



# Senate

General Assembly

**File No. 286**

February Session, 2010

Senate Bill No. 327

*Senate, April 6, 2010*

The Committee on Commerce reported through SEN. LEBEAU of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

## ***AN ACT CONCERNING CONSOLIDATION OF ECONOMIC DEVELOPMENT ENTITIES.***

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

1 Section 1. Section 32-11 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2010*):

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

5 [(1) To utilize the department's resources for planning and  
6 developing an economic and community development reorganization  
7 plan which (A) sets forth policy goals for the department, (B)  
8 determines strategies to encourage economic and community  
9 development and the provision of housing in this state, including  
10 housing for very low, low and moderate income families, (C)  
11 determines the feasibility of dividing the operation of programs and  
12 resources of the state in support of economic and community  
13 development between and among the department and CDA, CHFA

14 and CII, (D) identifies strategies to increase the leverage of resources of  
15 the state used in furtherance of the purposes of CDA, CHFA and CII,  
16 (E) identifies, if feasible, divisions and recommends a timetable and  
17 procedures for transferring resources and operations between and  
18 among the department and CDA, CHFA and CII and (F) recommends  
19 specific economic and community development objectives and  
20 administrative structures for the department and CDA, CHFA and CII.  
21 In developing such plan, the department shall be the lead agency, in  
22 collaboration with CDA, CHFA and CII, for research, planning and  
23 development of the plan and shall solicit community and regional  
24 input in the preparation of such plan in such a manner as will best help  
25 develop, clarify or further state policies for economic and community  
26 development. The commissioner shall submit a copy of the  
27 reorganization plan to the joint standing committees of the General  
28 Assembly having cognizance of matters relating to commerce and  
29 planning and development;

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

33 [(3)] (1) Notwithstanding the provisions of the general statutes or  
34 any special act and with the approval of the Treasurer and the  
35 Secretary of the Office of Policy and Management, to transfer to  
36 [CDA,] CHFA and [CII] the Connecticut Economic Innovations  
37 Authority: (A) Any revenues received by the department or the state in  
38 connection with any business development program or project of the  
39 department and the right to receive any such revenues; and (B) any  
40 loan assets or equity interests held by the department in connection  
41 with any business development program or project of the department;  
42 provided, no such transfer shall be approved by the Treasurer or the  
43 Secretary of the Office of Policy and Management if either determines  
44 that such transfer could adversely affect the tax-exempt status of any  
45 bonds of the state, the substantial interests of third parties, the  
46 financial budget of the state or other essential rights, interests, or  
47 prerogatives of the state. The commissioner may impose such

48 conditions as [he] the commissioner deems necessary or appropriate  
49 with respect to the use by [CDA,] CHFA or [CII] the Connecticut  
50 Economic Innovations Authority of any revenues, rights, assets,  
51 interests or amounts transferred to it by the department under this  
52 subdivision; provided, the commissioner may waive any requirement  
53 under this subdivision for the adoption of written procedures until  
54 July 1, 1996;

55 [(4)] (2) To award to [CDA,] CHFA or [CII] the Connecticut  
56 Economic Innovations Authority financial, technical or other  
57 assistance. Financial assistance awarded by the department to [CDA,]  
58 CHFA or [CII] the Connecticut Economic Innovations Authority may  
59 take any of the following forms, subject to any conditions imposed by  
60 the department: (A) Grants; (B) loans; (C) guarantees; (D) contracts of  
61 insurance; and (E) investments. In addition, to the extent funds or  
62 resources are available to the department for such purposes, the  
63 commissioner may provide such further financial or other assistance to  
64 [CDA,] CHFA and [CII] the Connecticut Economic Innovations  
65 Authority as the commissioner in [his] the commissioner's sole  
66 discretion deems appropriate for any of the purposes of [CDA,] CHFA  
67 and [CII] the Connecticut Economic Innovations Authority  
68 respectively; and

69 [(5)] (3) To enter into such agreements with [CDA,] CHFA and [CII]  
70 the Connecticut Economic Innovations Authority as may be  
71 appropriate for the purpose of performing its duties, which  
72 agreements may include, but shall not be limited to, provisions for the  
73 delivery of services by [CDA,] CHFA and [CII] the Connecticut  
74 Economic Innovations Authority to third parties, provisions for  
75 payment by the department to [CDA,] CHFA or [CII] the Connecticut  
76 Economic Innovations Authority for the delivery of such services,  
77 provisions for advances and reimbursements to the department for  
78 any expenses incurred or to be incurred by it in delivery of any  
79 services, assistance, revenues, rights, assets and interests and  
80 provisions for the sharing with [CDA,] CHFA or [CII] the Connecticut  
81 Economic Innovations Authority of assistants, agents and other

82 consultants, professionals and employees, and facilities and other real  
83 and personal property used in the conduct of the department's affairs,  
84 [; and]

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

91 Sec. 2. (NEW) (*Effective July 1, 2010*) (a) As used in this section and  
92 sections 3 to 10, inclusive, of this act:

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

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

97 (3) "Department" means the Department of Economic and  
98 Community Development.

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

108 (c) The board of directors of the authority shall consist of the  
109 Commissioner of Economic and Community Development, the State  
110 Treasurer and the Secretary of the Office of Policy and Management, or  
111 their respective designees, five members appointed by the Governor  
112 and four members appointed as follows: One by the president pro

113 tempore of the Senate, one by the minority leader of the Senate, one by  
114 the speaker of the House of Representatives and one by the minority  
115 leader of the House of Representatives. Each ex-officio member shall  
116 have full powers to vote, and member may designate a deputy or any  
117 member of the agency staff to represent the member at meetings of the  
118 authority with full powers to act and vote on the member's behalf.  
119 Each member appointed by the Governor shall serve at the pleasure of  
120 the Governor but no longer than the term of office of the Governor or  
121 until the member's successor is appointed and qualified, whichever is  
122 longer. Each member appointed by a member of the General Assembly  
123 shall serve in accordance with the provisions of section 4-1a of the  
124 general statutes. Members shall receive no compensation but shall be  
125 reimbursed for necessary expenses incurred in the performance of  
126 their duties. Any vacancy on the board shall be filled for the unexpired  
127 term by the appointing authority of such member. Any member of the  
128 board may be removed by the Governor for misfeasance, malfeasance  
129 or wilful neglect of duty.

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

144 (e) Notwithstanding any provision of the law, it shall not constitute  
145 a conflict of interest for a trustee, director, partner or officer of any  
146 person, firm or corporation or any individual having a financial

147 interest in a person, firm or corporation to serve as a member of the  
148 board of directors of the authority; provided such trustee, director,  
149 partner or officer of any person, firm or corporation or any individual  
150 having a financial interest in a person, firm or corporation shall file  
151 with the authority a record of his or her capacity with or interest in  
152 such person, firm or corporation and abstain and absent himself or  
153 herself from any deliberation, action and vote by the board in specific  
154 respect to such person, firm or corporation.

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

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

181 3 to 10, inclusive, of this act.

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

186 (i) The powers of the authority shall be vested in and exercised by  
187 not less than seven of the members of the board of directors then in  
188 office. Such number of members shall constitute a quorum and the  
189 affirmative vote of a majority of the members present at a meeting of  
190 the board shall be necessary for any action taken by the authority. No  
191 vacancy in the membership of the board shall impair the right to  
192 exercise all the rights and perform all the duties of the authority. Any  
193 action taken by the board under the provisions of this section and  
194 sections 3 to 10, inclusive, of this act may be authorized by resolution  
195 at any regular or special meeting, and each such resolution shall take  
196 effect immediately and need not be published or posted. The authority  
197 shall be exempt from the provisions of section 4-9a of the general  
198 statutes.

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

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

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

209 Sec. 3. (NEW) (*Effective July 1, 2010*) (a) The purposes of the  
210 Connecticut Economic Innovations Authority shall be:

211 (1) To support the economic, workforce and community

212 development policies, programs, goals and strategies of the state;

213 (2) To discharge the responsibilities of the authority under sections 2  
214 to 10, inclusive, of this act, chapters 578, 579, 581, 584, 588l, 588n, 588r  
215 and 588u of the general statutes, and any other provisions of the  
216 general statutes or any public or special act setting forth or governing  
217 the powers and duties of the authority;

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

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

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

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

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

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

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

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

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

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

246 (3) To (A) employ such assistants, agents and other employees as  
247 may be necessary or desirable, which employees shall be exempt from  
248 the classified service and shall not be employees, as defined in  
249 subsection (b) of section 5-270 of the general statutes; (B) establish all  
250 necessary or appropriate personnel practices and policies, including  
251 those relating to hiring, promotion, compensation, retirement and  
252 collective bargaining, which need not be in accordance with chapter 68  
253 of the general statutes, and the authority shall not be an employer as  
254 defined in subsection (a) of said section 5-270; and (C) engage  
255 consultants, attorneys and appraisers as may be necessary or desirable  
256 to carry out its purposes in accordance with this chapter;

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

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

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

264 (7) To invest in, acquire, lease, purchase, own, manage, hold and  
265 dispose of real property and lease, convey or deal in or enter into  
266 agreements with respect to such property on any terms necessary or  
267 incidental to the carrying out of these purposes; provided, however, all  
268 such acquisitions of real property for the authority's own use with  
269 amounts appropriated by the state to the authority or with the  
270 proceeds of bonds supported by the full faith and credit of the state  
271 shall be subject to the approval of the Secretary of the Office of Policy

272 and Management and the provisions of section 4b-23 of the general  
273 statutes;

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

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

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

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

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

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

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

300 (15) To borrow money or accept gifts, grants or loans of funds,  
301 property or service from any source, public or private, and comply,

302 subject to the provisions of law, with the terms and conditions thereof;

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

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

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

325 (19) (A) To accept from the Department of Economic and  
326 Community Development: (i) Financial assistance, (ii) revenues or the  
327 right to receive or disburse revenues with respect to any business  
328 development program under the supervision of the department, and  
329 (iii) loan assets or equity interests in connection with any business  
330 development program under the supervision of the department; (B) to  
331 make advances to and reimburse the department for any expenses  
332 incurred or to be incurred by it in the delivery of such assistance,  
333 revenues, rights, assets or interests; (C) to enter into agreements for the  
334 delivery of services by the authority, in consultation with the

335 department, or the Connecticut Housing Finance Authority, to third  
336 parties which agreements may include provisions for payment by the  
337 department to the authority for the delivery of such services; and (D)  
338 to enter into agreements with the department or the Connecticut  
339 Housing Finance Authority for the sharing of assistants, agents and  
340 other consultants, professionals and employees, and facilities and  
341 other real and personal property used in the conduct of the affairs of  
342 the Connecticut Economic Innovations Authority;

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

357 (21) To do all acts and things necessary and convenient to carry out  
358 the purposes of sections 2 to 10, inclusive, of this act.

359 Sec. 4. (NEW) (*Effective July 1, 2010*) The exercise of the powers  
360 vested in the Connecticut Economic Innovations Authority, and any  
361 subsidiary of such authority, shall constitute the performance of an  
362 essential governmental function and the authority shall not be  
363 required to pay any taxes or assessments upon or in respect of a  
364 project, or any property or moneys of the authority, levied by the state,  
365 any municipality or political subdivision or special district having  
366 taxing powers of the state.

367 Sec. 5. (NEW) (*Effective July 1, 2010*) (a) (1) The Connecticut

368 Economic Innovations Authority, established pursuant to section 2 of  
369 this act, may form one or more subsidiaries to carry out the public  
370 purposes of the authority and may transfer to any such subsidiary any  
371 moneys and real or personal property of any kind or nature. Any such  
372 subsidiary may be organized as a stock or nonstock corporation or a  
373 limited liability company. Each such subsidiary shall have and may  
374 exercise such powers of the authority as are set forth in the resolution  
375 of the authority prescribing the purposes for which such subsidiary is  
376 formed and such other powers provided to it by law.

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

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

391 (4) Each such subsidiary shall be deemed a quasi-public agency for  
392 purposes of chapter 12 of the general statutes and shall have all the  
393 privileges, immunities, tax exemptions and other exemptions of the  
394 authority, including the privileges, immunities, tax exemptions and  
395 other exemptions provided under the general statutes for special  
396 capital reserve funds. Each such subsidiary shall be subject to suit  
397 provided its liability shall be limited solely to the assets, revenues and  
398 resources of the subsidiary and without recourse to the general funds,  
399 revenues, resources or any other assets of the authority. Each such  
400 subsidiary is authorized to assume or take title to property subject to

401 any existing lien, encumbrance or mortgage and to mortgage, convey  
402 or dispose of its assets and pledge its revenues in order to secure any  
403 borrowing, provided each such borrowing or mortgage shall be a  
404 special obligation of the subsidiary, which obligation may be in the  
405 form of bonds, bond anticipation notes and other obligations to the  
406 extent permitted under sections 2 to 9, inclusive, of this act to fund and  
407 refund the same and provide for the rights of the holders thereof, and  
408 to secure the same by pledge or revenues, notes and other assets and  
409 which shall be payable solely from the assets, revenues and other  
410 resources of the subsidiary. The authority shall have the power to  
411 assign to a subsidiary any rights, moneys or other assets it has under  
412 any governmental program including the nursing home loan program.  
413 No borrowing shall be undertaken by a subsidiary of the authority  
414 without the approval of the authority.

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

428 (2) Each such subsidiary may sue and shall be subject to suit  
429 provided the liability of each such subsidiary shall be limited solely to  
430 the assets, revenues and resources of such subsidiary and without  
431 recourse to the general funds, revenues, resources or any other assets  
432 of the authority or any other subsidiary. No such subsidiary may  
433 provide for any bonded indebtedness of the state for the cost of any  
434 liability or contingent liability for the remediation of contaminated real

435 property unless such indebtedness is specifically authorized by an act  
436 of the General Assembly. Each such subsidiary shall have the power to  
437 do all acts and things necessary or convenient to carry out the  
438 purposes of this subsection, section 12-81r of the general statutes,  
439 subsection (h) of section 22a-133m of the general statutes, subsection  
440 (a) of section 22a-133x of the general statutes, sections 22a-133aa, 22a-  
441 133bb and 22a-133dd of the general statutes, subsection (l) of section  
442 22a-134a of the general statutes, and sections 22a-452f, 32-7e and 32-  
443 23pp to 32-23rr, inclusive, of the general statutes, including, but not  
444 limited to, (A) solicit, receive and accept aid, grants or contributions  
445 from any source of money, property or labor or other things of value,  
446 to be held, used and applied to carry out the purposes of this  
447 subsection, section 12-81r of the general statutes, subsection (h) of  
448 section 22a-133m of the general statutes, subsection (a) of section 22a-  
449 133x of the general statutes, sections 22a-133aa, 22a-133bb and 22a-  
450 133dd of the general statutes, subsection (l) of section 22a-134a of the  
451 general statutes, and sections 22a-452f, 32-7e and 32-23pp to 32-23rr,  
452 inclusive, of the general statutes, subject to the conditions upon which  
453 such grants and contributions may be made, including, but not limited  
454 to, gifts, grants or loans, from any department, agency or quasi-public  
455 agency of the United States or the state; (B) enter into agreements with  
456 persons upon such terms and conditions as are consistent with the  
457 purposes of such subsidiary to acquire or facilitate the remediation,  
458 development or financing of contaminated real or personal property;  
459 (C) to acquire, take title, lease, purchase, own, manage, hold and  
460 dispose of real and personal property and lease, convey or deal in or  
461 enter into agreements with respect to such property; (D) examine,  
462 inspect, rehabilitate, remediate or improve real or personal property or  
463 engage others to do so on such subsidiary's behalf, or enter into  
464 contracts therefor; (E) mortgage, convey or dispose of its assets and  
465 pledge its revenues in order to secure any borrowing, for the purpose  
466 of financing, refinancing, rehabilitating, remediating, improving or  
467 developing its assets, provided each such borrowing or mortgage shall  
468 be a special obligation of such subsidiary, which obligation may be in  
469 the form of notes, bonds, bond anticipation notes and other obligations

470 issued by or to such subsidiary to the extent permitted under sections 2  
471 to 9, inclusive, of this act to fund and refund the same and provide for  
472 the rights of the holders thereof, and to secure the same by pledge of  
473 revenues, notes or other assets and which shall be payable solely from  
474 the assets, revenues and other resources of such subsidiary; (F) to  
475 create real estate investment trusts or similar entities or to become a  
476 member of a limited liability company or to become a partner in  
477 limited or general partnerships or establish other contractual  
478 arrangements with private and public sector entities as such subsidiary  
479 deems necessary to remediate, develop or finance environmentally  
480 contaminated property in the state; and (G) any other powers  
481 necessary or appropriate to carry out the purposes of this subsection,  
482 subsection (h) of section 22a-133m of the general statutes, subsection  
483 (a) of section 22a-133x of the general statutes, sections 22a-133aa, 22a-  
484 133bb and 22a-133dd of the general statutes, subsection (l) of section  
485 22a-134a of the general statutes, and sections 22a-452f, 32-7e and 32-  
486 23pp to 32-23rr, inclusive, of the general statutes. The board of  
487 directors, executive director, officers and staff of the authority may  
488 serve as members of any advisory or other board which may be  
489 established to carry out the purposes of this subsection, subsection (h)  
490 of section 22a-133m of the general statutes, subsection (a) of section  
491 22a-133x of the general statutes, sections 22a-133aa, 22a-133bb and 22a-  
492 133dd of the general statutes, subsection (l) of section 22a-134a of the  
493 general statutes, and sections 22a-452f, 32-7e and 32-23pp to 32-23rr,  
494 inclusive, of the general statutes.

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

500 (d) The provisions of section 1-125 of the general statutes, as  
501 amended by this act, and this subsection shall apply to any officer,  
502 director, designee or employee appointed as a member, director or  
503 officer of any such subsidiary. Any such persons so appointed shall

504 not be personally liable for the debts, obligations or liabilities of any  
505 such subsidiary as provided in said section 1-125. The subsidiary shall,  
506 and the authority may, provide for the indemnification to protect, save  
507 harmless and indemnify such officer, director, designee or employee as  
508 provided by said section 1-125.

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

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

520 Sec. 6. (NEW) (*Effective July 1, 2010*) (a) The board of directors of the  
521 Connecticut Economic Innovations Authority, established pursuant to  
522 section 2 of this act, shall appoint a chief executive officer who shall  
523 not be a member of the board and such other officers as it determines.  
524 Such officers shall be exempt from classified service, serve at the  
525 pleasure of the board and receive such compensation as shall be fixed  
526 by the board.

527 (b) The chief executive officer shall direct and supervise  
528 administrative affairs and technical activities in accordance with the  
529 directives of the board. He or she shall perform such other duties as  
530 may be directed by the board in carrying out the purposes of sections 2  
531 to 10, inclusive, of this act and chapters 578, 579, 581, 584, 588l, 588n,  
532 588r and 588u of the general statutes. The chief executive officer shall  
533 attend all meetings of the board, keep a record of the proceedings of  
534 the board and shall maintain and be custodian of all books, documents  
535 and papers filed with the authority and of the minute book or journal  
536 of the authority and of its official seal. He or she may cause copies to

537 be made of all minutes and other records and documents of the  
538 authority and may give certificates under the official seal of the  
539 authority to the effect that such copies are true copies, and all persons  
540 dealing with the authority may rely upon such certificates.

541       Sec. 7. (NEW) (*Effective July 1, 2010*) (a) Not later than November 1,  
542 2010, and annually thereafter, the Connecticut Economic Innovations  
543 Authority, established pursuant to section 2 of this act, shall submit a  
544 report, in accordance with the provisions of section 11-4a of the general  
545 statutes, to the Governor, the Auditors of Public Accounts and the joint  
546 standing committees of the General Assembly having cognizance of  
547 matters relating to commerce, appropriations and the budgets of state  
548 agencies and finance, revenue and capital bonding, which shall include  
549 the following information with respect to new and outstanding  
550 financial assistance provided by the authority during the twelve-  
551 month period ending on June thirtieth next preceding the date of the  
552 report for each financial assistance program administered by the  
553 authority: (1) A list of the names, addresses and locations of all  
554 recipients of such assistance, (2) for each recipient: (A) The business  
555 activities, (B) the North American Industry, Classification System  
556 codes, (C) the gross revenues during the recipient's most recent fiscal  
557 year, (D) the number of employees at the time of application, (E)  
558 whether the recipient is a minority or woman-owned business, (F) a  
559 summary of the terms and conditions for the assistance, including the  
560 type and amount of state financial assistance, job creation or retention  
561 requirements, and anticipated wage rates, and (G) the amount of  
562 investments from private and other nonstate sources that have been  
563 leveraged by the assistance, (3) the economic benefit criteria used in  
564 determining which applications have been approved or disapproved,  
565 and (4) for each recipient of assistance, a comparison between the  
566 number of jobs to be created, the number of jobs to be retained and the  
567 average wage rates for each such category of jobs, as projected in the  
568 recipient's application, versus the actual number of jobs created, the  
569 actual number of jobs retained and the average wage rates for each  
570 such category. The report shall also indicate the actual number of full-  
571 time jobs and the actual number of part-time jobs in each such category

572 and the benefit levels for each such subcategory. In addition, the report  
573 shall state (i) for each final application approved during the twelve-  
574 month period covered by the report, (I) the date that the final  
575 application was received by the authority, and (II) the date of such  
576 approval; (ii) for each final application withdrawn during the twelve-  
577 month period covered by the report, (I) the municipality in which the  
578 applicant is located, (II) the North American Industry Classification  
579 System code for the applicant, (III) the date that the final application  
580 was received by the authority, and (IV) the date of such withdrawal;  
581 (iii) for each final application disapproved during the twelve-month  
582 period covered by the report, (I) the municipality in which the  
583 applicant is located, (II) the North American Industry Classification  
584 System code for the applicant, (III) the date that the final application  
585 was received by the authority, and (IV) the date of such disapproval;  
586 and (v) for each final application on which no action has been taken by  
587 the applicant or the agency in the twelve-month period covered by the  
588 report and for which no report has been submitted under this  
589 subsection, (I) the municipality in which the applicant is located, (II)  
590 the North American Industry Classification System code for the  
591 applicant, and (III) the date that the final application was received by  
592 the authority. The provisions of this subsection shall not apply to  
593 activities of the authority under the provisions of chapter 581 of the  
594 general statutes which shall continue to be reported on as provided in  
595 section 32-47a of the general statutes, as amended by this act.

