Authority, and shall not limit or impair any obligation incurred or right exercised by the authority under its powers prior to said date.

Sec. 137. Section 32-61 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

As used in this chapter, "authority" means the [Connecticut Development Authority created under subsection (a) of section 32-11a] Connecticut Economic Innovations Authority established pursuant to this act; "executive director" means the executive director of the [Connecticut Development Authority appointed pursuant to subsection (d) of section 32-11a] Connecticut Economic Innovations Authority established pursuant to section 6 of this act; "project" means a project as defined in subsection (d) of section 32-23d; "insurance fund" means the Revenue Bond Mortgage Insurance Fund created under section 32-62; "eligible financial institution" means an eligible financial institution as defined in section 32-65; "state" means the state of Connecticut; and "loan" means loans, notes, bonds or other forms of indebtedness related to the financing or refinancing of a project by the authority or an eligible financial institution, or any participation or other interest therein, however evidenced, or any pool or portion of the foregoing.

Sec. 138. Subsection (a) of section 32-141 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) (1) The total amount of private activity bonds which may be
issued by state issuers in the calendar year commencing January 1, 2001, under the state ceiling in effect for such year, shall be allocated as follows: (A) Sixty per cent to the Connecticut Housing Finance Authority; (B) fifteen per cent to the [Connecticut Development Authority] Connecticut Economic Innovations Authority; and (C) twenty-five per cent to municipalities and political subdivisions, departments, agencies, authorities and other bodies of municipalities, the Connecticut Higher Education Supplemental Loan Authority and for contingencies.

(2) The total amount of private activity bonds which may be issued by state issuers in the calendar year commencing January 1, 2007, and each calendar year thereafter, under the state ceiling in effect for each such year, shall be allocated as follows: (A) Sixty per cent to the Connecticut Housing Finance Authority; (B) twelve and one-half per cent to the [Connecticut Development Authority] Connecticut Economic Innovations Authority; and (C) twenty-seven and one-half per cent to municipalities and political subdivisions, departments, agencies, authorities and other bodies of municipalities and the Connecticut Higher Education Supplemental Loan Authority, then to the Connecticut Student Loan Foundation and then for contingencies. At least ten per cent of bonds allocated under subparagraph (A) of this subdivision shall be used for multifamily residential housing in the calendar year commencing January 1, 2008. In each calendar year commencing January 1, 2009, fifteen per cent of such bonds shall be used for multifamily residential housing.

(3) The board of directors of the Connecticut Housing Finance Authority shall undertake a review and analysis of the multifamily housing goals and programs of the authority to determine the extent to which the authority can increase the production of multifamily housing and promote its preservation, including production of multifamily housing that serves households with incomes less than fifty per cent of the area median income and households with incomes less than twenty-five per cent of the area median income. Such review
and analysis shall include, but not be limited to, the use of private activity bonds in conjunction with four per cent federal tax credits. The board of directors of the authority shall report its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to planning and development and to the select committee on housing not later than January 1, 2008.

Sec. 139. Section 32-222 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

As used in sections 32-220 to 32-234, inclusive: (a) "Business development project" means a project undertaken by an eligible applicant involving one or more of the following:

(1) The construction, substantial renovation, improvement or expansion of a facility;

(2) The acquisition of new machinery and equipment;

(3) The acquisition, improvement, demolition, cultivation or disposition of real property, or combinations thereof, or the remediation of contaminated real property;

(4) The creation at a facility, within twenty-four months of the initiation of a hiring program, not less than ten new jobs or an increase in the number of persons employed at the facility of twenty per cent, whichever is greater;

(5) Economic diversification of the economy of an area of the state or manufacturing or other economic base business where such area or business is substantially reliant upon defense and related industry;

(6) Participation in the avoidance of an imminent plant closing or relocation by a manufacturing or other economic base business or assist or improve the economy of an area of the state which has been or is likely to be significantly and adversely impacted by one or more
major plant closings or relocations;

(7) Support research and development or commercialization of technologies, products, processes or techniques of a manufacturing or other economic base business;

(8) Creation or support of organizations that provide technical and engineering assistance to small manufacturers or other economic base businesses to assist them with the design, testing, manufacture and marketing of new products and the instruction and implementation of new techniques and technologies;

(9) Support of substantial workforce development efforts;

(10) Promotion of community conservation or development or improvement of the quality of life for urban residents of the state; or

(11) Promotion of the revitalization of underutilized, state-owned former railroad depots and areas adjacent to such depots;

(b) "Business support services" means activities related to a municipal development project or business development project which support the economic competitiveness of manufacturing or economic base businesses or which further the interests of the state, including, but not limited to, facilities and services related to day care, job training, education, transportation, employee housing, energy conservation, pollution control and recycling, provided activities related to employee housing shall be limited to feasibility and implementation studies;

(c) "Commissioner" means the Commissioner of Economic and Community Development;

(d) "Economic base business" means a business that the commissioner determines will materially contribute to the economy of the state by creating or retaining jobs, exporting products or services beyond the state's boundaries, encouraging innovation in products or
services, adding value to products or services or otherwise supporting
or enhancing existing activities important to the economy of the state;

(e) "Economic cluster" means an economic cluster, as defined in
section 32-4e, recognized by the commissioner;

(f) "Department" means the Department of Economic and
Community Development;

(g) "Development plan" means a plan for a municipal development
project prepared in accordance with the provisions of subsection (b) of
section 32-223;

(h) "Eligible applicant" means any for-profit or nonprofit
organization, or any combination thereof, any municipality, regional
planning agency or any combination thereof and further provided, in
the case of a loan made by the Connecticut Development Authority
Connecticut Economic Innovations Authority in which the department
purchases a participation interest, "eligible applicant" means the for-
profit or nonprofit organization, or any combination thereof, that will
receive the proceeds of such loan;

(i) "Financial assistance" means grants, funds for the purchase of
insurance policies and payment of deductibles for insurance policies to
cover remediation costs, extensions of credit, loans or loan guarantees,
participation interests in loans made to eligible applicants by the
Connecticut Development Authority Connecticut Economic
Innovations Authority or combinations thereof;

(j) "For-profit organization" means a for-profit partnership or sole
proprietorship or corporation or limited liability company which is an
economic base business or has a North American Industrial
Classification code of 311111 through 339999 or 493110, 493120, 493130,
493190, 511210, 512110, 512120, 512191, 522210, 522230, 522293, 522294, 522298,
522310, 522320, 522390, 523110, 523120, 523130, 523140, 523210, 523910,
524113, 524114, 524126, 524127, 524128, 524130, 524292, 541711, 541712,
551111, 551112, 551114, 561422, 611310, 611410, 611420, 611430, 611513,
611519, 611710 and 624410 or any business that is part of an economic
cluster, or any establishment or auxiliary or operating unit thereof, as
defined in the North American Industrial Classification System
Manual, which has demonstrated to the satisfaction of the
commissioner that it has the qualifications, including financial
qualifications, necessary to carry out a business development project;

(k) "Implementing agency" means one of the following agencies
designated by a municipality under section 32-223: (1) An economic
development commission, redevelopment agency; sewer authority or
sewer commission; public works commission; water authority or water
commission; port authority or port commission or harbor authority or
harbor commission; parking authority or parking commission; (2) a
nonprofit development corporation; or (3) any other agency
designated and authorized by a municipality to undertake a project
and approved by the commissioner;

(l) "Municipal development project" means a business development
project through which real property is acquired by a municipality or
implementing agency as part of such project;

(m) "Municipality" means a town, city, consolidated town and city
or consolidated town and borough;

(n) "Nonprofit organization" means a municipality or nonprofit
corporation as defined in section 33-1002 and organized under the
laws of this state and for purposes of this chapter includes any
constituent unit of the state system of higher education;

(o) "Planning commission" means a planning and zoning
commission designated pursuant to section 8-4a or a planning
commission created pursuant to section 8-19;

(p) "Project" means a municipal development project or business
development project;

(q) "Project area" means the area within which a municipal
development project or business development project is located;

(r) "Real property" means land, buildings and other structures and improvements thereto, subterranean or subsurface right, any and all easements, air rights and franchises of any kind or nature;

(s) "Site and infrastructure improvements" means improvements to:
(1) Sanitary sewer facilities; (2) natural gas pipes, electric, telephone and telecommunications conduits and other facilities and waterlines and water supply facilities, except for any such pipes, wires, conduits, waterlines or any such pipes, wires, conduits, waterlines or facilities which a public service company, as defined in section 16-1, water company, as defined in section 25-32a, or municipal utility is required to install pursuant to any provision of the general statutes or any special act, regulation or order of the Department of Public Utility Control or a certificate of public convenience and necessity; (3) storm drainage facilities, including facilities to control flooding; (4) site grading, landscaping, environmental improvements, including remediation of contaminated sites, parking facilities, roadways and related appurtenances; (5) railroad spurs; (6) public port or docking facilities; and (7) such other related improvements necessary or appropriate to carry out the project;

(t) "State" means the state of Connecticut;

(u) "Targeted investment community" means a municipality which contains an enterprise zone designated pursuant to section 32-70;

(v) "Total project cost" means costs of any kind or nature relating to the planning, implementation and completion of a municipal or business development project;

(w) "Legislative body" means (1) the board of selectmen in a town that does not have a charter, special act or home rule ordinance relating to its government, or (2) the council, board of aldermen, representative town meeting, board of selectmen or other elected legislative body described in a charter, special act or home rule
ordinance relating to its government in a city, consolidated town and

Sec. 140. Section 32-223 of the general statutes is repealed and the
ordinance relating to its government in a city, consolidated town and
special act, consolidation ordinance or home rule ordinance relating to
its government.

(a) An eligible applicant shall submit an application for financial
assistance to the commissioner on forms provided by the
commissioner and with such information the commissioner deems
necessary, including, but not limited to: (1) A description of the
project; (2) an explanation of the expected benefits of the
project in relation to the purposes of sections 32-220 to 32-234,
inclusive; (3) information concerning the financial and technical
capacity of the eligible applicant to undertake the proposed project; (4)
a project budget; and (5) identification, when appropriate, of business
support services that may be of benefit to the state and the
manufacturing and economic base businesses located or locating in the
project area as part of the project. In the case of a municipal
development project the eligible applicant shall, in addition to an
application for financial assistance, submit a development plan
prepared pursuant to subsection (b) of section 32-224 and approved by
the commissioner, provided an eligible applicant may, prior to the
submission of a development plan, receive financial assistance for
activities related to the planning of a municipal development project to
the extent such assistance is provided for under subsection (b) of this
section.

(b) Applications properly submitted shall be reviewed and may be
approved, disapproved or modified by the commissioner. In reviewing
an application and determining the type and amount of financial
assistance, if any, to be provided, the commissioner shall consider the
following criteria: (1) The availability of funds; (2) the relative
economic condition of the municipality; (3) the relative need of the
eligible applicant or project for financial assistance; (4) the degree to
which financial assistance is necessary as an inducement to the eligible applicant to undertake the project or to the manufacturing or economic base business to locate or undertake the project in the state; (5) the relative economic benefit of the project to the state, including, but not limited to: (A) The extent to which the project will likely result in the retention and creation of jobs, the retention, expansion or relocation of manufacturing or economic base businesses in the state or the diversification of such businesses, or (B) the extent to which the project will increase competitiveness of such businesses, respond to potential or actual dislocation as a result of major plant closings or relocations and address the business service needs of such businesses and the state; and (6) such other criteria as the commissioner may establish consistent with the purposes of sections 32-220 to 32-234, inclusive. The commissioner shall not deny an application for financial assistance for a project solely because the project site does not have sewer service or access to sewer service.

(c) No financial assistance shall be given to an eligible applicant and no participation interest in a loan made by the Connecticut Economic Innovations Authority for the benefit of an eligible applicant shall be purchased by the department until the commissioner has approved the application submitted in accordance with subsection (a) of this section. Notwithstanding any other provision of this section, in the event that the financial assistance requested is the purchase by the department of a participation interest in a loan made by the Connecticut Economic Innovations Authority, such authority may submit such application and other information as is required of eligible applicants under subsection (a) of this section on behalf of such eligible applicant and no further application shall be required of such eligible applicant. No financial assistance shall exceed: (1) Except as otherwise provided in subdivisions (2) to (5), inclusive, of this subsection, fifty per cent of the total project cost, (2) in the case of financial assistance to any project in a targeted investment community, ninety per cent of the project cost,
(3) when two or more municipalities which are not targeted investment communities jointly initiate a municipal development project in accordance with the provisions of subsection (e) of section 32-224, seventy-five per cent of the total project cost, (4) in the case of a municipal development project jointly initiated by two or more municipalities at least one of which is a targeted investment community, the sum of: (A) Seventy-five per cent of the portion of the total project cost allocable to the participation of the municipality or municipalities which are not targeted investment communities, and (B) ninety per cent of the portion of the total project cost allocable to the participation of any targeted investment community or communities, and (5) in the case of a defense diversification project, ninety per cent of the total project cost if the project involves a municipal development project or the acquisition or development, or both, of real property for an unspecified occupant, and one hundred per cent in the case of any other defense diversification project. A municipality's share of the total project cost, if any, may, with the approval of the commissioner, be satisfied entirely or partially from noncash contributions, including contributions of real property, from private sources, or, to the extent permitted by federal law, from moneys received by the municipality under any federal grant program.

(d) Financial assistance, whether provided directly to eligible applicants or indirectly in the form of the department's purchase of a participation interest in a loan made by the Connecticut Economic Innovations Authority under sections 32-220 to 32-234, inclusive, may be used for (1) the planning of a municipal development project or business development project, including, but not limited to, the reasonable cost of feasibility studies, engineering, appraisals, market studies and related activities; (2) the acquisition of real property, machinery or equipment, or any combination thereof, provided such financial assistance shall not exceed fair market value; (3) the construction of site and infrastructure improvements relating to a municipal development or business development project; (4) the construction, renovation and demolition
of buildings; (5) relocation expenses for the purpose of assisting an eligible applicant to locate, construct, renovate or acquire a facility; or (6) such other reasonable expenses necessary or appropriate for the initiation, implementation and completion of the project, including, but not limited to: (A) Administrative expenses of the eligible applicant; and (B) business support services in conjunction with another state agency when such agency does not provide adequate funds for such services or when no other state agency provides such services. The department may purchase participation interests in loans made by the Connecticut Economic Innovations Authority for the foregoing purposes. All relocation assistance provided under sections 32-220 to 32-234, inclusive, to persons residing in the project area shall be in conformance with chapter 135.

(e) The commissioner may establish the terms and conditions of any financial assistance provided under sections 32-220 to 32-234, inclusive, except that the interest rate on any loans shall be determined by the State Bond Commission in accordance with subsection (t) of section 3-20. The commissioner may make any stipulation in connection with an offer of financial assistance he deems necessary to implement the policies and purposes of sections 32-220 to 32-234, inclusive, including, but not limited to the following: (1) The provision of assurances that the eligible applicant will discharge its obligations in connection with the project, and (2) a requirement that the eligible applicant provide the department with appropriate security for such financial assistance, including, but not limited to, a letter of credit, a lien on real property or a security interest in goods, equipment, inventory or other property of any kind.

Sec. 141. Section 32-227 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) For the purpose of carrying out or administering a municipal or business development project, (1) a municipality, acting by and through its implementing agency, may, subject to the limitations and
procedures set forth in this section, issue from time to time bonds of
the municipality, and (2) the Connecticut Economic Innovations
Authority may, upon a resolution adopted by the legislative body of
the municipality, issue from time to time bonds which, in either case,
are payable solely or in part from and secured by: (A) A pledge of and
lien upon any or all of the income, proceeds, revenues and property
of development projects, including the proceeds of grants, loans,
advances or contributions from the federal government, the state or
other source, including financial assistance furnished by the
municipality or any other public body pursuant to sections 32-220 to
32-234, inclusive; (B) taxes or payments in lieu of taxes, or both,
in whole or in part, allocated to and paid into a special fund of the
municipality or the Connecticut Economic Innovations Authority
pursuant to the provisions of subsection (c) of this section; or (C) any
combination of the methods in subparagraphs (A) and (B) of this
subdivision. Any bonds payable and secured as provided in this
subsection shall be authorized by, and the appropriation of the
proceeds thereof approved by and subject to, a resolution adopted
by the legislative body of the municipality, notwithstanding the
provisions of any other statute, local law or charter governing the
authorization and issuance of bonds and the appropriation of the
proceeds thereof generally by the municipality. No such resolution
shall be adopted until after a public hearing has been held upon such
authorization. Notice of such hearing shall be published not less
than five days prior to such hearing in a newspaper having a
general circulation in the municipality. Any such bonds of a
municipality or the Connecticut Economic Innovations Authority
shall be issued and sold in such manner; bear interest at such rate or
rates, including variable rates; provide for the payment of interest
on such dates, whether before or at maturity; be issued at, above or
below par; mature at such time or times not exceeding thirty years
from their date; have such rank or priority; be payable in such
medium of payment; be issued in such form, including, without
limitation, registered or book-entry form; carry such registration
and transfer privileges and be made
subject to purchase or redemption before maturity at such price or
prices and under such terms and conditions, including the condition
that such bonds be subject to purchase or redemption on the demand
of the owner thereof; and contain such other terms and particulars as
the legislative body of the municipality or the officers delegated such
authority by the legislative body of the municipality shall determine.

Any such bonds of the [Connecticut Development Authority]
Connecticut Economic Innovations Authority shall be issued and sold
in the manner and subject to the general terms and provisions of law
applicable to issuance of bonds by the [Connecticut Development
Authority] Connecticut Economic Innovations Authority, except that
the provisions of subsection (b) of section 32-23j shall not apply. The
proceedings under which bonds are authorized to be issued may,
subject to the provisions of indenture or to any other depository
agreement, provide for the method of disbursement thereof, with such
safeguards and restrictions as it may determine. Any pledge made by
the municipality or the [Connecticut Development Authority]
Connecticut Economic Innovations Authority for bonds issued as
provided in this subsection shall be valid and binding from the time
when the pledge is made, and any revenues or other receipts, funds or
moneys so pledged and thereafter received by the municipality or the
[Connecticut Development Authority] Connecticut Economic
Innovations Authority shall be subject to the lien of such pledge
without any physical delivery thereof or further act. The lien of any
such pledge shall be valid and binding as against all parties having
claims of any kind in tort, contract or otherwise against the
municipality or [Connecticut Development Authority] the Connecticut
Economic Innovations Authority, irrespective of whether such parties
have notice of such lien. Neither the resolution nor any other
instrument by which a pledge is created need be recorded. All
expenses incurred in carrying out such financing may be treated as
project costs. Such bonds shall not be included in computing the
aggregate indebtedness of the municipality, provided, if such bonds
are made payable, in whole or in part, from funds contracted to be
advanced by the municipality, the aggregate amount of such funds not
yet appropriated to such purpose shall be included in computing the
aggregate indebtedness of the municipality. As used in this section,
"bonds" means any bonds, including refunding bonds, notes,
temporary notes, interim certificates, debentures or other obligations.
Temporary notes issued in accordance with this subsection in
anticipation of the receipt of the proceeds of bond issues may be issued
for a period of not more than five years, and notes issued for a shorter
period of time may be renewed by the issue of other notes, provided
the period from the date of the original notes to the maturity of the last
notes issued in renewal thereof shall not exceed five years. For
purposes of this section, references to the Connecticut Development
Authority shall include any subsidiary of the [Connecticut
Development Authority established pursuant to subsection (l) of
section 32-11a] Connecticut Economic Innovations Authority.

