



**Substitute Senate Bill No. 887**

**Public Act No. 09-234**

**AN ACT CONCERNING CHANGES TO ECONOMIC DEVELOPMENT STATUTES AND INFRASTRUCTURE ENHANCEMENTS AT THE UNITED STATES NAVAL SUBMARINE BASE-NEW LONDON.**

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

Section 1. Section 32-70a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(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.

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(c) On or before [July] November 1, 2011, and every five years thereafter, each business located within an enterprise zone that is certified to receive enterprise zone benefits 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 certified business receiving enterprise zone benefits;

(2) The enterprise zone address of each certified business receiving enterprise zone benefits;

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

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

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

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

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

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

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

(12) The number of employees of the certified 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 certified business as of June thirtieth of each year since certification;

(14) The amount invested by the certified 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 certified 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 certified business as of June thirtieth of each year since certification;

(21) The amount of the real property tax abatement awarded to the

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certified business as of June thirtieth of each year since certification;

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

(d) On or before [~~July~~] October 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~~] 2012, the commissioner shall assess the performance of each enterprise zone. In making such assessment the commissioner shall consider the report submitted under subsection [(c)] (f) of this section by the municipality in which the enterprise zone is located and any other information [~~he~~] the commissioner 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

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matters relating to the Department of Economic and Community Development, [the Connecticut Development Authority and Connecticut Innovations, Incorporated,] that the designation be removed if [he] the commissioner 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. 2. Subsection (c) of section 32-10 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):

(c) The strategic plan required under this section shall include, but not be limited to, the following:

(1) A review and evaluation of the economy of the state. Such review and evaluation shall include, but not be limited to, a sectoral analysis, housing market and housing affordability analysis, labor market and labor quality analysis, demographic analysis and include historic trend analysis and projections;

(2) A review and analysis of factors, issues and forces that impact or impede economic development and responsible growth in Connecticut and its constituent regions. Such factors, issues or forces shall include, but not be limited to, transportation, including, but not limited to, commuter transit, rail and barge freight, technology transfer, brownfield remediation and development, health care delivery and costs, early education, primary education, secondary and postsecondary education systems and student performance, business regulation, labor force quality and sustainability, social services costs and delivery systems, affordable and workforce housing cost and availability, land use policy, emergency preparedness, taxation, availability of capital and energy costs and supply;

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(3) Identification and analysis of economic clusters that are growing or declining within the state;

(4) An analysis of targeted industry sectors in the state that (A) identifies those industry sectors that are of current or future importance to the growth of the state's economy and to its global competitive position, (B) identifies what those industry sectors need for continued growth, and (C) identifies, those industry sectors current and potential impediments to growth;

(5) A review and evaluation of the economic development structure in the state, including, but not limited to, (A) a review and analysis of the past and current economic, community and housing development structures, budgets and policies, efforts and responsibilities of its constituent parts in Connecticut; and (B) an analysis of the performance of the current economic, community and housing development structure, and its individual constituent parts, in meeting its statutory obligations, responsibilities and mandates and their impact on economic development and responsible growth in Connecticut;

(6) Establishment and articulation of a vision for Connecticut that identifies where the state should be in five, ten, fifteen and twenty years;

(7) Establishment of clear and measurable goals and objectives for the state and regions, to meet the short and long-term goals established under this section and provide clear steps and strategies to achieve said goals and objectives, including, but not limited to, the following: (A) The promotion of economic development and opportunity, (B) the fostering of effective transportation access and choice including the use of airports and ports for economic development, (C) enhancement and protection of the environment, (D) maximization of the effective development and use of the workforce consistent with applicable state

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or local workforce investment strategy, (E) promotion of the use of technology in economic development, including access to high-speed telecommunications, and (F) the balance of resources through sound management of physical development;

(8) Prioritization of goals and objectives established under this section;

(9) Establishment of relevant measures that clearly identify and quantify (A) whether a goal and objective is being met at the state, regional, local and private sector level, and (B) cause and effect relationships, and provides a clear and replicable measurement methodology;

(10) Recommendations on how the state can best achieve goals under the strategic plan and provide cost estimates for implementation of the plan and the projected return on investment for those areas; [and]

(11) A review and evaluation of the operation and efficacy of the urban jobs program established pursuant to sections 32-9i to 32-9l, inclusive, enterprise zones established pursuant to section 32-70, railroad depot zones established pursuant to section 32-75a, qualified manufacturing plants designated pursuant to section 32-75c, entertainment districts established pursuant to section 32-76 and enterprise corridor zones established pursuant to section 32-80. The review and evaluation of enterprise zones shall include an analysis of enterprise zones that have been expanded to include an area in a contiguous municipality or in which there are base or plant closures; and

[(11)] (12) Any other responsible growth information that the commissioner deems appropriate.

Sec. 3. Subsection (b) of section 32-71 of the general statutes is

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repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) Any fixed assessment on any residential property shall cease if: (1) For any residential rental property, any dwelling unit in such property is rented to any person whose income exceeds two hundred per cent of the median [family] income, [of the municipality] as determined by the United States Department of Housing and Urban Development, for the area in which the municipality containing the residential rental property is located; or (2) for any conversion condominium declared after the designation of the enterprise zone, any unit is sold to any person whose income exceeds two hundred per cent of the median [family] income, [of the municipality] as determined by the United States Department of Housing and Urban Development, for the area in which the municipality containing the residential rental property is located.