596 (b) The November first report shall also include a summary of the  
597 activities of the authority, including all activities to assist small  
598 businesses and minority business enterprises, as defined in section 4a-  
599 60g of the general statutes, a complete operating and financial  
600 statement and recommendations for legislation to promote the  
601 purposes of the authority.

602 Sec. 8. (NEW) (*Effective October 1, 2010*) (a) (1) In accordance with the  
603 provisions of section 4-38d of the general statutes, all powers and  
604 duties of the Connecticut Development Authority under the provisions  
605 of chapter 579 of the general statutes, shall be transferred to the

606 Connecticut Economic Innovations Authority established pursuant to  
607 section 2 of this act. On and after the effective date of this section, the  
608 Connecticut Brownfields Redevelopment Authority, a subsidiary of  
609 the Connecticut Development Authority created pursuant to  
610 subsection (l) of section 32-11a of the general statutes, shall be a  
611 subsidiary of the Connecticut Economic Innovations Authority.

612 (2) All notes, bonds or other obligations issued by the Connecticut  
613 Development Authority for the financing of any project or projects  
614 shall be in accordance with their terms of full force and effect and valid  
615 and binding upon the Connecticut Economic Innovations Authority as  
616 the successor to the Connecticut Development Authority and with  
617 respect to any resolution, contract, deed, trust agreement, mortgage,  
618 conditional sale or loan agreement, commitment, obligation or liability  
619 or other such document, public record, right, remedy, special act or  
620 public act, obligation, liability or responsibility pertaining thereto, the  
621 Connecticut Economic Innovations Authority shall be, and shall be  
622 deemed to be, the successor to the Connecticut Development  
623 Authority. All properties, rights in land, buildings and equipment and  
624 any funds, moneys, revenues and receipts or assets of such authority  
625 pledged or otherwise securing any such notes, bonds or other  
626 obligations shall belong to the Connecticut Economic Innovations  
627 Authority as successor to the Connecticut Development Authority,  
628 subject to such pledges and other security arrangements and to  
629 agreements with the holders of the outstanding notes, bonds or other  
630 obligations. Any resolution with respect to the issuance of bonds of  
631 Connecticut Development Authority for the purposes of sections 2 to 9,  
632 inclusive, of this act and any other action taken by the Connecticut  
633 Economic Innovations Authority with respect to assisting in the  
634 financing of any project shall be, or shall be deemed to be, a resolution  
635 of the Connecticut Economic Innovations Authority or an action taken  
636 by the Connecticut Economic Innovations Authority subject only to  
637 any agreements with the holders of outstanding notes, bonds or other  
638 obligations of the authority.

639 (3) Whenever the term "Connecticut Development Authority" is

640 used or referred to in the general statutes, the term "Connecticut  
641 Economic Innovations Authority" shall be substituted in lieu thereof.

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

646 (b) (1) In accordance with the provisions of section 4-38d of the  
647 general statutes, all powers, duties and personnel of Connecticut  
648 Innovations, Incorporated, under the provisions of chapter 581 of the  
649 general statutes shall be transferred to the Connecticut Economic  
650 Innovations Authority established pursuant to section 2 of this act. All  
651 cash, notes, receivables, liabilities, appropriations, authorizations,  
652 allocations, and all other assets and properties of Connecticut  
653 Innovations, Incorporated, shall be transferred to the Connecticut  
654 Economic Innovations Authority. Such transfer shall not affect the  
655 validity, enforceability or binding nature of any contract or agreement  
656 for financial aid made by Connecticut Innovations, Incorporated,  
657 under the authorization of this act before the effective date of this act.  
658 On and after the effective date of this section, any and all subsidiaries  
659 of the Connecticut Innovations, Incorporated, shall be subsidiaries of  
660 the Connecticut Economic Innovations Authority.

661 (2) All notes, bonds or other obligations issued by Connecticut  
662 Economic Innovations, Incorporated for the financing of any project or  
663 projects shall be in accordance with their terms of full force and effect  
664 and valid and binding upon the Connecticut Economic Innovations  
665 Authority as the successor to Connecticut Innovations, Incorporated  
666 and with respect to any resolution, contract, deed, trust agreement,  
667 mortgage, conditional sale or loan agreement, commitment, obligation  
668 or liability or other such document, public record, right, remedy,  
669 special act or public act, obligation, liability or responsibility  
670 pertaining thereto, the Connecticut Economic Innovations Authority  
671 shall be, and shall be deemed to be, the successor to Connecticut  
672 Innovations, Incorporated. All properties, rights in land, buildings and

673 equipment and any funds, moneys, revenues and receipts or assets of  
674 such commission pledged or otherwise securing any such notes, bonds  
675 or other obligations shall belong to the Connecticut Economic  
676 Innovations Authority as successor to Connecticut Innovations,  
677 Incorporated, subject to such pledges and other security arrangements  
678 and to agreements with the holders of the outstanding notes, bonds or  
679 other obligations. Any resolution with respect to the issuance of bonds  
680 of the Connecticut Economic Innovations Authority for the purposes of  
681 sections 2 to 9, inclusive, of this act and any other action taken by the  
682 Connecticut Economic Innovations Authority with respect to assisting  
683 in the financing of any project shall be, or shall be deemed to be, a  
684 resolution of the Connecticut Economic Innovations Authority or an  
685 action taken by the Connecticut Economic Innovations Authority  
686 subject only to any agreements with the holders of outstanding notes,  
687 bonds or other obligations of the authority.

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

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

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

699 Sec. 9. (NEW) (*Effective July 1, 2010*) (a) During the period from July  
700 1, 2010, to September 30, 2010, the Connecticut Development Authority  
701 and Connecticut Innovations, Incorporated, may enter into any  
702 agreements with the Connecticut Economic Innovations Authority that  
703 are necessary to facilitate the assumption by the Connecticut Economic  
704 Innovations Authority of the responsibilities pursuant to sections 2 to  
705 10, inclusive, of this act.

706 (b) The Connecticut Development Authority and Connecticut  
707 Innovations, Incorporated, shall provide professional and clerical  
708 support, facilities, equipment and supplies to the Connecticut  
709 Economic Innovations Authority during the period from July 1, 2010,  
710 to September 30, 2010, inclusive.

711 Sec. 10. Subsection (l) of section 1-79 of the general statutes is  
712 repealed and the following is substituted in lieu thereof (*Effective July*  
713 *1, 2010*):

714 (l) "Quasi-public agency" means the [Connecticut Development  
715 Authority, Connecticut Innovations, Incorporated] Connecticut  
716 Economic Innovations Authority, or any subsidiary thereof,  
717 Connecticut Health and Education Facilities Authority, Connecticut  
718 Higher Education Supplemental Loan Authority, Connecticut Housing  
719 Finance Authority, Connecticut Housing Authority, Connecticut  
720 Resources Recovery Authority, Lower Fairfield County Convention  
721 Center Authority, Capital City Economic Development Authority and  
722 Connecticut Lottery Corporation.

723 Sec. 11. Section 1-120 of the general statutes is repealed and the  
724 following is substituted in lieu thereof (*Effective July 1, 2010*):

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

726 (1) "Quasi-public agency" means the [Connecticut Development  
727 Authority, Connecticut Innovations, Incorporated] Connecticut  
728 Economic Innovations Authority, Connecticut Health and Educational  
729 Facilities Authority, Connecticut Higher Education Supplemental Loan  
730 Authority, Connecticut Housing Finance Authority, Connecticut  
731 Housing Authority, Connecticut Resources Recovery Authority,  
732 Capital City Economic Development Authority and Connecticut  
733 Lottery Corporation.

734 (2) "Procedure" means each statement, by a quasi-public agency, of  
735 general applicability, without regard to its designation, that  
736 implements, interprets or prescribes law or policy, or describes the

737 organization or procedure of any such agency. The term includes the  
738 amendment or repeal of a prior regulation, but does not include,  
739 unless otherwise provided by any provision of the general statutes, (A)  
740 statements concerning only the internal management of any agency  
741 and not affecting procedures available to the public, and (B) intra-  
742 agency memoranda.

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

746 Sec. 12. Section 1-124 of the general statutes is repealed and the  
747 following is substituted in lieu thereof (*Effective July 1, 2010*):

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

769 (b) To the extent the [Connecticut Development Authority]

770 Connecticut Economic Innovations Authority, Connecticut  
771 Innovations, Incorporated, Connecticut Higher Education  
772 Supplemental Loan Authority, Connecticut Housing Finance  
773 Authority, Connecticut Housing Authority, Connecticut Resources  
774 Recovery Authority, Connecticut Health and Educational Facilities  
775 Authority or the Capital City Economic Development Authority is  
776 permitted by statute and determines to exercise any power to  
777 moderate interest rate fluctuations or enter into any investment or  
778 program of investment or contract respecting interest rates, currency,  
779 cash flow or other similar agreement, including, but not limited to,  
780 interest rate or currency swap agreements, the effect of which is to  
781 subject a capital reserve fund which is in any way contributed to or  
782 guaranteed by the state of Connecticut, to potential liability, such  
783 determination shall not be effective until and unless the State  
784 Treasurer or his or her deputy appointed pursuant to section 3-12 has  
785 approved such agreement or agreements. The approval of the State  
786 Treasurer or his or her deputy shall be based on documentation  
787 provided by the authority that it has sufficient revenues to meet the  
788 financial obligations associated with the agreement or agreements.

789 Sec. 13. Section 1-125 of the general statutes is repealed and the  
790 following is substituted in lieu thereof (*Effective July 1, 2010*):

791 The directors, officers and employees of the [Connecticut  
792 Development Authority, Connecticut Innovations, Incorporated]  
793 Connecticut Economic Innovations Authority, Connecticut Higher  
794 Education Supplemental Loan Authority, Connecticut Housing  
795 Finance Authority, Connecticut Housing Authority, Connecticut  
796 Resources Recovery Authority, including ad hoc members of the  
797 Connecticut Resources Recovery Authority, Connecticut Health and  
798 Educational Facilities Authority, Capital City Economic Development  
799 Authority and Connecticut Lottery Corporation and any person  
800 executing the bonds or notes of the agency shall not be liable  
801 personally on such bonds or notes or be subject to any personal  
802 liability or accountability by reason of the issuance thereof, nor shall  
803 any director or employee of the agency, including ad hoc members of

804 the Connecticut Resources Recovery Authority, be personally liable for  
805 damage or injury, not wanton, reckless, wilful or malicious, caused in  
806 the performance of his or her duties and within the scope of his or her  
807 employment or appointment as such director, officer or employee,  
808 including ad hoc members of the Connecticut Resources Recovery  
809 Authority. The agency shall protect, save harmless and indemnify its  
810 directors, officers or employees, including ad hoc members of the  
811 Connecticut Resources Recovery Authority, from financial loss and  
812 expense, including legal fees and costs, if any, arising out of any claim,  
813 demand, suit or judgment by reason of alleged negligence or alleged  
814 deprivation of any person's civil rights or any other act or omission  
815 resulting in damage or injury, if the director, officer or employee,  
816 including ad hoc members of the Connecticut Resources Recovery  
817 Authority, is found to have been acting in the discharge of his or her  
818 duties or within the scope of his or her employment and such act or  
819 omission is found not to have been wanton, reckless, wilful or  
820 malicious.

821 Sec. 14. Section 3-24d of the general statutes is repealed and the  
822 following is substituted in lieu thereof (*Effective July 1, 2010*):

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

835 Sec. 15. Section 3-24f of the general statutes is repealed and the  
836 following is substituted in lieu thereof (*Effective July 1, 2010*):

837 Participation certificates or securities of the Tax-Exempt Proceeds  
838 Fund issued by the Treasurer under the provisions of sections 3-24a to  
839 3-24h, inclusive, are hereby made legal investments for the Connecticut  
840 Housing Finance Authority, the Connecticut Resources Recovery  
841 Authority, the [Connecticut Development Authority] Connecticut  
842 Economic Innovations Authority, the Connecticut Health and  
843 Educational Facilities Authority, the Connecticut Student Loan  
844 Foundation, all municipalities within the state, and all other  
845 authorities, agencies, instrumentalities and political subdivisions of the  
846 state or of any municipality within the state.

847 Sec. 16. Section 4-124ff of the general statutes is repealed and the  
848 following is substituted in lieu thereof (*Effective July 1, 2010*):

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

857 (b) There is established a Council of Advisors on Strategies for the  
858 Knowledge Economy to promote the formation of university-industry  
859 partnerships, identify benchmarks for technology-based workforce  
860 innovation and competitiveness and advise the award process (1) for  
861 innovation challenge grants to public postsecondary schools and their  
862 business partners, and (2) grants under section 4-124hh. The council  
863 shall be chaired by the director of the Office of Workforce  
864 Competitiveness and shall include the Secretary of the Office of Policy  
865 and Management, the Commissioners of Economic and Community  
866 Development and Higher Education, the Labor Commissioner, the  
867 executive [directors] director of [Connecticut Innovations,  
868 Incorporated and] the [Connecticut Development Authority]  
869 Connecticut Economic Innovations Authority and four representatives

870 from the technology industry, one of whom shall be appointed by the  
871 president pro tempore of the Senate, one of whom shall be appointed  
872 by the speaker of the House of Representatives, one of whom shall be  
873 appointed by the minority leader of the Senate and one of whom shall  
874 be appointed by the minority leader of the House of Representatives.

875 Sec. 17. Section 8-134 of the general statutes is repealed and the  
876 following is substituted in lieu thereof (*Effective July 1, 2010*):

877 For the purpose of carrying out or administering a redevelopment  
878 plan or other functions authorized under this chapter, a municipality,  
879 acting by and through its redevelopment agency, is hereby authorized,  
880 subject only to the limitations and procedures set forth in this section,  
881 to issue from time to time bonds of the municipality which are payable  
882 solely from and secured by: (a) A pledge of and lien upon any or all of  
883 the income, proceeds, revenues and property of redevelopment  
884 projects, including the proceeds of grants, loans, advances or  
885 contributions from the federal government, the state or other source,  
886 including financial assistance furnished by the municipality or any  
887 other public body pursuant to section 8-135; (b) taxes or payments in  
888 lieu of taxes, or both, in whole or in part, allocated to and paid into a  
889 special fund of the municipality pursuant to the provisions of section  
890 8-134a, as amended by this act; or (c) any combination of the methods  
891 in subsections (a) and (b) of this section. For the purposes of a specified  
892 project only, the [Connecticut Development Authority] Connecticut  
893 Economic Innovations Authority may, upon a resolution with respect  
894 to such project adopted by the legislative body of the municipality,  
895 issue and administer bonds which are payable solely or in part from  
896 and secured by the pledge and security provided for in this section  
897 subject to the general terms and provisions of law applicable to the  
898 issuance of bonds by the [Connecticut Development Authority]  
899 Connecticut Economic Innovations Authority, except that the  
900 provisions of subsection (b) of section 32-23j shall not apply. Any  
901 bonds payable and secured as provided in this section shall be  
902 authorized by a resolution adopted by the legislative body of the  
903 municipality, notwithstanding the provisions of any other statute, local

904 law or charter governing the authorization and issuance of bonds  
905 generally by the municipality. No such resolution shall be adopted  
906 until after a public hearing has been held upon such authorization.  
907 Notice of such hearing shall be published not less than five days prior  
908 to such hearing in a newspaper having a general circulation in the  
909 municipality. Such bonds shall be issued and sold in such manner;  
910 bear interest at such rate or rates, including variable rates to be  
911 determined in such manner as set forth in the proceedings authorizing  
912 the issuance of the bonds; provide for the payment of interest on such  
913 dates, whether before or at maturity; be issued at, above or below par;  
914 mature at such time or times not exceeding forty years from their date  
915 in the case of bonds issued to finance housing and facilities related  
916 thereto or thirty years from their date in all other cases; have such rank  
917 or priority; be payable in such medium of payment; be issued in such  
918 form, including, without limitation, registered or book-entry form,  
919 carry such registration and transfer privileges and be made subject to  
920 purchase or redemption before maturity at such price or prices and  
921 under such terms and conditions, including the condition that such  
922 bonds be subject to purchase or redemption on the demand of the  
923 owner thereof; and contain such other terms and particulars as the  
924 legislative body of the municipality or the officers delegated such  
925 authority by the legislative body of the municipality body shall  
926 determine. The proceedings under which bonds are authorized to be  
927 issued may, subject to the provisions of the general statutes, contain  
928 any or all of the following: (1) Provisions respecting custody of the  
929 proceeds from the sale of the bonds and any bond anticipation notes,  
930 including any requirements that such proceeds be held separate from  
931 or not be commingled with other funds of the municipality; (2)  
932 provisions for the investment and reinvestment of bond proceeds until  
933 such proceeds are used to pay project costs and for the disposition of  
934 any excess bond proceeds or investment earnings thereon; (3)  
935 provisions for the execution of reimbursement agreements, or similar  
936 agreements, in connection with credit facilities, including, but not  
937 limited to, letters of credit or policies of bond insurance, remarketing  
938 agreements and agreements for the purpose of moderating interest

939 rate fluctuations; (4) provisions for the collection, custody, investment,  
940 reinvestment and use of the pledged revenues or other receipts, funds  
941 or moneys pledged for payment of bonds as provided in this section;  
942 (5) provisions regarding the establishment and maintenance of  
943 reserves, sinking funds and any other funds and accounts as shall be  
944 approved by the legislative body of the municipality in such amounts  
945 as may be established by the legislative body of the municipality and  
946 the regulation and disposition thereof, including requirements that any  
947 such funds and accounts be held separate from or not be commingled  
948 with other funds of the municipality; (6) covenants for the  
949 establishment of maintenance requirements with respect to facilities  
950 and properties; (7) provisions for the issuance of additional bonds on a  
951 parity with bonds issued prior to the issuance of such additional  
952 bonds, including establishment of coverage requirements with respect  
953 to such bonds as herein provided; (8) provisions regarding the rights  
954 and remedies available to the bond owners, note owners or any trustee  
955 under any contract, loan agreement, document, instrument or trust  
956 indenture in case of a default, including the right to appoint a trustee  
957 to represent their interests upon occurrence of any event of default, as  
958 defined in any such default proceedings, provided that if any bonds or  
959 bond anticipation notes are secured by a trust indenture, the respective  
960 owners of such bonds or notes shall have no authority except as set  
961 forth in such trust indenture to appoint a separate trustee to represent  
962 them; and (9) other provisions or covenants of like or different  
963 character from the foregoing which are consistent with this section and  
964 which the legislative body of the municipality determines in such  
965 proceedings are necessary, convenient or desirable in order to better  
966 secure the bonds or bond anticipation notes, or will tend to make the  
967 bonds or bond anticipation notes more marketable, and which are in  
968 the best interests of the municipality. Any provisions which may be  
969 included in proceedings authorizing the issuance of bonds under this  
970 section may be included in an indenture of trust duly approved in  
971 accordance with this section which secures the bonds and any notes  
972 issued in anticipation thereof, and in such case the provisions of such  
973 indenture shall be deemed to be a part of such proceedings as though

974 they were expressly included therein. Any pledge made by the  
975 municipality shall be valid and binding from the time when the pledge  
976 is made, and any revenues or other receipts, funds or moneys so  
977 pledged and thereafter received by the municipality shall be subject  
978 immediately to the lien of such pledge without any physical delivery  
979 thereof or further act. The lien of any such pledge shall be valid and  
980 binding as against all parties having claims of any kind in tort, contract  
981 or otherwise against the municipality, irrespective of whether such  
982 parties have notice of such lien. Neither the resolution nor any other  
983 instrument by which a pledge is created need be recorded. The  
984 legislative body of the municipality may enter into a trust indenture by  
985 and between the municipality and a corporate trustee, which may be  
986 any trust company or bank having the powers of a trust company  
987 within or without the municipality. Such trust indenture may contain  
988 such provisions for protecting and enforcing the rights and remedies  
989 of the bond owners and note owners as may be reasonable and proper  
990 and not in violation of law, including covenants setting forth the duties  
991 of the municipality in relation to the exercise of its powers pursuant to  
992 this section and the custody, safeguarding and application of all  
993 moneys. The municipality may provide by such trust indenture for the  
994 payment of the pledged revenues or other receipts, funds or moneys to  
995 the trustee under such trust indenture or to any other depository, and  
996 for the method of disbursement thereof, with such safeguards and  
997 restrictions as it may determine. All expenses incurred in carrying out  
998 such trust indenture may be treated as project costs. Such bonds shall  
999 not be included in computing the aggregate indebtedness of the  
1000 municipality, provided, if such bonds are made payable, in whole or in  
1001 part, from funds contracted to be advanced by the municipality, the  
1002 aggregate amount of such funds not yet appropriated to such purpose  
1003 shall be included in computing the aggregate indebtedness of the  
1004 municipality. As used in this section, "bonds" means any bonds,  
1005 including refunding bonds, notes, interim certificates, debentures or  
1006 other obligations. For purposes of this section and section 8-134a, as  
1007 amended by this act, references to the [Connecticut Development  
1008 Authority] Connecticut Economic Innovations Authority shall include

1009 any subsidiary of the [Connecticut Development Authority]  
1010 Connecticut Economic Innovations Authority established pursuant to  
1011 [subsection (l) of section 32-11a] section 2 of this act.