(b) For the purpose of carrying out or administering a municipal or
business development project, a municipality or its implementing
agency may accept grants, advances, loans or other financial assistance
from the federal government, the state or other source and may do any
and all things necessary or desirable to secure such financial aid. To
assist any project located in the area in which it is authorized to act,
any public body, including the state, or any city, town, borough,
authority, district, subdivision or agency of the state, may, upon such
terms as it determines, furnish service or facilities, provide property,
lend or contribute funds, and take any other action of a character
which it is authorized to perform for other purposes. To obtain funds
for the temporary and definitive financing of any project, a
municipality or implementing agency may, in addition to other action
authorized under this act or other law, issue its general obligation
bonds, notes, temporary notes or other obligations secured by a pledge
of the municipality's full faith and credit. Such bonds, notes,
temporary notes and other obligations shall be authorized in
accordance with the requirements for the authorization of such
obligations generally by the municipality and the authorization,
issuance and sale thereof shall be subject to the limitations contained in
the general statutes, including provisions on the limitation of the aggregate indebtedness of the municipality. Notwithstanding the provisions of sections 7-264, 7-378 and 7-378a, and any other public or special act or charter or bond ordinance or bond resolution which limits the issuance or renewal of temporary notes issued in anticipation of the receipt of the proceeds of bond issues to a period of time of less than five years from the date of the original notes or requires a reduction in the principal amount of such notes or renewal notes prior to the fifth anniversary of the date of the original notes, such temporary notes may be issued for a period of not more than five years, and notes issued for a shorter period of time may be renewed by the issue of other notes, provided the period from the date of the original notes to the maturity of the last notes issued in renewal thereof shall not exceed five years.

(c) Any development plan authorized under sections 32-220 to 32-234, inclusive, or any proceedings authorizing the issuance of bonds under said sections may contain a provision that taxes, if any, identified in such plan or such authorizing proceedings and levied upon taxable real or personal property, or both, in a project each year or payments in lieu of such taxes authorized pursuant to chapter 114, or both, by or for the benefit of any one or more municipalities, districts or other public taxing agencies, as the case may be, shall be divided as follows: (1) In each fiscal year that portion of the taxes or payments in lieu of taxes, or both, which would be produced by applying the then current tax rate of each of the taxing agencies to the total sum of the assessed value of the taxable property in the project on the effective date of such adoption or the date of such authorizing proceedings, as the case may be, or on any date between such two dates which is identified in such proceedings, shall be allocated to and when collected shall be paid into the funds of the respective taxing agencies in the same manner as taxes by or for said taxing agencies on all other property are paid; and (2) that portion of the assessed taxes or the payments in lieu of taxes, or both, each fiscal year in excess of the amount referred to in subdivision (1) of this subsection shall be
allocated to and when collected shall be paid into a special fund of the municipality or the [Connecticut Development Authority] Connecticut Economic Innovations Authority to be used in each fiscal year, first to pay the principal of and interest due in such fiscal year on loans, moneys advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, incurred by such municipality or the [Connecticut Development Authority] Connecticut Economic Innovations Authority to finance or refinance in whole or in part, such project, and then, at the option of the municipality or the [Connecticut Development Authority] Connecticut Economic Innovations Authority, to purchase bonds issued for the project which has generated the tax increments or payments in lieu of taxes and then, at the option of the municipality or the [Connecticut Development Authority] Connecticut Economic Innovations Authority, to reimburse the provider of or reimbursement party with respect to any guarantee, letter of credit, policy of bond insurance, funds deposited in a debt service reserve fund, funds deposited as capitalized interest or other credit enhancement device used to secure payment of debt service on any bonds, notes or other indebtedness issued pursuant to this section to finance or refinance such project, to the extent of any payments of debt service made therefrom. Unless and until the total assessed valuation of the taxable property in a project exceeds the total assessed value of the taxable property in such project as shown by the last assessment list referred to in subdivision (1) of this subsection, all of the taxes levied and collected and all of the payments in lieu of taxes due and collected upon the taxable property in such project shall be paid into the funds of the respective taxing agencies. When such loans, advances, and indebtedness, if any, and interest thereof, and such debt service reimbursement to the provider of or reimbursement party with respect to such credit enhancement, have been paid in full, all moneys thereafter received from taxes or payments in lieu of taxes, or both, upon the taxable property in such development project shall be paid into the funds of the respective taxing agencies in the same manner as taxes on all other property are paid.
(d) Notwithstanding the provisions of subsection (a) or (b) of this section and any other public or special act or charter or bond ordinance or bond resolution which limits the renewal of temporary notes issued pursuant to said subsections in anticipation of the receipt of the proceeds of bond issues to five years from the date of the original notes, any municipality may renew temporary notes in accordance with the provisions of this section for an additional period of not more than four years from the end of such five-year period. The officers or board authorized to issue the bonds or determine the particulars of the bonds may adopt a resolution authorizing the renewal of temporary notes for such additional period under the following conditions: (1) All project grant payments and bond sale proceeds received shall be promptly applied toward project costs or toward payment of such temporary notes as the same shall become due and payable or shall be deposited in trust for such purposes; (2) no later than the end of each period of twelve months after the end of such five-year period a portion of such temporary notes equal to at least one-twentieth of the municipality’s estimated cost of the project shall be retired from funds other than project grants or land sale proceeds or note proceeds; (3) the interest on all temporary notes renewed after such five-year period shall be paid from funds other than project grants or land sale proceeds or note proceeds; (4) the principal amount of each bond issue when sold shall be reduced by the amounts spent under subdivision (2) of this section, and the principal of such bonds shall be paid in annual installments commencing no later than one year from the date of issue; and (5) the maximum authorized term of the bonds when sold shall be reduced by not less than the number of months from the end of such five-year period to the date of issue. Any anticipated federal or state project grants or land sale proceeds may be used in computing the municipality’s cost of the project. Any municipality in which such resolution is passed shall include in its annual budget or shall otherwise appropriate sufficient funds to make the payments required by subdivisions (2) and (3) of this subsection.

Sec. 142. Section 32-244 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) All data and other information received by the Department of Economic and Community Development, the Connecticut Economic Innovations Authority or any implementing agency, as defined in section 32-222, or any advisory board or committee of the department, authority or agency, from any person in connection with an application for, or the provision of, financial assistance, which consists of the following, shall be deemed, for purposes of a public records request pursuant to the Freedom of Information Act, as defined in section 1-200, made to the Department of Economic and Community Development, the Connecticut Economic Innovations Authority or any such implementing agency, advisory board or committee, to be information described in subdivision (5) of subsection (b) of section 1-210: (1) Actual trade secrets or information that a person intends to become a trade secret, (2) material that a person intends to patent, (3) patented material, (4) marketing or business plans, (5) plans for new products or services, (6) reports of customer orders or sales or other documents that would disclose names and addresses of customers or potential customers, (7) information concerning the financial condition or personal affairs of any individual, (8) financial statements or projections, (9) sales or earnings forecasts, (10) capital or strategic plans, (11) information regarding research and development, (12) tax returns, or (13) other commercial, credit or financial information with respect to the financial condition or business operations of an applicant for or recipient of financial assistance which is of a type not customarily made available to the public.

(b) The enumeration in this section of particular types of data and information shall not be construed to limit the possible applicability of subdivision (5) of subsection (b) of section 1-210 to other data or information not so enumerated.

Sec. 143. Section 32-244a of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

All information contained in any application for financial assistance submitted to the Department of Economic and Community Development or the Connecticut Economic Innovations Authority prior to October 1, 2000, and all information with respect to any person or project, including all financial, credit and proprietary information, obtained by the Department of Economic and Community Development or the Connecticut Development Authority, Connecticut Economic Innovations Authority prior to October 1, 2000, or on or after October 1, 2000, pursuant to the requirements of an agreement entered into prior to October 1, 2000, shall be exempt from the provisions of subsection (a) of section 1-210.

Sec. 144. Subsection (k) of section 32-261 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

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

(1) "Authority" means the Connecticut Development Authority created under subsection (a) of section 32-23d Connecticut Economic Innovations Authority established pursuant to section 6 of this act;

(2) "Eligible financial institution" shall have the same meaning as "eligible financial institution", as defined in subsection (e) of section 32-23d;

(3) "Loans" means loans, notes, bonds and all other forms of debt financing or extensions of credit, secured or unsecured, including loans for working capital purposes;

(4) "Other investments" means (A) any and all forms of equity financing made by the authority or an eligible financial institution, (B)
any participation or other interest in such equity financing, however
evidenced, or (C) any pool or portfolio of, or position in, loans, such
equity financing or any combination thereof;

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

(6) "State" means the state of Connecticut.

Sec. 145. Subsection (b) of section 32-262 of the general statutes is
repealed and the following is substituted in lieu thereof (Effective July
1, 2009):

(b) The proceeds of the sale of said bonds, to the extent of the
amount stated in subsection (a) of this section, shall be used by the
Department of Economic and Community Development to make
grants to the [Connecticut Development Authority] Connecticut
Economic Innovations Authority for deposit in the Investment and
Loan Guaranty Fund to be used for the purpose of section 32-261. The
terms and conditions of said grants shall be governed in accordance
with a grant contract between the department and the authority.

Sec. 146. Section 32-265 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in this section: (1) "Authority" means the [Connecticut
Development Authority] Connecticut Economic Innovations
Authority, and (2) "financial institution" means an eligible financial
institution, as defined in subsection (e) of section 32-23d, which is
approved by the authority to participate in the program established by
this section.

(b) In order to stimulate and encourage the growth and
development of the state economy, the Connecticut Capital Access
Fund is created to provide portfolio insurance to participating financial
institutions to assist them in making loans that are somewhat riskier
than conventional loans. The insurance shall be based on a portfolio
insurance mechanism applicable to loans enrolled by a financial
institution in the program, rather than loans by loan guarantees. The
state, acting through the [Connecticut Development Authority]
Connecticut Economic Innovations Authority, shall enter into a
participation agreement with each financial institution approved to
participate in the program. A participation agreement entered into by
the authority and a financial institution shall establish a separate loan
loss reserve account, owned and controlled by the [Connecticut
Development Authority] Connecticut Economic Innovations
Authority, but earmarked to cover losses on loans enrolled by that
financial institution in the program. A separate loan loss reserve
account shall be established for each participating financial institution.
Each time a financial institution enrolls a loan in the program,
payments shall be made into the earmarked loan loss reserve account
by the borrower, financial institution and the authority, in amounts
consistent with the provisions of the participation agreement. The
financial institution shall be allowed to recover the cost of its payment
from the borrower.

(c) To carry out the purposes of this section, the authority shall have
those powers set forth in section 32-23. The authority shall also have
the power to take all reasonable steps and exercise all available
remedies necessary or desirable to protect the obligations or interests
of the authority including, but not limited to, the purchase or
redemption in foreclosure proceedings, bankruptcy proceedings or in
other judicial proceedings of any property on which it holds a
mortgage or other lien or in which it has an interest, and for such
purposes payment may be made from the Connecticut Capital Access
Fund.

(d) Approval of loans for which payments may be made into an
account established under this section shall be within the sole
discretion of the financial institution making the loan except that such
loans shall comply with the requirements specified in the participation
agreement.
(e) The authority shall adopt written procedures in accordance with section 1-121 for implementing the program. Such written procedures shall include the form of participation agreement which shall set forth procedures for use of the program and the rights and responsibilities of participating financial institutions and the authority. The participation agreement shall require that loans enrolled in the program shall be for a business purpose in the state and shall not be used for residential housing, passive real estate ownership, an insider transaction or to refinance a prior loan by the financial institution which was not covered under the program, except that if new funds are provided to a borrower, an amount equal to the amount of the new funds may be covered under the program.

(f) (1) For the purposes described in subdivision (2) of this subsection, the State Bond Commission shall have the power, from time to time, to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate five million dollars.

(2) The proceeds of the sale of said bonds, to the extent of the amount stated in subdivision (1) of this subsection, shall be used by the Department of Economic and Community Development to make grants to the Connecticut Development Authority for deposit in the Connecticut Economic Innovations Authority for deposit in the Connecticut Capital Access Fund to be used for the purposes authorized under this section and section 32-341.

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

Sec. 147. Section 32-266 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

As used in sections 32-266 to 32-284, inclusive:

(1) "Authority" means the Connecticut Development Authority; and

(2) "Regional corporation" means a corporation formed by three or more municipal development corporations, a regional economic development corporation or a regional community development corporation.

Sec. 148. Subsection (b) of section 32-285 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(b) As used in this section: (1) "Authority" means the Connecticut Development Authority; and (2) "eligible project" means a large-scale economic development project (A) that may add a substantial amount of new economic activity and employment in the municipality in which it is to
be located and surrounding areas, and may generate significant additional tax revenues in the state; (B) for which use of the tax incremental financing mechanism may be necessary to attract the project to locate in the state; (C) which is economically viable and self-sustaining, taking into account the application of the proceeds of the bonds to be issued under the tax incremental financing program; (D) for which the direct and indirect economic benefits to the state and the municipality in which it will be located outweigh the costs of the project; and (E) which is consistent with the strategic development priorities of the state.

Sec. 149. Section 32-341 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) There is established within the [Connecticut Development Authority] Connecticut Economic Innovations Authority a small business assistance program under which the authority shall make loans and loan guarantees and provide equity equivalent capital to businesses in this state that employ not more than one hundred persons and are unable to obtain conventional financial assistance. The authority may establish criteria for such loans, including, but not limited to, whether such assistance would enable an applicant to create or retain jobs and whether the applicant exports goods or services out of the state.

(b) The authority shall develop an accelerated application process for such program. No business may receive more than two hundred thousand dollars in loans, loan guarantees or equity equivalent capital under the program. Payments of principal and interest of loans under the program shall be made to the authority for deposit in the Connecticut Works Fund authorized under section 32-23ii. The authority is authorized for the purposes of this section to enter into contracts with financial institutions for the purpose of guaranteeing loans, participating in loans or participating in providing equity equivalent capital to businesses.
Sec. 150. Subdivision (1) of section 32-500 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(1) "Authority" means the Connecticut Economic Innovations Authority.

Sec. 151. Section 32-503 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The Connecticut Economic Innovations Authority shall establish an export division within the authority. The division shall, within available resources, provide: (1) Working capital loans to small and medium-sized companies which are unable to obtain export financing, (2) access for such companies to existing public and private export lenders and other export funding sources, including, but not limited to, transaction financing, letters of credit, equity investments and loan guarantees, and (3) technical assistance to such companies in obtaining such financing. Such export division may give priority to assisting Connecticut businesses with regard to trade with African countries with whom the United States has diplomatic relations.

(b) On or before January 30, 1998, the authority shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to economic development on the progress of the authority in carrying out the purposes of this section, including a list of successful transactions.

Sec. 152. Section 32-609 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

With the concurrence of the Secretary of the Office of Policy and Management and the State Treasurer, the Capital City Economic Development Authority may submit an application to the Connecticut Economic Innovations Authority on behalf of the convention center project as defined in subdivision (3)
of section 32-600, for a loan or loans consistent with the requirements of chapter 579 and the Connecticut Development Authority is hereby authorized to review such application as a package for the purposes of its requirements, including eligibility for federal or state funding in addition to the financing applied for. Any loan by the Connecticut Economic Innovations Authority may be evidenced by the general obligation bond of such authority, in fully marketable form, duly executed and accompanied by an approving legal opinion with respect to validity, security and tax matters as would otherwise be required in a public offering. Any loan with respect to the hotel or other portions of private investment pertaining to the convention center project shall be on such terms and conditions as the Connecticut Economic Innovations Authority requires to satisfy its eligibility for financing of a loan from the proceeds of its general obligation program bonds.

Sec. 153. (NEW) (Effective July 1, 2009) (a) As used in this section:

(1) "Commissioner" means the Commissioner of Economic and Community Development;

(2) "Taxpayer" means a person subject to tax under title 12 of the general statutes;

(3) "New job" means a full-time job in this state which (A) did not exist in this state prior to a taxpayer's application to the commissioner for an eligibility certificate under subsection (c) of this section, and (B) is filled by a new employee;

(4) "New employee" means a person hired by the taxpayer to fill a new job, not including a person who was employed in Connecticut by a related person with respect to the taxpayer during the prior twelve months or a person who is employed by the taxpayer if the taxpayer's total number of full-time employees in an income year decreases below
the taxpayer's number of full-time employees at the time of the application under subsection (c) of this section;

(5) "Full-time job" means a job in which an employee is required to work at least thirty-five hours per week and does not include a temporary or seasonal job;

(6) "Related person" means (A) a corporation, limited liability company, partnership, association or trust controlled by the taxpayer, (B) an individual, corporation, limited liability company, partnership, association or trust that is in control of the taxpayer, (C) a corporation, limited liability company, partnership, association or trust controlled by an individual, corporation, limited liability company, partnership, association or trust that is in control of the taxpayer, or (D) a member of the same controlled group as the taxpayer;

(7) "Control", with respect to a corporation, means ownership, directly or indirectly, of stock possessing fifty per cent or more of the total combined voting power of all classes of the stock of such corporation entitled to vote. "Control", with respect to a trust, means ownership, directly or indirectly, of fifty per cent or more of the beneficial interest in the principal or income of such trust. The ownership of stock in a corporation, of a capital or profits interest in a partnership, limited liability company or association or of a beneficial interest in a trust shall be determined in accordance with the rules for constructive ownership of stock provided in Section 267(c) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, other than paragraph (3) of said Section 267(c);

(8) "Retained jobs" means the number of full-time jobs at a facility of a taxpayer situated in this state on a specific date preceding the date of an application pursuant to subsection (c) of this section, as such specific date and number are determined by the commissioner;

(9) "Qualifying economic development project" means a new or
expanded business facility in this state that (A) represents an
investment of a minimum of five million dollars, and (B) will result in
the creation of at least one hundred new jobs or the retention of two
hundred fifty retained jobs;

(10) "Expanded business facility" means any business facility in this
state, other than a new business facility, resulting from the acquisition,
construction, reconstruction, installation or erection of improvements
or additions to existing property if such improvements or additions are
begun on or after July 1, 2009;

(11) "Internal Revenue Code" means the Internal Revenue Code of
1986, or any subsequent corresponding internal revenue code of the
United States, as from time to time amended;

(12) "New business facility" means a business facility in this state
which (A) is employed by a taxpayer in the conduct of a business,
provided, a facility shall not be considered a new business facility in
the hands of the taxpayer if the taxpayer's only activity with respect to
such facility is to lease such facility to another person or persons, (B) is
purchased by, or leased to, the taxpayer on or after July 1, 2009, and
(C) was not purchased or leased by the taxpayer from a related person;

(13) "Qualified expenditures" means tangible personal property
incorporated in the new or expanded business facility or equipment
that is installed therein.