Sec. 4. Subdivision (5) of section 32-327 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(5) "Manufacturing jobs" means jobs at a business that is located, in whole or in part, in Connecticut and [classified in accordance with the standard industrial classification system of the Bureau of Census of the United States Department of Commerce as belonging to a major industry group numbered 20 to 39, inclusive] that has a North American Industrial Classification code of 311111 through 339999; a business engaged in research and development directly related to manufacturing; a business engaged in the significant servicing, overhauling or rebuilding of machinery and equipment for industrial use; or any establishment or auxiliary or operating unit thereof, as defined in the [Standard] North American Industrial Classification Manual, which the commissioner determines will materially contribute to the economy of the state by creating or retaining jobs, exporting

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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 that are important to the economy of the state.

Sec. 5. Section 32-1c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) In addition to any other powers, duties and responsibilities provided for in this chapter, chapter 131, chapter 579 and section 4-8 and subsection (a) of section 10-409, the commissioner shall have the following powers, duties and responsibilities: (1) To administer and direct the operations of the Department of Economic and Community Development; (2) to report annually to the Governor, as provided in section 4-60; (3) to conduct and administer the research and planning functions necessary to carry out the purposes of said chapters and sections; (4) to encourage and promote the development of industry and business in the state and to 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; (5) to serve, ex officio as a director on the board of Connecticut Innovations, Incorporated; (6) to serve as a member of the Committee of Concern for Connecticut Jobs; (7) to 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; (8) to 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; (9) to advise and cooperate with municipalities,

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persons and local planning agencies within the state for the purpose of promoting coordination between the state and such municipalities as to plans and development; (10) to provide all necessary staff, services, accounting and office space and equipment required by the Connecticut Development Authority subject to the provisions of section 4b-23, where real estate acquisitions are involved; (11) to aid minority businesses in their development; (12) to appoint such assistants, experts, technicians and clerical staff, subject to the provisions of chapter 67, as are necessary to carry out the purposes of said chapters and sections; (13) to employ other consultants and assistants on a contract or other basis for rendering financial, technical or other assistance and advice; [ , provided in implementing the Connecticut economic information system the commissioner shall to the maximum extent feasible contract with private vendors for software, certain data sets and data updating services;] (14) to acquire or lease facilities located outside the state subject to the provisions of section 4b-23; (15) to 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; (16) to inquire into the utilization of state government resources and coordinate federal and state activities for assistance in and solution of problems of economic development and to inform and advise the Governor about and propose legislation concerning such problems; (17) to conduct, encourage and maintain research and studies relating to industrial and commercial development; (18) to prepare and review model ordinances and charters relating to these areas; (19) to maintain an inventory of data and information and act as a clearinghouse and referral agency for information on state and federal programs and services relative to the purpose set forth herein. The inventory shall include information on all federal programs of financial assistance for defense conversion projects and other projects consistent with a defense conversion strategy and shall identify businesses which would

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be eligible for such assistance and provide notification to such business of such programs; (20) to 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; (21) to promote and assist the formation of municipal and other agencies appropriate to the purposes of this chapter; (22) to 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; (23) with the approval of the Commissioner of Administrative Services, to reimburse any employee of the department, including the commissioner, for reasonable business expenses, including but not limited to, mileage, travel, lodging, and entertainment of business prospects and other persons to the extent necessary or advisable to carry out the purposes of subdivisions (4), (7), (8) and (11) of this subsection and other provisions of this chapter; (24) to assist in resolving solid waste management issues; [(25) to develop and implement the Connecticut economic information system, in consultation with the Connecticut Economic Information System Steering Committee established under section 32-6i; and (26)] and (25) (A) to serve as an information clearinghouse for various public and private programs available to assist businesses, and (B) to identify specific micro businesses, as defined in section 32-344, whose growth and success could benefit from state or private assistance and contact such small businesses in order to (i) identify their needs, (ii) provide information about public and private programs for meeting such needs, including, but not limited to, technical assistance, job training and financial assistance, and (iii) arrange for the provision of such assistance to such businesses.

(b) The Commissioner of Economic and Community Development may make available technical and financial assistance and advisory services to any appropriate agency, authority or commission for

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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 his 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.

(c) The Commissioner of Economic and Community Development is authorized to 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 of Economic and Community Development and said Commissioner of Economic and Community Development 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.

(d) 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 of Economic and Community Development contained in any other law.

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Sec. 6. Section 32-324f 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, in consultation with the person, firm, corporation or entity selected to implement the grant pursuant to subsection (b) of section 32-324a, if applicable, shall create guidelines necessary for the administration of the provisions of this section on the progress of the grant programs administered pursuant to sections 32-324a to 32-324e, inclusive. [The Department of Economic and Community Development, in consultation with such person, firm, corporation or entity, if applicable, shall submit an annual 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 technology, commerce and the environment.]

Sec. 7. Section 32-324g 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 shall administer a fuel diversification grant program to provide funding to Connecticut institutions of higher education or Connecticut institutions of agricultural research for purposes which may include, but are not limited to (1) research to promote biofuel production from agricultural products, algae and waste grease, and (2) biofuel quality testing. Said department may enter into an agreement, in accordance with the provisions of chapter 55a, with a person, firm, corporation or other entity to administer such program. The Department of Economic and Community Development, in consultation with such person, firm, corporation or entity, if applicable, shall create guidelines necessary for the administration of the provisions of this section. [If the Department of Economic and Community Development selects such a person, firm, corporation or other entity to administer the program, not later than January 1, 2008, and annually thereafter, such person, firm,

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corporation or other entity shall submit a report to the Commissioner of Economic and Community Development regarding the status of such program.]