1012 Sec. 18. Section 8-134a of the general statutes is repealed and the  
1013 following is substituted in lieu thereof (*Effective July 1, 2010*):

1014 Any redevelopment plan authorized under this chapter or any  
1015 proceedings authorizing the issuance of bonds under this chapter may  
1016 contain a provision that taxes, if any, identified in such plan or such  
1017 authorizing proceedings and levied upon taxable real or personal  
1018 property, or both, in a redevelopment project each year, or payments  
1019 in lieu of such taxes authorized pursuant to chapter 114, or both, by or  
1020 for the benefit of any one or more municipalities, districts, or other  
1021 public taxing agencies after the effective date of the ordinance  
1022 approving the redevelopment plan or such bond authorizing  
1023 proceedings, as the case may be, shall be divided as follows: (1) In each  
1024 fiscal year that portion of the taxes or payments in lieu of taxes, or  
1025 both, which would be produced by applying the then current tax rate  
1026 of each of the taxing agencies to the total sum of the assessed value of  
1027 the taxable property in the redevelopment project on the effective date  
1028 of such ordinance or the date of such authorizing proceedings, as the  
1029 case may be, or on any date between such two dates which is  
1030 identified in such proceedings, shall be allocated to and when collected  
1031 shall be paid into the funds of the respective taxing agencies in the  
1032 same manner as taxes by or for said taxing agencies on all other  
1033 property are paid; and (2) that portion of the assessed taxes or  
1034 payments in lieu of taxes, or both, each fiscal year in excess of the  
1035 amount referred to in subdivision (1) of this section shall be allocated  
1036 to and when collected shall be paid into a special fund of the  
1037 municipality or the [Connecticut Development Authority] Connecticut  
1038 Economic Innovations Authority as issuer of such bonds to be used in  
1039 each fiscal year, first to pay the principal of and interest due in such  
1040 fiscal year on loans, moneys advanced to, or indebtedness, whether  
1041 funded, refunded, assumed, or otherwise, incurred by such  
1042 municipality or the [Connecticut Development Authority] Connecticut

1043 Economic Innovations Authority as issuer of such bonds to finance or  
1044 refinance in whole or in part, such redevelopment project, and then, at  
1045 the option of the municipality or the [Connecticut Development  
1046 Authority] Connecticut Economic Innovations Authority as issuer of  
1047 such bonds, to purchase bonds issued for the project which has  
1048 generated the increments in taxes or payments in lieu of taxes and  
1049 then, at the option of the municipality or the [Connecticut  
1050 Development Authority] Connecticut Economic Innovations Authority  
1051 as issuer of such bonds, to reimburse the provider of or reimbursement  
1052 party with respect to any guarantee, letter of credit, policy of bond  
1053 insurance, funds deposited in a debt service reserve fund, funds  
1054 deposited as capitalized interest or other credit enhancement device  
1055 used to secure payment of debt service on any bonds, notes or other  
1056 indebtedness of a municipality or the [Connecticut Development  
1057 Authority] Connecticut Economic Innovations Authority as issuer of  
1058 such bonds issued pursuant to section 8-134, as amended by this act, to  
1059 finance or refinance such redevelopment project, to the extent of any  
1060 payments of debt service made therefrom. Unless and until the total  
1061 assessed valuation of the taxable property in a redevelopment project  
1062 exceeds the total assessed value of the taxable property in such project  
1063 as shown by the last assessment list, referred to in subdivision (1) of  
1064 this section, all of the taxes levied and collected and all of the  
1065 payments in lieu of taxes due and collected upon the taxable property  
1066 in such redevelopment project shall be paid into the funds of the  
1067 respective taxing agencies. When such loans, advances, and  
1068 indebtedness, if any, and interest thereon, and such debt service  
1069 reimbursement to the provider of or reimbursement party with respect  
1070 to such credits, have been paid, in full, all moneys thereafter received  
1071 from taxes or payments in lieu of taxes, or both, upon the taxable  
1072 property in such redevelopment project shall be paid into the funds of  
1073 the respective taxing agencies in the same manner as taxes on all other  
1074 property are paid.

1075 Sec. 19. Subsection (w) of section 32-23d of the general statutes is  
1076 repealed and the following is substituted in lieu thereof (*Effective July*  
1077 *1, 2010*):

1078 (w) "Authority" means the [Connecticut Development Authority or  
1079 its successor as established and created under section 32-11a]  
1080 Connecticut Economic Innovations Authority established pursuant to  
1081 section 2 of this act.

1082 Sec. 20. Section 32-23k of the general statutes is repealed and the  
1083 following is substituted in lieu thereof (*Effective July 1, 2010*):

1084 The state of Connecticut does hereby pledge to and agree with the  
1085 holders of any bonds and notes issued under the provisions of the  
1086 authority legislation, as defined in subsection (hh) of section 32-23d,  
1087 and with those parties who may enter into contracts with the  
1088 [Connecticut Development Authority] Connecticut Economic  
1089 Innovations Authority or its successor agency pursuant to the  
1090 provisions of such authority legislation, that the state will not limit or  
1091 alter the rights hereby vested in the authority until such obligations,  
1092 together with the interest thereon, are fully met and discharged and  
1093 such contracts are fully performed on the part of the authority,  
1094 provided nothing contained herein shall preclude such limitation or  
1095 alteration if and when adequate provision shall be made by law for the  
1096 protection of the holders of such bonds and notes of the authority or  
1097 those entering into such contracts with the authority. The authority is  
1098 authorized to include this pledge and undertaking for the state in such  
1099 bonds and notes or contracts.

1100 Sec. 21. Section 32-23q of the general statutes is repealed and the  
1101 following is substituted in lieu thereof (*Effective July 1, 2010*):

1102 The provisions of sections 37-4 and 37-6 shall not apply to any bond,  
1103 note or other obligation issued by the [Connecticut Development  
1104 Authority] Connecticut Economic Innovations Authority, or any loan,  
1105 lease, sale agreement, note or other obligation evidencing a financial  
1106 obligation to the authority.

1107 Sec. 22. Section 32-23r of the general statutes is repealed and the  
1108 following is substituted in lieu thereof (*Effective July 1, 2010*):

1109 The [Connecticut Development Authority] Connecticut Economic  
1110 Innovations Authority shall require in all instances that a borrower or  
1111 mortgagee shall enter into an agreement with the authority to give  
1112 preference in employment to persons as set forth herein:

1113 (1) Where the funds involved are to be used for the purchase, lease  
1114 or alteration of an existing facility which has been inoperative and the  
1115 borrower or mortgagee intends to make, assemble or produce products  
1116 and or services comparable to those previously made, assembled, or  
1117 produced at such facility, preference shall be given to those previously  
1118 employed at such facility within the twelve-month period immediately  
1119 preceding its closing in the order of their total length of employment at  
1120 the closed facility, provided that they can perform the work required  
1121 by the borrower or mortgagee at such existing facility;

1122 (2) Where the funds involved are to be used for the purchase, lease  
1123 or alteration of an existing facility which has been inoperative and the  
1124 borrower or mortgagee intends to make, assemble or produce products  
1125 different from those previously made, assembled or produced at the  
1126 facility, preference in employment and training shall be given to those  
1127 previously employed at such facility within the twelve-month period  
1128 immediately preceding its closing in the order of their total length of  
1129 employment at the closed facility, provided such training shall not  
1130 exceed twelve weeks; and

1131 (3) Where the borrower or mortgagee is not the operating or  
1132 producing entity at the facility being financed, the borrower or  
1133 mortgagee shall be required to enter into an irrevocable agreement  
1134 with the operating or producing entity containing the above  
1135 requirements and proof of such agreement shall be provided to the  
1136 authority before approval of any funds or insurance.

1137 Sec. 23. Section 32-23t of the general statutes is repealed and the  
1138 following is substituted in lieu thereof (*Effective July 1, 2010*):

1139 It is hereby found and declared as a matter of legislative  
1140 determination that there is a continuing need for stimulation and

1141 encouragement of the growth and development of the state economy  
1142 through the provision of two comprehensive loan programs and the  
1143 establishment of a locally administered business outreach center  
1144 challenge grant program which address the economic needs of a wide  
1145 variety of business enterprises located throughout the state, including,  
1146 but not limited to, development corporations, small contractors, small  
1147 manufacturers, small business investment companies, employee  
1148 groups, small water companies, small exporters, businesses affected by  
1149 emergencies or disasters, small farmers, small retailers or service firms,  
1150 high risk small businesses, start-up businesses, businesses located in  
1151 various regions of the state, and other businesses that may be unable to  
1152 obtain adequate financing from conventional sources. It is further  
1153 found and declared that consolidating many of the separate loan  
1154 programs currently administered by the Department of Economic and  
1155 Community Development into two revolving loan funds to be  
1156 administered by the [Connecticut Development Authority]  
1157 Connecticut Economic Innovations Authority will enhance such  
1158 programs for all borrowers, permit better targeting of state assistance  
1159 to firms important to the economic base of the state, improve  
1160 marketing, accounting and administration, alleviate certain  
1161 administrative and technical problems created by changes in federal  
1162 tax law, permit more effective use of existing resources and better  
1163 enable the state to protect itself from losses through the establishment  
1164 of a loan loss reserve and an improved loan work-out capability. It is  
1165 further found and declared that major changes in the financial markets  
1166 have altered the availability of capital to small and medium firms in  
1167 the state, that assistance to high risk small and start-up businesses is  
1168 important to the state economy and that such loan consolidation will  
1169 better enable the [Connecticut Development Authority] Connecticut  
1170 Economic Innovations Authority to leverage state assistance through  
1171 active participation of private sector investments in small businesses.

1172 Sec. 24. Subdivision (3) of subsection (a) of section 32-23v of the  
1173 general statutes is repealed and the following is substituted in lieu  
1174 thereof (*Effective July 1, 2010*):

1175 (3) "Authority" means the [Connecticut Development Authority  
1176 established under section 32-11a] Connecticut Economic Innovations  
1177 Authority established pursuant to section 2 of this act or its successor.

1178 Sec. 25. Subsection (a) of section 32-23x of the general statutes is  
1179 repealed and the following is substituted in lieu thereof (*Effective July*  
1180 *1, 2010*):

1181 (a) As used in this section:

1182 (1) "Affiliate" means a business concern which directly controls or is  
1183 controlled by another business concern, or a third party which controls  
1184 both business concerns;

1185 (2) "Authority" means the [Connecticut Development Authority  
1186 established under section 32-11a] Connecticut Economic Innovations  
1187 Authority established pursuant to section 2 of this act or its successor;

1188 (3) "Department" means the Department of Economic and  
1189 Community Development or its successor agency;

1190 (4) "Enterprise zone" has the same meaning as provided in section  
1191 32-70;

1192 (5) "Impacted business" means any person impacted by (A) a  
1193 disaster caused by natural forces including, but not limited to, floods  
1194 or hurricanes or (B) an economic emergency including, but not limited  
1195 to, an existing or threatened major plant shutdown, business  
1196 disruption from a major road or bridge repair project or other existing  
1197 or potential economic emergency, provided such disaster or  
1198 emergency described in subparagraph (A) or (B) of this subdivision is  
1199 proclaimed as such by declaration of the Commissioner of Economic  
1200 and Community Development, with the consent of the Secretary of the  
1201 Office of Policy and Management, upon a determination by the  
1202 Commissioner of Economic and Community Development that such  
1203 disaster or emergency is of a magnitude that could materially affect the  
1204 health or well-being of the citizens of the impacted area and that the  
1205 financial assistance provided for under this section is necessary to

1206 assure timely and effective relief and restoration;

1207 (6) "Loans" means loans and extensions of lines of credit;

1208 (7) "Minority business enterprise" means any person who meets the  
1209 criteria contained in section 4a-60g and who is receiving a state  
1210 contract award;

1211 (8) "Person" means any person or entity, including affiliates,  
1212 engaged in a for-profit activity or activities in this state and who,  
1213 except for an impacted business, is not an eligible borrower for  
1214 assistance under the provisions of the Connecticut Growth Fund  
1215 established under section 32-23v, as amended by this act;

1216 (9) "Rate of interest" means the interest rate which the authority  
1217 shall charge and collect on each loan made by the state under this  
1218 section, which rate shall not exceed one per cent above the interest rate  
1219 borne by the general obligation bonds of the state last issued prior to  
1220 the date such loan is made, provided, such rate shall not exceed the  
1221 maximum allowable under federal law;

1222 (10) "Small contractor" means any person who is a contractor,  
1223 subcontractor, manufacturer or service company who has been in  
1224 business for at least one year prior to the date of its application for  
1225 assistance under this section and whose gross revenues, including  
1226 revenues of affiliates, did not exceed three million dollars in its most  
1227 recently completed fiscal year prior to the date of its application for  
1228 assistance under this section;

1229 (11) "State or local development corporation" means any entity  
1230 organized under the laws of this state which has the authority to  
1231 promote and assist the growth and development of business concerns  
1232 in the areas covered by their operations;

1233 (12) "Targeted business" means a person located in an enterprise  
1234 zone whose gross revenues did not exceed three million dollars in its  
1235 most recently completed fiscal year prior to the date of its application  
1236 for assistance under this section, or if such person has not been in

1237 business for at least one year prior to the date of such application, if  
1238 the authority determines in its discretion that such person's gross  
1239 revenues, including revenues of affiliates, are not likely to exceed three  
1240 million dollars in its first fiscal year;

1241 (13) "Water facilities" means (A) investor-owned water companies  
1242 which supply water to at least twenty-five but less than ten thousand  
1243 customers, (B) municipally-owned water companies, and (C) owners  
1244 of privately and municipally-owned dams which the Commissioner of  
1245 Environmental Protection has determined benefit the public.

1246 Sec. 26. Section 32-23z of the general statutes is repealed and the  
1247 following is substituted in lieu thereof (*Effective July 1, 2010*):

1248 (a) A Business Environmental Clean-Up Revolving Loan Fund is  
1249 created. The state, acting through the [Connecticut Development  
1250 Authority] Connecticut Economic Innovations Authority, may provide  
1251 loans or lines of credit from the Business Environmental Clean-Up  
1252 Revolving Loan Fund (1) to businesses for the purposes of the  
1253 containment and removal or mitigation of the discharge, spillage,  
1254 uncontrolled loss, seepage or filtration of oil or petroleum or chemical  
1255 liquids or solid, liquid or gaseous products or hazardous wastes, and  
1256 (2) to businesses which convert gas and diesel-powered motor vehicles  
1257 to vehicles powered by either gas or diesel fuel and a clean-burning  
1258 alternative fuel, including but not limited to, compressed natural gas  
1259 or electricity. Loans or lines of credit under subdivision (2) shall be for  
1260 working or development capital. For the purposes of this section,  
1261 "business" means any business which (A) if applying for assistance  
1262 under subdivision (1), has been in business for at least one year prior  
1263 to the date of application for its loan or line of credit or, if applying for  
1264 assistance under subdivision (2), has been in business for at least two  
1265 years prior to such application date, (B) has gross revenues, including  
1266 revenues of affiliates, less than three million dollars in the most recent  
1267 fiscal year before the date of the application or has less than one  
1268 hundred fifty employees and, if applying for assistance under  
1269 subdivision (2), derived at least seventy-five per cent of its gross

1270 revenues in such year from motor vehicle fuel conversion activities, (C)  
1271 if applying for assistance under subdivision (1), has been doing  
1272 business and has maintained its principal office and place of business  
1273 in the state for a period of at least one year prior to the date of its  
1274 application for assistance under this section or, if applying for  
1275 assistance under subdivision (2), has been doing business and has  
1276 maintained such office and business in the state for a period of at least  
1277 two years prior to such application date, and (D) demonstrates, to the  
1278 satisfaction of the authority and in its sole discretion, that it is unable  
1279 to obtain financing from conventional sources on reasonable terms or  
1280 in reasonable amounts. The [Connecticut Development Authority]  
1281 Connecticut Economic Innovations Authority shall charge and collect  
1282 interest on each such loan or line of credit at a rate to be determined in  
1283 accordance with regulations adopted pursuant to subsection (b) of this  
1284 section. The total amount of such loans or lines of credit provided to  
1285 any single business in any period of twelve consecutive months shall  
1286 not exceed two hundred thousand dollars. Payments made by  
1287 businesses on all loans and lines of credit paid to the Treasurer for  
1288 deposit in the Business Environmental Clean-Up Revolving Loan Fund  
1289 shall be credited to such fund.

1290 (b) The authority shall take any reasonable action it deems  
1291 appropriate to moderate losses on loans and lines of credit made under  
1292 this section, including, but not limited to, development and  
1293 implementation of written procedures, in accordance with section 1-  
1294 121, and a strategy to manage the assets of the fund and any losses  
1295 incurred.

1296 (c) The [Connecticut Development Authority] Connecticut  
1297 Economic Innovations Authority shall establish loan procedures,  
1298 interest, repayment terms, security requirements, default and remedy  
1299 provisions and such other terms and conditions as the authority shall  
1300 deem appropriate.

1301 (d) Each such loan or extension of credit shall be authorized by the  
1302 [Connecticut Development Authority] Connecticut Economic

1303 Innovations Authority or, if the authority so determines, by a  
1304 committee of the authority consisting of the chairman and either one  
1305 other member of the authority or its executive director, as specified in  
1306 the determination of the authority. Any administrative expenses  
1307 incurred in carrying out the provisions of this section, to the extent not  
1308 paid by the authority, shall be paid from the Business Environmental  
1309 Clean-Up Revolving Loan Fund. Payments from the Business  
1310 Environmental Clean-Up Revolving Loan Fund to businesses or to pay  
1311 such administrative expenses shall be made by the Treasurer upon  
1312 certification by the executive director of the authority that the payment  
1313 is authorized under the provisions of this section, under the applicable  
1314 rules and regulations of the authority, and, if made to a business,  
1315 under the terms and conditions established by the authority or the  
1316 duly appointed committee thereof in authorizing the making of the  
1317 loan or the extension of credit.

1318 Sec. 27. Section 32-23aa of the general statutes is repealed and the  
1319 following is substituted in lieu thereof (*Effective July 1, 2010*):

1320 The [Connecticut Development Authority] Connecticut Economic  
1321 Innovations Authority shall not approve any application for financial  
1322 assistance for any project unless such project complies with all state  
1323 laws and regulations adopted thereunder.