(b) There is established a sales and use tax relief program for
qualified expenditures that are made for a qualifying economic
development project. The goal of the program shall be to encourage
economic development by granting sales tax relief to projects that
generate new jobs or retain existing jobs.

(c) Any taxpayer who intends to develop a new or expanded
business facility in this state may make application to the
Commissioner of Economic and Community Development for
approval of such project as a qualifying economic development project. Such application shall include the number of jobs to be created or retained and the time over which any new jobs will be created, a commitment to retain the created or retained jobs for at least five years, and an agreement to repay the sales tax refund if the jobs are not retained for the specified period.

(d) The commissioner shall determine whether: (1) The taxpayer making the application qualifies for the relief program, (2) (A) the proposed new jobs would provide a net benefit to economic development and employment opportunities in the state, or (B) the retained jobs represent employment that but for the incentive of the relief program it is unlikely that the taxpayer would be able to retain such employment in this state, and (3) the location or locations of the proposed new jobs conform to the state plan of conservation and development prepared pursuant to part I of chapter 297 of the general statutes. The commissioner may require the taxpayer to submit such additional information as may be necessary to evaluate the application.

(e) The commissioner, upon consideration of the application and any additional information the commissioner requires, may, with the approval of the Secretary of the Office of Policy and Management, approve the application, in whole or in part, if the commissioner concludes that the state tax revenue generated from the proposed new jobs or retained jobs and the state tax revenue generated due to economic development and employment opportunities created in the state exceeds the state tax revenue loss from exempting the sales and use tax on the qualified expenditures with a five-year period.

(f) If such application is approved, the commissioner shall issue an eligibility certificate designating such project as a qualified economic development project. Such certification will allow the taxpayer developing the project to obtain sales tax relief as provided in this section.

(g) (1) The commissioner shall approve the total amount of qualified
expenditures that are eligible to be purchased exempt from sales and
use tax subject to the limitations set forth in subdivision (2) of this
subsection.

(2) (A) The taxpayer shall provide the commissioner with a written
request to purchase tangible personal property that will qualify as
qualified expenditures. The commissioner shall authorize such
purchase and require the taxpayer to provide a detailed accounting of
the purchases and the sales tax relief attributable to such purchases. (B)
The aggregate amount of sales and use taxes that are exempted
pursuant to this section shall not exceed (i) five thousand dollars for
each new job, or (ii) two thousand dollars for each retained job. (C) If
the amount of purchases made by the taxpayer represents sales and
use tax savings in excess of the limitations in this subsection, the
taxpayer shall immediately pay such excess amount to the state, which
amount shall be treated as a sales and use tax liability of the taxpayer
pursuant to chapter 219 of the general statutes.

(h) If the taxpayer relocates its business operations outside the state
within a ten-year period following the receipt of the benefits of the
sales and use tax relief program, it shall agree to repay to the state a
payment equal to the total amount of sales and use tax savings which
actually accrued to the taxpayer plus an amount equal to seven and
one-half per cent of such actual sales and use tax savings. As used in
this subsection, "relocates" shall have the same meaning as in section
32-5a of the general statutes.

(i) The aggregate amount of sales and use tax exempted pursuant to
this section shall not exceed five million dollars in any fiscal year.

(j) The commissioner, in consultation with the Commissioner of
Revenue Services, shall adopt regulations, in accordance with the
provisions of chapter 54 of the general statutes, as may be necessary
for the administration of this section.

Sec. 154. Section 12-412 of the general statutes is amended by adding
subdivision (119) as follows (Effective July 1, 2009):

(NEW) (119) Sales of tangible personal property treated as qualified expenditures by the Commissioner of Economic and Community Development pursuant to section 161 of this act.

Sec. 155. Section 32-23h of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The exercise of the powers granted by the authority legislation, as defined in subsection (hh) of section 32-23d, shall constitute the performance of an essential governmental function and the authority shall not be required to pay any taxes or assessments upon or in respect of a project, or any property or moneys of the authority, levied by any municipality or political subdivision or special district having taxing powers of the state, nor shall the authority be required to pay state taxes of any kind, and the authority, its projects, property and moneys and any bonds and notes issued under the provisions of said chapters and sections, their transfer and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation of every kind by the state except for estate or succession taxes and by the municipalities and all other political subdivisions or special districts having taxing powers of the state; provided any person leasing a project from the authority shall pay to the municipality, or other political subdivision or special district having taxing powers, in which such project is located, a payment in lieu of taxes which shall equal the taxes on real and personal property, including water and sewer assessments, which such lessee would have been required to pay had it been the owner of such property during the period for which such payment is made and neither the authority nor its projects, properties, money or bonds and notes shall be obligated, liable or subject to lien of any kind for the enforcement, collection or payment thereof. [The sale of tangible personal property or services by the authority is exempt from the sales tax under chapter 219, and the storage, use or other consumption in this state of tangible personal property or services purchased from the authority is exempt.
from the use tax under chapter 219.] If and to the extent the
proceedings under which the bonds authorized to be issued under the
provisions of said chapters and sections so provide, the authority may
agree to cooperate with the lessee of a project in connection with any
administrative or judicial proceedings for determining the validity or
amount of such payments and may agree to appoint or designate and
reserve the right in and for such lessee to take all action which the
authority may lawfully take in respect of such payments and all
matters relating thereto, provided such lessee shall bear and pay all
costs and expenses of the authority thereby incurred at the request of
such lessee or by reason of any such action taken by such lessee in
behalf of the authority. Any lessee of a project which has paid the
amounts in lieu of taxes required by this section to be paid shall not be
required to pay any such taxes in which a payment in lieu thereof has
been made to the state or to any such municipality or other political
subdivision or special district having taxing powers, any other statute
to the contrary notwithstanding. Any industrial pollution control
facility financed under said chapters and sections shall be subject to
such approvals, as may be required by law, of any agency of the state
and any agency of the United States having jurisdiction in the matter
and, in the discretion of the authority, may be acquired, constructed or
improved as part of or jointly with a pollution control facility
undertaken by a municipality or political subdivision or special district
having taxing powers in the state and the authority is authorized to
cooperate and execute contracts with such a municipality or political
subdivision or special district.

(b) On and after the effective date of this section, the Connecticut
Economic Innovations Authority shall conclude all sales tax exemption
agreements entered into by the Connecticut Development Authority.
No new agreements shall be entered into and the program shall
terminate on July 1, 2010.

Sec. 156. Section 3-110f of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):
The Connecticut Commission on Culture and Tourism Department of Economic and Community Development may appoint a state poet laureate.

Sec. 157. Section 3-110h of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

There shall be an official state troubadour. The Connecticut Commission on Culture and Tourism Department of Economic and Community Development shall biennially designate a troubadour to serve in the position.

Sec. 158. Section 3-110i of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

Charles Edward Ives is designated as the composer of the state of Connecticut. There shall be a "Charles Edward Ives Memorial Composer Laureate of the state of Connecticut". The board of directors of the Charles Ives Center for the Arts, in consultation with the panel established under this section, may designate from time to time a composer who was born or is living in Connecticut to serve in the position of composer laureate. There is established a panel that shall meet from time to time to advise said board of directors on the designation of the composer laureate. The panel shall be comprised of eight members, one of whom shall be a representative of the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, one of whom shall be a representative of the New Haven Symphony Orchestra, one of whom shall be a representative of the Hartford Symphony Orchestra, one of whom shall be a representative of the Yale University School of Music, one of whom shall be a representative of the Hartt School of Music of The University of Hartford, one of whom shall be a representative of The Charles Ives Society, Inc., one of whom shall be a representative of The University of Connecticut through its music department, and one of whom shall be a representative of the Connecticut State University through the music department of Western Connecticut State
University. Each member of the panel shall be selected by the entity that the member represents.

Sec. 159. Section 4-5 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

As used in sections 4-6, 4-7 and 4-8, the term "department head" means Secretary of the Office of Policy and Management, Commissioner of Administrative Services, Commissioner of Revenue Services, Banking Commissioner, Commissioner of Children and Families, Commissioner of Consumer Protection, Commissioner of Correction, Commissioner of Economic and Community Development, State Board of Education, Commissioner of Emergency Management and Homeland Security, Commissioner of Environmental Protection, Commissioner of Agriculture, Commissioner of Public Health, Insurance Commissioner, Labor Commissioner, Liquor Control Commission, Commissioner of Mental Health and Addiction Services, Commissioner of Public Safety, Commissioner of Social Services, Commissioner of Developmental Services, Commissioner of Motor Vehicles, Commissioner of Transportation, Commissioner of Public Works, Commissioner of Veterans' Affairs, Commissioner of Health Care Access, Chief Information Officer, the chairperson of the Public Utilities Control Authority, the executive director of the Board of Education and Services for the Blind, [the executive director of the Connecticut Commission on Culture and Tourism,] the Ombudsman for Property Rights and the executive director of the Office of Military Affairs. As used in sections 4-6 and 4-7, "department head" also means the Commissioner of Education.

Sec. 160. Section 4-9a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The Governor shall appoint the chairperson and executive director, if any, of all boards and commissions within the Executive Department, except the Board of Governors of Higher Education, provided the Governor shall appoint the initial chairman of said board.
as provided in section 10a-2, the State Properties Review Board, the
State Elections Enforcement Commission, the Commission on Human
Rights and Opportunities, the Citizen's Ethics Advisory Board, the
Commission on Aging and the Commission on Fire Prevention and
Control.

(b) Public members shall constitute not less than one-third of the
members of each board and commission within the Executive
Department, except the Gaming Policy Board and the Commission on
Human Rights and Opportunities. Public member means an elector of
the state who has no substantial financial interest in, is not employed
in or by, and is not professionally affiliated with, any industry,
profession, occupation, trade or institution regulated or licensed by the
relevant board or commission, and who has had no professional
affiliation with any such industry, profession, occupation, trade or
institution for three years preceding his appointment to the board or
commission. Except as otherwise specifically provided by the general
statutes, this section shall not apply to the Commission on Fire
Prevention and Control, boards and commissions the membership of
which is entirely composed of state department heads, elected officials
or deputies appointed by such department heads or where the
membership of such board or commission is determined in accordance
with the provisions of any federal law.

(c) Notwithstanding any provision of law to the contrary, the term
of each member of each board and commission within the executive
branch, except the State Board of Education, the Board of Governors of
Higher Education, the Gaming Policy Board, the Commission on
Human Rights and Opportunities, the State Elections Enforcement
Commission, the State Properties Review Board, the Citizen's Ethics
Advisory Board, the Commission on Medicolegal Investigations, the
Psychiatric Security Review Board, the Commission on Fire Prevention
and Control, the E 9-1-1 Commission, [the Connecticut Commission on
Culture and Tourism,] the Commission on Aging and the board of
trustees of each constituent unit of the state system of higher
education, commencing on or after July 1, 1979, shall be coterminous
with the term of the Governor or until a successor is chosen, whichever
is later.

(d) Each member of each board and commission within the
executive branch shall serve at the pleasure of the appointing authority
except where otherwise specifically provided by any provision of the
general statutes.

Sec. 161. Section 4-89 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) No officer, department, board, commission, institution or other
agency of the state shall, after the close of any fiscal year, incur, or vote
or order or approve the incurring of, any obligation or expenditure
under any appropriation made by the General Assembly for any fiscal
year that had expired at the time the obligation for such expenditure
was incurred. The Comptroller is authorized to draw warrants or
process interdepartmental transactions against the available
appropriations made for the current fiscal year for the payment of
expenditures incurred during the prior fiscal year for which
appropriations were made or in fulfillment of contracts properly made
during such prior year, and the Treasurer is authorized to pay such
warrants or record such interdepartmental transactions. The balances
of certain appropriations which otherwise would lapse at the close of
any fiscal year and for which no appropriation is made in the
following year shall be extended into the succeeding fiscal year for the
period of one month to permit liquidation of obligations of the prior
fiscal year.

(b) Except as provided in this section, all unexpended balances of
appropriations made by the General Assembly in the state budget act
shall lapse at the end of the period for which they have been made and
shall revert to the unappropriated surplus of the fund from which such
appropriation or appropriations were made, except that any
appropriation for the improvement of or maintenance work by
contract on public roads, for the purchase of land or the erection of
buildings or new construction or for specific projects for capital
improvements and repairs, provided in the case of such specific
projects allotments shall have been made by the Governor for design
and construction, shall continue to be available until the attainment of
the object or the completion of the work for which such appropriation
was made, but in no case for more than six years unless renewed by
act of the General Assembly.

(c) All unexpended balances of special appropriations made by the
General Assembly for special programs, projects or studies shall lapse
at the end of the period for which they have been made, except that if
satisfied that the work of any such program, project or study is not
completed and will continue during the following fiscal year, the
Secretary of the Office of Policy and Management shall order any
unexpended balance remaining in the special appropriation to be
continued to the ensuing fiscal year.

(d) Any appropriation made by the General Assembly for no
specific period, or any unexpended balance thereof, shall lapse on June
thirtieth in the fourth year after such appropriation was made,
provided when the purpose for which any such appropriation was
made has been accomplished or there is no further need for funds
thereunder, the unexpended balance thereof, upon the written consent
of the head of the department, board, commission, institution or other
agency to which such appropriation was made, shall lapse and shall
revert to the unappropriated surplus of the fund from which such
appropriation was made.

(e) The provisions of this section shall not apply to appropriations
for Department of Transportation equipment, the highway and
planning research program administered by the Department of
Transportation, Department of Environmental Protection equipment
or the purchase of public transportation equipment, the minor capital
improvement account in the Department of Public Works, the
litigation/settlement account in the Office of Policy and Management,
library or educational equipment for the constituent units of the state
system of higher education, or library or educational materials for the
State Library, or the state-wide tourism marketing account of the
[Commission on Culture and Tourism] Department of Economic and
Community Development. Such appropriations shall not lapse until
the end of the fiscal year succeeding the fiscal year of the
appropriation, provided an obligation to spend such funds has been
incurred in the next preceding fiscal year, except that for the purposes
of library or educational equipment or materials, such funds shall not
exceed twenty-five per cent of the amount of the appropriation for
such purposes.

(f) The provisions of this section shall not apply to appropriations to
the Department of Higher Education for student financial assistance
for the scholarship program established under section 10a-169, for the
high technology graduate scholarship program established under
section 10a-170a, for Connecticut higher education centers of
excellence established under section 10a-25h, for the minority
advancement program established under subsection (b) of section
10a-11, for the high technology doctoral fellowship program
established under section 10a-25n, or to the operating funds of the
constituent units of the state system of higher education established
pursuant to sections 10a-105, 10a-99 and 10a-77. Such appropriations
shall not lapse until the end of the fiscal year succeeding the fiscal year
of the appropriation except that centers of excellence appropriations
deposited by the board of governors in the Endowed Chair Investment
Fund, established under section 10a-20a, shall not lapse but shall be
held permanently in the Endowed Chair Investment Fund and any
moneys remaining in higher education operating funds of the
constituent units of the state system of higher education shall not lapse
but shall be held permanently in such funds. On or before September
first, annually, the Board of Governors of Higher Education shall
submit a report to the joint standing committee of the General
Assembly having cognizance of matters relating to appropriations and
the budgets of state agencies, through the Office of Fiscal Analysis,
concerning the amount of each such appropriation carried over from
the preceding fiscal year.

(g) The provisions of this section shall not apply to appropriations
to the Commission on the Deaf and Hearing Impaired in an amount
not greater than the amount of reimbursements of prior year
expenditures for the services of interpreters received by the
commission during the fiscal year pursuant to section 46a-33b and
such appropriations shall not lapse until the end of the fiscal year
succeeding the fiscal year of the appropriation.

(h) The provisions of this section shall not apply to appropriations
from the municipal solid waste recycling trust account established
under subsection (d) of section 22a-241. Such appropriations shall not
lapse.

(i) The provisions of this section shall not apply to appropriations to
the Labor Department, from the General Fund, for the federal
Workforce Investment Act. Such appropriations shall not lapse.

Sec. 162. Section 4-124uu of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) The [Office of Workforce Competitiveness] Department of
Economic and Community Development, in consultation with the
Labor Commissioner [ , the Commissioners of Education and Economic
and Community Development, and the Connecticut Commission on
Culture and Tourism] and the Commissioner of Education, shall
establish a program that is designed to develop a trained workforce for
the film industry in the state. Such program shall have three
components: (1) An unpaid intern training program for high school
and college students; (2) a production assistant training program open
to any state resident; and (3) a workforce training program that would
include classroom training, on-set training and a mentor program.

(b) Not later than ninety days after July 1, 2007, the Office of
Workforce Competitiveness shall establish written participation
guidelines for the program authorized under this section.

(c) Not later than January 1, 2008, and annually thereafter, the Office of Workforce Competitiveness shall submit a status report, in accordance with the provisions of section 11-4a, on the establishment and operation of the program authorized under this section to the Connecticut Employment and Training Commission, the joint standing committees of the General Assembly having cognizance of matters relating to commerce, and higher education and employment advancement.

Sec. 163. Section 4b-53 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) For purposes of this section, the following terms have the following meanings: "State building" means any building or facility owned or leased by the state of Connecticut and open to the public or intended for such use, exclusive of any shed, warehouse, garage, building of a temporary nature or building located on the grounds of a correctional institution; "proposal development expenses" means the cost of preparing a detailed drawing, model or plan as determined by the Connecticut Commission on Culture and Tourism Department of Economic and Community Development; and "work of art" means art work which is to be an integrated part of such state building, including but not limited to, fresco, mosaic, sculpture and other architectural embellishment or functional art created by a professional artist, artisan or craftsperson, and any work of visual art which is not to be an integrated part of such state building, including but not limited to, a drawing, painting, sculpture, mosaic, photograph, work of calligraphy or work of graphic art or mixed media. Work of art as used in this section shall not include landscape architecture or landscape gardening.

(b) The State Bond Commission, in the allocation of proceeds of state bonds for purposes of construction, reconstruction or remodeling of any state building, shall allocate for works of art, with respect to
each such project and for the purposes of subsection (c) of this section, an amount from such proceeds not less than one per cent of the total estimated cost of such construction, reconstruction or remodeling, exclusive of (1) the cost of any land acquisition, (2) any nonconstruction costs including the cost of such work of art, and (3) any augmentations to such cost, provided any such allocation for work of art as provided in this section must be approved, prior to authorization of such allocation by the State Bond Commission, by the Commissioner of Public Works in consultation with the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development. Such allocation may be used to reimburse any artist, artisan, craftsperson or person who creates a work of art, for proposal development expenses when the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development requests such proposal development or to compensate persons who, at the request of the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development determine whether such works of art require proposal development.