Sec. 8. Section 32-1m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):

(a) Not later than February 1, 2006, and annually thereafter, the Commissioner of Economic and Community Development shall submit a report to the Governor and the General Assembly, in accordance with the provisions of section 11-4a. Not later than thirty days after submission of the report to the Governor and the General Assembly, said commissioner shall post the report on the Department of Economic and Community Development's web site. Said report shall include, but not be limited to, the following information with regard to the activities of the Department of Economic and Community Development during the preceding state fiscal year:

(1) A brief description and assessment of the state's economy during such year, utilizing the most recent and reasonably available data, and including:

(A) Connecticut employment by industry;

(B) Connecticut and national average unemployment;

(C) Connecticut gross state product, by industry;

(D) Connecticut productivity, by industry, compared to the national average;

(E) Connecticut manufacturing activity;

(F) Identification of economic and competitive conditions affecting Connecticut's industry sectors, problems resulting from these conditions and state efforts to address the problems; and

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(G) Any other economic information that the commissioner deems appropriate.

(2) A statement of the department's economic and community development objectives, measures of program success and standards for granting financial and nonfinancial assistance under programs administered by the department.

(3) An analysis of the economic development portfolio of the department, including:

(A) A list of the names, addresses and locations of all recipients of the department's assistance;

(B) The following information concerning each recipient of such assistance: (i) Business activities, (ii) standard industrial classification codes or North American industrial classification codes, (iii) number of full-time jobs and part-time jobs at the time of application, (iv) number of actual full-time jobs and actual part-time jobs during the preceding state fiscal year, (v) whether the recipient is a minority or woman-owned business, (vi) 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, (vii) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, (viii) the extent to which employees of the recipient participate in health benefit plans offered by such recipient, (ix) the extent to which the recipient offers unique economic, social, cultural or aesthetic attributes to the municipality in which the recipient is located or to the state, and (x) the amount of state investment;

(C) A portfolio analysis, including (i) an analysis of the wages paid by recipients of financial assistance, (ii) the average portfolio wage, median portfolio wage, highest and lowest portfolio wage, (iii)

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portfolio wage data by industry, and (iv) portfolio wage data by municipality;

(D) An investment analysis, including (i) total portfolio value, (ii) total investment by industry, (iii) portfolio dollar per job average, (iv) portfolio leverage ratio, and (v) percentage of financial assistance which was provided to high performance work organizations in the preceding state fiscal year; and

(E) An analysis of the estimated economic effects of the department's economic development investments on the state's economy, including (i) contribution to gross state product for the total economic development portfolio and for any investment activity occurring in the preceding state fiscal year, (ii) direct and indirect employment created by the investments for the total portfolio and for any investment activity occurring in the preceding state fiscal year, (iii) productivity of recipients of financial assistance as a result of the department's investment occurring in the preceding state fiscal year, (iv) directly or indirectly increased property values in the municipalities in which the recipients of assistance are located, and (v) personal income.

(4) An analysis of the community development portfolio of the department, including:

(A) A list of the names, addresses and locations of all recipients of the department's assistance;

(B) The following information concerning each recipient of such assistance: (i) Amount of state investment, (ii) a summary of the terms and conditions for the department's assistance, including the type and amount of state financial assistance, and (iii) the amount of investments from private and other nonstate sources that have been leveraged by such assistance;

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(C) An investment analysis, including (i) total active portfolio value, (ii) total investments made in the preceding state fiscal year, (iii) total portfolio by municipality, (iv) total investments made in the preceding state fiscal year categorized by municipality, (v) total portfolio leverage ratio, and (vi) leverage ratio of the total investments made in the preceding state fiscal year; and

(D) An analysis of the estimated economic effects of the department's economic development investments on the state's economy, including (i) contribution to gross state product for the total portfolio and for any investment activity occurring in the preceding state fiscal year, (ii) direct and indirect employment created by the investments for the total portfolio and for any investment activity occurring in the preceding state fiscal year, (iii) productivity of recipients of financial assistance as a result of the department's investment occurring in the preceding state fiscal year, (iv) directly or indirectly increased property values in the municipalities in which the recipients are located, and (v) personal income.

(5) A summary of the department's economic and community development marketing efforts in the preceding state fiscal year, a summary of the department's business recruitment strategies and activities in such year, and a summary of the department's efforts to assist small businesses and minority business enterprises in such year.

(6) A summary of the department's international trade efforts in the preceding state fiscal year, and, to the extent possible, a summary of foreign direct investment that occurred in the state in such year.

(7) Identification of existing economic clusters, the formation of new economic clusters, the measures taken by the commissioner during the preceding state fiscal year to encourage the growth of economic clusters and the amount of bond funds expended by the department during the previous fiscal year on each economic cluster.