1324 Sec. 28. Section 32-23hh of the general statutes is repealed and the  
1325 following is substituted in lieu thereof (*Effective July 1, 2010*):

1326 As used in sections 32-23gg to 32-23ll, inclusive:

1327 (1) "Authority" means the [Connecticut Development Authority,  
1328 created under section 32-11a] Connecticut Economic Innovations  
1329 Authority established pursuant to section 2 of this act;

1330 (2) "Executive director" means the executive director of the  
1331 [Connecticut Development Authority] Connecticut Economic  
1332 Innovations Authority;

1333 (3) "Financial assistance" means any and all forms of loans,

1334 extensions of credit, guarantees, equity investments or any other form  
1335 of financing or refinancing to persons for the purchase, acquisition,  
1336 construction, expansion, continued operation, reconstruction,  
1337 financing, refinancing or placing in operation of an economic  
1338 development project, including, but not limited to, fixed assets,  
1339 working capital, equity participations and acquisitions, employee  
1340 buyouts, refinancing, financial restructuring, and other purposes  
1341 which the authority determines further the purposes of sections 32-  
1342 23gg to 32-23ll, inclusive;

1343 (4) "Economic development project" means any project (A) which is  
1344 to be used or occupied by any person for manufacturing, industrial,  
1345 research or product warehousing or distribution purposes, or any  
1346 combination thereof, and which the authority determines will tend to  
1347 maintain or provide gainful employment, maintain or increase the tax  
1348 base of the economy, or maintain, expand or diversify industry in the  
1349 state, or for any other purpose which the authority determines will  
1350 materially support the economic base of the state, by creating or  
1351 retaining jobs, promoting the export of products or services beyond  
1352 state boundaries, encouraging innovation in products or services, or  
1353 otherwise contributing to, supporting or enhancing existing activities  
1354 that are important to the economic base of the state, and (B) which is  
1355 unable to obtain conventional financing in satisfactory amounts or on  
1356 satisfactory terms in the sole judgment of the authority, or whose  
1357 ability, in the judgment of the authority, to start, continue to operate,  
1358 expand, or maintain operations or relocate to Connecticut, is  
1359 dependent upon financial assistance;

1360 (5) "Person" means a person as defined in subsection (s) of section  
1361 32-23d; and

1362 (6) "Return on investment" means any and all forms of principal or  
1363 interest payments, insurance premiums or guarantee fees, equity  
1364 participations, options, warrants, debentures and any or all other  
1365 forms of remuneration to the authority in return for any financial  
1366 assistance provided or offered.

1367 Sec. 29. Section 32-23qq of the general statutes is repealed and the  
1368 following is substituted in lieu thereof (*Effective July 1, 2010*):

1369 (a) An Environmental Assistance Revolving Loan Fund is created.  
1370 The state, acting through the [Connecticut Development Authority]  
1371 Connecticut Economic Innovations Authority, or any subsidiary of the  
1372 authority may provide grants, loans, lines of credit or loan guarantees  
1373 to municipalities or businesses from the Environmental Assistance  
1374 Revolving Loan Fund for the purposes of pollution prevention  
1375 activities, as defined in section 32-23rr, for purchases and the costs  
1376 associated with compliance with the Clean Air Act Amendments of  
1377 1990 (42 USC 7401, et seq.), as amended, or for remediation of  
1378 contaminated real property. Within the Environmental Assistance  
1379 Revolving Loan Fund, a loan subfund is created solely to provide loans  
1380 and lines of credit as provided in this section, a guarantee subfund is  
1381 created solely to provide loan guarantees as provided in this section  
1382 and a grant subfund is created solely to provide grants as provided  
1383 under this section. No financial assistance, nor any commitment to  
1384 provide financial assistance, shall be provided by or entered into by  
1385 the authority or any subsidiary of the authority pursuant to sections  
1386 32-23pp to 32-23ss, inclusive, as amended by this act, which would  
1387 cause the aggregate amount of all such financial assistance and  
1388 commitments then outstanding to exceed the sum of the amounts in  
1389 the applicable subfund of the Environmental Assistance Revolving  
1390 Loan Fund plus the amount of any unpaid grants authorized to be  
1391 made by the Department of Economic and Community Development  
1392 to the authority or any subsidiary of the authority for deposit in the  
1393 applicable subfund of the Environmental Assistance Revolving Loan  
1394 Fund, provided the amount of financial assistance in the form of any  
1395 guarantee shall be measured by the portion of unpaid loan principal  
1396 which is guaranteed by the authority. Notwithstanding the above, the  
1397 aggregate amount of financial assistance in the form of guarantees and  
1398 commitments with respect thereto, calculated as above, may be up to  
1399 four times the sum of the amounts available in the guarantee subfund  
1400 of the Environmental Assistance Revolving Loan Fund plus the  
1401 amount of any unpaid grants which remain available and are

1402 specifically designated by the department for purposes of such  
1403 subfund pursuant to the bond authorization in section 32-23ss, as  
1404 amended by this act. For the purposes of this section, "business" means  
1405 any business which (1) has gross revenues of less than twenty-five  
1406 million dollars in its fiscal year ending prior to the application for any  
1407 such loans, lines of credit or loan guarantees, or (2) has fewer than one  
1408 hundred fifty employees. The [Connecticut Development Authority]  
1409 Connecticut Economic Innovations Authority or any subsidiary of the  
1410 authority shall charge and collect interest on each such loan or line of  
1411 credit at a rate to be determined in accordance with procedures  
1412 adopted pursuant to subsection (b) of this section. Payments made by  
1413 businesses on all loans, lines of credit and loan guarantees shall be  
1414 paid to the authority or any subsidiary of the authority for deposit in  
1415 the Environmental Assistance Revolving Loan Fund.

1416 (b) The [Connecticut Development Authority] Connecticut  
1417 Economic Innovations Authority and any subsidiary of the authority  
1418 shall adopt written procedures, in accordance with the provisions of  
1419 section 1-121, to carry out the provisions of this section. Such  
1420 procedures shall establish requirements for grants, loans, guarantees,  
1421 interest, repayment terms, security requirements, default and remedies  
1422 and such other terms and conditions as the authority or any subsidiary  
1423 of the authority shall deem appropriate.

1424 (c) Each such grant, loan, guarantee or extension of credit shall be  
1425 authorized by the [Connecticut Development Authority] Connecticut  
1426 Economic Innovations Authority or any subsidiary of the authority or,  
1427 if the authority or any subsidiary of the authority so determines, by a  
1428 committee of the authority or any subsidiary of the authority  
1429 consisting of the chairman and either one other member of the  
1430 authority or subsidiary or its executive director, as specified in the  
1431 determination of the authority or subsidiary. Any administrative  
1432 expenses incurred in carrying out the provisions of this section, to the  
1433 extent not paid by the authority or any subsidiary of the authority or  
1434 from moneys appropriated to the authority or any subsidiary of the  
1435 authority, shall be paid from the Environmental Assistance Revolving

1436 Loan Fund. Payments from the Environmental Assistance Revolving  
1437 Loan Fund to businesses or municipalities or to pay such  
1438 administrative expenses shall be made by the authority or any  
1439 subsidiary of the authority upon certification by the chairman of the  
1440 authority or such subsidiary that the payment is authorized under the  
1441 provisions of this section, under the applicable rules and regulations of  
1442 the authority or subsidiary, and, if made to a business or municipality  
1443 under the terms and conditions established by the authority or  
1444 subsidiary or the duly appointed committee thereof in authorizing the  
1445 making of the grant, loan or the extension of credit.

1446 Sec. 30. Section 32-23ss of the general statutes is repealed and the  
1447 following is substituted in lieu thereof (*Effective July 1, 2010*):

1448 (a) For the purposes described in subsection (b) of this section, the  
1449 State Bond Commission shall have the power, from time to time to  
1450 authorize the issuance of bonds of the state in one or more series and  
1451 in principal amounts not exceeding in the aggregate two million  
1452 dollars.

1453 (b) The proceeds of the sale of said bonds, to the extent of the  
1454 amount stated in subsection (a) of this section, shall be used by the  
1455 Department of Economic and Community Development to make  
1456 grants to the [Connecticut Development Authority] Connecticut  
1457 Economic Innovations Authority for deposit in the Environmental  
1458 Assistance Revolving Loan Fund to be used for the purpose of sections  
1459 32-23pp to 32-23rr, inclusive, and this section. The terms and  
1460 conditions of said grants shall be governed in accordance with a grant  
1461 contract between the department and the authority.

1462 (c) All provisions of section 3-20, or the exercise of any right or  
1463 power granted thereby which are not inconsistent with the provisions  
1464 of this section are hereby adopted and shall apply to all bonds  
1465 authorized by the State Bond Commission pursuant to this section, and  
1466 temporary notes in anticipation of the money to be derived from the  
1467 sale of any such bonds so authorized may be issued in accordance with  
1468 said section 3-20 and from time to time renewed. Such bonds shall

1469 mature at such time or times not exceeding twenty years from their  
1470 respective dates as may be provided in or pursuant to the resolution or  
1471 resolutions of the State Bond Commission authorizing such bonds.  
1472 None of said bonds shall be authorized except upon a finding by the  
1473 State Bond Commission that there has been filed with it a request for  
1474 such authorization, which is signed by or on behalf of the Secretary of  
1475 the Office of Policy and Management and states such terms and  
1476 conditions as said commission, in its discretion, may require. Said  
1477 bonds issued pursuant to this section shall be general obligations of the  
1478 state and the full faith and credit of the state of Connecticut are  
1479 pledged for the payment of the principal of and interest on said bonds  
1480 as the same become due, and accordingly and as part of the contract of  
1481 the state with the holders of said bonds, appropriation of all amounts  
1482 necessary for punctual payment of such principal and interest is  
1483 hereby made, and the Treasurer shall pay such principal and interest  
1484 as the same become due.

1485 Sec. 31. Section 32-23tt of the general statutes is repealed and the  
1486 following is substituted in lieu thereof (*Effective July 1, 2010*):

1487 As used in section 32-23ll, this section, and sections 32-23uu,  
1488 32-23vv and 32-235:

1489 (1) "Authority" means the [Connecticut Development Authority]  
1490 Connecticut Economic Innovations Authority established [under the  
1491 provisions of this chapter] pursuant to section 2 of this act;

1492 (2) "Educational upgrades" means (A) programs designed to  
1493 increase the basic skills of workers and production workers including,  
1494 but not limited to training, in written and oral communication,  
1495 mathematics or science, or (B) training in innovative production  
1496 methods and workplace oriented computer technical skills;

1497 (3) "Financial assistance" means grants, loans, loan guarantees or  
1498 interest rate subsidies or any combination thereof;

1499 (4) "Manufacturing or economic base business" means a business

1500 defined under subsection (l) of section 32-222, as amended by this act;

1501 (5) "Production worker" means an employee of a manufacturer  
1502 whose principal duties are located within the state, and consist of the  
1503 assembly or construction of the manufacturer's product or a portion  
1504 thereof; and

1505 (6) "Worker" means an employee of a manufacturing or economic-  
1506 based business whose principal duties are located within the state.

1507 Sec. 32. Section 32-23yy of the general statutes is repealed and the  
1508 following is substituted in lieu thereof (*Effective July 1, 2010*):

1509 (a) As used in this section, the following terms shall have the  
1510 following meanings unless the context indicates another meaning and  
1511 intent:

1512 (1) "Authority" means the [Connecticut Development Authority,  
1513 created under section 32-11a] Connecticut Economic Innovations  
1514 Authority established pursuant to section 2 of this act, and any of its  
1515 subsidiaries or affiliates;

1516 (2) "Executive Director" means the executive director of the  
1517 [Connecticut Development Authority] Connecticut Economic  
1518 Innovations Authority;

1519 (3) "Financial assistance" means any and all forms of grants, loans,  
1520 extensions of credit, guarantees, equity investments or other forms of  
1521 financing or refinancing to persons for the purchase, acquisition,  
1522 leasing, construction, expansion, continued operation, reconstruction,  
1523 financing, refinancing or placing in operation of an information  
1524 technology project, including, but not limited to, fixed assets, working  
1525 capital, equity participations and acquisitions, employee buyouts,  
1526 refinancing, lease guarantees, financial restructuring and other  
1527 purposes which the authority determines further the purposes of this  
1528 section. For purposes of this section financial assistance shall not be  
1529 considered financial assistance under the provisions of section 32-462,  
1530 as amended by this act;

1531 (4) "Information technology project" means an information  
1532 technology project, as defined in section 32-23d, as amended by this  
1533 act;

1534 (5) "Person" means a person, as defined in subsection (s) of section  
1535 32-23d;

1536 (6) "Return on investment" means any and all forms of principal or  
1537 interest payments, guarantee fees, equity participations, options,  
1538 warrants, debentures and any or all other forms of remuneration to the  
1539 authority in return for any financial assistance provided or offered.

1540 (b) There is created within the authority the High-Technology  
1541 Infrastructure Fund. The state, acting through the authority, may  
1542 provide financial assistance from said fund that enables the  
1543 development of information technology projects. Such financial  
1544 assistance may be provided directly or in participation with any other  
1545 financial institutions, funds or other persons or other sources of  
1546 financing, public or private, and the authority may enter into any  
1547 agreements or contracts it deems necessary or convenient in  
1548 connection therewith. Payments of principal, interest or other forms of  
1549 return on investment received by the authority shall be deposited in or  
1550 held on behalf of said fund.

1551 (c) The authority may provide financial assistance in such amounts,  
1552 in such form and under such terms and conditions as the authority  
1553 shall prescribe, in written procedures adopted in accordance with  
1554 section 1-121. Such procedures shall provide, in the case of financial  
1555 assistance in a form other than a grant, for returns on investment as the  
1556 authority deems appropriate to reflect the nature of the risk, provided  
1557 a single project shall not receive an amount in excess of fifteen million  
1558 dollars and shall not be for a term longer than thirty years.

1559 (d) The authority may take all reasonable steps and exercise all  
1560 reasonable remedies necessary or desirable to protect the obligations  
1561 or interests of the authority, including, but not limited to, the purchase  
1562 or redemption in foreclosure proceedings, bankruptcy proceedings or

1563 in other judicial proceedings, of any property on which it holds a  
1564 mortgage or other lien or in which it has an interest, and for such  
1565 purposes and any other purposes provided in this section payment  
1566 may be made from the High-Technology Infrastructure Fund upon  
1567 certification by the executive director that payment is authorized  
1568 under the provisions of this section, or other sections of the general  
1569 statutes, applicable procedures or other programs of the authority.

1570 (e) Applicants for financial assistance shall pay the costs the  
1571 authority deems reasonable and necessary incurred in processing  
1572 applications made under this section, including application and  
1573 commitment fees, closing costs or other costs. In carrying out the  
1574 provisions of this section, any administrative expenses incurred by the  
1575 authority, to the extent not paid by the borrower or from moneys  
1576 appropriated to the authority for such purposes, may be paid from the  
1577 High-Technology Infrastructure Fund.

1578 Sec. 33. Section 32-23zz of the 2010 supplement to the general  
1579 statutes is repealed and the following is substituted in lieu thereof  
1580 (*Effective July 1, 2010*):

1581 (a) For the purpose of assisting (1) any information technology  
1582 project, as defined in subsection (ee) of section 32-23d, which is located  
1583 in an eligible municipality, as defined in subdivision (12) of subsection  
1584 (a) of section 32-9t, or (2) any remediation project, as defined in  
1585 subsection (ii) of section 32-23d, the [Connecticut Development  
1586 Authority] Connecticut Economic Innovations Authority may, upon a  
1587 resolution of the legislative body of a municipality, issue and  
1588 administer bonds which are payable solely or in part from and secured  
1589 by: (A) A pledge of and lien upon any and all of the income, proceeds,  
1590 revenues and property of such a project, including the proceeds of  
1591 grants, loans, advances or contributions from the federal government,  
1592 the state or any other source, including financial assistance furnished  
1593 by the municipality or any other public body, (B) taxes or payments or  
1594 grants in lieu of taxes allocated to and payable into a special fund of  
1595 the [Connecticut Development Authority] Connecticut Economic

1596 Innovations Authority pursuant to the provisions of subsection (b) of  
1597 this section, or (C) any combination of the foregoing. Any such bonds  
1598 of the [Connecticut Development Authority] Connecticut Economic  
1599 Innovations Authority shall mature at such time or times not  
1600 exceeding thirty years from their date of issuance and shall be subject  
1601 to the general terms and provisions of law applicable to the issuance of  
1602 bonds by the [Connecticut Development Authority] Connecticut  
1603 Economic Innovations Authority, except that such bonds shall be  
1604 issued without a special capital reserve fund as provided in subsection  
1605 (b) of section 32-23j and, for purposes of section 32-23f, only the  
1606 approval of the board of directors of the authority shall be required for  
1607 the issuance and sale of such bonds. Any pledge made by the  
1608 municipality or the [Connecticut Development Authority] Connecticut  
1609 Economic Innovations Authority for bonds issued as provided in this  
1610 section shall be valid and binding from the time when the pledge is  
1611 made, and revenues and other receipts, funds or moneys so pledged  
1612 and thereafter received by the municipality or the [Connecticut  
1613 Development Authority] Connecticut Economic Innovations Authority  
1614 shall be subject to the lien of such pledge without any physical  
1615 delivery thereof or further act. The lien of such pledge shall be valid  
1616 and binding against all parties having claims of any kind in tort,  
1617 contract or otherwise against the municipality or the [Connecticut  
1618 Development Authority] Connecticut Economic Innovations  
1619 Authority, even if the parties have no notice of such lien. Recording of  
1620 the resolution or any other instrument by which such a pledge is  
1621 created shall not be required. In connection with any such assignment  
1622 of taxes or payments in lieu of taxes, the [Connecticut Development  
1623 Authority] Connecticut Economic Innovations Authority may, if the  
1624 resolution so provides, exercise the rights provided for in section 12-  
1625 195h of an assignee for consideration of any lien filed to secure the  
1626 payment of such taxes or payments in lieu of taxes. All expenses  
1627 incurred in providing such assistance may be treated as project costs.

1628 (b) Any proceedings authorizing the issuance of bonds under this  
1629 section may contain a provision that taxes or a specified portion  
1630 thereof, if any, identified in such authorizing proceedings and levied

1631 upon taxable real or personal property, or both, in a project each year,  
1632 or payments or grants in lieu of such taxes or a specified portion  
1633 thereof, by or for the benefit of any one or more municipalities,  
1634 districts or other public taxing agencies, as the case may be, shall be  
1635 divided as follows: (1) In each fiscal year that portion of the taxes or  
1636 payments or grants in lieu of taxes which would be produced by  
1637 applying the then current tax rate of each of the taxing agencies to the  
1638 total sum of the assessed value of the taxable property in the project on  
1639 the date of such authorizing proceedings, adjusted in the case of grants  
1640 in lieu of taxes to reflect the applicable statutory rate of  
1641 reimbursement, shall be allocated to and when collected shall be paid  
1642 into the funds of the respective taxing agencies in the same manner as  
1643 taxes by or for said taxing agencies on all other property are paid; and  
1644 (2) that portion of the assessed taxes or the payments or grants in lieu  
1645 of taxes, or both, each fiscal year in excess of the amount referred to in  
1646 subdivision (1) of this subsection shall be allocated to and when  
1647 collected shall be paid into a special fund of the [Connecticut  
1648 Development Authority] Connecticut Economic Innovations Authority  
1649 to be used in each fiscal year, in the discretion of the [Connecticut  
1650 Development Authority] Connecticut Economic Innovations  
1651 Authority, to pay the principal of and interest due in such fiscal year  
1652 on bonds issued by the [Connecticut Development Authority]  
1653 Connecticut Economic Innovations Authority to finance, refinance or  
1654 otherwise assist such project, to purchase bonds issued for such  
1655 project, or to reimburse the provider of or reimbursement party with  
1656 respect to any guarantee, letter of credit, policy of bond insurance,  
1657 funds deposited in a debt service reserve fund, funds deposited as  
1658 capitalized interest or other credit enhancement device used to secure  
1659 payment of debt service on any bonds issued by the [Connecticut  
1660 Development Authority] Connecticut Economic Innovations Authority  
1661 to finance, refinance or otherwise assist such project, to the extent of  
1662 any payments of debt service made therefrom. Unless and until the  
1663 total assessed valuation of the taxable property in a project exceeds the  
1664 total assessed value of the taxable property in such project as shown by  
1665 the last assessment list referred to in subdivision (1) of this subsection,

1666 all of the taxes levied and collected and all of the payments or grants in  
1667 lieu of taxes due and collected upon the taxable property in such  
1668 project shall be paid into the funds of the respective taxing agencies.  
1669 When such bonds and interest thereof, and such debt service  
1670 reimbursement to the provider of or reimbursement party with respect  
1671 to such credit enhancement, have been paid in full, all moneys  
1672 thereafter received from taxes or payments or grants in lieu of taxes  
1673 upon the taxable property in such development project shall be paid  
1674 into the funds of the respective taxing agencies in the same manner as  
1675 taxes on all other property are paid. The total amount of bonds issued  
1676 pursuant to this section which are payable from grants in lieu of taxes  
1677 payable by the state shall not exceed an amount of bonds, the debt  
1678 service on which in any state fiscal year is, in total, equal to one million  
1679 dollars.

1680 (c) The authority may make grants or provide loans or other forms  
1681 of financial assistance from the proceeds of special or general  
1682 obligation notes or bonds of the authority issued without the security  
1683 of a special capital reserve fund within the meaning of subsection (b)  
1684 of section 32-23j, which bonds are payable from and secured by, in  
1685 whole or in part, the pledge and security provided for in section 8-134,  
1686 as amended by this act, 8-192, as amended by this act, 32-227, as  
1687 amended by this act, or this section, all on such terms and conditions,  
1688 including such agreements with the municipality and the developer of  
1689 the project, as the authority determines to be appropriate in the  
1690 circumstances, provided any such project in an area designated as an  
1691 enterprise zone pursuant to section 32-70 receiving such financial  
1692 assistance shall be ineligible for any fixed assessment pursuant to  
1693 section 32-71, and the authority, as a condition of such grant, loan or  
1694 other financial assistance, may require the waiver, in whole or in part,  
1695 of any property tax exemption with respect to such project otherwise  
1696 available under subsection (59) or (60) of section 12-81.