(c) There is established within the General Fund a state building works of art account, which shall be a separate, nonlapsing account. The moneys within said account shall be used (1) for the purchase of works of art from distinguished Connecticut artists, which shall be placed on public view in state buildings, (2) to establish a bank of major works of art, from which individual works of art may be circulated among state buildings, public art museums and nonprofit galleries, and (3) for repair of all works acquired under this section. The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, in consultation with the Commissioner of Public Works, shall adopt regulations in accordance with the provisions of chapter 54, which shall (A) indicate the portion of the one per cent allocation under subsection (b) of this section, up to one quarter of such allocation, which shall be deposited in the General Fund and credited to said account, (B) set forth the manner in which
the moneys in said account shall be allocated and expended for the purposes of this subsection, and (C) establish procedures to ensure accountability in maintaining the integrity of such bank of works of art.

(d) There is established a subaccount within the state buildings works of art account, established pursuant to subsection (c) of this section, to be known as the "maintenance account" to be used solely for the conservation, repair and cleaning of artworks commissioned and purchased for state buildings pursuant to this section. The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development shall determine what percentage of the one per cent allocation pursuant to subsection (b) of this section, up to ten per cent of such allocation, to credit to said subaccount.

(e) The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development shall, with respect to a work of art in any project under subsection (b) of this section, be responsible for the selection of any artist, artisan or craftperson, review of any design or plan, and execution, completion, acceptance and placement of such work of art, provided any work of art to be located in any building under the supervision, security, utilization and control of the Joint Committee on Legislative Management shall be approved by said committee. The Commissioner of Public Works, in consultation with said commission, (1) shall be responsible for the contractual arrangements with any such artist, artisan or craftperson, and (2) shall adopt regulations concerning implementation of the purposes of subsection (b) of this section and this subsection.

Sec. 164. Section 4b-60 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) There shall be a State Commission on Capitol Preservation and Restoration to consist of twelve members to be appointed as follows:
Two members shall be appointed by the Governor, two by the speaker of the House of Representatives, two by the president pro tempore of the Senate, one by the House minority leader, one by the Senate minority leader, two members of the Joint Committee on Legislative Management, one appointed by each of the chairmen of said committee, and one member of the Connecticut Commission on Culture and Tourism appointed by its chairman. The Commissioner of Economic and Community Development or the commissioner's designee. The Commissioner of Public Works shall be an ex-officio member of the commission and shall attend its meetings. Vacancies on the commission shall be filled by the original appointing authority for the unexpired portion of the term. The members shall serve without compensation for their services but shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties. The commission shall meet at least quarterly, and more often on the call of the chairman or on the written request of a majority of the members. The commission may designate subcommittees to carry out its functions. Any member who fails to attend three consecutive meetings or fails to attend fifty per cent of all meetings held during any calendar year shall be deemed to have resigned.

(b) The commission: (1) Shall undertake a continuing review and study of the State Capitol building and grounds, with a view to developing a master plan for the preservation and restoration of the Capitol, including necessary structural changes, consistent with the original historical character of the building, with due regard being given to enhancing the interior and exterior beauty of the building, making better use of existing space and reducing public safety hazards; (2) may consult with state, federal or private agencies with respect thereto, and disseminate information on its activities; and (3) shall report on its activities to the Joint Committee on Legislative Management annually or as often as the committee shall direct. The Department of Administrative Services shall provide professional staff assistance to the commission when available. If such assistance cannot be provided within a reasonable time, the commission may, with the
approval of the Joint Committee on Legislative Management, retain technical advisors to assist in reviewing project plans and work.

(c) The commission is authorized to accept gifts, donations and grants from the federal government or other public or private sources for the purpose of such preservation and restoration.

(d) The Joint Committee on Legislative Management may undertake capital expenditure programs for which capital funds are authorized, in connection with such preservation and restoration. Such programs shall be carried out by the committee, pursuant to plans and specifications approved by the commission and in accordance with the bidding procedures in part II of chapter 60. The commission shall adopt regulations establishing basic artistic standards in keeping with the original historical character of the Capitol to assist the committee in the preparation of plans and specifications.

(e) The commission shall be an independent body within the Legislative Department for administrative purposes only.

Sec. 165. Section 4b-64 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

Each state department, institution or agency intending to dispose of, demolish or transfer ownership of any structure more than fifty years old shall notify the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development of such intent ninety days before the disposition, demolition or transfer. The department, institution or agency, not more than one hundred twenty days and not less than thirty days before such disposition, demolition or transfer, shall publish notice of its intent three times in a newspaper of general circulation in the municipality in which such structure is located and shall post a sign stating its intent in a conspicuous place on the property on which such structure is located not less than thirty days before the disposition, demolition or transfer.

Sec. 166. Section 4b-66a of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) There is established a Connecticut Capitol Center Commission. The commission shall consist of (1) the Secretary of the Office of Policy and Management, or the secretary's designee; (2) the Commissioner of Public Works, or the commissioner's designee; (3) the Commissioner of Economic and Community Development, or the commissioner's designee; (4) [the executive director of the Connecticut Commission on Culture and Tourism, or the executive director's designee; (5)] one member appointed by the speaker of the House of Representatives; [(6)] (5) one member appointed by the president pro tempore of the Senate; [(7)] (6) one member appointed by the majority leader of the House of Representatives; [(8)] (7) one member appointed by the majority leader of the Senate; [(9)] (8) one member appointed by the minority leader of the House of Representatives; [(10)] (9) one member appointed by the minority leader of the Senate; [(11)] (10) the chairperson of the Hartford Commission on the City Plan; [(12)] (11) one member appointed by the mayor of the city of Hartford; and [(13)] (12) one member from the South Downtown Neighborhood Revitalization Committee.

(b) The Secretary of the Office of Policy and Management, or the secretary's designee, shall serve as chairperson of the commission. The chairperson shall schedule the first meeting of the commission which shall be held no later than sixty days after October 1, 2001.

(c) The commission shall review the master plan for the development of the Connecticut Capitol Center in Hartford and make recommendations in accordance with section 4b-66.

Sec. 167. Section 5-198 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The offices and positions filled by the following-described incumbents shall be exempt from the classified service:

(a) All officers and employees of the Judicial Department;
(b) All officers and employees of the Legislative Department;

(c) All officers elected by popular vote;

(d) All agency heads, members of boards and commissions and other officers appointed by the Governor;

(e) All persons designated by name in any special act to hold any state office;

(f) All officers, noncommissioned officers and enlisted men in the military or naval service of the state and under military or naval discipline and control;

(g) (1) All correctional wardens, as provided in section 18-82, and (2) all superintendents of state institutions, the State Librarian, the president of The University of Connecticut and any other commissioner or administrative head of a state department or institution who is appointed by a board or commission responsible by statute for the administration of such department or institution;

(h) The State Historian appointed by the State Library Board;

(i) Deputies to the administrative head of each department or institution designated by statute to act for and perform all of the duties of such administrative head during such administrative head's absence or incapacity;

(j) Executive assistants to each state elective officer and each department head, as defined in section 4-5, provided each position of executive assistant shall have been created in accordance with section 5-214;

(k) One personal secretary to the administrative head and to each undersecretary or deputy to such head of each department or institution provided any classified employee whose position is affected by this subsection shall retain classified status in such position;
(l) All members of the professional and technical staffs of the constituent units of the state system of higher education, as defined in section 10a-1, of all other state institutions of learning, of the Department of Higher Education, and of the agricultural experiment station at New Haven, professional and managerial employees of the Department of Education and teachers certified by the State Board of Education and employed in teaching positions at state institutions;

(m) Physicians, dentists, student nurses in institutions and other professional specialists who are employed on a part-time basis;

(n) Persons employed to make or conduct a special inquiry, investigation, examination or installation;

(o) Students in educational institutions who are employed on a part-time basis;

(p) Forest fire wardens provided for by section 23-36;

(q) Patients or inmates of state institutions who receive compensation for services rendered therein;

(r) Employees of the Governor including employees working at the executive office, official executive residence at 990 Prospect Avenue, Hartford and the Washington D.C. office;

(s) Persons filling positions expressly exempted by statute from the classified service;

(t) Librarians employed by the State Board of Education or any constituent unit of the state system of higher education;

(u) Employees in the senior executive service;

(v) All officers and employees of the Division of Criminal Justice;

(w) One executive assistant to the chairman of the Office of Health Care Access, provided such position shall have been created in
accordance with section 5-214;

(x) Professional employees of the Bureau of Rehabilitation Services in the Department of Social Services;

(y) Lieutenant colonels in the Division of State Police within the Department of Public Safety appointed on or after June 6, 1990, and majors in the Division of State Police within the Department of Public Safety appointed on or after July 1, 1999;

(z) The Deputy State Fire Marshal in the Division of Fire, Emergency and Building Services within the Department of Public Safety;

(aa) The chief administrative officer of the Workers’ Compensation Commission;

(bb) Employees in the education professions bargaining unit;

(cc) Disability policy specialists employed by the Council on Developmental Disabilities; and

(dd) The director for digital media and motion picture activities in the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development.

Sec. 168. Section 7-147a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in this part: "Altered" means changed, modified, rebuilt, removed, demolished, restored, razed, moved or reconstructed; "erected" means constructed, built, installed or enlarged; "exterior architectural features" means such portion of the exterior of a structure or building as is open to view from a public street, way or place; "building" means a combination of materials forming a shelter for persons, animals or property; "structure" means any combination of materials, other than a building, which is affixed to the land, and shall
include, but not be limited to, signs, fences and walls; "municipality" means any town, city, borough, consolidated town and city or consolidated town and borough; "appropriate" means not incongruous with those aspects of the historic district which the historic district commission determines to be historically or architecturally significant.

(b) Any municipality may, by vote of its legislative body and in conformance with the standards and criteria formulated by the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, establish within its confines an historic district or districts to promote the educational, cultural, economic and general welfare of the public through the preservation and protection of the distinctive characteristics of buildings and places associated with the history of or indicative of a period or style of architecture of the municipality, of the state or of the nation.

(c) The legislative body of any municipality may make appropriations for the purpose of carrying out the provisions of this part.

Sec. 169. Section 7-147c of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) Once an historic district has been established, the historic district study committee shall cease to exist and thereafter an historic district commission shall perform all the functions of the committee relative to the new district and to administering the provisions of this part.

(b) The historic district commission may from time to time, by following the procedure for creation of an historic district provided for in section 7-147b, suggest that an historic district be enlarged or that additional districts be created. Where additional property is to be included within an existing district, the owners of such additional property shall vote pursuant to subsection (g) of section 7-147b.

(c) Notwithstanding the provisions of section 7-147b, the legislative body of the municipality may enact amendments to the ordinance or
ordinances of an historic district established pursuant to this part if such amendments do not involve changing district boundaries or the creation of new districts. No amendment shall be enacted until the substance of such amendment has first been submitted to the historic district commission having jurisdiction over the district affected for its comments and recommendations and either its comments and recommendations have been received or sixty-five days have elapsed without receipt of such comments and recommendations. The historic district commission may suggest amendments to the legislative body.

(d) The historic district commission established under the provisions of this part shall consist of five regular and three alternate members, who shall be electors of the municipality in which the district is situated holding no salaried municipal office. The ordinance shall provide that one or more of the members or alternates of the historic district commission shall reside in an historic district under the jurisdiction of the commission, if any persons reside in any such district and are willing to serve on such commission. Such alternate members shall, when seated as provided in this section, have all powers and duties of a member of the commission. If a regular member of said commission is absent or has a conflict of interest, the chairman of the commission shall designate an alternate to so act, choosing alternates in rotation so that they shall act as nearly equal a number of times as possible. If any alternate is not available in accordance with such rotation, such fact shall be recorded in the minutes of the meeting. The method of appointment shall be fixed by ordinance. The appointments to membership in the commission shall be so arranged that the term of at least one member shall expire each year, and their successors shall be appointed in like manner for terms of five years. Vacancies shall be filled for the unexpired term and in the same manner as the original appointment. The commission shall elect annually a chairman, a vice-chairman and a clerk from its own number. Each member and alternate shall continue in office until his successor is duly appointed. All members and alternates shall serve without compensation. Any member or alternate may be appointed for
another term or terms.

(e) The historic district commission shall adopt rules of procedure not inconsistent with the provisions of this part. The commission may adopt regulations not inconsistent with the provisions of this part to provide guidance to property owners as to factors to be considered in preparing an application for a certificate of appropriateness.

(f) The historic district commission shall keep a permanent record of its resolutions, transactions and determinations and of the vote of each member participating therein.

(g) A copy of any ordinance creating an historic district adopted under authority of this part, amendments to any such ordinance, maps of any districts created under this part, annual reports and other publications of the historic district commission and the roster of membership of such commission shall be transmitted to the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development. The historic district commission shall also file with the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development at least once every year a brief summary of its actions during that year, including a statement of the number and nature of certificates of appropriateness issued, any changes in the membership of the commission and any other information deemed appropriate by the historic district commission.

(h) The historic district commission may accept grants and gifts, employ clerical and technical assistance or consultants and incur other expenses appropriate to the carrying on of its work, subject to appropriation by the municipality or receipt of such grants or gifts and may expend the same for such purposes.

(i) A municipality which has more than one historic district may establish more than one historic district commission if the districts are not contiguous.
(j) Any historic district commission established under this section may, unless prohibited by charter, ordinance or special act: (1) Make periodic reports to the legislative body; (2) provide information to property owners and others involving the preservation of the district; (3) suggest pertinent legislation; (4) initiate planning and zoning proposals; (5) cooperate with other regulatory agencies and civic organizations and groups interested in historic preservation; (6) comment on all applications for zoning variances and special exceptions where they affect historic districts; (7) render advice on sidewalk construction and repair, tree planting, street improvements and the erection or alteration of public buildings not otherwise under its control where they affect historic districts; (8) furnish information and assistance in connection with any capital improvement program involving historic districts; (9) consult with groups of experts.

Sec. 170. Section 7-147j of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) Nothing in this part shall be construed to prevent the ordinary maintenance or repair of any exterior architectural feature in the historic district which does not involve a change in the appearance or design thereof; nor to prevent the erection or alteration of any such feature which the building inspector or a similar agent certifies is required by the public safety because of a condition which is unsafe or dangerous due to deterioration; nor to prevent the erection or alteration of any such feature under a permit issued by a building inspector or similar agent prior to the effective date of establishment of such district.

(b) If a building in an historic district is to be demolished, no demolition shall occur for ninety days from issuance of a demolition permit if during such time the historic district commission or the Department of Economic and Community Development is attempting to find a purchaser who will retain or remove such building or who will present some other reasonable alternative to demolition. During such ninety-

LCO 3089 (D:\Conversion\Tob\h\2009HB-06369-R01-HB.doc) 264 of 332
day period the municipality may abate all real property taxes. At the conclusion of such ninety-day period, the demolition permit shall become effective and the demolition may occur. Nothing in this section shall be construed to mandate that the owner of such property sell such property or building.

Sec. 171. Section 7-147p of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in this part: "Historic property" means any individual building, structure, object or site that is significant in the history, architecture, archaeology and culture of the state, its political subdivisions or the nation and the real property used in connection therewith; "altered" means changed, modified, rebuilt, removed, demolished, restored, razed, moved or reconstructed; "erected" means constructed, built, installed or enlarged; "exterior architectural features" means such portion of the exterior of a structure or building as is open to view from a public street, way or place; "building" means a combination of materials forming a shelter for persons, animals or property; "structure" means any combination of materials, other than a building, which is affixed to the land, and shall include, but not be limited to, signs, fences and walls; "municipality" means any town, city, borough, consolidated town and city or consolidated town and borough.

(b) Any municipality may, by ordinance and in conformance with the standards and criteria formulated by the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, designate within its confines an historic property or properties to promote the educational, cultural, economic and general welfare of the public through the preservation and protection of the distinctive characteristics of individual buildings and places associated with the history of or indicative of a period or style of architecture of the municipality, of the state or of the nation.

(c) The legislative body of any municipality may make
appropriations for the purpose of carrying out the provisions of this part.

Sec. 172. Section 7-147q of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

Prior to the designation of an historic property or properties, the following steps shall be taken:

(a) The legislative body shall appoint or authorize the chief elected official of the municipality to appoint an historic properties study committee for the purpose of making an investigation of one or more proposed historic properties. The legislative body of a municipality which proposes to establish more than one historic property may establish more than one committee. An already existing historic properties commission or an historic district commission established in the municipality pursuant to part I of this chapter may be appointed to make this investigation. Each committee established under the provisions of this section shall consist of five regular and three alternate members who shall be electors of the municipality holding no salaried municipal office. Such alternate members shall, when seated as provided in this section, have all powers and duties of a member of the committee. If a regular member of such committee is absent or has a conflict of interest, the chairman of the committee shall designate an alternate to so act, choosing alternates in rotation so that they shall act as nearly equal a number of times as possible. If any alternate is not available in accordance with such rotation, such fact shall be recorded in the minutes of the meeting.

(b) The historic properties study committee shall investigate and submit a report which shall include the following: (1) An analysis of the historic significance and architectural merit of the buildings, structures, objects or sites proposed as historic properties; (2) a map showing the exact boundaries of the area to be designated as the historic property or properties; (3) a proposed ordinance or proposed ordinances designed to designate and provide for the protection of an
historic property or properties in accordance with the provisions of this part; and (4) such other matters as the committee may deem necessary or advisable.

(c) The historic properties study committee shall transmit copies of its report to the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, the planning commission and zoning commission, or the combined planning and zoning commission, of the municipality, if any, and, in the absence of such a planning commission, zoning commission or combined planning and zoning commission, to the chief elected official of the municipality for their comments and recommendations. In addition to such other comments and recommendations as it may make, the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development may recommend either approval, disapproval, modification, alteration or rejection of the proposed ordinance or ordinances and of the boundaries of each proposed historic property. Each such commission, board or individual shall deliver such comments and recommendations to the committee within sixty-five days of the date of transmission of such report. Failure to deliver such comments and recommendations shall be taken as approval of the report of the committee.

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

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

(f) The historic properties study committee shall submit its report
with any changes made following the public hearing, along with any
comments or recommendations received pursuant to subsection (c) of
this section, and such other materials as the committee may deem
necessary or advisable to the legislative body of the municipality
within sixty-five days after the public hearing.

(g) The owner or owners of record of a proposed historic property
may object to the proposed designation by submitting to the historic
properties study committee or to the legislative body of the
municipality a notarized statement certifying that the person filing
such objection is the entire or partial owner of the property and objects
to the designation. Unless persons holding fifty per cent or more of the
ownership interest in a proposed historic property object to the
proposed designation within thirty days following the public hearing
held pursuant to subsection (d) of this section, the legislative body of
the municipality shall, by majority vote, take one of the following
steps: (1) Accept the report of the committee as to the proposed historic property and enact an ordinance to designate the historic property and provide for its regulation in accordance with the provisions of this part; (2) reject the report of the committee, stating its reasons for such rejection; or (3) return the report to the historic properties study committee, with such amendments and revisions as it may deem advisable, for consideration by the committee. The committee shall, within sixty-five days of such return, submit an amended report to the legislative body and mail by certified mail a copy of the amended report to the owner or owners of record of each proposed historic property covered by the report. The committee need not hold a public hearing other than the one provided for in subsection (d) of this section. Unless persons holding fifty per cent or more of the ownership interest in a proposed historic property object to the proposed designation within thirty days of receipt of the amended report by written submission in the manner set forth in this subsection, the legislative body of the municipality may accept or reject the amended report as provided in this subsection.