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(8) (A) A summary of the department's brownfield-related efforts and activities within the Office of Brownfield Remediation and Development established pursuant to subsections (a) to (f), inclusive, of section 32-9cc in the preceding state fiscal year, except for activity under the Special Contaminated Property Remediation and Insurance Fund program. Such efforts shall include, but not be limited to, (i) total portfolio investment in brownfield remediation projects, (ii) total investment in brownfield remediation projects in the preceding state fiscal year, (iii) total number of brownfield remediation projects, (iv) total number of brownfield remediation projects in the preceding state fiscal year, (v) total of reclaimed and remediated acreage, (vi) total of reclaimed and remediated acreage in the preceding state fiscal year, (vii) leverage ratio for the total portfolio investment in brownfield remediation projects, and (viii) leverage ratio for the total portfolio investment in brownfield remediation projects in the preceding state fiscal year. Such summary shall include a list of such brownfield remediation projects and, for each such project, the name of the developer and the location by street address and municipality and a tracking of all funds administered through or by said office;

(B) A summary of the department's efforts with regard to the Special Contaminated Property Remediation and Insurance Fund, including, but not limited to, (i) the number of applications received in the preceding state fiscal year, (ii) the number and amounts of loans made in such year, (iii) the names of the applicants for such loans, (iv) the average time period between submission of application and the decision to grant or deny the loan, (v) a list of the applications approved and the applications denied and the reasons for such denials, and (vi) for each project, the location by street address and municipality; and

(C) A summary of the department's efforts with regard to the dry cleaning grant program, established pursuant to section 12-263m,

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including, but not limited to, (i) information as to the number of applications received, (ii) the number and amounts of grants made since the inception of the program, (iii) the names of the applicants, (iv) the time period between submission of application and the decision to grant or deny the loan, (v) which applications were approved and which applications were denied and the reasons for any denials, and (vi) a recommendation as to whether the surcharge and grant program established pursuant to section 12-263m should continue.

(9) The following information concerning enterprise zones designated under section 32-70:

(A) A statement of the current goals for enterprise zones;

(B) A statement of the current performance standards to measure the progress of municipalities that have enterprise zones in attaining the goals for such zones;

(C) A report from each municipality that has an enterprise zone, which evaluates the progress of the municipality in meeting the performance standards established under section 32-70a, as amended by this act; and

(D) An assessment of the performance of each enterprise zone based on information collected under subparagraph (C) of this subdivision.

(10) With regard to the grant program designated pursuant to sections 32-324a to 32-324e, inclusive, an assessment of program performance.

(11) With regard to the fuel diversification program designated pursuant to section 32-324g, as amended by this act, an assessment of program performance.

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[(10)] (12) With regard to the department's housing-development-related functions and activities:

(A) A brief description and assessment of the state's housing market during the preceding state fiscal year, utilizing the most recent and reasonably available data, and including, but not limited to, (i) a brief description of the significant characteristics of such market, including supply, demand and condition and cost of housing, and (ii) any other information that the commissioner deems appropriate;

(B) A comprehensive assessment of current and future needs for rental assistance under section 8-119kk for housing projects for the elderly and disabled, in consultation with the Connecticut Housing Finance Authority;

(C) An analysis of the progress of the public and private sectors toward meeting housing needs in the state, using building permit data from the United States Census Bureau and demolition data from Connecticut municipalities;

(D) A list of municipalities that meet the affordable housing criteria set forth in subsection (k) of section 8-30g, pursuant to regulations that the Commissioner of Economic and Community Development shall adopt pursuant to the provisions of chapter 54. For the purpose of determining the percentage required by subsection (k) of said section 8-30g, the commissioner shall use as the denominator the number of dwelling units in the municipality, as reported in the most recent United States decennial census; and

(E) A statement of the department's housing development objectives, measures of program success and standards for granting financial and nonfinancial assistance under programs administered by said commissioner.

[(11)] (13) A presentation of the state-funded housing development

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portfolio of the department, including:

(A) A list of the names, addresses and locations of all recipients of such assistance; and

(B) For each such recipient, (i) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance, (ii) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, (iii) the number of new units to be created and the number of units to be preserved at the time of the application, and (iv) the number of actual new units created and number of units preserved.

[(12)] (14) An analysis of the state-funded housing development portfolio of the department, including:

(A) An investment analysis, including the (i) total active portfolio value, (ii) total investment made in the preceding state fiscal year, (iii) portfolio dollar per new unit created, (iv) estimated dollars per new unit created for projects receiving an assistance award in the preceding state fiscal year, (v) portfolio dollars per unit preserved, (vi) estimated dollar per unit preserved for projects receiving an assistance award in the preceding state fiscal year, (vii) portfolio leverage ratio, and (viii) leverage ratio for housing development investments made in the preceding state fiscal year; and

(B) A production and preservation analysis, including (i) the total number of units created, itemized by municipality, for the total portfolio and projects receiving an assistance award in the preceding state fiscal year, (ii) the total number of elderly units created for the total portfolio and for projects receiving an assistance award in the preceding state fiscal year, (iii) the total number of family units created for the total portfolio and for projects receiving an assistance award in the preceding state fiscal year, (iv) the total number of units preserved,

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itemized by municipality, for the total portfolio and projects receiving an assistance award in the preceding state fiscal year, (v) the total number of elderly units preserved for the total portfolio and for projects receiving an assistance award in the preceding state fiscal year, (vi) the total number of family units preserved for the total portfolio and for projects receiving an assistance award in the preceding state fiscal year, (vii) an analysis by income group of households served by the department's housing construction, substantial rehabilitation, purchase and rental assistance programs, for each housing development, if applicable, and for each program, including number of households served under each program by race and data for all households, and (viii) a summary of the department's efforts in promoting fair housing choice and racial and economic integration, including data on the racial composition of the occupants and persons on the waiting list of each housing project that is assisted under any housing program established by the general statutes or a special act or that is supervised by the department, provided no information shall be required to be disclosed by any occupant or person on a waiting list for the preparation of such summary. As used in this subparagraph, "elderly units" means dwelling units for which occupancy is restricted by age, and "family units" means dwelling units for which occupancy is not restricted by age.