1697 (d) As used in this section, "bonds" means any bonds, including  
1698 refunding bonds, notes, temporary notes, interim certificates,  
1699 debentures or other obligations; "legislative body" has the meaning

1700 provided in subsection (w) of section 32-222, as amended by this act;  
1701 and "municipality" means a town, city, consolidated town or city or  
1702 consolidated town and borough.

1703 (e) For purposes of this section, references to the [Connecticut  
1704 Development Authority] Connecticut Economic Innovations Authority  
1705 shall include any subsidiary of the [Connecticut Development  
1706 Authority] Connecticut Economic Innovations Authority established  
1707 pursuant to subsection (l) of section 32-11a, and a municipality may act  
1708 by and through its implementing agency, as defined in subsection (k)  
1709 of section 32-222, as amended by this act.

1710 (f) No commitments for new projects shall be approved by the  
1711 authority under this section on or after July 1, 2012.

1712 (g) In the case of a remediation project, as defined in subsection (ii)  
1713 of section 32-23d, that involves buildings that are vacant, underutilized  
1714 or in deteriorating condition and as to which municipal real property  
1715 taxes are delinquent, in whole or in part, for more than one fiscal year,  
1716 the amount determined in accordance with subdivision (1) of  
1717 subsection (b) of this section may, if the resolution of the municipality  
1718 so provides, be established at an amount less than the amount so  
1719 determined, but not less than the amount of municipal property taxes  
1720 actually paid during the most recently completed fiscal year. If the  
1721 [Connecticut Development Authority] Connecticut Economic  
1722 Innovations Authority issues bonds for the remediation project, the  
1723 amount established in the resolution shall be used for all purposes of  
1724 subsection (a) of this section.

1725 Sec. 34. Section 32-34 of the general statutes is repealed and the  
1726 following is substituted in lieu thereof (*Effective July 1, 2010*):

1727 As used in this chapter, the following terms shall have the following  
1728 meanings unless the context clearly indicates another meaning and  
1729 intent:

1730 (1) ["Corporation" means Connecticut Innovations, Incorporated as

1731 created under section 32-35] "Authority" means the Connecticut  
1732 Economic Innovations Authority established pursuant to section 2 of  
1733 this act;

1734 (2) "Entrepreneur" means any person who seeks to organize, operate  
1735 and assume the risk for a business enterprise, or who organizes,  
1736 operates and assumes the risk for a business enterprise;

1737 [(3) "Finance committee" means a committee or subcommittee  
1738 organized by the corporation and having the authority to approve or  
1739 deny applications for financial aid and to enter into agreements on  
1740 behalf of the corporation to provide financial aid;]

1741 [(4)] (3) "Financial aid" means the infusion of capital to persons, in  
1742 any form whatsoever, including, but not limited to, grants, loans,  
1743 equity, leases, guarantees, royalty arrangements, other risk capital and  
1744 other types of financial assistance;

1745 [(5)] (4) "Incubator facilities" means a building, structure or complex  
1746 designed, constructed, renovated or developed to house and provide  
1747 research and other services to assist small technology-based  
1748 companies;

1749 [(6)] (5) "Invention" means any new product without regard to  
1750 whether a patent has been or could be granted;

1751 [(7)] (6) "Person" means any individual, general or limited  
1752 partnership, corporation, limited liability company, institution of  
1753 higher education, governmental entity or joint venture conducting  
1754 research into ideas with commercial potential or carrying on business,  
1755 or proposing to carry on business, within the state which (A) in the  
1756 case of an individual, general or limited partnership, corporation,  
1757 limited liability company or joint venture, demonstrates to the  
1758 corporation the inability (i) to obtain conventional financing in  
1759 satisfactory amounts or on satisfactory terms, or (ii) to locate or  
1760 continue operations in the state without assistance as provided in this  
1761 chapter, and (B) demonstrates to the corporation that any project for

1762 research into or the development of specific technologies, products,  
1763 devices, techniques or procedures or the marketing of services based  
1764 on the use of such technologies, products, devices, techniques or  
1765 procedures for which assistance under this chapter, is sought, (i) will  
1766 create new or retain existing jobs in the state, (ii) will result in an  
1767 increase in the amount of goods or services exported from the state,  
1768 (iii) will help to strengthen the economy of the state, or (iv) will  
1769 promote the development and utilization of technology in the state;

1770 [(8)] (7) "Product" means any technology, device, technique, service  
1771 or process, which is or may be exploitable commercially; such term  
1772 shall not refer to pure research but shall be construed to apply to such  
1773 technologies, products, devices, techniques, services or processes  
1774 which have advanced beyond the theoretic stage and are readily  
1775 capable of being, or have been, reduced to practice;

1776 [(9)] (8) "Research" means the scientific and engineering analysis,  
1777 investigation, collection of ideas and inquiry into concepts, processes  
1778 and techniques, the purpose of which is intended to result in a  
1779 commercially feasible product, process or technique;

1780 [(10)] (9) "Seed venture" means a business or other entity in the early  
1781 stage of development;

1782 [(11)] (10) "Technical peer review committee" means a committee,  
1783 subcommittee or other entity organized by the corporation to provide  
1784 advice and counsel concerning the technological, marketing and  
1785 management feasibility of projects in connection with each application  
1786 for financial and technical assistance;

1787 [(12)] (11) "Technology" means the conversion of basic scientific  
1788 research into processes, techniques and products which may have  
1789 commercial potential;

1790 [(13)] (12) "Advanced technology center" means a cooperative  
1791 research center in a specified field of science and technology  
1792 established and funded, subject to the requirements in sections 32-40a,

1793 as amended by this act, 32-40b, as amended by this act, and 32-40c, as  
1794 amended by this act, through an academic, industrial and  
1795 governmental partnership for purposes of technological research with  
1796 a direct relationship to economic development in the state;

1797 [(14)] (13) "Venture" means, without limitation, any contractual  
1798 arrangement with any person whereby the corporation obtains rights  
1799 from or in an invention or product or proceeds therefrom, or rights to  
1800 obtain from any person any and all forms of equity instruments  
1801 including, but not limited to, common and preferred stock, warrants,  
1802 options, convertible debentures and similar types of instruments  
1803 exercisable or convertible into capital stock, in exchange for the  
1804 granting of financial aid to such person;

1805 [(15)] (14) "Venture lease" means a lease by the corporation to a  
1806 technology company of any real or personal property, on such terms,  
1807 including lease payments, lease term and purchase options, as the  
1808 corporation shall determine;

1809 [(16)] (15) "Affiliate" means any person that directly or indirectly  
1810 through one or more intermediaries, controls or is controlled by or is  
1811 under common control with, another person, including, but not  
1812 limited to, any corporation, general or limited partnership or limited  
1813 liability company controlled, directly or indirectly, by such other  
1814 person or the corporation, provided, in addition to other means of  
1815 being controlled, a general or limited partnership or limited liability  
1816 company shall be deemed to be controlled by the corporation if the  
1817 corporation or one of its affiliates acts as a general partner or a  
1818 manager of such general or limited partnership or limited liability  
1819 company;

1820 [(17)] (16) "Capital initiative" means providing financial aid through  
1821 one or more affiliates and raising the capital for such affiliates, in  
1822 whole or in part, from sources other than the state;

1823 [(18)] (17) "Preseed financing" means financial aid provided for  
1824 research and formulation of a concept;

1825 [(19)] (18) "Seed financing" means financial aid to an inventor or  
1826 entrepreneur to assess the viability of a concept and to qualify for start-  
1827 up financing to fund, including, but not limited to, product  
1828 development, market research, management team building and,  
1829 pending successful progress on such initial steps, business plan  
1830 development;

1831 [(20)] (19) "Start-up financing" means financial aid to companies in  
1832 the process of organizing as a business or that have been in operation  
1833 for less than one year and (A) have completed product development  
1834 and initial marketing but have not sold such product commercially,  
1835 and (B) have established viability by performing market studies,  
1836 assembling key management, developing a business plan and may also  
1837 qualify for start-up financing by demonstrating viability by other  
1838 means deemed appropriate by the corporation;

1839 [(21)] (20) "Early or first-stage financing" means financial aid to  
1840 companies that have expended initial capital, developed and market-  
1841 tested prototypes, and demonstrate that such funds are necessary to  
1842 initiate full-scale manufacturing and sales;

1843 [(22)] (21) "Expansion financing" means financial aid to companies  
1844 for market expansion or to enhance the fiscal position of a company in  
1845 preceding a liquidity event including, but not limited to, an initial  
1846 public offering or acquisition.

1847 Sec. 35. Section 32-39c of the general statutes is repealed and the  
1848 following is substituted in lieu thereof (*Effective July 1, 2010*):

1849 (a) With respect to any affiliate created pursuant to section [32-39] 4  
1850 of this act, liability shall be limited solely to the assets and revenues or  
1851 other resources of any such affiliate and without recourse liability to  
1852 [Connecticut Innovations, Incorporated] the Connecticut Economic  
1853 Innovations Authority, its other funds or any other assets of the  
1854 [corporation] authority, except to the extent of any express written  
1855 guarantees by the [corporation] authority or any investments made or  
1856 committed to by the [corporation] authority.

1857 (b) The provisions of sections 32-47, as amended by this act, and 1-  
1858 125, as amended by this act, shall apply to any officer, director,  
1859 designee or employee serving at the request of the [corporation]  
1860 authority as a member, director or officer or advisor of any such  
1861 affiliate. Any such person so appointed shall not be personally liable  
1862 for the debts, obligations or liabilities of any such affiliate as provided  
1863 in said section 1-125. Any affiliate shall and the [corporation] authority  
1864 may provide the indemnification to protect, save harmless and  
1865 indemnify such officer, director, designee or employee as provided in  
1866 said section 1-125.

1867 Sec. 36. Section 32-39d of the general statutes is repealed and the  
1868 following is substituted in lieu thereof (*Effective July 1, 2010*):

1869 Guarantees issued by [Connecticut Innovations, Incorporated,] the  
1870 Connecticut Economic Innovations Authority and all equity  
1871 instruments and obligations, any of which include a guarantee of a  
1872 return of capital or principal by the [corporation] authority, under the  
1873 provisions of this chapter, are hereby made securities in which all  
1874 public officers and public bodies of the state and its political  
1875 subdivisions, all insurance companies, state banks and trust  
1876 companies, national banking associations, savings banks, savings and  
1877 loan associations, investment companies, executors, administrators,  
1878 trustees and other fiduciaries may properly and legally invest funds,  
1879 including capital in their control or belonging to them. Such  
1880 instruments and obligations are hereby made securities which may  
1881 properly and legally be deposited with and received by any state or  
1882 municipal officer or any agency or political subdivision of the state for  
1883 any purpose for which the deposit of bonds or obligations of the state  
1884 is now or may hereafter be authorized by law.

1885 Sec. 37. Section 32-39e of the general statutes is repealed and the  
1886 following is substituted in lieu thereof (*Effective July 1, 2010*):

1887 (a) If, in the exercise of its powers under section 32-39, [Connecticut  
1888 Innovations, Incorporated] the Connecticut Economic Innovations  
1889 Authority finds that the use of a certain technology, product or process

1890 would promote public health and safety, environmental protection or  
1891 economic development and such technology, product or process was  
1892 developed by a business domiciled in this state to which the  
1893 [corporation] authority has provided financial assistance or in which  
1894 the corporation has invested, the [corporation] authority, upon  
1895 application of such business, may recommend to the Secretary of the  
1896 Office of Policy and Management that an agency of the state be  
1897 directed to test such technology, product or process by employing it in  
1898 the operations of such agency on a trial basis. The purpose of such test  
1899 program shall be to validate the commercial viability of such  
1900 technology, product or process provided no business in which  
1901 [Connecticut Innovations, Incorporated] the Connecticut Economic  
1902 Innovations Authority has invested shall be required to participate in  
1903 such program. No such recommendation may be made unless such  
1904 business has submitted a viable business plan for manufacturing and  
1905 marketing such technology, product or process and such business (1)  
1906 will manufacture or produce such technology, product or process in  
1907 this state, (2) demonstrates that the usage of such technology, product  
1908 or process by the state agency will not adversely affect safety, (3)  
1909 demonstrates that sufficient research and development has occurred to  
1910 warrant participation in the test program, and (4) demonstrates that  
1911 the technology, product or process has potential for commercialization  
1912 not later than two years following the completion of any test program  
1913 involving a state agency under this section.

1914 (b) If the Secretary of the Office of Policy and Management finds  
1915 that employing such technology, product or process would be feasible  
1916 in the operations of a state agency and would not have any detrimental  
1917 effect on such operations, said secretary, notwithstanding the  
1918 requirement of chapter 58, may direct an agency of the state to accept  
1919 delivery of such technology, product or process and to undertake such  
1920 a test program. Any costs associated with the acquisition and use of  
1921 such technology, product or process by the testing agency shall be  
1922 borne by [Connecticut Innovations, Incorporated] the Connecticut  
1923 Economic Innovations Authority, the business or by any investor or  
1924 participant in such business. The acquisition of any technology,

1925 product or process for purposes of the test program established  
1926 pursuant to this section shall not be deemed to be a purchase under the  
1927 provisions of the state procurement policy. The testing agency, on  
1928 behalf of [Connecticut Innovations, Incorporated] the Connecticut  
1929 Economic Innovations Authority shall maintain records related to such  
1930 test program, as requested by [Connecticut Innovations, Incorporated]  
1931 the Connecticut Economic Innovations Authority and shall make such  
1932 records and any other information derived from such test program  
1933 available to [Connecticut Innovations, Incorporated] the Connecticut  
1934 Economic Innovations Authority and the business. Any proprietary  
1935 information derived from such test program shall be exempt from the  
1936 provisions of subsection (a) of section 1-210.

1937 (c) The Secretary of the Office of Policy and Management and  
1938 [Connecticut Innovations, Incorporated] the Connecticut Economic  
1939 Innovations Authority may develop a program to recognize state  
1940 agencies that help to promote public health and safety, environmental  
1941 protection or economic development by participating in a testing  
1942 program under this section. Such program may include the creation of  
1943 a fund established with savings accrued by the testing agency during  
1944 its participation in the testing program established under this section.  
1945 Such fund shall only be used to implement the program of recognition  
1946 established by the Secretary of the Office of Policy and Management  
1947 and [Connecticut Innovations, Incorporated,] the Connecticut  
1948 Economic Innovations Authority under the provisions of this  
1949 subsection.

1950 Sec. 38. Section 32-40 of the general statutes is repealed and the  
1951 following is substituted in lieu thereof (*Effective July 1, 2010*):

1952 (a) All applications for financial aid shall be forwarded, together  
1953 with an application fee prescribed by the [corporation] Connecticut  
1954 Economic Innovations Authority, to the executive director of the  
1955 [corporation] authority. Each such application shall be processed in  
1956 accordance with the written procedures adopted by the [corporation]  
1957 authority under subdivision (5) of subsection (d) of section 32-35. The

1958 [finance committee] board of directors of the [corporation] authority  
1959 shall approve or deny each application recommended by the chief  
1960 executive [director] officer. If the [finance committee] board of  
1961 directors approves an application, [such committee] it may authorize  
1962 the [corporation] authority to enter into an agreement or agreements  
1963 on behalf of the [corporation] authority to provide financial aid to the  
1964 applicant. The applicant shall be promptly notified of such action by  
1965 the [corporation] authority.

1966 (b) In making the decision as to approval or denial of an application,  
1967 the [finance committee] board of directors of the [corporation]  
1968 authority shall give priority to those applicants (1) whose businesses  
1969 are defense-dependent, or are located in municipalities which the  
1970 Commissioner of Economic and Community Development has  
1971 declared have been severely impacted by prime defense contract  
1972 cutbacks pursuant to section 32-56, and (2) whose proposed research  
1973 and development activity, technology, product or invention is to be  
1974 used to convert all or a portion of the applicant's business to non-  
1975 defense-related industrial or commercial activity, or to create a new  
1976 non-defense-related industrial or commercial business. For purposes of  
1977 this section, a defense-dependent business is any business that derives  
1978 [over] more than fifty per cent of its gross income, generated from  
1979 operations within the state, from prime defense contracts or from  
1980 subcontracts entered into in connection with prime defense contracts, a  
1981 significant portion of whose facilities and equipment are designed  
1982 specifically for defense production and cannot be converted to  
1983 nondefense uses without substantial investment.

1984 (c) All financial and credit information and all trade secrets  
1985 contained in any application for financial aid submitted to the  
1986 [corporation] authority or obtained by the [corporation] authority  
1987 concerning any applicant, project, activity, technology, product or  
1988 invention shall be exempt from the provisions of subsection (a) of  
1989 section 1-210.

1990 Sec. 39. Section 32-40a of the general statutes is repealed and the

1991 following is substituted in lieu thereof (*Effective July 1, 2010*):

1992 Any advanced technology center, as defined in section 32-34, as  
1993 amended by this act, shall be established for purposes of conducting  
1994 research characterized by reasonable prospects of stimulating  
1995 development of new business and industry utilizing such advanced  
1996 technology and augmenting the application of advanced technology  
1997 by existing business and industry in the state. [Connecticut  
1998 Innovations, Incorporated] The Connecticut Economic Innovations  
1999 Authority, hereinafter referred to as "the [corporation] authority" shall  
2000 require any applicant for state funding with respect to a proposed  
2001 advanced technology center to submit a complete description of the  
2002 organization of such center, plans for research and proposed funding  
2003 from sources other than the state of Connecticut, subject to the  
2004 provisions of section 32-40c, as amended by this act, including, but not  
2005 limited to, the following:

2006 (1) The specific technological research to be undertaken and the  
2007 proposed business and industry involvement in the development and  
2008 application of such research;

2009 (2) A detailed description of the organization of such center for  
2010 administrative and research purposes, including (A) name and  
2011 qualifications of the person to serve as director of the center, and (B) a  
2012 proposed advisory board for such center which shall include members  
2013 from the academic institution involved and private business;

2014 (3) Proposed arrangements with the [corporation] authority,  
2015 concerning financial benefits to the state of Connecticut as a result of  
2016 patents, royalty payments or similar rights developing from research  
2017 at such center; and

2018 (4) Details concerning the organization and content of an annual  
2019 report to be submitted to the [corporation] authority by such center  
2020 reviewing the progress of research, with the understanding that  
2021 funding shall be contingent upon satisfactory performance  
2022 evaluations.

2023 Sec. 40. Section 32-40b of the general statutes is repealed and the  
2024 following is substituted in lieu thereof (*Effective July 1, 2010*):

2025 In approving the application of an advanced technology center, as  
2026 defined in section 32-34, as amended by this act, for state funding,  
2027 [Connecticut Innovations, Incorporated,] the Connecticut Economic  
2028 Innovations Authority shall assess scientific, economic, management  
2029 and financial factors, including, but not limited to, the following:

2030 (1) The likelihood that the research proposal will result in  
2031 fundamental technological advances transferable to commercial  
2032 application and the means that the center proposes to make these  
2033 transfers;

2034 (2) The potential of the research proposal to stimulate technological  
2035 advances in existing businesses, new business creation and long-term  
2036 job growth in Connecticut;

2037 (3) Evidence of significant financial commitment by academic and  
2038 industrial participants and the likelihood that the center will become  
2039 self-sufficient by the end of the state's financial commitment period;

2040 (4) Evidence that the state will receive a financial return  
2041 commensurate with its investment in the center;

2042 (5) The level of representation by all financial participants in the  
2043 center's proposed management structure;

2044 (6) The planned involvement of small businesses and academic  
2045 institutions in the center's activities;

2046 (7) The center's plan to involve minority students and minority-  
2047 owned businesses in its activities; and

2048 (8) The adequacy of the center's proposed mechanisms for  
2049 evaluating its progress.

2050 Sec. 41. Section 32-40c of the general statutes is repealed and the  
2051 following is substituted in lieu thereof (*Effective July 1, 2010*):

2052 Funds from the state of Connecticut for purposes of any advanced  
2053 technology center, as defined in section 32-34, as amended by this act,  
2054 shall not be allotted for such purpose unless documentation,  
2055 satisfactory to the Secretary of the Office of Policy and Management,  
2056 has been submitted to [Connecticut Innovations, Incorporated,] the  
2057 Connecticut Economic Innovations Authority certifying that such  
2058 funds are accepted in accordance with a plan of proposed funding for  
2059 such advanced technology center during a period of five years,  
2060 commencing with the year of the initial state grant for such purpose.  
2061 Such proposed funding shall include, in addition to the proposed  
2062 amounts from the state of Connecticut, funds from other sources in an  
2063 amount not less than the total proposed funds from the state during  
2064 such five-year period.