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

Sec. 173. Section 7-147y of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) Nothing in this part shall be construed to prevent the ordinary maintenance or repair of any exterior architectural feature within the boundaries of an historic property which does not involve a change in
the appearance or design thereof; nor to prevent the erection or alteration of any such feature which the building inspector or a similar agent certifies is required by the public safety because of a condition which is unsafe or dangerous due to deterioration; nor to prevent the erection or alteration of any such feature under a permit issued by a building inspector or similar agent prior to designation of such historic property.

(b) If a building within the boundaries of an historic property is to be demolished, no demolition shall occur for ninety days from issuance of a demolition permit if during such time the historic properties commission or the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development is attempting to find a purchaser who will retain or remove such building or who will present some other reasonable alternative to demolition. During such ninety-day period the municipality may abate all real property taxes. At the conclusion of such ninety-day period, the demolition permit shall become effective and the demolition may occur. Nothing in this section shall be construed to mandate that the owner of such property is under any obligation to sell such property or building.

Sec. 174. Section 10-382 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

There is established a Native American Heritage Advisory Council to evaluate and make recommendations on the Native American heritage to the State Archaeologist and the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development. Such council shall consist of the following members:
One representing each of the following Indian tribes, appointed by the tribe: The Schaghticoke, the Paucatuck Eastern Pequot, the Mashantucket Pequot, the Mohegan and the Golden Hill Paugussett; one representing the Indian Affairs Council, appointed by the chairperson of the council; one representing the Commissioner of Environmental Protection, appointed by said commissioner; one
representing the Archaeological Society of Connecticut, appointed by
the president pro tempore of the Senate; and three who are
knowledgeable in Native American history, traditions and
archaeology, one appointed by the speaker of the House of
Representatives, one appointed by the minority leader of the House of
Representatives and one appointed by the minority leader of the
Senate.

Sec. 175. Section 10-385 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development shall adopt
regulations in accordance with the provisions of chapter 54 for the
establishment, care, use and management of sites or lands designated
as state archaeological preserves pursuant to section 10-384.

(b) On and after the effective date of designation of sites or lands as
a state archaeological preserve, no person may conduct any
archaeological investigation, initiate construction or demolition
activities or undertake any other activity which would endanger the
archaeological integrity or sacred importance of such preserve without
complying with the provisions of section 10-386 except if the
commission declares an emergency.

Sec. 176. Section 10-386 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) No person may conduct an archaeological investigation on state
lands or on a state archaeological preserve without a permit from the
[Connecticut Commission on Culture and Tourism] Department of
Economic and Community Development. Any such permit shall be
issued with the concurrence of the State Archaeologist. The applicant
shall submit an application on such form as the [commission] department may prescribe and with such information as the
commission, after consultation with the State Archaeologist and the
advisory council established pursuant to section 10-382, deems necessary, including, but not limited to, the time, scope, location and specific purpose of the proposed research. The applicant shall submit (1) evidence satisfactory to the commission of qualifications to perform the excavation, including evidence of experience, training and knowledge; (2) an excavation plan for the site satisfactory to the commission which includes provisions on the method of excavation and (3) a written statement that upon completion of the excavation the applicant shall submit a report of the investigation which shall include a description of archaeological artifacts discovered and relevant maps, documents, drawings and photographs. No permit shall be issued for an investigation that would disturb a known Native American cemetery, burial site or other sacred site without the review of the advisory council established pursuant to section 10-382. Failure to comply with the terms of a permit issued under this section shall be grounds to deny a subsequent permit.

(b) The department shall adopt regulations in accordance with the provisions of chapter 54 establishing procedures for the issuance of permits required under this section. Such regulations shall be developed with the concurrence of the State Archaeologist.

(c) Notwithstanding the provisions of this section, the department, in consultation with the State Archaeologist, may authorize an archaeological investigation without a permit if time for investigation is limited.

(d) The applicant shall pay the cost of reburial of any human skeletal remains discovered in accordance with the terms and conditions of a permit issued under this section.

Sec. 177. Section 10-387 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

Each state department, institution and agency shall review, in
consultation with the [Connecticut Commission on Culture and
Tourism] Department of Economic and Community Development,
their policies and practices for consistency with the preservation and
study of the state's archaeological sites and sacred lands and sites.
Such review shall include preparation of an evaluation document
which specifies projects and programs requiring detailed consultation
to identify and protect archaeological sites and sacred lands and sites.
Any project submitted to the commission for review under the
provisions of sections 22a-1a to 22a-1f, inclusive, is exempt from the
provisions of this section.

Sec. 178. Section 10-388 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) Any person who knows or reasonably believes that any human
burials or human skeletal remains are being or about to be disturbed,
destroyed, defaced, removed or exposed shall immediately notify the
Chief Medical Examiner and State Archaeologist of such fact. If human
burials or human skeletal remains are encountered during construction
or agricultural, archaeological or other activity that might alter,
destroy or otherwise impair the integrity of such burials or remains,
the activity shall cease and not resume unless authorized by the Chief
Medical Examiner and the State Archaeologist provided such
authorization shall be made within five days of completion of the
investigation of the Chief Medical Examiner pursuant to subsection (b)
of this section.

(b) After notification under subsection (a) of this section, the Chief
Medical Examiner shall determine if the remains represent a human
death required to be investigated under section 19a-406. After
completion of his investigation, if the Chief Medical Examiner
determines that the remains may be the remains of a Native American
or were found in the subsurface and buried for more than fifty years,
the Chief Medical Examiner shall notify the State Archaeologist of such
fact. The State Archaeologist, upon such notification, shall in
consultation with the [Connecticut Commission on Culture and
Tourism] Department of Economic and Community Development, the Native American Heritage Advisory Council, established under section 10-382, the Commissioner of Environmental Protection, and the landowner determine, within seventy-two hours, if the site where such remains were discovered can be preserved in situ and protected by a preservation restriction as defined in section 47-42a.

(c) If in situ preservation is not prudent and feasible or not agreed to by the landowner, the State Archaeologist, upon consultation with the landowner and, if appropriate, the Native American Heritage Advisory Council, the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, and the Commissioner of Environmental Protection shall, if feasible, provide for removal and reburial of the remains at another location or for additional archaeological investigations and scientific analysis prior to reburial. Any excavation and recovery of remains by the State Archaeologist shall be completed not more than five business days after notification by the Chief Medical Examiner under this section unless the landowner consents to additional days.

(d) Human skeletal remains discovered during archaeological investigation shall be excavated under the supervision of the State Archaeologist, pursuant to a written agreement between the State Archaeologist and the holder of the permit specifying the excavation, methods to be used and data to be collected. Due care shall be exercised during excavation, subsequent transport and storage of skeletal remains to insure that the sacred meanings of the remains for Native Americans are respected and protected.

(e) The provisions of this section shall not be construed to require the owner of private lands on which human skeletal remains are found to pay the costs of excavation, removal analysis or reburial of such remains.

Sec. 179. Section 10-389 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):
(a) Notwithstanding the provisions of sections 7-67 and 7-69, the State Archaeologist, in consultation with the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, the Native American Heritage Advisory Council established under section 10-382, the Commissioner of Environmental Protection and the archaeological community, shall adopt regulations in accordance with the provisions of chapter 54 establishing procedures for the storage, analysis and reburial of human skeletal remains discovered during an archaeological investigation.

(b) The Commissioner of Environmental Protection shall designate state lands for use as sites for the reburial of Native American human skeletal remains. Such sites shall be deemed sacred lands and designated as state archaeological preserves in accordance with section 10-384.

(c) Any such human remains discovered on and after October 1, 1989, shall be reburied. The State Archaeologist, the Native American Heritage Advisory Council and the Commissioner of Environmental Protection shall jointly determine the contents and organization of each reburial ceremony for Native Americans.

Sec. 180. Section 10-391 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

On or before January 1, 1991, the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, in consultation with the State Archaeologist, the Native American Heritage Advisory Council established under section 10-382 and the Commissioner of Environmental Protection, shall develop procedures to inventory Native American burial sites and cemeteries. Such procedures shall provide for the availability of the inventory to state agencies, departments and institutions.

Sec. 181. Section 10-392 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):
(a) The General Assembly finds and declares that culture, history, the arts and the digital media and motion picture and tourism industries contribute significant value to the vitality, quality of life and economic health of Connecticut. Therefore there is established the Connecticut Commission on Culture and Tourism. The Connecticut Humanities Council and the Connecticut Trust for Historic Preservation shall operate in conjunction with the Department of Economic and Community Development for purposes of joint strategic planning, annual reporting on appropriations and fiscal reporting. The purpose of the commission department shall be to enhance and promote culture, history, the arts and the tourism and digital media and motion picture industries in Connecticut.

(b) The Department of Economic and Community Development shall:

(1) Market and promote Connecticut as a destination for leisure and business travelers through the development and implementation of a strategic state-wide marketing plan and provision of visitor services to enhance the economic impact of the tourism industry;

(2) Promote the arts;

(3) Recognize, protect, preserve and promote historic resources;

(4) Interpret and present Connecticut's history and culture;

(5) Promote Connecticut as a location in which 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;

(6) Beginning with the fiscal year ending June 30, 2006, and each fiscal year thereafter, prepare and submit to the Office of Policy and Management, in accordance with sections 4-77 and 4-77a, budget expenditure estimates and recommended adjustments for the next succeeding fiscal year or years and a detailed accounting of
expenditures for the prior fiscal year, a copy of which shall be submitted to the General Assembly, in accordance with the provisions of section 11-4a;

(7) 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;

(8) Integrate funding and programs whenever possible; and

(9) On or before January 1, 2005, and biennially thereafter, develop and submit to the Governor and the General Assembly, in accordance with section 11-4a, a strategic plan to implement subdivisions (1) to (5), inclusive, of this subsection.

c) Any proposals for projects under the jurisdiction of the [commission department] and projects proposed by the Connecticut Humanities Council that require funding through the issuance of bonds by the State Bond Commission, in accordance with sections 13b-74 to 13b-77, inclusive, shall be submitted to the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development. The [commission department] shall review such proposals and submit any project that it believes has merit to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding with the commission's recommendation for funding.

d) The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development shall be a successor agency to the State Commission on the Arts, the Connecticut Historical Commission, the Office of Tourism, the Connecticut Tourism Council, the Connecticut Film, Video and Media Commission and the Connecticut Film, Video and Media Office in accordance with the provisions of sections 4-38d and 4-39.

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

(f) The Legislative Commissioners' Office shall, in codifying the provisions of this section, make such technical, grammatical and punctuation changes as are necessary to carry out the purposes of this section.

Sec. 182. Section 10-397 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) There are established five regional tourism districts, each of which shall promote and market districts as regional leisure and business traveler destinations to stimulate economic growth. The districts shall be as follows:


(2) The central regional district, which shall consist of Andover, Avon, Berlin, Bloomfield, Bolton, Canton, Chester, Cromwell, Deep
River, East Granby, East Haddam, East Hampton, East Hartford, East
Windsor, Ellington, Enfield, Essex, Farmington, Glastonbury, Granby,
Haddam, Hartford, Hebron, Manchester, Marlborough, Meriden,
Middletown, New Britain, Newington, Old Saybrook, Plainville,
Portland, Rocky Hill, Somers, South Windsor, Southington, Simsbury,
Stafford, Suffield, Tolland, Vernon, Windsor Locks, West Hartford,
Westbrook, Wethersfield and Windsor;

(3) The northwestern regional district, which shall consist of
Ansonia, Barkhamsted, Beacon Falls, Bethel, Bethlehem, Bridgewater,
Bristol, Brookfield, Burlington, Canaan, Colebrook, Cornwall,
Danbury, Derby, Goshen, Hartland, Harwinton, Kent, Litchfield,
Middlebury, Morris, Naugatuck, New Fairfield, New Hartford, New
Milford, Newtown, Norfolk, North Canaan, Oxford, Plymouth,
Prospect, Redding, Ridgefield, Roxbury, Salisbury, Seymour, Sharon,
Sherman, Southbury, Thomaston, Torrington, Warren, Washington,
Waterbury, Watertown, Winchester, Wolcott and Woodbury;

(4) The south central regional district, which shall consist of
Bethany, Branford, Cheshire, Clinton, Durham, East Haven, Guilford,
Hamden, Killingworth, Madison, Middlefield, Milford, Orange, New
Haven, North Branford, North Haven, Wallingford, West Haven and
Woodbridge;

(5) The southwestern regional district, which shall consist of
Bridgeport, Darien, Easton, Fairfield, Greenwich, New Canaan,
Monroe, Norwalk, Shelton, Stamford, Stratford, Trumbull, Weston,
Westport and Wilton.

(b) Each regional tourism district shall be overseen by a board of
directors consisting of one representative from each municipality
within the district, appointed by the legislative body of the
municipality and, where the legislative body is a town meeting, by the
board of selectmen. Any such member of a board of directors shall
serve for a term of three years. In addition, the board of directors may
appoint up to twenty-one persons representing tourism interests
within the district to serve on the board. No board member shall be
deemed a state employee for serving on said board. All appointments
to the board of directors shall be reported to the [executive director of
the Connecticut Commission on Culture and Tourism] Department of
Economic and Community Development.

(c) The provisions of the Freedom of Information Act, as defined in
section 1-200, shall apply to each regional tourism district.

(d) Not later than October 1, 2003, the [commission] department
shall assist each regional tourism district in establishing a committee to
draft a charter and bylaws for the regional tourism district and to
organize the initial meeting of the board of directors of the district, to
be held no later than October 15, 2003.

(e) Each regional tourism district shall (1) comply with uniform
standards for accounting and reporting expenditures that are
established by the [commission] department in accordance with
section 10-392 and are based on industry accounting standards
developed by the International Association of Convention and Visitor
Bureaus or other national organizations related to tourism, and (2) on
or before January first of each year, submit to the [commission] department, the Office of Policy and Management and the Office of
Fiscal Analysis an independent audit in accordance with the
provisions of sections 4-230 to 4-236, inclusive.

(f) Each regional tourism district shall solicit and may accept private
funds for the promotion of tourism within its towns and cities and
shall coordinate its activities with any private nonprofit tourist
association within the district and within this state, that promotes
tourism industry businesses in this state, in order to foster cooperation
in the promotion of such businesses. Any funds received by a regional
tourism district may be deposited in the account established in section
10-395 or in an account established by such tourism district to receive
such funds.
Sec. 183. Section 10-397a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in this section:

(1) ["Commission" means the Connecticut Commission on Culture and Tourism created by section 10-392] "Department" means the Department of Economic and Community Development;

(2) ["Executive director" means the executive director of the Connecticut Commission on Culture and Tourism appointed pursuant to section 10-393] "Commissioner" means the Commissioner of Economic and Community Development;

(3) "Former tourism district" means the tourism districts, as defined in section 32-302 of the general statutes, revision of 1958, revised to January 1, 2003; and

(4) "Regional tourism district" means one of the five regional tourism districts created by section 10-397.

(b) Any former tourism district having a cash surplus, after accounting for all liabilities, may distribute such surplus to the regional tourism district or districts serving the towns formerly served by such district. Any distribution shall be divided among the new district or districts in accordance with the following schedule:

<table>
<thead>
<tr>
<th>T1</th>
<th>Former District</th>
<th>New District(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>T2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>T3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>T4</td>
<td>Northeastern</td>
<td>Eastern (100%)</td>
</tr>
<tr>
<td>T5</td>
<td>Southeastern</td>
<td>Eastern (100%)</td>
</tr>
<tr>
<td>T6</td>
<td>North Central</td>
<td>Central (100%)</td>
</tr>
<tr>
<td>T7</td>
<td>Greater Hartford</td>
<td>Central (95%)</td>
</tr>
<tr>
<td>T8</td>
<td></td>
<td>Northwestern (5%)</td>
</tr>
</tbody>
</table>
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%)

(c) Any former tourism district may, with the approval of the commissioner, transfer noncash assets, including fixed assets and leases, to a regional tourism district or districts serving the towns formerly served by such district.

(d) Any regional tourism district may, by vote of its board of directors and with the approval of the department, assume the liabilities of a former tourism district that served all or part of the area served by the new district. No such assumption shall be approved unless (1) the regional district’s approved budget makes provision for the costs arising from the assumption of liability; and (2) the department finds that the proposed assumption of liability is fair and equitable.

Sec. 184. Section 10-401 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

[The Connecticut Commission on Culture and Tourism] Subject to the availability of funds, the Department of Economic and Community Development, established under section 10-392, shall establish and administer a "special incentive grant program" to provide financial assistance for artistic and cultural programs and activities pursuant to subdivision (2) of section 10-400. No state funds appropriated to the
[commission] department for the purposes of said program shall be disbursed unless one-third of the amount of such financial assistance consists of nonfederal funds raised and received by said [commission] department.

Sec. 185. Section 10-416b of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

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

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

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

(3) "Certified rehabilitation" means any rehabilitation of a certified historic structure for mixed residential and nonresidential uses consistent with the historic character of such property or the district in which the property is located as determined by regulations adopted by the commission;

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

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

(6) "Qualified rehabilitation expenditures" means any costs incurred for the physical construction involved in the rehabilitation of a certified historic structure for mixed residential and nonresidential uses where at least thirty-three per cent of the total square footage of the rehabilitation is placed into service for residential use, excluding:

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

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

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

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

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

(3) Any credits allowed under this section that are provided to multiple owners of certified historic structures shall be passed through to persons designated as partners, members or owners, pro rata or pursuant to an agreement among such persons designated as partners, members or owners documenting an alternative distribution method without regard to other tax or economic attributes of such entity. Any owner entitled to a credit under this section may assign, transfer or convey the credits, in whole or in part, by sale or otherwise to any individual or entity and such transferee shall be entitled to offset the tax imposed under chapter 207, 208, 209, 210, 211 or 212 as if such transferee had incurred the qualified rehabilitation expenditure.

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

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

(e) Prior to beginning any rehabilitation work on a certified historic structure, the owner shall submit (1) a rehabilitation plan to the [commission] department for a determination of whether or not such rehabilitation work meets the standards developed under the provisions of subsections (b) to (d), inclusive, of this section, (2) an estimate of the qualified rehabilitation expenditures, and (3) for projects pursuant to subdivision (2) of subsection (f) of this section, (A) the number of units of affordable housing, as defined in section 8-39a, to be created, (B) the proposed rents or sale prices of such units, and
(C) the median income for the municipality where the project is located. In the case of a project pursuant to subdivision (2) of subsection (f) of this section the owner shall submit a copy of data required under subdivision (3) of this subsection to the [Department of Economic and Community Development] department.