[(13)] (15) An economic impact analysis of the department's housing development efforts and activities, including, but not limited to:

(A) The contribution of such efforts and activities to the gross state product;

(B) The direct and indirect employment created by the investments for the total housing development portfolio and for any investment activity for such portfolio occurring in the preceding state fiscal year; and

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(C) Personal income in the state.

[(14)] (16) With regard to the Housing Trust Fund and Housing Trust Fund program, as those terms are defined in section 8-336m:

(A) Activities for the prior fiscal year of the Housing Trust Fund and the Housing Trust Fund program; and

(B) The efforts of the department to obtain private support for the Housing Trust Fund and the Housing Trust Fund program.

[(15)] (17) With regard to the department's energy conservation loan program:

(A) The number of loans or deferred loans made during the preceding fiscal year under each component of such program and the total amount of the loans or deferred loans made during such fiscal year under each such component;

(B) A description of each step of the loan or deferred loan application and review process;

(C) The location of each loan or deferred loan application intake site for such program;

(D) The average time period for the processing of loan or deferred loan applications during such fiscal year; and

(E) The total administrative expenses of such program for such fiscal year.

[(16)] (18) A summary of the total social and economic impact of the department's efforts and activities in the areas of economic, community and housing development, and an assessment of the department's performance in terms of meeting its stated goals and objectives.

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(b) Any annual report that is required from the department by any provision of the general statutes shall be incorporated into the annual report provided pursuant to subsection (a) of this section.

Sec. 9. Section 5 of public act 08-2 of the November 24 special session is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For purposes of this section, "municipality" means any town, consolidated town and city, consolidated town and borough, borough, district as defined in section 7-324 of the general statutes, and any city not consolidated with a town.

(b) On or before December 31, 2009, any municipality, by ordinance adopted by its legislative body, may establish a one-time amnesty program for persons owing any tax, assessment, fee, fine or other payment to such municipality. Such program may (1) apply to any unpaid or partially paid taxes, fees, assessments, including those for special districts, fines, including those for alleged violations of any municipal ordinance, or other payments required to be paid to such municipality, (2) provide for full or partial forgiveness of interest, penalties, fines, costs or other fees due on such unpaid or partially paid taxes, fees, assessments, fines or other payments, (3) limit the applicability of such program to a time period prior to the institution of such program during which such unpaid or partially paid taxes, fees, assessments, fines or other payments were levied by such municipality, (4) provide exclusions for persons who fail to meet criteria that such municipality may set for eligibility for such program, and (5) establish such other terms as such municipality may deem necessary to conduct such program effectively and efficiently.

(c) No municipality may make such program available for a period of time in excess of ninety calendar days. Such municipality shall apply the terms of such program in the same manner to each person

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owing any tax, assessment, fee, fine or other payment to such municipality.

(d) Notwithstanding the provisions of section 12-144b, a municipality that has established a program pursuant to subsection (b) of this section may choose to apply any payments received pursuant to said program toward payment of any outstanding taxes levied on a specific property and need not apply such payments first to the oldest outstanding tax.

Sec. 10. Section 32-235 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(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 hundred ninety-five million three hundred thousand dollars, provided forty-five million dollars of said authorization shall be effective July 1, 2008.

(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 for the purposes of sections 32-220 to 32-234, inclusive, as amended by this act, including economic cluster-related programs and activities, and for the Connecticut job training finance demonstration program pursuant to sections 32-23uu and 32-23vv provided, (1) three million dollars shall be used by said department solely for the purposes of section 32-23uu and not more than five million two hundred fifty thousand dollars of the amount stated in said subsection (a) may be used by said department for the purposes of section 31-3u, (2) not less than one million dollars shall be used for an educational technology grant to the deployment center program and the nonprofit business consortium deployment center approved pursuant to section 32-41l, (3)

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not less than two million dollars shall be used by said department for the establishment of a pilot program to make grants to businesses in designated areas of the state for construction, renovation or improvement of small manufacturing facilities provided such grants are matched by the business, a municipality or another financing entity. The Commissioner of Economic and Community Development shall designate areas of the state where manufacturing is a substantial part of the local economy and shall make grants under such pilot program which are likely to produce a significant economic development benefit for the designated area, (4) five million dollars may be used by said department for the manufacturing competitiveness grants program, (5) one million dollars shall be used by said department for the purpose of a grant to the Connecticut Center for Advanced Technology, for the purposes of section 32-237, (6) fifty million dollars shall be used by said department for the purpose of grants to the United States Department of the Navy, the United States Department of Defense or eligible applicants for projects related to the enhancement of infrastructure for long-term, on-going naval operations at the United States Naval Submarine Base-New London, located in Groton, which will increase the military value of said base. Such projects shall not be subject to the provisions of sections 4a-60 and 4a-60a, and (7) two million dollars shall be used by said department for the purpose of a grant to the Connecticut Center for Advanced Technology, Inc., for manufacturing initiatives, including aerospace and defense.

(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

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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. 11. Subsection (a) of section 32-223 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) 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) A description of the proposed project; [(2)] (B) an explanation of the expected benefits of the project in relation to the purposes of sections 32-220 to 32-234, inclusive, as amended by this act; [(3)] (C) information concerning the financial and technical capacity of the eligible applicant to undertake the proposed project; [(4)] (D) a project budget; and [(5)] (E) 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.