2065 Sec. 42. Section 32-41a of the general statutes is repealed and the  
2066 following is substituted in lieu thereof (*Effective July 1, 2010*):

2067 (a) There is hereby created a "Connecticut Innovations [,  
2068 Incorporated] Fund". Proceeds from the sale of bonds authorized by  
2069 the State Bond Commission in accordance with [section] sections 32-41  
2070 and [section] 32-41b, as amended by this act, shall be paid directly to  
2071 the Treasurer of the state as agent of the [corporation] Connecticut  
2072 Economic Innovations Authority and the Treasurer shall deposit all  
2073 such amounts in the Connecticut Innovations [, Incorporated] Fund.  
2074 The moneys in said fund shall be paid by checks signed by the  
2075 Treasurer of the state or by his deputy appointed pursuant to section 3-  
2076 12 on requisition of the [executive director of the corporation] the chief  
2077 executive officer of the authority or his designee.

2078 (b) Any funds or revenues of [Connecticut Innovations,  
2079 Incorporated] the authority derived from application fees, royalty  
2080 payments, investment income and loan repayments received by the  
2081 [corporation] authority in connection with its programs shall be held,  
2082 administered and invested by the [corporation] authority or deposited  
2083 with and invested by any institution as may be designated by the  
2084 [corporation] authority at its sole discretion and paid as the

2085 [corporation] authority shall direct. All moneys in such accounts shall  
2086 be used and applied to carry out the purposes of the [corporation]  
2087 authority. The [corporation] authority may make payments from such  
2088 accounts to the Treasurer of the state for deposit in the Connecticut  
2089 Innovations [, Incorporated] Fund for use in accordance with  
2090 subsection (c) of this section.

2091 (c) The moneys in the Connecticut Innovations [, Incorporated]  
2092 Fund (1) shall be used to carry out the purposes of the [corporation]  
2093 authority and for the repayment of state bonds in such amounts as  
2094 may be required by the State Bond Commission pursuant to said  
2095 section 32-41 and section 32-41b, as amended by this act, and (2) may  
2096 be used as state matching funds for federal funds available to the state  
2097 for defense conversion projects or other projects consistent with a  
2098 defense conversion strategy.

2099 Sec. 43. Section 32-41b of the general statutes is repealed and the  
2100 following is substituted in lieu thereof (*Effective July 1, 2010*):

2101 The State Bond Commission shall have power in accordance with  
2102 the provisions of section 3-20 to authorize the issuance of bonds of the  
2103 state in one or more series and in principal amounts not exceeding in  
2104 the aggregate sixty-one million four hundred forty-five thousand six  
2105 hundred dollars, to carry out the purposes of this section as follows: (1)  
2106 Loans for the development and marketing of products in the high  
2107 technology field within the state, not exceeding thirty-four million  
2108 dollars; (2) royalty financing for start-up costs and product  
2109 development costs of high technology products and procedures in the  
2110 state, not exceeding seven million four hundred forty-five thousand six  
2111 hundred dollars; and (3) financial aid for biotechnology and other high  
2112 technology laboratories, facilities and equipment, not exceeding  
2113 twenty million dollars. Any loans originated under subdivision (1) of  
2114 this section shall bear interest at a rate to be determined in accordance  
2115 with subsection (t) of said section 3-20. The principal and interest of  
2116 said bonds shall be payable at such place or places as may be  
2117 determined by the State Treasurer and shall bear such date or dates,

2118 mature at such time or times, bear interest at such rate or different or  
2119 varying rates, be payable at such time or times, be in such  
2120 denominations, be in such form with or without interest coupons  
2121 attached, carry such registration and transfer privileges, be payable in  
2122 such medium of payment and be subject to such terms of redemption  
2123 with or without premium as, irrespective of the provisions of said  
2124 section 3-20, may be provided by the authorization of the State Bond  
2125 Commission or fixed in accordance therewith. The proceeds of the sale  
2126 of said bonds, after deducting therefrom all expenses of issuance and  
2127 sale, shall be paid to the Connecticut Innovations [, Incorporated] Fund  
2128 created under section 32-41a, as amended by this act. When the State  
2129 Bond Commission has acted to issue such bonds or a portion thereof,  
2130 the Treasurer may, pending the issue of such bonds, issue, in the name  
2131 of the state, temporary notes in anticipation of the money to be  
2132 received from the sale of such bonds. In issuing the bonds authorized  
2133 hereunder, the State Bond Commission may require repayment of such  
2134 bonds by the corporation as shall seem desirable consistent with the  
2135 purposes of this section and section 32-41a, as amended by this act.  
2136 Such terms for repayment may include a forgiveness of interest, a  
2137 holiday in the repayment of interest or principal or both.

2138 Sec. 44. Section 32-41i of the general statutes is repealed and the  
2139 following is substituted in lieu thereof (*Effective July 1, 2010*):

2140 As used in sections 32-41g to 32-41o, inclusive, as amended by this  
2141 act:

2142 (1) "Act" means the Technology Deployment Act of 1993;

2143 (2) "Advanced available technology" means a technology or process  
2144 that can be applied to a manufacturing operation without substantial  
2145 modification;

2146 (3) "Technology deployment" means (A) activities that assist  
2147 businesses in applying advanced available technologies in their  
2148 existing operations, or (B) activities that assist businesses in the  
2149 development and manufacture of new products derived from

2150 advanced available technologies;

2151 (4) ["Corporation" means Connecticut Innovations, Incorporated]  
2152 "Authority" means the Connecticut Economic Innovations Authority  
2153 established pursuant to section 2 of this act or a subsidiary designated  
2154 by said authority;

2155 (5) "Eligible institution" means an institution within the Connecticut  
2156 State University System which is operating a technology deployment  
2157 program on July 1, 1993;

2158 (6) "Eligible deployment research consortium" means a multitown,  
2159 nonprofit coalition which is representative of the business, academic  
2160 and government communities in an economically distressed area of the  
2161 state which on or before July 1, 1993, is dependent upon labor  
2162 intensive, less technologically advanced manufacturing;

2163 (7) "Eligible business consortium" means a nonprofit business-led  
2164 consortium organized for the purpose of technology deployment in the  
2165 fields of biotechnology, ergonomics, environmental and energy  
2166 technologies or educational and job training technologies;

2167 (8) "Eligible grant recipient" means one or more state institutions of  
2168 higher education or a nonprofit business-led consortium organized for  
2169 the purpose of technology deployment in advanced materials, marine  
2170 sciences, photonics, pharmaceutical and environmental technologies;  
2171 and

2172 (9) "Small and medium-sized business" means a manufacturing  
2173 business with fewer than five hundred employees.

2174 Sec. 45. Section 32-41j of the general statutes is repealed and the  
2175 following is substituted in lieu thereof (*Effective July 1, 2010*):

2176 (a) There is established a university-based manufacturing  
2177 application center program to be administered by the [corporation]  
2178 authority for the purpose of promoting technology deployment by  
2179 linking Connecticut's higher education system with small and

2180 medium-sized businesses. [During the three-month period beginning  
2181 on July 1, 1993, the corporation] The authority shall accept applications  
2182 from eligible institutions in a form and manner prescribed by the  
2183 [corporation] authority for state funding for the operation of a  
2184 manufacturing application center.

2185 (b) [On or before January 1, 1994, the corporation] The authority  
2186 shall review all applications timely received pursuant to this section  
2187 and shall approve one such application. In approving such application  
2188 the [corporation] authority shall assess scientific and economic factors  
2189 concerning the proposed manufacturing application center, including,  
2190 but not limited to, the following:

2191 (1) The eligible institution's experience with manufacturing  
2192 applications, including computer-integrated manufacturing,  
2193 computer-aided drafting and design, just-in-time manufacturing and  
2194 total quality management;

2195 (2) The center's plan to provide follow-up employee training to  
2196 center users;

2197 (3) The center's plan to involve urban-based businesses, minority  
2198 students or minority-owned businesses in its activities; and

2199 (4) The adequacy of the center's proposed mechanisms for  
2200 evaluating its progress.

2201 (c) The center's responsibilities shall include, but not be limited to,  
2202 providing training for manufacturing businesses in high performance  
2203 work practices.

2204 Sec. 46. Section 32-41k of the general statutes is repealed and the  
2205 following is substituted in lieu thereof (*Effective July 1, 2010*):

2206 (a) There is established a nonprofit deployment research program to  
2207 be administered by the [corporation] authority for the purpose of  
2208 identifying emerging advanced available technologies in economically  
2209 distressed manufacturing or former manufacturing regions of the state.

2210 [During the six-month period beginning on July 1, 1993, the  
2211 corporation] The authority shall accept applications from eligible  
2212 deployment research consortia in a form and manner prescribed by the  
2213 [corporation] authority for state funding for technology deployment  
2214 research.

2215 (b) [On or before July 1, 1994, the corporation] The authority shall  
2216 review all applications timely received pursuant to this section and  
2217 shall approve one such application. In approving such application the  
2218 [corporation] authority shall assess scientific and economic factors  
2219 concerning the proposed technology deployment research, including  
2220 but not limited to the following:

2221 (1) The extent to which the research will identify advanced available  
2222 technologies for future deployment;

2223 (2) The extent to which the research enhances existing  
2224 manufacturing in Connecticut industry;

2225 (3) The eligible research consortium's plan to involve minority  
2226 students or minority owned businesses in its activities; and

2227 (4) The adequacy of the eligible research consortium's proposed  
2228 mechanisms for evaluating its progress.

2229 (c) The center's responsibilities shall include, but not be limited to,  
2230 providing training for businesses in high performance work practices.

2231 Sec. 47. Section 32-411 of the general statutes is repealed and the  
2232 following is substituted in lieu thereof (*Effective July 1, 2010*):

2233 (a) There is established a Connecticut energy and environmental  
2234 technologies deployment center program to be administered by the  
2235 [corporation] authority for the purpose of promoting a nonprofit  
2236 business consortium for technology deployment in two critical  
2237 technologies where the state possesses unique scientific and human  
2238 resources. [During the three-month period beginning on July 1, 1993,  
2239 the corporation] The authority shall accept applications from eligible

2240 business consortia in a form and manner prescribed by the  
2241 [corporation] authority for state funding for the operation of an energy  
2242 and environmental technologies application center.

2243 (b) [On or before January 1, 1994, the corporation] The authority  
2244 shall review all applications timely received pursuant to this section  
2245 and shall approve one such application. In approving such application  
2246 the [corporation] authority shall assess scientific and economic factors  
2247 concerning the proposed Connecticut energy and environmental  
2248 technologies deployment center, including but not limited to the  
2249 following:

2250 (1) Participation in the center by multiple private enterprises  
2251 including defense and non-defense-based firms with an expertise in  
2252 environmental and energy technologies;

2253 (2) Participation in the center by more than one public or private  
2254 institution of higher education;

2255 (3) The center's plan to involve minority students or minority-  
2256 owned businesses in its activities; and

2257 (4) The adequacy of the center's proposed mechanisms for  
2258 evaluating its progress.

2259 Sec. 48. Section 32-41m of the general statutes is repealed and the  
2260 following is substituted in lieu thereof (*Effective July 1, 2010*):

2261 (a) There is established a Connecticut educational and job training  
2262 technologies deployment center program to be administered by the  
2263 [corporation] authority for the purpose of promoting a nonprofit  
2264 business-led consortium for technology deployment in a critical  
2265 technology in which the state possesses unique scientific and human  
2266 resources. [During the three-month period beginning on July 1, 1993,  
2267 the corporation] The authority shall accept applications from eligible  
2268 business consortia in a form and manner prescribed by the  
2269 [corporation] authority for state funding for the operation of an  
2270 educational and job training technologies deployment center.

2271 (b) [On or before January 1, 1994, the corporation] The authority  
2272 shall review all applications timely received pursuant to this section  
2273 and shall approve one such application. In approving such application  
2274 the [corporation] authority shall assess scientific and economic factors  
2275 concerning the proposed Connecticut educational and job training  
2276 technologies deployment center, including, but not limited to, the  
2277 following:

2278 (1) The center's plan to provide educational and job training  
2279 technologies to industry, the state's public schools, and state agencies;

2280 (2) The center's plan to deploy educational and job training  
2281 software, hardware and state of the art telecommunications  
2282 technologies;

2283 (3) The center's plan to involve minority students or minority-  
2284 owned businesses in its activities; and

2285 (4) The adequacy of the center's proposed mechanisms for  
2286 evaluating its progress.

2287 Sec. 49. Section 32-41n of the general statutes is repealed and the  
2288 following is substituted in lieu thereof (*Effective July 1, 2010*):

2289 (a) There is established a critical technologies grant program to be  
2290 administered by the [corporation] authority for the purpose of  
2291 promoting technology deployment in advanced materials, marine  
2292 sciences, photonics, pharmaceutical and environmental technologies.  
2293 [During the twelve-month period beginning on July 1, 1993, the  
2294 corporation] The authority shall accept applications from eligible grant  
2295 recipients in a form and manner prescribed by the [corporation]  
2296 authority for state grants for the purpose of promoting technology  
2297 deployment in such technologies.

2298 (b) [On or before January 1, 1995, the corporation] The authority  
2299 shall review all applications timely received pursuant to this section,  
2300 may approve such applications and provide approved grant recipients  
2301 such financial assistance as it may determine will promote technology

2302 deployment in advanced materials, marine sciences, photonics,  
2303 pharmaceutical and environmental technologies. In approving such  
2304 application the [corporation] authority shall assess scientific and  
2305 economic factors concerning the uses of the proposed grant, including  
2306 but not limited to the following:

2307 (1) The formal participation in the program proposed by businesses  
2308 actively engaged in the commercial use of advanced materials, marine  
2309 sciences, photonics, pharmaceutical and environmental technologies;

2310 (2) The likelihood that the program proposed will result in  
2311 substantial and timely deployment of advanced available technologies  
2312 in one or more of the following: Advanced materials, marine sciences,  
2313 photonics, pharmaceutical and environmental technologies;

2314 (3) The proposal's plan to involve minority students or minority-  
2315 owned businesses in its activities; and

2316 (4) The adequacy of the program's mechanisms for evaluating its  
2317 progress.

2318 Sec. 50. Section 32-41o of the general statutes is repealed and the  
2319 following is substituted in lieu thereof (*Effective July 1, 2010*):

2320 (a) For the purposes described in subsection (b) of this section, the  
2321 State Bond Commission shall have the power, from time to time, to  
2322 authorize the issuance of bonds of the state in one or more series and  
2323 in principal amounts not exceeding in the aggregate five million five  
2324 hundred thousand dollars.

2325 (b) The proceeds of the sale of said bonds, to the extent of the  
2326 amount stated in subsection (a) of this section, shall be used by the  
2327 [corporation] authority as follows: (1) Three million dollars for the  
2328 program established in section 32-41j, as amended by this act; (2) five  
2329 hundred thousand dollars for the program established in section 32-  
2330 41k, as amended by this act; (3) one million two hundred fifty  
2331 thousand dollars for the program established and for the eligible  
2332 business consortium approved in section 32-41l, as amended by this

2333 act; and (4) seven hundred fifty thousand dollars for the program  
2334 established and for the eligible business consortium approved in  
2335 section 32-41m, as amended by this act.

2336 (c) All provisions of section 3-20, or the exercise of any right or  
2337 power granted thereby which are not inconsistent with the provisions  
2338 of this section are hereby adopted and shall apply to all bonds  
2339 authorized by the State Bond Commission pursuant to this section, and  
2340 temporary notes in anticipation of the money to be derived from the  
2341 sale of any such bonds so authorized may be issued in accordance with  
2342 said section 3-20 and from time to time renewed. Such bonds shall  
2343 mature at such time or times not exceeding twenty years from their  
2344 respective dates as may be provided in or pursuant to the resolution or  
2345 resolutions of the State Bond Commission authorizing such bonds.  
2346 None of said bonds shall be authorized except upon a finding by the  
2347 State Bond Commission that there has been filed with it a request for  
2348 such authorization, which is signed by or on behalf of the Secretary of  
2349 the Office of Policy and Management and states such terms and  
2350 conditions as said commission, in its discretion, may require. Said  
2351 bonds issued pursuant to this section shall be general obligations of the  
2352 state and the full faith and credit of the state of Connecticut are  
2353 pledged for the payment of the principal of and interest on said bonds  
2354 as the same become due, and accordingly and as part of the contract of  
2355 the state with the holders of said bonds, appropriation of all amounts  
2356 necessary for punctual payment of such principal and interest is  
2357 hereby made, and the Treasurer shall pay such principal and interest  
2358 as the same become due.

2359 Sec. 51. Section 32-41p of the general statutes is repealed and the  
2360 following is substituted in lieu thereof (*Effective July 1, 2010*):

2361 (a) There is established a workplace center of excellence program to  
2362 be administered by [Connecticut Innovations, Incorporated] the  
2363 Connecticut Economic Innovations Authority for the purpose of  
2364 developing and deploying ergonomic technology solutions and  
2365 knowledge. [During the three-month period beginning on July 1, 1994,

2366 the corporation] The authority shall accept applications from eligible  
2367 institutions in a form and manner prescribed by the [corporation]  
2368 authority for state funding for the establishment and operation of a  
2369 workplace center of excellence.

2370 (b) [On or before January 1, 1995, the corporation] The authority  
2371 shall review all applications timely received pursuant to this section,  
2372 approve one such application and provide the approved institution  
2373 with such financial assistance as the [corporation] authority may  
2374 determine will promote the purposes of this section. In approving such  
2375 application the [corporation] authority shall assess scientific and  
2376 economic factors concerning the proposed center, including but not  
2377 limited to, the following:

2378 (1) The formal participation in, and financial support of, the center  
2379 by employers, insurers, and enterprises actively engaged in  
2380 developing and deploying ergonomics solutions and related activities;

2381 (2) The likelihood that the center will result in substantial and  
2382 timely deployment of advanced technology solutions to existing  
2383 businesses in the state;

2384 (3) The center's plan to involve employers, labor, institutions of  
2385 higher education and other interested parties in its decision-making;

2386 (4) The adequacy of the center's financial plan, including the  
2387 matching of any state grant funds to implement specific projects with  
2388 at least an equal amount of funding from private sources;

2389 (5) The center's plan to involve urban residents and urban-based  
2390 businesses; and

2391 (6) The adequacy of the center's mechanisms for evaluating its  
2392 progress.

2393 Sec. 52. Section 32-41q of the general statutes is repealed and the  
2394 following is substituted in lieu thereof (*Effective July 1, 2010*):

2395 (a) As used in this section "critical industry" means an industry that  
2396 uses emerging technologies, including but not limited to, fuel cell  
2397 technology, to develop and manufacture nondefense products for  
2398 future sale, has the potential to create or retain jobs in the state and is  
2399 critical to the state economy.

2400 (b) There is established an account to be known as the critical  
2401 industries development account, which shall be a separate, nonlapsing  
2402 account within the General Fund. The account shall contain any  
2403 moneys invested pursuant to the provisions of this section.  
2404 [Connecticut Innovations, Incorporated] The Connecticut Economic  
2405 Innovations Authority may use funds from the account to provide  
2406 loans, loan guarantees, interest rate subsidies and other forms of loan  
2407 assistance to customers of businesses in critical industries which  
2408 businesses are based in the state. [Connecticut Innovations,  
2409 Incorporated] The Connecticut Economic Innovations Authority may  
2410 solicit and receive funds from any public and private sources for the  
2411 program. Such funds may include, without limitation, federal funds,  
2412 state bond proceeds, private venture capital and investments by  
2413 persons, firms or corporations. Private capital investments may be  
2414 made either in the account as a whole or in one or more individual  
2415 technologies or projects.

2416 (c) No product may receive assistance under this section unless its  
2417 manufacturer agrees to enter into a contract to: (1) Carry out a  
2418 specified percentage of the development and manufacturing work for  
2419 the product in the state; and (2) when subcontracting is required, to  
2420 conduct a specified percentage of such work with companies based in  
2421 the state. [Connecticut Innovations, Incorporated] The Connecticut  
2422 Economic Innovations Authority shall determine such percentage for  
2423 the purposes of this program.

2424 (d) Any person who, or firm or corporation which, invests funds in  
2425 the critical industries development account pursuant to this section  
2426 shall receive a portion of the interest paid and principal repayment by  
2427 the recipient of the loan in proportion to the ratio of the amount of the

2428 investment of such person, firm or corporation to the total loan  
2429 amount.

2430 (e) The Commissioner of Economic and Community Development  
2431 may adopt regulations in accordance with the provisions of chapter 54  
2432 to carry out the purposes of this section.