(f) If the [commission] department certifies that the rehabilitation plan conforms to the standards developed under the provisions of subsections (b) to (d), inclusive, of this section, the commission shall reserve for the benefit of the owner an allocation for a tax credit equivalent to (1) twenty-five per cent of the projected qualified rehabilitation expenditures, or (2) for rehabilitation plans submitted pursuant to subsection (e) of this section on or after June 14, 2007, thirty per cent of the projected qualified rehabilitation expenditures if (A) at least twenty per cent of the units are rental units and qualify as affordable housing, as defined in section 8-39a, or (B) at least ten per cent of the units are individual homeownership units and qualify as affordable housing, as defined in section 8-39a. No tax credit shall be allocated for the purposes of this subdivision unless an applicant has submitted to the commission a certificate from the [Department of Economic and Community Development] department pursuant to subsections (k) and (l) of this section confirming that the project complies with affordable housing requirements under section 8-39a.

(g) Following the completion of rehabilitation of a certified historic structure, the owner shall notify the [commission] department that such rehabilitation has been completed. The owner shall provide the [commission] department with documentation of work performed on the certified historic structure and shall submit certification of the costs incurred in rehabilitating the certified historic structure. The [commission] department shall review such rehabilitation and verify its compliance with the rehabilitation plan. Following such verification, the [commission] department shall issue a tax credit voucher to the owner rehabilitating the certified historic structure or to the taxpayer named by the owner as contributing to the rehabilitation.
The tax credit voucher shall be in an amount equivalent to the lesser of
the tax credit reserved upon certification of the rehabilitation plan
under the provisions of subsection (f) of this section or (1) twenty-five
per cent of the actual qualified rehabilitation expenditures, or (2) for
projects including affordable housing pursuant to subdivision (2) of
subsection (f) of this section, thirty per cent of the actual qualified
rehabilitation expenditures. In order to obtain a credit against any state
tax due that is specified in subsection (h) of this section, the holder of
the tax credit voucher shall file the voucher with the holder's state tax
return.

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

(i) The [commission] department may charge an application fee in
an amount not to exceed ten thousand dollars to cover the cost of
administering the program established pursuant to this section.

(j) The aggregate amount of all tax credits which may be reserved by
the [Commission on Culture and Tourism] Department of Economic
and Community Development upon certification of rehabilitation
plans under subsections (a) to (i), inclusive, of this section shall not
exceed fifty million dollars for the fiscal three-year period beginning
July 1, 2008, and ending June 30, 2011, inclusive, and each fiscal three-
year period thereafter. No project may receive tax credits in an amount
exceeding ten per cent of such aggregate amount.

(k) On or before October 1, 2009, and annually thereafter, the
[Commission on Culture and Tourism] Department of Economic and
Community Development shall report the total amount of historic
preservation tax credits and affordable housing tax credits reserved for
the previous fiscal year under subsections (a) to (i), inclusive, of this
section, to the joint standing committees of the General Assembly having
cognizance of matters relating to commerce and to finance, revenue and
bonding. Each such report shall include the following information for each
project for which tax credit has been reserved: (1) The total project costs,
(2) the value of the tax credit reservation for the purpose of historic
preservation, (3) a statement whether the reservation is for mixed-use and
if so, the proportion of the project that is not residential, and (4) the
number of residential units to be created, and, for affordable housing
reservations, the value of the reservation and percentage of residential
units that will qualify as affordable housing, as defined in section 8-39a.

(1) (1) If the total amount of such tax credits reserved in the first fiscal year
of a fiscal three-year period is more than sixty-five per cent of the aggregate
amount of tax credits reserved under subsections (a) to (i), inclusive, of
this section, then no additional reservation shall be allowed for the second
fiscal year of such fiscal three-year period unless the joint standing
committees of the General Assembly having cognizance of matters relating
to commerce and to finance, revenue and bonding each vote separately
to authorize continuance of tax credit reservations under the program.

(2) If the total amount of such credits reserved in the second year of a
fiscal three-year period exceeds ninety per cent of the aggregate amount of
tax credits reserved under subsections (a) to (i), inclusive, of this section,
then no additional reservation shall be allowed for the third fiscal year
of such fiscal three-year period unless the joint standing committees of
the General Assembly having cognizance of matters relating to commerce
and to finance, revenue and bonding each vote separately to authorize the
continuance of tax credit reservations under the program.

(3) Any tax credit reservations issued before a suspension of additional
tax credit reservations under subdivisions (1) and (2) of this subsection shall
remain in place.
Sec. 186. Section 10-417 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) With respect to digital media and motion picture activities, the Connecticut Commission on Culture and Tourism Department of Economic and Community Development, established under section 10-392, shall have the following powers and duties:

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

(2) To provide support services to visiting and in-state production companies, including assistance to digital media and motion picture producers in securing permits from state agencies, authorities or institutions or municipalities or other political subdivisions of the state;

(3) To develop and update a resource library concerning the many possible state sites which are suitable for production;

(4) To develop and update a production manual of available digital media and motion picture production facilities and services in the state;

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

(6) To prepare an explanatory guide showing the impact of relevant state and municipal tax statutes, regulations and administrative opinions on typical production activities and to implement the tax credits provided for in section 12-217jj;

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

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

(9) To accept any funds, gifts, donations, bequests or grants of funds from private and public sources for the purposes of this section;

(10) To request and obtain from any state agency, authority or institution or any municipality or other political subdivision of the state such assistance and data as will enable the commission to carry out the purposes of this section;

(11) To assist and promote cooperation among all segments of management and labor that are engaged in digital media and motion pictures;

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

(b) On or before January 15, 2008, and biennially thereafter, the commission shall submit to the General Assembly, in accordance with section 11-4a, a report on the activities of the [commission] department under this section and the estimated direct and indirect economic impact of all digital media, motion pictures and related production activity in the state, during the preceding calendar years. Each such report shall also include an analysis of the impact on the state of each qualified production, as defined in section 12-217jj.

Sec. 187. Section 10-418 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):
Notwithstanding any provision of the general statutes, each state agency, department or institution issuing a request for proposals for any digital media, motion picture or related production activity shall, at the time of such issuance, transmit a copy of such request for proposals to the Connecticut Commission on Culture and Tourism Department of Economic and Community Development. Said department shall notify the executive head of each state agency of the requirements of this section.

Sec. 188. Section 10-425 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) Not later than October 1, 2008, the Executive Director of the Connecticut Commission on Culture and Tourism Commissioner of Economic and Community Development shall establish a Sports Advisory Board within the Department of Economic and Community Development that shall advise the Executive Director Commissioner on the most effective ways to utilize state resources to promote, attract and market in-state professional and amateur sports and sporting events. Such board shall also advise the Executive Director Commissioner on ways to coordinate the use of state-owned facilities in order to enhance sports-related tourism in the state and develop methods for the dissemination of information concerning in-state professional and amateur sports and sporting events to residents of the state and the northeast.

(b) Such advisory board shall consist of one member from each of the following entities: (1) The University of Connecticut's Athletic Department; (2) the Connecticut State University System's Athletic Department; (3) the XL Center; (4) Northland AEG; (5) the Traveler's Championship Golf Tournament; (6) the Pilot Pen Tennis Tournament; (7) the Special Olympics; (8) the Mohegan Sun Arena; (9) Foxwoods Resort Casino; (10) Lime Rock Park Race Track; (11) the Arena at Harbor Yard; (12) New Britain Stadium; (13) the Connecticut Marine Trades Association; (14) the Office of Policy and Management; (15) the Department of Economic and Community Development; (16) the Capital City Economic Development Authority; [(17)] (16) the Nutmeg
State Games; [(18)] (17) the Connecticut Interscholastic Athletic Conference; [(19)] (18) Fairfield University; [(20)] (19) Quinnipiac University; [(21)] (20) Sacred Heart University; [(22)] (21) any other entity involved in sports or sporting events that the executive director deems appropriate; [(23)] (22) the Connecticut State Golf Association; and [(24)] (23) Dodd Stadium.

(c) The first meeting of the Sports Advisory Board shall convene not later than November 15, 2008, and the advisory board shall meet not less than once per calendar quarter thereafter. The advisory board shall provide any recommendations of the advisory board to the [executive director] commissioner not later than thirty days after any such meeting.

(d) The members of the advisory board may select a chairperson from among its membership who shall be responsible for the scheduling and conducting of any such meeting.

(e) The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development shall provide staff support to the board.

(f) Not later than thirty days prior to each regular session of the General Assembly, the [executive director of the Connecticut Commission on Culture and Tourism] Commissioner of Economic and Community Development shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to commerce that includes information on the status of the Sports Advisory Board's activities, the implementation of any recommendations of such advisory board and any legislative proposals related to such recommendations.

Sec. 189. Section 10a-111a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The Board of Trustees of The University of Connecticut, shall appoint an appropriate history scholar to serve as State Historian, who
shall serve at the pleasure of the board of trustees.

(b) The State Historian shall: (1) Be a member of the Connecticut Commission on Culture and Tourism, established pursuant to section 10-392, (2) edit or supervise the editing and publication of the public records of the state, (3) provide information and advice to members of the government at all levels, (4) assist the State Board of Education in efforts to promote the teaching of history in schools and teacher preparation programs, (5) respond to requests for advice from historical societies, (6) respond to requests for information on the state's history, (7) make public appearances and addresses on the state's history, (8) prepare bibliographies and other research aids relating to the history of the state, and (9) promote by appropriate informative and educational programs the celebration or commemoration of significant historical events.

Sec. 190. Section 10a-112 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) Until such time as a State Archaeologist is appointed pursuant to subsection (b) of this section, the trustees of The University of Connecticut shall designate a member of the faculty of said university to serve as State Archaeologist, who shall serve without additional compensation. He shall conduct research in the ethnohistory of the Indians of this region and of their archaeology, and shall cooperate with agencies of this state and of the federal government and with private individuals and corporations in an effort to protect and preserve archaeological remains which are threatened with destruction or loss by the construction of dams or highways or otherwise.

(b) The Board of Directors of the State Museum of Natural History shall appoint a State Archaeologist and staff for the Office of Archaeology established pursuant to section 10a-112a. The State Archaeologist shall have the following powers and duties: (1) To supervise the care and study of the archaeological collection of the State Museum of Natural History; (2) to coordinate (A) the
archaeological salvage of properties threatened with destruction, (B)
public and private archaeological research and the encouragement of
the highest possible standards in archaeological investigations, and (C)
the preservation of native American and other human osteological
remains and cemeteries with the [Connecticut Commission on Culture
and Tourism] Department of Economic and Community Development,
the Office of the Chief Medical Examiner, the Indian Affairs Council
and other state agencies; (3) to conduct research on the state's
prehistory and history and disseminate the results of such research
through publications and other means; (4) to educate the public about
the significance and fragility of archaeological resources; (5) to respond
to inquiries about the state's archaeological resources; and (6) to
maintain comprehensive site files and maps.

Sec. 191. Section 10a-112b of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) The Board of Directors of the State Museum of Natural History
shall consist of the following: The Commissioners of Education,
Environmental Protection, [and] Agriculture and Economic and
Community Development or their designees, [the director of the
Connecticut Commission on Culture and Tourism, or his designee]
and not more than eleven members appointed by the president of The
University of Connecticut, of which seven shall be professors, at least
one from each of the following fields: Anthropology or archaeology,
geology, vertebrate biology, invertebrate biology, botany, systematic
biology and any other field the president deems appropriate. The
terms of one-third of the initial appointments shall expire one year
after the date of such appointment; the terms of one-third shall expire
two years after the date of such appointment and the terms of one-
third shall expire three years after the date of such appointment. The
president shall appoint members to succeed members whose terms
expire. Such members shall serve for a term of three years. Members
shall be eligible for reappointment.

(b) The board shall annually elect a chairman and other officers.
Sec. 192. Section 10a-112g of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The William Benton Museum of Art, The University of Connecticut shall be the State Museum of Art. The museum shall collect, preserve and research works of art and prepare public exhibits at the museum and educational exhibits and programs that may be used by colleges, universities, schools, libraries, institutions, appropriate state agencies or other public organizations.

(b) There is established an advisory committee to advise the president of The University of Connecticut with respect to the policies, collections, programs, activities and operations of the State Museum of Art. The advisory committee shall consist of eleven members as follows: The Commissioner of Education and the Commissioner of Higher Education, or their designees; two members of the Connecticut Commission on Culture and Tourism Department of Economic and Community Development appointed by [said commission] its commissioner; and seven persons nominated by the president of The University of Connecticut and appointed by the Governor, one of whom shall be a member of the board of trustees of the university, one of whom shall be an alumnus of the university and five of whom shall be private citizens representing various geographic areas of the state and widely known for their knowledge, competence and experience in connection with the visual arts. The advisory committee shall elect a member who is a private citizen as its chairperson.

Sec. 193. Section 11-6a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The State Library Board shall establish and operate the Raymond E. Baldwin Museum of Connecticut History and Heritage to acquire, preserve, and exhibit collections and artifacts that interpret the state's culture and heritage and to provide public programs and activities.

(b) There is established an advisory committee to advise the State
Library Board with respect to the policies, collections, programs, activities and operations of the Raymond E. Baldwin Museum of Connecticut History and Heritage. The advisory committee shall consist of eight members as follows: The [executive director of the Connecticut Commission on Culture and Tourism] Commissioner of Economic and Community Development or the commissioner's designee; the executive director of the Connecticut Historical Society; the State Historian; and five persons appointed by the Governor, three of whom shall be experienced museum professionals.

(c) The State Librarian shall, subject to the provisions of chapter 67, appoint an assistant who shall be the director of the Raymond E. Baldwin Museum of Connecticut History and Heritage. The director shall be a qualified and experienced museum professional.

Sec. 194. Section 12-217jj of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in this section:

(1) "Commissioner" means the Commissioner of Revenue Services.

(2) ["Commission" means the Connecticut Commission on Culture and Tourism] "Department" means the Department of Economic and Community Development.

(3) (A) "Qualified production" means entertainment content created in whole or in part within the state, including motion pictures; documentaries; long-form, specials, mini-series, series, sound recordings, videos and music videos and interstitials television programming; interactive television; interactive games; videogames; commercials; infomercials; any format of digital media, including an interactive web site, created for distribution or exhibition to the general public; and any trailer, pilot, video teaser or demo created primarily to stimulate the sale, marketing, promotion or exploitation of future investment in either a product or a qualified production via any means and media in any digital media format, film or videotape,
provided such program meets all the underlying criteria of a qualified production.

(B) "Qualified production" shall not include any ongoing television program created primarily as news, weather or financial market reports, a production featuring current events, sporting events, an awards show or other gala event, a production whose sole purpose is fundraising, a long-form production that primarily markets a product or service, a production used for corporate training or in-house corporate advertising or other similar productions, or any production for which records are required to be maintained under 18 USC 2257 with respect to sexually explicit content.

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

(5) "Production expenses or costs" means all expenditures clearly and demonstrably incurred in the state in the development, preproduction, production or postproduction costs of a qualified production, including:

(A) Expenditures incurred in the state in the form of either compensation or purchases including production work, production equipment not eligible for the infrastructure tax credit provided in section 12-217kk, production software, postproduction work, postproduction equipment, postproduction software, set design, set construction, props, lighting, wardrobe, makeup, makeup accessories, special effects, visual effects, audio effects, film processing, music, sound mixing, editing, location fees, soundstages and any and all other costs or services directly incurred in connection with a state-certified qualified production;

(B) Expenditures for distribution, including preproduction,
production or postproduction costs relating to the creation of trailers, marketing videos, commercials, point-of-purchase videos and any and all content created on film or digital media, including the duplication of films, videos, CDs, DVDs and any and all digital files now in existence and those yet to be created for mass consumer consumption; the purchase, by a company in the state, of any and all equipment relating to the duplication or mass market distribution of any content created or produced in the state by any digital media format which is now in use and those formats yet to be created for mass consumer consumption; and

(C) "Production expenses or costs" does not include the following: (i) On and after January 1, 2008, compensation in excess of fifteen million dollars paid to any individual or entity representing an individual, for services provided in the production of a qualified production; (ii) media buys, promotional events or gifts or public relations associated with the promotion or marketing of any qualified production; (iii) deferred, leveraged or profit participation costs relating to any and all personnel associated with any and all aspects of the production, including, but not limited to, producer fees, director fees, talent fees and writer fees; (iv) costs relating to the transfer of the production tax credits; and (v) any amounts paid to persons or businesses as a result of their participation in profits from the exploitation of the qualified production.

(6) "Sound recording" means a recording of music, poetry or spoken-word performance, but does not include the audio portions of dialogue or words spoken and recorded as part of a motion picture, video, theatrical production, television news coverage or athletic event.

(7) "State-certified qualified production" means a qualified production produced by an eligible production company that (A) is in compliance with regulations adopted pursuant to subsection (g) of this section, (B) is authorized to conduct business in this state, and (C) has been approved by the commission as qualifying for a production tax credit under this section.
(8) "Interactive web site" means a web site, the production costs of which (A) exceed five hundred thousand dollars per income year, and (B) is primarily (i) interactive games or end user applications, or (ii) animation, simulation, sound, graphics, story lines or video created or repurposed for distribution over the Internet. An interactive web site does not include a web site primarily used for institutional, private, industrial, retail or wholesale marketing or promotional purposes, or which contains obscene content.

(9) "Post-certification remedy" means the recapture, disallowance, recovery, reduction, repayment, forfeiture, decertification or any other remedy that would have the effect of reducing or otherwise limiting the use of a tax credit provided by this section.

(b) (1) The Connecticut Commission on Culture and Tourism Department of Economic and Community Development shall administer a system of tax credit vouchers within the resources, requirements and purposes of this section for eligible production companies producing a state-certified qualified production in the state. For income years commencing on or after January 1, 2006, any eligible production company incurring production expenses or costs in excess of fifty thousand dollars shall be eligible for a credit against the tax imposed under chapter 207 or this chapter equal to thirty per cent of such production expenses or costs, provided (A) on and after January 1, 2009, fifty per cent of such expenses or costs shall be counted toward such credit when incurred outside the state and used within the state, and one hundred per cent of such expenses or costs shall be counted toward such credit when incurred within the state and used within the state, and (B) on and after January 1, 2012, no expenses or costs incurred outside the state and used within the state shall be eligible for a credit, and one hundred per cent of such expenses or costs shall be counted toward such credit when incurred within the state and used within the state.

(2) On and after July 1, 2006, and for income years commencing on or after January 1, 2006, any credit allowed pursuant to this subsection
may be sold, assigned or otherwise transferred, in whole or in part, to
one or more taxpayers, provided no credit, after issuance, may be sold,
assigned or otherwise transferred, in whole or in part, more than three
times.

(3) On and after July 1, 2006, and for income years commencing on
or after January 1, 2006, any such credit allowed under this subsection
shall be claimed against the tax imposed under chapter 207 or this
chapter for the income year in which the production expenses or costs
were incurred, and may be carried forward for the three immediately
succeeding income years. Any production tax credit allowed under
this subsection shall be nonrefundable.