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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.

(2) The United States Department of the Navy, the United States Department of Defense or eligible applicants shall not be required to submit an application for financial assistance to the commissioner, as required by subsection (a) of this section, for projects related to the enhancement of infrastructure for long-term, on-going naval operations at the United States Naval Submarine Base-New London that are funded by grants to said Department of the Navy, said Department of Defense or said applicants as provided in subdivision (6) of subsection (b) of this section.

Sec. 12. Subsection (c) of section 32-223 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) No financial assistance shall be given to an eligible applicant and no participation interest in a loan made by the Connecticut Development 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 Development 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

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further application shall be required of such eligible applicant. No financial assistance shall exceed: (1) Except as otherwise provided in subdivisions (2) to [(5)] (6), 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, and (6) in the case of moneys used by the department for the purpose of grants to the United States Department of the Navy, United States Department of Defense or eligible applicants for projects related to the enhancement of infrastructure for long-term, on-going naval operations at the United States Naval Submarine Base-New London, as provided in subdivision (6) of subsection (b) of section 32-235, as amended by this act, one hundred per cent of the total project cost. 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.

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Sec. 13. Section 9-612 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) No individual shall make a contribution or contributions in any one calendar year in excess of five thousand dollars to the state central committee of any party, or for the benefit of such committee pursuant to its authorization or request; or one thousand dollars to a town committee of any political party, or for the benefit of such committee pursuant to its authorization or request; or one thousand dollars to a legislative caucus committee or legislative leadership committee, or seven hundred fifty dollars to any other political committee other than (1) a political committee formed solely to aid or promote the success or defeat of a referendum question, (2) an exploratory committee, (3) a political committee established by an organization, or for the benefit of such committee pursuant to its authorization or request, or (4) a political committee formed by a slate of candidates in a primary for the office of justice of the peace of the same town.

(b) No individual shall make a contribution to a political committee established by an organization which receives its funds from the organization's treasury. With respect to a political committee established by an organization which has complied with the provisions of subsection (b) or (c) of section 9-614, and has elected to receive contributions, no individual other than a member of the organization may make contributions to the committee, in which case the individual may contribute not more than seven hundred fifty dollars in any one calendar year to such committee or for the benefit of such committee pursuant to its authorization or request.

(c) In no event may any individual make contributions to a candidate committee and a political committee formed solely to support one candidate other than an exploratory committee or for the benefit of a candidate committee and a political committee formed solely to support one candidate pursuant to the authorization or

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request of any such committee, in an amount which in the aggregate is in excess of the maximum amount which may be contributed to the candidate.

(d) Any individual may make unlimited contributions or expenditures to aid or promote the success or defeat of any referendum question, provided any individual who makes an expenditure or expenditures in excess of one thousand dollars to promote the success or defeat of any referendum question shall file statements according to the same schedule and in the same manner as is required of a campaign treasurer of a political committee under section 9-608.

(e) (1) Any individual acting alone may, independent of any candidate, agent of the candidate, or committee, make unlimited expenditures to promote the success or defeat of any candidate's campaign for election, or nomination at a primary, to any office or position. Except as provided in subdivision (2) of this subsection, any individual who makes an independent expenditure or expenditures in excess of one thousand dollars to promote the success or defeat of any candidate's campaign for election, or nomination at a primary, to any such office or position shall file statements according to the same schedule and in the same manner as is required of a campaign treasurer of a candidate committee under section 9-608.

(2) Any person who makes or obligates to make an independent expenditure or expenditures, as defined in section 9-601, intended to promote the success or defeat of a candidate for the office of Governor, Lieutenant Governor, Secretary of the State, State Treasurer, State Comptroller, Attorney General, state senator or state representative, which exceeds one thousand dollars, in the aggregate, during a primary campaign or a general election campaign, as defined in section 9-700, on or after January 1, 2008, shall file a report of such independent expenditure to the State Elections Enforcement

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Commission. The report shall be in the same form as statements filed under section 9-608. If the person makes or obligates to make such independent expenditure or expenditures more than twenty days before the day of a primary or election, the person shall file such report not later than forty-eight hours after such payment or obligation. If the person makes or obligates to make such independent expenditure or expenditures twenty days or less before the day of a primary or election, the person shall file such report not later than twenty-four hours after such payment or obligation. The report shall be filed under penalty of false statement.

(3) The independent expenditure report in subdivision (2) of this subsection shall include a statement (A) identifying the candidate for whom the independent expenditure or expenditures is intended to promote the success or defeat, and (B) affirming that the expenditure is not a coordinated expenditure.

(4) Any person may file a complaint with the commission upon the belief that (A) any such independent expenditure report or statement is false, or (B) any person who is required to file an independent expenditure report under subdivision (2) of this subsection has failed to do so. The commission shall make a prompt determination on such a complaint.

(5) (A) If a person fails to file a report required under subdivision (2) of this subsection for an independent expenditure or expenditures made or obligated to be made more than twenty days before the day of a primary or election, the person shall be subject to a civil penalty, imposed by the State Elections Enforcement Commission, of not more than five thousand dollars. If a person fails to file a report required under subdivision (2) of this subsection for an independent expenditure or expenditures made or obligated to be made twenty days or less before the day of a primary or election, the person shall be subject to a civil penalty, imposed by the State Elections Enforcement

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Commission, of not more than ten thousand dollars. (B) If any such failure is knowing and wilful, the person responsible for the failure shall also be fined not more than five thousand dollars or imprisoned not more than five years, or both.