2433 Sec. 53. Section 32-41s of the general statutes is repealed and the  
2434 following is substituted in lieu thereof (*Effective July 1, 2010*):

2435 (a) As used in this section:

2436 (1) "Eligible business" means a business which (A) has not more  
2437 than three hundred employees at any time during the preceding  
2438 twelve months, and (B) is engaged in biotechnology, pharmaceutical or  
2439 photonics research, development or production in the state; and

2440 (2) "Eligible commercial property" means (A) real or personal  
2441 property which an eligible business has (i) owned or leased, and (ii)  
2442 utilized at all times during the preceding twelve months, or (B) real  
2443 property which the Commissioner of Economic and Community  
2444 Development or [Connecticut Innovations, Incorporated] the  
2445 Connecticut Economic Innovations Authority has certified as newly  
2446 constructed or substantially renovated and expanded primarily for  
2447 occupancy by one or more eligible businesses.

2448 (b) On and after July 1, 1997, eligible businesses and eligible  
2449 commercial property located in any municipality which has (1) a major  
2450 research university with programs in biotechnology, pharmaceuticals  
2451 or photonics, and (2) an enterprise zone, shall be entitled to the same  
2452 benefits, subject to the same conditions, under the general statutes for  
2453 which businesses located in an enterprise zone qualify.

2454 (c) [Connecticut Innovations, Incorporated] The Connecticut  
2455 Economic Innovations Authority may provide lease guarantees or  
2456 other financial aid for facilities, improvements and equipment, to  
2457 benefit any eligible business [which is] unable to secure financing for  
2458 such items on commercially reasonable terms.

2459 (d) [Connecticut Innovations, Incorporated] The Connecticut  
2460 Economic Innovations Authority may recommend regulations to carry  
2461 out the purposes of this section, which the Commissioner of Economic  
2462 and Community Development shall adopt in accordance with chapter  
2463 54.

2464 (e) [Connecticut Innovations, Incorporated] The Connecticut  
2465 Economic Innovations Authority shall evaluate the feasibility of  
2466 establishing a bio-processing facility within this state. If determined to  
2467 be feasible, [Connecticut Innovations, Incorporated] the Connecticut  
2468 Economic Innovations Authority shall facilitate the formation of a  
2469 business consortium, in which it may participate, to launch and  
2470 operate such facility.

2471 Sec. 54. Section 32-41t of the general statutes is repealed and the  
2472 following is substituted in lieu thereof (*Effective July 1, 2010*):

2473 As used in this section and section 32-41u, as amended by this act:

2474 (1) ["Corporation" means Connecticut Innovations, Incorporated as  
2475 created under section 32-35] "Authority" means the Connecticut  
2476 Economic Innovations Authority; and

2477 (2) "Eligible participant" means a member of the faculty or a  
2478 researcher engaged in applied research and development at any  
2479 Connecticut college or university that agrees to participate in a high  
2480 technology research and development program established by the  
2481 [corporation] authority.

2482 Sec. 55. Section 32-41u of the general statutes is repealed and the  
2483 following is substituted in lieu thereof (*Effective July 1, 2010*):

2484 (a) There is established a high technology research and development  
2485 program to be administered by the [corporation] authority for the  
2486 purpose of promoting collaboration between businesses and colleges  
2487 and universities in this state in advanced materials, aerospace,  
2488 bioscience, energy and environmental systems, information  
2489 technology, applied optics, microelectronics and other high technology

2490 fields. The [corporation] authority may accept applications to the  
2491 program from eligible participants in a form and manner prescribed by  
2492 the [corporation] authority.

2493 (b) In approving any application the [corporation] authority shall  
2494 assess the collaborative nature of the proposal as well as scientific and  
2495 economic factors, including, but not limited to, the following:

2496 (1) The formal participation in the proposal by businesses actively  
2497 engaged in the commercial use of advanced materials, aerospace,  
2498 bioscience, energy and environmental systems, information  
2499 technology, applied optics, microelectronics and other high technology  
2500 fields;

2501 (2) The likelihood that a proposal will result in the development or  
2502 commercialization of high technology products or processes in this  
2503 state; and

2504 (3) The likelihood that a proposal will result in long-term,  
2505 sustainable economic growth for this state.

2506 (c) The [corporation] authority shall provide financial aid, as  
2507 defined in subdivision [(4)] (3) of section 32-34, as amended by this act,  
2508 to eligible participants whose proposals have been approved by the  
2509 [corporation] authority as provided in subsections (a) and (b) of this  
2510 section.

2511 (d) The [corporation] authority may establish other programs,  
2512 including financial programs, in order to attract and retain residents  
2513 with postsecondary education in science, engineering, mathematics  
2514 and other disciplines that are essential or advisable to the development  
2515 and application of technology.

2516 Sec. 56. Section 32-43 of the general statutes is repealed and the  
2517 following is substituted in lieu thereof (*Effective July 1, 2010*):

2518 The state of Connecticut does hereby pledge to and agree with any  
2519 person with whom the [corporation] authority may enter into contracts

2520 pursuant to the provisions of this chapter that the state will not limit or  
2521 alter the rights hereby vested in the [corporation] authority until such  
2522 contracts and the obligations thereunder are fully met and performed  
2523 on the part of the [corporation] authority, provided nothing herein  
2524 contained shall preclude such limitation or alteration if adequate  
2525 provision shall be made by law for the protection of such persons  
2526 entering into contracts with the [corporation] authority.

2527 Sec. 57. Section 32-47 of the general statutes is repealed and the  
2528 following is substituted in lieu thereof (*Effective July 1, 2010*):

2529 (a) Neither the directors of [Connecticut Innovations, Incorporated]  
2530 the Connecticut Economic Innovations Authority nor any person  
2531 acting on behalf of said [corporation] authority executing any notes,  
2532 bonds, contracts, agreements or other obligations issued pursuant to  
2533 this chapter shall be liable personally on such notes, bonds, contracts,  
2534 agreements or obligations, or be subject to any personal liability or  
2535 accountability by reason of the issuance thereof.

2536 (b) No director shall be personally liable for damage or injury, not  
2537 wanton or wilful, caused in the performance of his duties and within  
2538 the scope of his employment. Any person having a complaint for such  
2539 damage or injury shall present it as a claim against the state under the  
2540 provisions of chapter 53.

2541 Sec. 58. Section 32-47a of the 2010 supplement to the general statutes  
2542 is repealed and the following is substituted in lieu thereof (*Effective July*  
2543 *1, 2010*):

2544 Not later than January first in each year, [Connecticut Innovations,  
2545 Incorporated] the Connecticut Economic Innovations Authority shall  
2546 submit a business plan containing a summary of its projected  
2547 operations for the year to the joint standing committees of the General  
2548 Assembly having cognizance of matters relating to the Department of  
2549 Economic and Community Development, appropriations and capital  
2550 bonding. Not later than November first, annually, the [corporation]  
2551 authority shall submit a report to the Commissioner of Economic and

2552 Community Development, the Auditors of Public Accounts and said  
2553 joint standing committees, which shall include the following  
2554 information with respect to new and outstanding financial assistance  
2555 provided by the [corporation] authority during the twelve-month  
2556 period ending on June thirtieth next preceding the date of the report  
2557 for each financial assistance program administered by the  
2558 [corporation] authority: (1) A list of the names, addresses and locations  
2559 of all recipients of such assistance, (2) for each such recipient: (A) The  
2560 business activities, (B) the Standard Industrial Classification Manual  
2561 codes, (C) the gross revenues during the recipient's most recent fiscal  
2562 year, if the recipient is an organization that makes such information  
2563 public in the normal course of business, or, if the recipient does not  
2564 make such information public in the normal course of business, the  
2565 gross revenue information shall be provided for a recipient separately,  
2566 using a system in which no recipient is listed by name but each is  
2567 given a separate identity in a manner consistent with the provisions of  
2568 subsection (c) of section 32-40, as amended by this act, (D) the number  
2569 of employees at the time of application, (E) whether the recipient is a  
2570 minority or woman-owned business, (F) a summary of the terms and  
2571 conditions for the assistance, including the type and amount of state  
2572 financial assistance, job creation or retention requirements, and  
2573 anticipated wage rates, and (G) the amount of investments from  
2574 private and other nonstate sources that have been leveraged by the  
2575 assistance, (3) the economic benefit criteria used in determining which  
2576 applications have been approved or disapproved, and (4) for each  
2577 recipient of assistance on or after July 1, 1991, a comparison between  
2578 the number of jobs to be created, the number of jobs to be retained and  
2579 the average wage rates for each such category of jobs, as projected in  
2580 the recipient's application, versus the actual number of jobs created,  
2581 the actual number of jobs retained and the average wage rates for each  
2582 such category. The Governor and the chairpersons and ranking  
2583 members of the joint standing committees of the General Assembly  
2584 having cognizance of matters relating to finance, revenue and bonding  
2585 and commerce may, after a request to [Connecticut Innovations,  
2586 Incorporated] the Connecticut Economic Innovations Authority by any

2587 of said persons, examine, in confidence, the detailed data, including  
2588 the specific revenue data for each identifiable business, submitted  
2589 pursuant to subparagraph (C) of subdivision (2) of this section. The  
2590 chairpersons and ranking members of said committees may disclose  
2591 such data to the members of said committees, who shall also keep such  
2592 data confidential. The report shall also indicate the actual number of  
2593 full-time jobs and the actual number of part-time jobs in each such  
2594 category and the benefit levels for each such subcategory. The  
2595 November first report shall include a summary of the activities of the  
2596 [corporation] authority, including all activities to assist small  
2597 businesses and minority business enterprises, as defined in section 4a-  
2598 60g, a complete operating and financial statement and  
2599 recommendations for legislation to promote the purposes of the  
2600 [corporation] authority. The [corporation] authority shall furnish such  
2601 additional information upon the written request of any such  
2602 committee at such times as the committee may request.

2603 Sec. 59. Section 32-477 of the general statutes is repealed and the  
2604 following is substituted in lieu thereof (*Effective July 1, 2010*):

2605 The board of directors of the [Connecticut Development Authority]  
2606 Connecticut Economic Innovations Authority shall give priority to  
2607 applicants who have established a work environment consistent with  
2608 the criteria set forth in section 32-475 in awarding financial assistance  
2609 under the programs authorized pursuant to chapter 588n, sections 32-  
2610 14 to 32-23a, inclusive, 32-23v, as amended by this act, 32-23x, as  
2611 amended by this act, 32-23gg to 32-23ll, inclusive, 32-23z, as amended  
2612 by this act, 32-23pp to 32-23ss, inclusive, as amended by this act, and  
2613 section 32-341, as amended by this act, and the programs utilizing  
2614 proceeds of self-sustaining revenue bonds and umbrella revenue  
2615 bonds pursuant to chapter 579, to the extent consistent with any state  
2616 or regional economic development strategy.

2617 Sec. 60. Section 10a-25b of the general statutes is repealed and the  
2618 following is substituted in lieu thereof (*Effective July 1, 2010*):

2619 (a) The State Bond Commission may authorize the issuance of

2620 bonds of the state in one or more series in accordance with the  
2621 provisions of sections 10a-25a to 10a-25g, inclusive, as amended by this  
2622 act, but not in excess of the aggregate amount of twenty-two million  
2623 five hundred thousand dollars.

2624 (b) The proceeds of the sale of said bonds, to the extent hereinafter  
2625 stated, shall be used to encourage, promote, develop and assist high  
2626 technology products and programs within Connecticut by infusion of  
2627 financial assistance in situations when such financial aid would not  
2628 otherwise reasonably be available from other sources as hereinafter  
2629 stated: (1) For the State Board of Education: High technology  
2630 equipment for programs in the vocational-technical schools, not  
2631 exceeding two million dollars; (2) for [Connecticut Innovations,  
2632 Incorporated] the Connecticut Economic Innovations Authority: (A)  
2633 Matching funds for cooperative high technology research and  
2634 development projects and programs, not exceeding nine million  
2635 dollars; (B) financial aid, as defined in subdivision [(4)] (3) of section  
2636 32-34, as amended by this act, to public institutions of higher education  
2637 for high technology projects and programs, not exceeding eleven  
2638 million five hundred thousand dollars.

2639 Sec. 61. Section 10a-25g of the general statutes is repealed and the  
2640 following is substituted in lieu thereof (*Effective July 1, 2010*):

2641 Through [Connecticut Innovations, Incorporated] the Connecticut  
2642 Economic Innovations Authority the state may provide financial aid,  
2643 as defined in subdivision [(4)] (3) of section 32-34, as amended by this  
2644 act, for the development of high technology projects and programs in  
2645 accordance with the provisions of subdivision (2) of subsection (b) of  
2646 section 10a-25b. Such funding shall be made in accordance with  
2647 written procedures adopted by [Connecticut Innovations,  
2648 Incorporated] the Connecticut Economic Innovations Authority in  
2649 accordance with the provisions of section 1-121. [Until June 30, 1996,  
2650 Connecticut Innovations, Incorporated may use not more than three  
2651 per cent of the total amount of any annual bond allocation for high  
2652 technology projects and programs described in section 10a-25b or this

2653 section, for the administration and evaluation of such projects and  
2654 programs.]

2655 Sec. 62. Section 32-41 of the general statutes is repealed and the  
2656 following is substituted in lieu thereof (*Effective July 1, 2010*):

2657 The State Bond Commission shall have power in accordance with  
2658 the provisions of section 3-20 to authorize the issuance of bonds of the  
2659 state in one or more series and in principal amounts not exceeding in  
2660 the aggregate forty-seven million eight hundred fifty-four thousand  
2661 nine hundred dollars to carry out the purposes of sections 32-32 to 32-  
2662 41, inclusive, as amended by this act. The principal and interest of said  
2663 bonds shall be payable at such place or places as may be determined  
2664 by the State Treasurer and shall bear such date or dates, mature at such  
2665 time or times, bear interest at such rate or different or varying rates, be  
2666 payable at such time or times, be in such denominations, be in such  
2667 form with or without interest coupons attached, carry such registration  
2668 and transfer privileges, be payable in such medium of payment and be  
2669 subject to such terms of redemption with or without premium as,  
2670 irrespective of the provisions of said section 3-20, may be provided by  
2671 the authorization of the State Bond Commission or fixed in accordance  
2672 therewith. The proceeds of the sale of such bonds, after deducting  
2673 therefrom all expenses of issuance and sale, shall be paid to the  
2674 Connecticut Innovations [, Incorporated] Fund created under section  
2675 32-41a, as amended by this act. When the State Bond Commission has  
2676 acted to issue such bonds or a portion thereof, the Treasurer may,  
2677 pending the issue of such bonds, issue, in the name of the state,  
2678 temporary notes in anticipation of the money to be received from the  
2679 sale of such bonds. In issuing the bonds authorized hereunder, the  
2680 State Bond Commission may require repayment of such bonds by the  
2681 corporation as shall seem desirable consistent with the purposes of  
2682 sections 32-32 to 32-41, inclusive, as amended by this act. Such terms  
2683 for repayment may include a forgiveness of interest, a holiday in the  
2684 repayment of interest or principal or both.

2685 Sec. 63. Subsection (f) of section 4-66a of the general statutes is

2686 repealed and the following is substituted in lieu thereof (*Effective July*  
2687 *1, 2010*):

2688 (f) The Secretary of the Office of Policy and Management is  
2689 authorized to do all things necessary to apply for and accept federal  
2690 funds allotted or available to the state under any federal act or  
2691 program which could support activities which the secretary is  
2692 authorized to undertake. He shall administer such funds in accordance  
2693 with state and federal law. The secretary, in consultation with the  
2694 executive director of [Connecticut Innovations, Incorporated,] the  
2695 Connecticut Economic Innovations Authority or the Commissioner of  
2696 Economic and Community Development, when applicable, may apply  
2697 for all federal funds available to the state for defense conversion  
2698 projects and other projects consistent with a defense conversion  
2699 strategy.

2700 Sec. 64. Subdivision (42) of section 8-250 of the general statutes is  
2701 repealed and the following is substituted in lieu thereof (*Effective July*  
2702 *1, 2010*):

2703 (42) To accept from the department: (A) Financial assistance, (B)  
2704 revenues or the right to receive revenues with respect to any program  
2705 under the supervision of the department, and (C) loan assets or equity  
2706 interests in connection with any program under the supervision of the  
2707 department; to make advances to and reimburse the department for  
2708 any expenses incurred or to be incurred by it in the delivery of such  
2709 assistance, revenues, rights, assets, interests or amounts; to enter into  
2710 agreements with the department for the delivery of services by the  
2711 authority in consultation with the department [,] and the [Connecticut  
2712 Development Authority and Connecticut Innovations, Incorporated,]  
2713 Connecticut Economic Innovations Authority to third parties which  
2714 agreements may include provisions for payment by the department to  
2715 the authority for the delivery of such services; and to enter into  
2716 agreements with the department or with the [Connecticut  
2717 Development Authority or Connecticut Innovations, Incorporated,]  
2718 Connecticut Economic Innovations Authority for the sharing of

2719 assistants, agents and other consultants, professionals and employees,  
2720 and facilities and other real and personal property used in the conduct  
2721 of the authority's affairs;

2722 Sec. 65. Section 16-245n of the general statutes is repealed and the  
2723 following is substituted in lieu thereof (*Effective July 1, 2010*):

2724 (a) For purposes of this section, "renewable energy" means solar  
2725 photovoltaic energy, solar thermal, geothermal energy, wind, ocean  
2726 thermal energy, wave or tidal energy, fuel cells, landfill gas,  
2727 hydropower that meets the low-impact standards of the Low-Impact  
2728 Hydropower Institute, hydrogen production and hydrogen conversion  
2729 technologies, low emission advanced biomass conversion technologies,  
2730 alternative fuels, used for electricity generation including ethanol,  
2731 biodiesel or other fuel produced in Connecticut and derived from  
2732 agricultural produce, food waste or waste vegetable oil, provided the  
2733 Commissioner of Environmental Protection determines that such fuels  
2734 provide net reductions in greenhouse gas emissions and fossil fuel  
2735 consumption, usable electricity from combined heat and power  
2736 systems with waste heat recovery systems, thermal storage systems  
2737 and other energy resources and emerging technologies which have  
2738 significant potential for commercialization and which do not involve  
2739 the combustion of coal, petroleum or petroleum products, municipal  
2740 solid waste or nuclear fission.

2741 (b) On and after July 1, 2004, the Department of Public Utility  
2742 Control shall assess or cause to be assessed a charge of not less than  
2743 one mill per kilowatt hour charged to each end use customer of electric  
2744 services in this state which shall be deposited into the Renewable  
2745 Energy Investment Fund established under subsection (c) of this  
2746 section. Notwithstanding the provisions of this section, receipts from  
2747 such charges shall be disbursed to the resources of the General Fund  
2748 during the period from July 1, 2003, to June 30, 2005, unless the  
2749 department shall, on or before October 30, 2003, issue a financing order  
2750 for each affected distribution company in accordance with sections 16-  
2751 245e to 16-245k, inclusive, to sustain funding of renewable energy

2752 investment programs by substituting an equivalent amount, as  
2753 determined by the department in such financing order, of proceeds of  
2754 rate reduction bonds for disbursement to the resources of the General  
2755 Fund during the period from July 1, 2003, to June 30, 2005. The  
2756 department may authorize in such financing order the issuance of rate  
2757 reduction bonds that substitute for disbursement to the General Fund  
2758 for receipts of both charges under this subsection and subsection (a) of  
2759 section 16-245m and also may in its discretion authorize the issuance of  
2760 rate reduction bonds under this subsection and subsection (a) of  
2761 section 16-245m that relate to more than one electric distribution  
2762 company. The department shall, in such financing order or other  
2763 appropriate order, offset any increase in the competitive transition  
2764 assessment necessary to pay principal, premium, if any, interest and  
2765 expenses of the issuance of such rate reduction bonds by making an  
2766 equivalent reduction to the charges imposed under this subsection,  
2767 provided any failure to offset all or any portion of such increase in the  
2768 competitive transition assessment shall not affect the need to  
2769 implement the full amount of such increase as required by this  
2770 subsection and sections 16-245e to 16-245k, inclusive. Such financing  
2771 order shall also provide if the rate reduction bonds are not issued, any  
2772 unrecovered funds expended and committed by the electric  
2773 distribution companies for renewable resource investment through  
2774 deposits into the Renewable Energy Investment Fund, provided such  
2775 expenditures were approved by the department following August 20,  
2776 2003, and prior to the date of determination that the rate reduction  
2777 bonds cannot be issued, shall be recovered by the companies from  
2778 their respective competitive transition assessment or systems benefits  
2779 charge except that such expenditures shall not exceed one million  
2780 dollars per month. All receipts from the remaining charges imposed  
2781 under this subsection, after reduction of such charges to offset the  
2782 increase in the competitive transition assessment as provided in this  
2783 subsection, shall be disbursed to the Renewable Energy Investment  
2784 Fund commencing as of July 1, 2003. Any increase in the competitive  
2785 transition assessment or decrease in the renewable energy investment  
2786 component of an electric distribution company's rates resulting from

2787 the issuance of or obligations under rate reduction bonds shall be  
2788 included as rate adjustments on customer bills.