(c) (1) An eligible production company shall apply to the
[commission] department for a tax credit voucher on an annual basis,
but not later than ninety days after the first production expenses or
costs are incurred in the production of a qualified production, and
shall provide with such application such information as the
[commission] department may require to determine such company’s
eligibility to claim a credit under this section. No production expenses
or costs may be listed more than once for purposes of the tax credit
voucher pursuant to this section, or pursuant to section 12-217kk or 12-
217ll, and if a production expense or cost has been included in a claim
for a credit, such production expense or cost may not be included in
any subsequent claim for a credit.

(2) Not earlier than three months after the application in subdivision
(1) of this subsection, an eligible production company may apply to the
[commission] department for a production tax credit voucher, and
shall provide with such application such information and independent
certification as the [commission] department may require pertaining to
the amount of such company's production expenses or costs to date. If
the [commission] department determines that such company is eligible
to be issued a production tax credit voucher, the [commission]
department shall enter on the voucher the amount of production
expenses or costs that has been established to the satisfaction of the
[commission] department, and the amount of such company's credit
under this section. The [commission] department shall provide a copy
of such voucher to the commissioner, upon request.

(3) Not later than ninety days after the end of the annual period, or
after the last production expenses or costs are incurred in the
production of a qualified production, an eligible production company
shall apply to the [commission] department for a production tax credit
voucher, and shall provide with such application such information and
independent certification as the [commission] department may require
pertaining to the amount of such company's production expenses or
costs. If the [commission] department determines that such company is
eligible to be issued a production tax credit voucher, the [commission]
department shall enter on the voucher the amount of production
expenses or costs that has been established to the satisfaction of the
[commission] department, minus the amount of any credit issued
pursuant to subdivision (2) of this subsection, and the amount of such
company's credit under this section. The [commission] department
shall provide a copy of such voucher to the commissioner, upon
request.

(d) If an eligible production company sells, assigns or otherwise
transfers a credit under this section to another taxpayer, the transferor
and transferee shall jointly submit written notification of such transfer
to the [commission] department not later than thirty days after such
transfer. If such transferee sells, assigns or otherwise transfers a credit
under this section to a subsequent transferee, such transferee and such
subsequent transferee shall jointly submit written notification of such
transfer to the [commission] department not later than thirty days after
such transfer. The notification after each transfer shall include the
credit voucher number, the date of transfer, the amount of such credit
transferred, the tax credit balance before and after the transfer, the tax
identification numbers for both the transferor and the transferee, and
any other information required by the [commission] department.
Failure to comply with this subsection will result in a disallowance of
the tax credit until there is full compliance on the part of the transferor and the transferee, and for a second or third transfer, on the part of all subsequent transferors and transferees. The [commission] department shall provide a copy of the notification of assignment to the commissioner upon request.

(e) Any eligible production company that wilfully submits information to the [commission] department that it knows to be fraudulent or false shall, in addition to any other penalties provided by law, be liable for a penalty equal to the amount of such company's credit entered on the production tax credit certificate issued under this section.

(f) The issuance by the [commission] department of a tax credit voucher with respect to an amount of tax credits stated thereon shall mean that none of such tax credits are subject to a post-certification remedy, and that the [commission] department and the commissioner shall have no right, except in the case of possible material misrepresentation or fraud, to conduct any further or additional review, examination or audit of the expenditures or costs for which such tax credits were issued. If at any time after the issuance of a tax credit voucher the [commission] department or the commissioner determines that there was a material misrepresentation or fraud on the part of an eligible production company in connection with the submission of an expense report and the result of such material misrepresentation or fraud was that (1) a specific amount of tax credits was reflected on the tax credit voucher issued in response to such expense report that would not have otherwise been so reflected, and (2) such tax credits would otherwise be subject to a post-certification remedy, such tax credits shall not be subject to any post-certification remedy and the sole and exclusive remedy of the [commission] department and the commissioner shall be to seek collection of the amount of such tax credits from the eligible production company that committed the fraud or misrepresentation, not from any transferee of such tax credits.
(g) The department, in consultation with the commissioner, shall adopt regulations, in accordance with the provisions of chapter 54, as may be necessary for the administration of this section.

Sec. 195. Section 12-217kk of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in this section:

(1) "Commissioner" means the Commissioner of Revenue Services.

(2) "Commission" means the Connecticut Commission on Culture and Tourism. "Department" means the Department of Economic and Community Development.

(3) "Infrastructure project" means a capital project to provide basic buildings, facilities or installations needed for the functioning of the digital media and motion picture industry in this state.

(4) "State-certified project" means an infrastructure project undertaken in this state by an entity that (A) is in compliance with regulations adopted pursuant to subsection (e) of this section, (B) is authorized to conduct business in this state, (C) is not in default on a loan made by the state or a loan guaranteed by the state, nor has ever declared bankruptcy under which an obligation of the entity to pay or repay public funds was discharged as a part of such bankruptcy, and (D) has been approved by the commission as qualifying for an infrastructure tax credit under this section.

(5) "Post-certification remedy" means the recapture, disallowance, recovery, reduction, repayment, forfeiture, decertification or any other remedy that would have the effect of reducing or otherwise limiting the use of a tax credit provided by this section.

(b) (1) There shall be allowed a state-certified project credit against the tax imposed under chapter 207 or this chapter to any taxpayer that
invests in a state-certified project. Such credit may be in the following amounts: (A) For state-certified projects costing greater than fifteen thousand dollars and less than one hundred fifty thousand dollars, each taxpayer may be allowed a tax credit of ten per cent of the investment made by such taxpayer; (B) for state-certified projects costing one hundred fifty thousand dollars or more, but less than one million dollars, each taxpayer may be allowed a tax credit of fifteen per cent of the investment made by such taxpayer; and (C) for state-certified projects costing one million dollars or more, each taxpayer may be allowed a tax credit of twenty per cent of the investment made by such taxpayer.

(2) Eligible expenditures pursuant to this section shall include the following: All expenditures for a capital project to provide buildings, facilities or installations, whether leased or purchased, together with necessary equipment for a film, video, television, digital production facility or digital animation production facility; project development, including design, professional consulting fees and transaction costs; development, preproduction, production, post-production and distribution equipment and system access; and fixtures and other equipment.

(3) Any credit allowed pursuant to this section may be sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers, and such taxpayers may sell, assign or otherwise transfer, in whole or in part, such credit. Any taxpayer holding such credit may claim such credit only for the income year in which expenditures were made by the taxpayer for the infrastructure project.

(4) Any credit allowed pursuant to this section shall be claimed against the tax imposed under chapter 207 or this chapter. If the amount of the credit allowable under this section exceeds the sum of any taxes due from a taxpayer, any such excess amount of the credit allowable under this section may be taken in any of the three immediately succeeding income years.
(5) Any tax credit earned under this section shall be nonrefundable.

(c) (1) An entity undertaking an infrastructure project shall apply to the [commission] department for an eligibility certificate not later than ninety days after the first expenses or costs are incurred, and shall provide with such application such information as the [commission] department may require to determine such infrastructure project's eligibility as a state-certified project.

(2) Each application for an eligibility certificate shall include: (A) A detailed description of the infrastructure project; (B) a preliminary budget; (C) estimated completion date; and (D) such other information as the commission may require. The [commission] department may require an independent audit of all project costs and expenditures prior to certification. If the [commission] department determines that such project is eligible to be a state-certified project, the [commission] department shall indicate the amount of costs or expenditures that has been established to the satisfaction of the [commission] department, and issue to such entity a tax credit certification letter for investors indicating the amount of tax credits available under this section. The [commission] department shall provide a copy of such letter to the commissioner, upon request.

(3) Prior to the issuance of a state-certified project tax credit voucher to a taxpayer based upon the tax credit certification letter issued pursuant to subdivision (2) of this subdivision, the entity undertaking such infrastructure project shall provide the [commission] department with a description of the progress on such project and an estimated completion date. The [commission] department may require an independent audit of all project costs and expenditures prior to issuance of such tax credit voucher to a taxpayer. No such tax credit voucher may be issued prior to such time as such state-certified project is shown to be not less than sixty per cent complete.

(d) If a taxpayer sells, assigns or otherwise transfers a credit under this section to another taxpayer, the transferor and transferee shall...
jointly submit written notification of such transfer to the [commission] department not later than thirty days after such transfer. The notification shall include the credit certificate number, the date of transfer, the amount of such credit transferred, the tax credit balance before and after the transfer, the tax identification numbers for both the transferor and the transferee and any other information required by the commissioner. After the initial issuance of a tax credit, such credit may be sold, assigned or otherwise transferred not more than three times. Failure to comply with this subsection will result in a disallowance of the tax credit until there is full compliance on both the part of the transferor and the transferee, and all subsequent transferors and transferees. The [commission] department shall provide a copy of the notification of assignment to the commissioner upon request.

(e) The issuance by the [commission] department of a tax credit voucher with respect to an amount of tax credits stated thereon shall mean that none of such tax credits are subject to a post-certification remedy, and that the [commission] department and the commissioner shall have no right except in the case of a possible material misrepresentation or fraud, to conduct any further or additional review, examination or audit of the expenditures or costs for which such tax credits were issued. If at any time after the issuance of a tax credit voucher the [commission] department or the commissioner determines that there was a material misrepresentation or fraud on the part of a taxpayer in connection with the submission of an expense report and the result of such material misrepresentation or fraud was that (1) a specific amount of tax credits was reflected on the tax credit voucher issued in response to such expense report that would not have otherwise been so reflected, and (2) such tax credits would otherwise be subject to a post-certification remedy, such tax credits shall not be subject to any post-certification remedy and the sole and exclusive remedy of the commission and the commissioner shall be to seek collection of the amount of such tax credits from the taxpayer that committed the fraud or misrepresentation, not from any transferee of the tax credits.
(f) The [commission] department, in consultation with the commissioner, shall adopt regulations, in accordance with the provisions of chapter 54, as may be necessary for the administration of this section.

Sec. 196. Section 12-217ll of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) As used in this section:

(1) "Commissioner" means the Commissioner of Revenue Services.

(2) "Commission" means the Connecticut Commission on Culture and Tourism] "Department" means the Department of Economic and Community Development.

(3) "Digital animation production company" means a corporation, partnership, limited liability company or other business entity engaged exclusively in digital animation production activity on an ongoing basis, and that is qualified by the Secretary of the State to engage in business in the state.

(4) "State-certified digital animation production company" means a digital animation production company that (A) maintains studio facilities located within the state at which digital animation production activities are conducted, (B) employs at least two hundred full-time employees within the state, (C) is in compliance with regulations adopted pursuant to subsection (h) of this section, and (D) has been certified by the commission.

(5) "Digital animation production activity" means the creation, development and production of computer-generated animation content for distribution or exhibition to the general public, but not for the production of any material for which records are required to be maintained under 18 USC 2257 with respect to sexually explicit content.
(6) "Full-time employee" means an employee required to work at least thirty-five hours or more per week, and who is not a temporary or seasonal employee.

(7) "Post-certification remedy" means the recapture, disallowance, recovery, reduction, repayment, forfeiture, decertification or any other remedy that would have the effect of reducing or otherwise limiting the use of a tax credit provided by this section.

(8) "Production expenses or costs" means all expenditures clearly and demonstrably incurred in the state in the development, preproduction, production or postproduction costs of a digital animation production activity, including:

(A) Expenditures for optioning or purchase of any intellectual property including, but not limited to, books, scripts, music or trademarks relating to the development or purchase of a script, screenplay or format, to the extent that such expenditures are less than thirty-five per cent of the production expenses or costs incurred by a digital animation production company in any income year. Such expenses or costs shall include all expenditures generally associated with the optioning or purchase of intellectual property, including option money, agent fees and attorney fees relating to the transaction, but shall not include any and all deferrals, deferments, profit participation or recourse or nonrecourse loans which the digital animation production company may negotiate in order to obtain the rights to the intellectual property;

(B) Expenditures incurred in the form of either compensation or purchases including production work, production equipment not eligible for the infrastructure tax credit provided in section 12-217kk, production software, postproduction work, postproduction equipment, postproduction software, set design, set construction, props, lighting, wardrobe, makeup, makeup accessories, special effects, visual effects, audio effects, actors, voice talent, film processing, music, sound mixing, editing, location fees, soundstages, rent, utilities,
insurance, administrative support, systems support, all reasonably-related expenses in connection with digital animation production activity, and any and all other costs or services directly incurred in the state in connection with a state-certified digital animation production company;

(C) Expenditures for distribution, including preproduction, production or postproduction costs relating to the creation of trailers, marketing videos, short films, commercials, point-of-purchase videos and any and all content created on film or digital media, including the duplication of films, videos, CDs, DVDs and any and all digital files now in existence and those yet to be created for mass consumer consumption; the purchase, by a company in the state, of any and all equipment relating to the duplication or mass market distribution of any content created or produced in the state by any digital media format which is now in use and those formats yet to be created for mass consumer consumption; and

(D) "Production expenses or costs" does not include the following: (i) Compensation in excess of fifteen million dollars paid to any individual or entity representing an individual, for services provided in a digital animation production activity; (ii) media buys, promotional events or gifts or public relations associated with the promotion or marketing of any digital animation production activity; (iii) deferred, leveraged or profit participation costs relating to any and all personnel associated with any and all aspects of the production, including, but not limited to, producer fees, director fees, talent fees and writer fees; (iv) costs relating to the transfer of the digital animation tax credits; and (v) any amounts paid to persons or businesses as a result of their participation in profits from the exploitation of the digital animation production activity.

(b) (1) The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development shall administer a system of tax credit vouchers within the resources, requirements and purposes of this section for digital animation
production companies undertaking digital animation production activity in the state. For income years commencing on or after January 1, 2007, any state-certified digital animation production company incurring production expenses or costs in excess of fifty thousand dollars shall be eligible for a credit against the tax imposed under chapter 207 or this chapter, equal to thirty per cent of such production expenses or costs.

(2) Any credit allowed pursuant to this section may be sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers, provided no credit, after issuance, may be sold, assigned or otherwise transferred, in whole or in part, more than three times.

(3) Any credit allowed pursuant to this section shall be claimed against the tax imposed under chapter 207 or this chapter, for the income year in which the production expenses or costs were incurred, and may be carried forward for the three immediately succeeding income years. Any digital animation tax credit allowed under this section shall be nonrefundable.

(4) Any digital animation production company receiving a digital animation tax credit pursuant to this section shall not be eligible to apply for or receive a tax credit pursuant to section 12-217jj.

(c) Not more frequently than twice during the income year of a state-certified digital animation production company, such company may apply to the [commission] department for a digital animation tax credit voucher, and shall provide with such application such information and independent certification as the [commission] department may require pertaining to the amount of such company's production expenses or costs incurred during the period for which such application is made. If the [commission] department determines that the company is eligible to be issued a tax credit voucher, the [commission] department shall enter on the voucher the amount of production expenses and costs incurred during the period for which the voucher is issued and the amount of tax credits issued pursuant to
such voucher. The [commission] department shall provide a copy of such voucher to the commissioner upon request.

(d) If a state-certified digital animation production company sells, assigns or otherwise transfers a credit under this section to another taxpayer, the transferor and transferee shall jointly submit written notification of such transfer to the [commission] department not later than thirty days after such transfer. If such transferee sells, assigns or otherwise transfers a credit under this section to a subsequent transferee, such transferee and such subsequent transferee shall jointly submit written notification of such transfer to the [commission] department not later than thirty days after such transfer. The notification after each transfer shall include the credit voucher number, the date of transfer, the amount of such credit transferred, the tax credit balance before and after the transfer, the tax identification numbers for both the transferor and the transferee, and any other information required by the [commission] department. Failure to comply with this subsection will result in a disallowance of the tax credit until there is full compliance on the part of the transferor and the transferee, and for a second or third transfer, on the part of all subsequent transferors and transferees. The [commission] department shall provide a copy of the notification of assignment to the commissioner upon request.

(e) Any state-certified digital animation production company that wilfully submits information to the commission that it knows to be fraudulent or false shall, in addition to any other penalties provided by law, be liable for a penalty equal to the amount of such company's credit entered on the digital animation tax credit certificate issued under this section.

(f) The issuance by the [commission] department of a digital animation tax credit voucher with respect to an amount of tax credits stated thereon shall mean that none of such tax credits are subject to a post-certification remedy, and that the [commission] department and the commissioner shall have no right, except in the case of possible
material misrepresentation or fraud, to conduct any further or additional review, examination or audit of the expenditures or costs for which such tax credits were issued. If at any time after the issuance of a tax credit voucher the [commission] department or the commissioner determines that there was a material misrepresentation or fraud on the part of a state-certified digital animation production company in connection with the submission of an expense report and the result of such material misrepresentation or fraud was that (1) a specific amount of tax credits was reflected on the tax credit voucher issued in response to such expense report that would not have otherwise been so reflected, and (2) such tax credits would otherwise be subject to a post-certification remedy, such tax credits shall not be subject to any post-certification remedy and the sole and exclusive remedy of the [commission] department and the commissioner shall be to seek collection of the amount of such tax credits from the digital animation production company that committed the fraud or misrepresentation, not from any transferee of the tax credits.

(g) The aggregate amount of all tax credits which may be reserved by the commission pursuant to this section shall not exceed fifteen million dollars in any one fiscal year.

(h) The [commission] department, in consultation with the commissioner, shall adopt regulations, in accordance with the provisions of chapter 54, as may be necessary for the administration of this section.

Sec. 197. Section 12-376d of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) There shall be allowed a credit against any tax due under this chapter with respect to the estate of any decedent who produced a work of art, as defined in this section, which the beneficiaries and the fiduciary of such decedent's estate agree to transfer to the state of Connecticut if the state accepts such work, for use as an object of visual, artistic and educational display, in exchange for a credit against
the succession tax applicable to the net taxable estate of such decedent. Such tax credit shall be in an amount equivalent to the fair market value of such work of art, as determined in accordance with subsection (c) of this section, provided (1) the advisory panel established under subsection (b) of this section, for purposes of certain determinations related to any such tax credit, certifies that, in the opinion of a majority of its members, such work of art should be appraised in accordance with subsection (c) of this section and subsequently certifies that, in the opinion of a majority of its members, such work of art should be accepted by the state in exchange for such tax credit as provided in this section, and (2) the maximum total amount of all such tax credits which may be allowed in any single fiscal year, commencing July 1, 1987 and thereafter, whether there is one such credit in such year or more than one, shall be two hundred thousand dollars. If the fair market value of any such work of art so accepted by the state is less than the total amount of tax due with respect to the estate, tax credit shall be allowed in reduction of the amount of the total tax due. If such fair market value is in excess of the total tax due, and the fiduciary and beneficiaries of the estate approve the transfer of such work of art to the state for purposes of such tax credit, such fair market value shall be applied in payment of the entire amount of tax due and the excess of such fair market value over the amount of tax due shall, in effect, be a gift to the state. For purposes of this section a "work of art" means any work of visual art, including but not limited to, a drawing, painting, sculpture, mosaic, photograph, work of calligraphy or work of graphic art, and as the term "work of art" is used in this section it may include a single work of any such art or more than one item of such work.