(f) (1) As used in this subsection and subsection (f) of section 9-608, (A) "investment services" means investment legal services, investment banking services, investment advisory services, underwriting services, financial advisory services or brokerage firm services, and (B) "principal of an investment services firm" means (i) an individual who is a director of or has an ownership interest in an investment services firm to which the State Treasurer pays compensation, expenses or fees or issues a contract, except for an individual who owns less than five per cent of the shares of an investment services firm, (ii) an individual who is employed by such an investment services firm as president, treasurer, or executive vice president, (iii) an employee of such an investment services firm who has managerial or discretionary responsibilities with respect to any investment services provided to the State Treasurer, (iv) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (v) a political committee established or controlled by an individual described in this subparagraph.

(2) No principal of an investment services firm shall make a contribution to, or solicit contributions on behalf of, an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State Treasurer during the term of office of the State Treasurer who pays compensation, expenses or fees or issues a contract to such firm. The provisions of this subdivision shall apply only to contributions and the solicitation of contributions that are not prohibited under subdivision (2) of subsection (g) of this section.

(3) Neither the State Treasurer, the Deputy State Treasurer, any

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unclassified employee of the office of the State Treasurer acting on behalf of the State Treasurer or Deputy State Treasurer, any candidate for the office of State Treasurer, any member of the Investment Advisory Council established under section 3-13b nor any agent of any such candidate may knowingly, wilfully or intentionally solicit contributions on behalf of an exploratory committee or candidate committee established by a candidate for nomination or election to any public office, a political committee or a party committee, from a principal of an investment services firm. The provisions of this subdivision shall apply only to contributions and the solicitation of contributions that are not prohibited under subdivision (3) of subsection (g) of this section.

(4) No member of the Investment Advisory Council appointed under section 3-13b shall make a contribution to, or solicit contributions on behalf of, an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State Treasurer.

(5) The provisions of this subsection shall not restrict an individual from establishing an exploratory or candidate committee or from soliciting for and making contributions to a town committee or political committee that the candidate has designated in accordance with subsection (b) of section 9-604, for the financing of the individual's own campaign or from soliciting contributions for such committees from persons not prohibited from making contributions under this subsection.

(g) (1) As used in this subsection and subsections (h) and (i) of this section:

(A) "Quasi-public agency" has the same meaning as provided in section 1-120.

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(B) "State agency" means any office, department, board, council, commission, institution or other agency in the executive or legislative branch of state government.

(C) "State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, [or] a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

(D) "State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

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(E) "Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

(F) "Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has managerial or discretionary responsibilities with respect to a state contract, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual

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described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

(G) "Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax return of such individual.

(H) "Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

(I) "Rendition of services" means the provision of any service to a state agency or quasi-public agency in exchange for a fee, remuneration or compensation of any kind from the state or through an arrangement with the state.

(J) "State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

(2) On and after December 31, 2006:

(A) No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or a state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary

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of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee;

(B) No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or a state contract solicitation with or from the General Assembly or a holder, or principal of a holder, of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of state senator or state representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee;

(C) If a state contractor or principal of a state contractor makes or solicits a contribution prohibited under subparagraph (A) or (B) of this subdivision, as determined by the State Elections Enforcement Commission, the contracting state agency or quasi-public agency may, in the case of a state contract executed on or after February 8, 2007, void the existing contract with said contractor, and no state agency or quasi-public agency shall award the state contractor a state contract or an extension or an amendment to a state contract for one year after the election for which such contribution is made or solicited unless the commission determines that mitigating circumstances exist concerning such violation. No violation of the prohibitions contained in subparagraph (A) or (B) of this subdivision shall be deemed to have occurred if, and only if, the improper contribution is returned to the principal by the later of thirty days after receipt of such contribution by the recipient committee treasurer or the filing date that corresponds with the reporting period in which such contribution was made; and

(D) If a prospective state contractor or principal of a prospective state contractor makes or solicits a contribution prohibited under

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subparagraph (A) or (B) of this subdivision, as determined by the State Elections Enforcement Commission, no state agency or quasi-public agency shall award the prospective state contractor the contract described in the state contract solicitation or any other state contract for one year after the election for which such contribution is made or solicited unless the commission determines that mitigating circumstances exist concerning such violation. The Commissioner of Administrative Services shall notify applicants of the provisions of this subparagraph and subparagraphs (A) and (B) of this subdivision during the prequalification application process.

(E) The State Elections Enforcement Commission shall make available to each state agency and quasi-public agency a written notice advising state contractors and prospective state contractors of the contribution and solicitation prohibitions contained in subparagraphs (A) and (B) of this subdivision. Such notice shall: (i) Direct each state contractor and prospective state contractor to inform each individual described in subparagraph (F) of subdivision (1) of this subsection, with regard to said state contractor or prospective state contractor, about the provisions of subparagraph (A) or (B) of this subdivision, whichever is applicable, and this subparagraph; (ii) inform each state contractor and prospective state contractor of the civil and criminal penalties that could be imposed for violations of such prohibitions if any such contribution is made or solicited; (iii) inform each state contractor and prospective state contractor that, in the case of a state contractor, if any such contribution is made or solicited, the contract may be voided; (iv) inform each state contractor and prospective state contractor that, in the case of a prospective state contractor, if any such contribution is made or solicited, the contract described in the state contract solicitation shall not be awarded, unless the commission determines that mitigating circumstances exist concerning such violation; and (v) inform each state contractor and prospective state contractor that the state will not award any other state contract to

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anyone found in violation of such prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the commission determines that mitigating circumstances exist concerning such violation. Each state agency and quasi-public agency shall distribute such notice to the chief executive officer of its contractors and prospective state contractors, or an authorized signatory to a state contract, and shall obtain a written acknowledgement of the receipt of such notice.