(b) There shall be appointed, as part of the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development, an advisory panel to consider the proposed acceptance of any such work of art. The advisory panel shall prepare a written statement as to acceptance or rejection of any such work of art for the purposes of this section. In each instance said panel shall consist of eleven members, including the [executive director of the
Connecticut Commission on Culture and Tourism Commissioner of Economic and Community Development and two generally acknowledged experts as to the particular type of visual art work under consideration, as determined by said [executive director] commissioner, with such appointments to be made by said [executive director and approved by the Connecticut Commission on Culture and Tourism] commissioner. In addition said advisory panel shall include eight members of the General Assembly, with two of such members appointed by the president pro tempore of the Senate, one of such members appointed by the majority leader of the Senate, one of such members appointed by the minority leader of the Senate, two of such members appointed by the speaker of the House of Representatives, one of such members appointed by the majority leader of the House of Representatives and one of such members appointed by the minority leader of the House of Representatives.

(c) The advisory panel appointed as provided in subsection (b) of this section shall contract with two professional appraisers possessing experience related to the type of appraisal necessary for purposes of the work of art proposed for acceptance. Each appraiser so employed shall conduct an independent appraisal of such work of art and submit findings as to the fair market value thereof to the advisory panel. Members of the advisory panel shall receive no compensation for their service as such but shall be reimbursed for their necessary expenses incurred in the performance of their duties.

(d) If the advisory panel approves the acceptance of a work of art for purposes of such tax credit, the [executive director of the Connecticut Commission on Culture and Tourism] commissioner shall submit notification in writing of such approval to the Commissioner of Revenue Services, including all relevant documentation concerning such approval and the amount of tax credit to be allowed. The [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development is authorized by this section to accept such work of art on behalf of the state and make whatever
arrangements may be necessary with other agencies of the state for the
care and display of such work of art.

Sec. 198. Section 13a-252 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) The ferries crossing the Connecticut River, known as the Rocky
Hill ferry and the Chester and Hadlyme ferry, shall be maintained and
operated by the Commissioner of Transportation at the expense of the
state. The rates of toll or the charges to be made for travel upon said
ferries shall be fixed by the commissioner with the approval of the
Secretary of the Office of Policy and Management. The commissioner
may establish a discounted commuter rate for travel upon said ferries.

(b) All expense of maintenance, repairs and operation of said ferries
shall be paid by the Comptroller on vouchers of the commissioner. The
commissioner shall include in his report to the General Assembly a
report of the receipts and expenditures incidental to the control and
maintenance of said ferries. Said Rocky Hill ferry shall be maintained
as a state historic structure and shall be so marked with an appropriate
plaque by the commissioner in cooperation with the [Connecticut
Commission on Culture and Tourism] Department of Economic and
Community Development.

Sec. 199. Section 19a-315b of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

No grave marker within any cemetery or burial place shall be
destroyed, injured or removed except in accordance with the
provisions of either this section or section 19a-315c. Any such grave
marker may be removed for the purpose of reproduction, preservation
or display in an accredited museum upon (1) (A) the consent of the
owner of the burial rights for the lot in which such grave marker is
placed or the consent of a lineal descendant of the deceased, whose
qualifications for giving such consent shall be determined by the burial
ground authority, or (B) if such owner or qualified lineal descendant is
unknown or does not respond within thirty days to a request for consent sent by registered or certified mail to such person's last known address, with the consent of the burial ground authority, and (2) the order of the probate court for the district in which such burial lot is located. Upon written application of such consenting owner, qualified lineal descendant or burial ground authority, the probate court may, after a hearing, with notice of such hearing having been given to the burial ground authority, the owner, the qualified lineal descendant, the Connecticut Commission on Culture and Tourism Department of Economic and Community Development and otherwise as the court deems appropriate, order the removal of such grave marker if it finds that such removal is necessary or desirable for the protection and preservation of such grave marker.

Sec. 200. Section 19a-315c of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) Notwithstanding the provisions of section 19a-315b, a burial ground authority shall have the right to properly maintain an ancient burial place, cemetery or burial place, which right shall include: (1) Repair, rehabilitation, repositioning or resetting of grave markers in accordance with the rules and regulations of the burial ground authority; and (2) the renovation of the ancient burial place, cemetery or burial place as a whole.

(b) For purposes of subsection (a), no renovation of an ancient burial place, cemetery or burial place as a whole may be commenced until after: (1) The burial ground authority has conspicuously posted within the ancient burial place, cemetery or burial place, for a period of not less than ninety days, a notice that such renovation shall take place; and (2) the burial ground authority, at least ninety days before commencing a renovation, has provided written notice to the probate court having jurisdiction over the location of the burial place and to the Connecticut Commission on Culture and Tourism Department of Economic and Community Development. Such notice to the probate court shall describe the renovation plans and include photographs of
any area or grave marker involved.

(c) Following the notice period provided for in subsection (b) of this section, and subject to the provisions of subsection (d) of this section, a burial ground authority may renovate an ancient burial place, cemetery or burial place by: (1) The removal of any or all fencing, railing or curbing, if such removal is determined by the burial ground authority to be necessary or desirable for the proper and efficient maintenance of the ancient burial place, cemetery or burial place as a whole; and (2) the repositioning or resetting of any monument or tombstone.

(d) At any time prior to the expiration of the notice period provided for in subsection (b) of this section, the probate court may assume jurisdiction over such renovation and order a hearing, with notice of such hearing to be given to the burial ground authority, the owner, the qualified lineal descendant, the [Connecticut Commission on Culture and Tourism] Department of Economic and Community Development and otherwise as the court deems appropriate, to determine whether such renovation is necessary for the proper and efficient maintenance of the ancient burial place, cemetery or burial place as a whole. Upon notice of such hearing, the burial ground authority shall not proceed with such renovation except in accordance with the order of the probate court.

Sec. 201. Section 22a-1d of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) Environmental impact evaluations and a summary thereof, including any negative findings shall be submitted for comment and review to the Council on Environmental Quality, the Department of Environmental Protection, [the Connecticut Commission on Culture and Tourism,] the Office of Policy and Management, the Department of Economic and Community Development in the case of a proposed action that affects existing housing, and other appropriate agencies, and to the town clerk of each municipality affected thereby, and shall
be made available to the public for inspection and comment at the same time. The sponsoring agency shall publish forthwith a notice of the availability of its environmental impact evaluation and summary in a newspaper of general circulation in the municipality at least once a week for three consecutive weeks and in the Environmental Monitor. The sponsoring agency preparing an environmental impact evaluation shall hold a public hearing on the evaluation if twenty-five persons or an association having not less than twenty-five persons requests such a hearing within ten days of the publication of the notice in the Environmental Monitor.

(b) All comments received by the sponsoring agency and the sponsoring agency's responses to such comments shall be forwarded to the Secretary of the Office of Policy and Management.

(c) All comments and responses so forwarded to the Secretary of the Office of Policy and Management shall be available for public inspection.

Sec. 202. Section 22a-19b of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

The provisions of section 22a-19a shall not apply to any property or structure, or any portion thereof, that was first listed on the state register of historic places during the month of March, 2001, if (1) the owner of such property or structure delivers or has delivered to the [director of the Connecticut Commission on Culture and Tourism] Commissioner of Economic and Community Development and to the State Historic Preservation Officer a written and notarized objection to the listing of such property or structure on the National Register of Historic Places that certifies the person's ownership of such property or structure, and (2) such objection has not been withdrawn or rescinded by the owner's written and notarized notice of withdrawal or rescission of objection.

Sec. 203. Section 22a-27s of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2009):

(a) There is established the Face of Connecticut Steering Committee, which shall be within the Department of Environmental Protection for administrative purposes only. Such committee shall direct the expenditure of any funds deposited in the Face of Connecticut account created under section 22a-27t. The committee shall consist of the Commissioner of Environmental Protection, the Commissioner of Economic and Community Development, or the commissioner's designee, the Commissioner of Agriculture, [the executive director of the Connecticut Commission on Culture and Tourism,] the Secretary of the Office of Policy and Management and ten members as follows: (1) A representative of a local organization involved in historic preservation, appointed by the speaker of the House of Representatives; (2) a representative of a nonprofit organization involved in farmland preservation, appointed by the president pro tempore of the Senate; (3) a representative of a local or regional nonprofit organization involved in the preservation of open space, appointed by the majority leader of the House of Representatives; (4) a representative of a water company actively involved in land preservation, appointed by the majority leader of the Senate; (5) a representative of the agricultural industry, appointed by the minority leader of the House of Representatives; (6) a representative of a state-wide nonprofit involved in the preservation of open space, appointed by the minority leader of the Senate; (7) a representative of a state-wide nonprofit organization involved in historic preservation, appointed by the Governor; (8) a representative of an organization involved with community redevelopment, appointed by the Governor; (9) a representative of the legislative Brownfields Task Force, appointed by the speaker of the House of Representatives; and (10) a representative of the environmental law section of the Connecticut Bar Association who is involved with brownfields remediation, appointed by the president pro tempore of the Senate.

(b) All initial appointments to the committee shall be made not later
than September 1, 2008. The term of each appointed member of the steering committee shall be coterminal with the term of the appointing authority or until a successor is chosen, whichever is later. The Commissioner of Environmental Protection shall serve as the chairperson of the committee for the two years following the appointment of the committee, followed first by the Commissioner of Agriculture for two years and subsequently by the [executive director of the Connecticut Commission on Culture and Tourism for two years and subsequently by the] Commissioner of Economic and Community Development or said commissioner's designee for two years. Such rotation shall repeat every two years thereafter in the order specified in this subsection, except that if there is a vacancy in one of said positions, one of the other commissioners or the executive director may serve as chairperson until the vacancy is filled.

(c) The committee shall meet quarterly.

Sec. 204. Section 25-102qq of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The Commissioner of Environmental Protection shall be responsible for state-wide river policy and comprehensive protection of rivers. The commissioner shall: (1) Identify rivers or river segments to be protected, (2) designate protected river corridors, and (3) approve, reject or modify river corridor maps and management plans submitted pursuant to sections 25-205 and 25-235.

(b) The commissioner may establish a river management and protection program designed to improve the management and protection of the state's rivers.

(c) If the commissioner undertakes to establish such a program, he shall establish a River Protection Advisory Committee to assist him in developing the river protection program. The committee shall consist of the following members whose terms shall expire on October 1, 1992:

(1) The Commissioners of Public Health, Transportation, Economic...
and Community Development and Agriculture, the Secretary of the Office of Policy and Management, the director of the Connecticut Commission on Culture and Tourism, and the State Archaeologist, or their designees; and (2) two members representing the business community, two members representing public service companies, seven members representing environmental and recreational organizations, four members representing river protection organizations, one member representing municipalities with a river or river segment within their borders, two members representing regional planning agencies, three members representing related professional practices and one member representing the public, which members shall be appointed by the commissioner. On and after October 1, 1992, the committee's membership shall consist of: (1) The Commissioners of Public Health, Transportation, Economic and Community Development and Agriculture, the Secretary of the Office of Policy and Management, the director of the Connecticut Commission on Culture and Tourism, and the State Archaeologist, or their designees; and (2) one member representing the business community, one member representing a related professional practice appointed by the Governor; one member representing an environmental or recreational organization, one member representing a river protection organization and one member representing a related professional practice appointed by the president pro tempore of the Senate; one member representing an environmental or recreational organization, one member representing a river protection organization and one member representing a related professional practice appointed by the speaker of the House of Representatives; one member representing an environmental or recreational organization, one member representing a municipality with a river or river segment within its borders and one member representing the business community appointed by the majority leader of the Senate; two members representing an environmental or recreational organization, one member representing a river protection organization and one member representing a public service company appointed by the minority leader of the Senate; one member representing an
environmental or recreational organization, one member representing a public service company and one member representing a regional planning agency appointed by the majority leader of the House of Representatives; one member representing an environmental or recreational organization, one member representing a river protection organization, one member of the public and one member representing a regional planning agency appointed by the minority leader of the House of Representatives.

(d) In developing the river protection program, the commissioner, with the assistance of the River Protection Advisory Committee, may:

(1) Develop a proposal for a state-wide river management and protection program, which shall include but not be limited to: (A) The coordination of existing protective state authorities as a means of improving river management and protection; (B) the development of any statutory modifications to provide effective regional and interstate cooperation for the development of river management plans; (C) the development of recommendations for river protection for use in regulations of local land use agencies; and (D) the development of any other needed protection or management of the state's rivers, as determined by the commissioner; (2) define the river resources to be inventoried and assessed; (3) conduct a state-wide inventory and assessment of the state's rivers; (4) develop a state-wide data base of river resource information to facilitate environmental planning, regulatory and management decisions; (5) develop a river classification system; (6) develop criteria for identifying rivers or river segments for designation as protected rivers and recommended priorities for the management of the rivers or river segments; and (7) develop a program to educate the public on river protection issues and ensure public involvement in the development and implementation of the river protection program.

Sec. 205. Section 25-109q of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) There is hereby established the Quinebaug and Shetucket Rivers
National Heritage Corridor Advisory Council. Said council shall prepare the Cultural Heritage and Corridor Management Plan described in Section 105 of the Quinebaug and Shetucket Rivers Valley National Heritage Corridor Act of 1994. The council shall provide for public participation in the preparation of such plan and shall hold at least one public hearing in Windham, Tolland and New London counties to facilitate such participation provided notice of each hearing is published in a newspaper having a general circulation within the relevant county at least thirty days prior to the hearing to be held in such county. The council shall submit such plan to the Governor on or before January 1, 1996.

(b) The council shall consist of: A representative of the office of the Governor; the Commissioner of Environmental Protection, or his designee; the Commissioner of Economic and Community Development, or his designee; [the chairperson of the Connecticut Commission on Culture and Tourism, or his designee;] the chairperson of the Northeastern Connecticut Council of Governments, or his designee; the chairperson of the Southeastern Connecticut Council of Governments, or his designee; and the chairperson of the Windham Regional Planning Agency, or his designee. The council shall further consist of the following members appointed by the Governor: Three chief elected officials from towns listed in section 104 of said act; two persons from any such town who represent economic development or business interests; two persons from any such town who represent tourism districts within the corridor; two persons from any such town who represent land conservation or outdoor recreation interests; two persons from any such town who represent historic preservation or cultural history interests; and one person engaged in agriculture in any such town. Vacancies on the advisory council shall be filled in the same manner as original appointments.

Sec. 206. Section 29-259 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) The State Building Inspector and the Codes and Standards
Committee shall revise the State Building Code to allow exemptions from the State Building Code for property acquired by an urban homesteading agency, pursuant to section 8-169r, and transferred to a qualified applicant pursuant to section 8-169s, and for historic structures, as defined in section 10-410, which have been classified as such in the state register of historic places, to encourage participation in urban homesteading programs and the restoration and preservation of historic places; provided such exemptions shall not affect the safe design, use or construction of such property.

(b) Any person, agent of the state, municipality or any other political subdivision of the state may apply to the State Building Inspector and the Codes and Standards Committee to modify or set aside standards for historic buildings incorporated in the State Building Code. The State Building Inspector shall, within seven days of receipt of any such application, forward a copy of such application to the director of the Office of Protection and Advocacy for Persons with Disabilities and to the [director of the Connecticut Commission on Culture and Tourism] Commissioner of Economic and Community Development. Each of said directors shall, within thirty days of receipt, review such application and make such written recommendations as he deems appropriate to the State Building Inspector and the Codes and Standards Committee concerning the disposition of such application. The recommendations of such directors shall be part of the records and documents of the State Building Inspector concerning such application. The State Building Inspector and the Codes and Standards Committee shall consider such written recommendations when acting upon such application and may set aside or modify an individual standard or specification when they jointly determine that it would not be feasible or would unreasonably complicate the construction, alteration or repair in question and where alternative methods and materials have been proposed to maintain certain features. Such determination shall be in writing, shall state the reasons therefor and if it sets aside any such standard of specification, a copy of such determination shall be sent to each of said directors.
(c) Regulations or codes made or amended by authority of this section shall, after a public hearing called for that purpose by the State Building Inspector not less than thirty days before the date of such hearing, be filed by the State Building Inspector with the Secretary of the State in accordance with the provisions of chapter 54 and he shall thereafter make copies available to persons having an interest therein.

(d) If any regulation made or amended by authority of this section is set aside by a court, such ruling shall affect only the regulation, standard or specification included in the ruling and all other regulations, standards or specifications shall remain in effect.

Sec. 207. Section 32-6a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2009):

(a) For the purposes of encouraging quality tourism and contributing to an overall historic preservation program there is established a Committee for the Restoration of Historic Assets in Connecticut which shall consist of the Commissioner of Economic and Community Development, the chairman of the Governor's Vacation Council, [the chairman of the Connecticut Commission on Culture and Tourism] and two public members appointed by the Governor on or before December 1, 1977, for a term to expire on February 1, 1979. Thereafter terms of members appointed to succeed those whose terms expire shall be for two years and until successors are appointed. The Commissioner of Economic and Community Development may provide grants or loans as approved by the committee for projects of historic preservation and restoration from the Restoration of Historic Assets in Connecticut Fund established with the proceeds of the bonds issued pursuant to subdivision (2) of subsection (g) of section 2 of special act 77-47. For the purposes of this section, "historical asset" means any building, structure, object or site that is significant in American history, architecture, archaeology or culture or property used in connection therewith. Such grants and loans may be used, in part, for the installation or restoration of supportive improvements. Supportive improvements may include, but shall not be limited to,
parking lots, office space, sanitary facilities, utilities necessary to make a building functional, information booths, provisions for the handicapped, improvements necessary to bring such asset into conformance with local ordinances, or any other improvements necessary to return the property to a state of utility provided that any such supportive improvement shall not alter, destroy or detract from the distinctive historical, aesthetic, archaeological, architectural, cultural or stylistic qualities or characteristics of the historic asset or its environment. The Commissioner of Economic and Community Development with the advice and consent of the committee shall promulgate such regulations as may be necessary to carry out the provisions of this section.

(b) The Commissioner of Economic and Community Development may provide grants to develop greenways from the Restoration of Historic Assets in Connecticut Fund established with the proceeds of the bonds issued pursuant to subdivision (2) of subsection (g) of section 2 of special act 77-47. Grants may be made to municipalities and other organizations to develop greenways, including, but not limited to, transportation-related greenways supported by the federal Transportation Equity Act for the 21st Century, as amended from time to time. The amount of any grant shall be as follows: (1) For transportation greenways projects that are part of interstate greenways, not more than twenty per cent of the project cost; (2) for transportation greenways projects that are local spurs from interstate greenways or that are intertown greenways projects, not more than ten per cent of the project cost; and (3) for greenways that are not transportation greenways, not more than half of the capital costs of the project.

Sec. 208. Sections 10-393, 10-396, 32-1c, 32-11a, 32-35 and 32-39 of the general statutes are repealed. (Effective July 1, 2009)
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