(3) (A) On and after December 31, 2006, neither the Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, any candidate for any such office nor any agent of any such official or candidate shall knowingly, wilfully or intentionally solicit contributions on behalf of an exploratory committee or candidate committee established by a candidate for nomination or election to any public office, a political committee or a party committee, from a person who he or she knows is prohibited from making contributions, including a principal of a state contractor or prospective state contractor with regard to a state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder of a valid prequalification certificate.

(B) On and after December 31, 2006, neither a member of the General Assembly, any candidate for any such office nor any agent of any such official or candidate shall knowingly, wilfully or intentionally solicit contributions on behalf of an exploratory committee or candidate committee established by a candidate for nomination or election to any public office, a political committee or a party committee, from a person who he or she knows is prohibited from making contributions, including a principal of a state contractor or prospective state contractor with regard to a state contract solicitation with or from the General Assembly or a holder of a valid prequalification certificate.

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(4) The provisions of this subsection shall not apply to the campaign of a principal of a state contractor or prospective state contractor or to a principal of a state contractor or prospective state contractor who is an elected public official.

(5) Each state contractor and prospective state contractor shall make reasonable efforts to comply with the provisions of this subsection. If the State Elections Enforcement Commission determines that a state contractor or prospective state contractor has failed to make reasonable efforts to comply with this subsection, the commission may impose civil penalties against such state contractor or prospective state contractor in accordance with subsection (a) of section 9-7b.

(h) (1) Not later than thirty days after February 8, 2007, each state agency and quasi-public agency shall prepare and forward to the State Elections Enforcement Commission, on a form prescribed by said commission, a list of the names of the state contractors and prospective state contractors with which such agency is a party to a contract, and any state contract solicitations or prequalification certificates issued by the agency. Not less than once per month, each state agency and quasi-public agency shall forward to said commission, on a form prescribed by the commission, any changes additions or deletions to said lists, not later than the fifteenth day of the month.

(2) Not later than sixty days after February 8, 2007, the State Elections Enforcement Commission shall (A) compile a master list of state contractors and prospective state contractors for all state agencies and quasi-public agencies, based on the information received under subdivision (1) of this subsection, (B) publish the master list on the commission's Internet web site, and (C) provide copies of the master list to campaign treasurers upon request. The commission shall update the master list every month.

(i) The State Contracting Standards Board shall study subcontracts

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for state contracts and, not later than February 1, 2010, submit proposed legislation for extending the provisions of this subsection to such subcontracts to the joint standing committee of the General Assembly having cognizance of matters relating to elections.

(j) (1) As used in this subsection:

(A) "Quasi-public agency" has the same meaning as provided in section 1-120.

(B) "Unclassified service" has the same meaning as provided in section 5-196.

(2) On and after December 31, 2006:

(A) No executive head of a state agency in the executive branch, executive head of a quasi-public agency, deputy of any such executive head, other full-time official or employee of any such state agency or quasi-public agency who is appointed by the Governor, other full-time official or employee of any such state agency or quasi-public agency who is in the unclassified service, or member of the immediate family of any such person, shall make a contribution or contributions (i) to, or for the benefit of, any candidate's campaign for nomination at a primary or election to the office of Governor or Lieutenant Governor, in excess of one hundred dollars for each such campaign, or (ii) to a political committee established by any such candidate, in excess of one hundred dollars in any calendar year;

(B) No official or employee of the office of the Attorney General, State Comptroller, Secretary of the State or State Treasurer who is in the unclassified service, or member of the immediate family of any such person, shall make a contribution or contributions (i) to, or for the benefit of, any candidate's campaign for nomination at a primary or election to the office in which such official or employee serves, in excess of one hundred dollars for each such campaign, or (ii) to a

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political committee established by any such candidate, in excess of one hundred dollars in any calendar year; and

(C) No member of a caucus staff for a major party in the Senate or House of Representatives, or member of the immediate family of such person, shall make a contribution or contributions (i) to, or for the benefit of, any candidate's campaign for nomination at a primary or election to the office of state senator or state representative, in excess of one hundred dollars for each such campaign, (ii) to a political committee established by any such candidate, in excess of one hundred dollars in any calendar year, or (iii) to a legislative caucus committee or a legislative leadership committee, in excess of one hundred dollars in any calendar year.

Sec. 14. Subsection (a) of section 32-616 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For the purposes described in subsection (b) of this section the State Bond Commission shall have power, from time to time but in no case later than June 30, [2009] 2013, to authorize the issuance of bonds of the state, in one or more series and in principal amounts and in the aggregate not exceeding one hundred fifteen million dollars and such additional amounts as may be required in connection with the costs of issuance of the bonds including bond anticipation, temporary and interim notes, the proceeds of which shall be used by the State Treasurer to pay the costs of issuance, provided in computing the total amount of bonds which may at any one time be outstanding, the principal amount of any refunding bonds issued to refund bonds shall be excluded.

Sec. 15. Subdivision (22) of subsection (d) of section 2c-2b of the general statutes is repealed. (*Effective from passage*)

***Substitute Senate Bill No. 887***

Approved July 9, 2009