2789 (c) There is hereby created a Renewable Energy Investment Fund  
2790 which shall be within [Connecticut Innovations, Incorporated] the  
2791 Connecticut Economic Innovations Authority for administrative  
2792 purposes only. The fund may receive any amount required by law to  
2793 be deposited into the fund and may receive any federal funds as may  
2794 become available to the state for renewable energy investments. Upon  
2795 authorization of the Renewable Energy Investments Board established  
2796 pursuant to subsection (d) of this section, [Connecticut Innovations,  
2797 Incorporated,] the Connecticut Economic Innovations Authority may  
2798 use any amount in said fund for expenditures that promote investment  
2799 in renewable energy sources in accordance with a comprehensive plan  
2800 developed by it to foster the growth, development and  
2801 commercialization of renewable energy sources, related enterprises  
2802 and stimulate demand for renewable energy and deployment of  
2803 renewable energy sources that serve end use customers in this state  
2804 and for the further purpose of supporting operational demonstration  
2805 projects for advanced technologies that reduce energy use from  
2806 traditional sources. Such expenditures may include, but not be limited  
2807 to, reimbursement for services provided by the administrator of the  
2808 fund including a management fee, disbursements from the fund to  
2809 develop and carry out the plan developed pursuant to subsection (d)  
2810 of this section, grants, direct or equity investments, contracts or other  
2811 actions which support research, development, manufacture,  
2812 commercialization, deployment and installation of renewable energy  
2813 technologies, and actions which expand the expertise of individuals,  
2814 businesses and lending institutions with regard to renewable energy  
2815 technologies.

2816 (d) There is hereby created a Renewable Energy Investments Board  
2817 to act on matters related to the Renewable Energy Investment Fund,  
2818 including, but not limited to, development of a comprehensive plan  
2819 and expenditure of funds. The Renewable Energy Investments Board  
2820 shall, in such plan, give preference to projects that maximize the

2821 reduction of federally mandated congestion charges. The Renewable  
2822 Energy Investments Board shall make a draft of the comprehensive  
2823 plan available for public comment for not less than thirty days. The  
2824 board shall conduct three public hearings in three different regions of  
2825 the state on the draft comprehensive plan and shall include a  
2826 summarization of all public comments received at said public hearings  
2827 in the final comprehensive plan approved by the board. The board  
2828 shall provide a copy of the comprehensive plan, in accordance with the  
2829 provisions of section 11-4a, to the joint standing committees of the  
2830 General Assembly having cognizance of matters relating to energy and  
2831 commerce. The Department of Public Utility Control shall, in an  
2832 uncontested proceeding, during which the department may hold a  
2833 public hearing, approve, modify or reject the comprehensive plan  
2834 prepared pursuant to this subsection.

2835 (e) The Renewable Energy Investments Board shall include not  
2836 more than fifteen individuals with knowledge and experience in  
2837 matters related to the purpose and activities of the Renewable Energy  
2838 Investment Fund. The board shall consist of the following members:  
2839 (1) One person with expertise regarding renewable energy resources  
2840 appointed by the speaker of the House of Representatives; (2) one  
2841 person representing a state or regional organization primarily  
2842 concerned with environmental protection appointed by the president  
2843 pro tempore of the Senate; (3) one person with experience in business  
2844 or commercial investments appointed by the majority leader of the  
2845 House of Representatives; (4) one person representing a state or  
2846 regional organization primarily concerned with environmental  
2847 protection appointed by the majority leader of the Senate; (5) one  
2848 person with experience in business or commercial investments  
2849 appointed by the minority leader of the House of Representatives; (6)  
2850 the Commissioner of Emergency Management and Homeland Security  
2851 or the commissioner's designee; (7) one person with expertise  
2852 regarding renewable energy resources appointed by the Governor; (8)  
2853 two persons with experience in business or commercial investments  
2854 appointed by the board of directors of [Connecticut Innovations,  
2855 Incorporated] the Connecticut Economic Innovations Authority; (9) a

2856 representative of a state-wide business association, manufacturing  
2857 association or chamber of commerce appointed by the minority leader  
2858 of the Senate; (10) the Consumer Counsel; (11) the Secretary of the  
2859 Office of Policy and Management or the secretary's designee; (12) the  
2860 Commissioner of Environmental Protection or the commissioner's  
2861 designee; (13) a representative of organized labor appointed by the  
2862 Governor; and (14) a representative of residential customers or low-  
2863 income customers appointed by Governor. On a biennial basis, the  
2864 board shall elect a chairperson and vice-chairperson from among its  
2865 members and shall adopt such bylaws and procedures it deems  
2866 necessary to carry out its functions. The board may establish  
2867 committees and subcommittees as necessary to conduct its business.

2868 (f) The board shall issue annually a report to the Department of  
2869 Public Utility Control reviewing the activities of the Renewable Energy  
2870 Investment Fund in detail and shall provide a copy of such report, in  
2871 accordance with the provisions of section 11-4a, to the joint standing  
2872 committees of the General Assembly having cognizance of matters  
2873 relating to energy and commerce and the Office of Consumer Counsel.  
2874 The report shall include a description of the programs and activities  
2875 undertaken during the reporting period jointly or in collaboration with  
2876 the Energy Conservation and Load Management Funds established  
2877 pursuant to section 16-245m.

2878 (g) There shall be a joint committee of the Energy Conservation  
2879 Management Board and the Renewable Energy Investments Board, as  
2880 provided in subdivision (2) of subsection (d) of section 16-245m.

2881 (h) No later than December 31, 2006, and no later than December  
2882 thirty-first every five years thereafter, the board shall, after consulting  
2883 with the Energy Conservation Management Board, conduct an  
2884 evaluation of the performance of the programs and activities of the  
2885 fund and submit a report, in accordance with the provisions of section  
2886 11-4a, of the evaluation to the joint standing committees of the General  
2887 Assembly having cognizance of matters relating to energy and  
2888 commerce.

2889 Sec. 66. Section 16-245aa of the general statutes is repealed and the  
2890 following is substituted in lieu thereof (*Effective July 1, 2010*):

2891 (a) There is established an account to be known as the "municipal  
2892 renewable energy and efficient energy grant account", which shall be a  
2893 separate, nonlapsing account within the Renewable Energy Investment  
2894 Fund, established pursuant to section 16-245n, as amended by this act.  
2895 The account shall contain any moneys required or permitted by law to  
2896 be deposited in the account and any funds received from any public or  
2897 private contributions, gifts, grants, donations, bequests or devises to  
2898 the fund. [Connecticut Innovations, Incorporated,] The Connecticut  
2899 Economic Innovations Authority may make grants-in-aid from the  
2900 fund in accordance with the provisions of subsection (b) of this section.

2901 (b) [Connecticut Innovations, Incorporated] The Connecticut  
2902 Economic Innovations Authority, in consultation with the Department  
2903 of Public Utility Control, the Department of Education and the  
2904 Department of Emergency Management and Homeland Security, shall  
2905 establish a municipal renewable energy and efficient energy  
2906 generation grant program. [Connecticut Innovations, Incorporated,]  
2907 The Connecticut Economic Innovations Authority shall make grants  
2908 under said program to municipalities for the purchase of (1) renewable  
2909 energy sources, including solar energy, geothermal energy and fuel  
2910 cells or other energy-efficient hydrogen-fueled energy, or (2) energy-  
2911 efficient generation sources, including units providing combined heat-  
2912 and-power operations with greater than sixty-five per cent efficiency  
2913 or such higher efficiency level as [Connecticut Innovations,  
2914 Incorporated,] the Connecticut Economic Innovations Authority may  
2915 prescribe, for municipal buildings. [Connecticut Innovations,  
2916 Incorporated,] The Connecticut Economic Innovations Authority shall  
2917 give priority to applications for grants for disaster relief centers and  
2918 high schools. Each grant shall be in an amount that makes the cost of  
2919 purchasing and operating the renewable energy or energy-efficient  
2920 generation source competitive with the municipality's current  
2921 electricity expenses.

2922 (c) [On or before October 1, 2007, Connecticut Innovations,  
2923 Incorporated,] The Connecticut Economic Innovations Authority shall  
2924 develop an application for grants-in-aid under this section for the  
2925 purpose of purchasing and operating renewable energy or energy-  
2926 efficient generation sources and may receive applications from  
2927 municipalities for such grants-in-aid on and after said date.  
2928 Applications shall include, but not be limited to, a complete  
2929 description of the proposed renewable energy or energy-efficient  
2930 generation source.

2931 (d) Commencing with the fiscal year ending June 30, 2008, and for  
2932 each of the five consecutive fiscal years thereafter, until the fiscal year  
2933 ending June 30, 2012, not less than ten million dollars shall be available  
2934 from the municipal renewable energy and efficient energy generation  
2935 grant account for grants-in-aid to municipalities for the purpose of  
2936 purchasing and operating renewable energy or energy-efficient  
2937 generation sources. Any balance of such amount not used for such  
2938 grants-in-aid during a fiscal year shall be carried forward for the fiscal  
2939 year next succeeding for such grants-in-aid.

2940 (e) On or before January 1, [2009] 2011, and annually thereafter,  
2941 [Connecticut Innovations, Incorporated,] the Connecticut Economic  
2942 Innovations Authority shall report on the effectiveness of said program  
2943 to the joint standing committee of the General Assembly having  
2944 cognizance of matters relating to energy.

2945 Sec. 67. Subsection (b) of section 16-245bb of the general statutes is  
2946 repealed and the following is substituted in lieu thereof (*Effective July*  
2947 *1, 2010*):

2948 (b) The proceeds of the sale of said bonds, to the extent of the  
2949 amount stated in subsection (a) of this section, shall be used by  
2950 [Connecticut Innovations, Incorporated,] the Connecticut Economic  
2951 Innovations Authority for the purpose of providing grants-in-aid  
2952 pursuant to section 16-245aa, as amended by this act.

2953 Sec. 68. Subsection (b) of section 16a-38p of the general statutes is

2954 repealed and the following is substituted in lieu thereof (*Effective July*  
2955 *1, 2010*):

2956 (b) The proceeds of the sale of said bonds, to the extent of the  
2957 amount stated in subsection (a) of this section, shall be used by  
2958 [Connecticut Innovations, Incorporated,] the Connecticut Economic  
2959 Innovations Authority for the purpose of funding the net project costs,  
2960 or the balance of any projects after applying any public or private  
2961 financial incentives available, for any renewable energy or combined  
2962 heat and power projects in state buildings. The funds shall be made  
2963 available through the Renewable Energy Investment Fund, established  
2964 pursuant to section 16-245n, as amended by this act. Eligible state  
2965 buildings shall be Leadership in Energy and Environmental Design  
2966 (LEED) certified or in the process of becoming LEED certified or in the  
2967 process of becoming LEED silver rating certified or receive a two-globe  
2968 rating in the green Globes USA design program or in the process of  
2969 receiving a two-globe rating in the Green Globes USA design program.

2970 Sec. 69. Subsection (f) of section 19a-32f of the general statutes is  
2971 repealed and the following is substituted in lieu thereof (*Effective July*  
2972 *1, 2010*):

2973 (f) [Connecticut Innovations, Incorporated] The Connecticut  
2974 Economic Innovations Authority shall serve as administrative staff of  
2975 the committee and shall assist the committee in (1) developing the  
2976 application for the grants-in-aid authorized under subsection (e) of this  
2977 section, (2) reviewing such applications, (3) preparing and executing  
2978 any assistance agreements or other agreements in connection with the  
2979 awarding of such grants-in-aid, and (4) performing such other  
2980 administrative duties as the committee deems necessary.

2981 Sec. 70. Subsection (a) of section 31-11aa of the general statutes is  
2982 repealed and the following is substituted in lieu thereof (*Effective July*  
2983 *1, 2010*):

2984 (a) The Connecticut Employment and Training Commission within  
2985 the Office of Workforce Competitiveness shall produce, within

2986 available appropriations, a report on information technology  
2987 workforce development, including a long-range strategic plan, that  
2988 addresses Connecticut's workforce and research needs as they relate to  
2989 information technology and electronic commerce. The commission  
2990 shall work with the Commissioners of Economic and Community  
2991 Development, Education and Higher Education and any business-  
2992 related association or organization that the commission deems  
2993 appropriate in creating a planning structure, no later than July 5, 2000,  
2994 to develop the plan. The planning structure shall include  
2995 representation from the Connecticut Employment and Training  
2996 Commission, the General Assembly, the Departments of Education,  
2997 Higher Education and Economic and Community Development,  
2998 [Connecticut Innovations, Incorporated] the Connecticut Economic  
2999 Innovations Authority, information technology and software  
3000 companies, the Connecticut Business and Industry Association, the  
3001 Connecticut Economic Resource Center, the Connecticut Technology  
3002 Council, The University of Connecticut, the Connecticut State  
3003 University System, the community-technical colleges, Charter Oak  
3004 State College, the Connecticut Distance Learning Consortium, the  
3005 Connecticut Conference of Independent Colleges and any other  
3006 representatives including regional and state-wide business and  
3007 technology associations the Connecticut Employment and Training  
3008 Commission and commissioners deem necessary.

3009 Sec. 71. Section 32-1e of the general statutes is repealed and the  
3010 following is substituted in lieu thereof (*Effective July 1, 2010*):

3011 (a) The Commissioner of Economic and Community Development,  
3012 in consultation with the Connecticut Resources Recovery Authority  
3013 and the Commissioner of Environmental Protection, shall prepare a  
3014 plan for the support and promotion of industries that use, process or  
3015 transport recycled materials. The plan shall outline ways existing  
3016 programs of the Department of Economic and Community  
3017 Development, the Connecticut Resources Recovery Authority and  
3018 agencies such as the Department of Environmental Protection [, the  
3019 Connecticut Development Authority and Connecticut Innovations,

3020 Incorporated] and the Connecticut Economic Innovations Authority  
3021 will be used to promote such industries.

3022 (b) Such plan shall be completed on or before July 1, 2007.

3023 Sec. 72. Section 32-1k of the general statutes is repealed and the  
3024 following is substituted in lieu thereof (*Effective July 1, 2010*):

3025 As used in sections 8-244b to 8-244d, inclusive, this section and  
3026 section 32-1l, as amended by this act, the following terms shall have  
3027 the following meanings unless the context clearly indicates another  
3028 meaning and intent:

3029 (1) "Department" means the Department of Economic and  
3030 Community Development;

3031 (2) "Commissioner" means the Commissioner of Economic and  
3032 Community Development;

3033 [(3) "CDA" means the Connecticut Development Authority, as  
3034 created under chapter 579;]

3035 [(4)] (3) "CHFA" means the Connecticut Housing Finance Authority,  
3036 as created under chapter 134; and

3037 [(5) "CII" means Connecticut Innovations, Incorporated, as created  
3038 under chapter 581; and]

3039 [(6)] (4) "SHA" means the State Housing Authority as created under  
3040 section 8-244b.

3041 Sec. 73. Section 32-4h of the general statutes is repealed and the  
3042 following is substituted in lieu thereof (*Effective July 1, 2010*):

3043 Not later than August 1, 1997, and annually thereafter, the  
3044 [chairperson of the board of directors of the Connecticut Development  
3045 Authority and the chairperson of the board of directors of Connecticut  
3046 Innovations, Incorporated] executive director of the Connecticut  
3047 Economic Innovations Authority shall submit a report to the joint

3048 standing committee of the General Assembly having cognizance of  
3049 matters relating to the Department of Economic and Community  
3050 Development, in accordance with the provisions of section 11-4a,  
3051 which details the amount of bond funds expended during the previous  
3052 fiscal year on each economic cluster in the state, [by the quasi-public  
3053 agency administered by such chairperson.]

3054 Sec. 74. Section 32-6k of the general statutes is repealed and the  
3055 following is substituted in lieu thereof (*Effective July 1, 2010*):

3056 (a) Prior to entering into a grant, loan or assistance agreement for  
3057 any project which is a major traffic generator within the meaning of  
3058 section 14-311, the Commissioner of Economic and Community  
3059 Development and the executive [directors of the Connecticut  
3060 Development Authority and Connecticut Innovations, Incorporated]  
3061 director of the Connecticut Economic Innovations Authority, as the  
3062 case may be, shall submit an impact statement for each such project to  
3063 the Connecticut Transportation Strategy Board, established pursuant  
3064 to section 13b-57e. Each impact statement shall (1) describe the project  
3065 and its expected impact on the transportation system, (2) summarize  
3066 whether or not such project conforms to the strategy adopted in  
3067 accordance with section 13b-57g, and (3) include any other information  
3068 the board may require to discharge its responsibilities under this  
3069 subsection including, but not limited to, (A) the size of any facility  
3070 proposed in connection with the project, (B) the hours of operation of  
3071 such facility, (C) a projection of whether or not an increase in daily  
3072 vehicle trips including truck traffic is likely to occur as a result of such  
3073 project, and (D) the availability of public transportation to and from  
3074 such facility. The board shall evaluate each such impact statement to  
3075 determine whether such project conforms to such strategy and shall  
3076 submit to said commissioner and executive [directors] director any  
3077 findings and recommendations with respect to such project. Nothing  
3078 in this subsection shall be construed as requiring any delay in the  
3079 implementation of any such project.

3080 (b) The board shall, subject to the requirements of chapter 14,

3081 protect confidential information and trade secrets provided in  
3082 connection with the review of any project pursuant to subsection (a) of  
3083 this section.

3084 Sec. 75. Section 32-41v of the general statutes is repealed and the  
3085 following is substituted in lieu thereof (*Effective July 1, 2010*):

3086 (a) As used in this section:

3087 (1) ["Corporation"] "Authority" means [Connecticut Innovations,  
3088 Incorporated] the Connecticut Economic Innovations Authority; and

3089 (2) "Fund" means the Connecticut New Opportunities Fund.

3090 (b) [Connecticut Innovations, Incorporated] The Connecticut  
3091 Economic Innovations Authority shall establish a fund to be known as  
3092 the Connecticut New Opportunities Fund, for the purpose of investing  
3093 in seed stage and emerging growth companies in the state. The  
3094 [corporation] authority, or a subsidiary created by the [corporation]  
3095 authority for the purposes of this section, shall serve as general partner  
3096 or managing member of the fund and shall determine whether the  
3097 fund should be organized as a limited partnership or a limited liability  
3098 company. The general partner or managing member of the fund shall  
3099 be reimbursed from the fund for its management costs, which shall not  
3100 exceed two per cent, annually, of the committed capital of the fund.

3101 (c) Investors in the fund may include pension funds, foundations  
3102 and private entities. Such investors shall participate as limited partners  
3103 or nonmanaging members of the fund. The committed capital of the  
3104 fund shall not exceed fifty million dollars.

3105 (d) The moneys in the fund shall be invested as follows: (1) Not  
3106 more than twenty-five per cent in seed stage companies, and (2) not  
3107 more than seventy-five per cent in not more than twenty emerging  
3108 growth companies. Not more than three million dollars shall be  
3109 invested in any single seed stage or emerging growth company. Fund  
3110 investments shall be in the form of equity or similar instruments. An  
3111 emerging growth company may be eligible for an investment if the

3112 company projects high growth, has a strong management team, has  
3113 current and prospective customers, has had difficulty raising early  
3114 stage venture capital and is a strong market driver but is facing entry  
3115 barriers.

3116 (e) The fund shall have a term of ten years, provided it may be  
3117 extended for three one-year periods if necessary to complete  
3118 liquidation of the fund's investments. Upon such liquidation, each  
3119 investor shall be entitled to a return of the investment made, plus  
3120 eighty per cent of all net realized gains of the fund. The state shall  
3121 provide a first loss guarantee at the end of the tenth year, if needed, of  
3122 not more than twenty-five million dollars. The state shall be entitled to  
3123 ten per cent of all net realized gains of the fund and the general partner  
3124 or managing member of the fund shall also be entitled to ten per cent  
3125 of all such net realized gains.

3126 Sec. 76. Section 32-41w of the general statutes is repealed and the  
3127 following is substituted in lieu thereof (*Effective July 1, 2010*):

3128 (a) There is established an early-stage venture capital program to be  
3129 administered by [Connecticut Innovations, Incorporated,] the  
3130 Connecticut Economic Innovations Authority to provide preseed  
3131 financing, seed financing, start-up financing, early or first-stage  
3132 financing and expansion financing to companies in the state.

3133 (b) In support of the program established in subsection (a) of this  
3134 section, the [corporation] authority shall establish criteria for awarding  
3135 such financing and shall develop and implement a plan to market the  
3136 program.

3137 (c) The board of the [corporation] authority shall review and  
3138 approve each application for such financing.

3139 (d) Funds provided for this section shall be allocated as follows: (1)  
3140 Not less than five per cent for preseed financing; (2) not less than ten  
3141 per cent for seed financing; (3) not less than ten per cent for start-up  
3142 financing; (4) not less than fifteen per cent for early or first stage

3143 financing; and (5) not less than forty per cent and not more than sixty  
3144 per cent on expansion financing, as such terms are defined in section  
3145 32-34, as amended by this act. The [corporation] authority shall use not  
3146 more than three per cent of such funds for administration and  
3147 marketing of such financial aid.

3148 (e) The [corporation] authority shall adopt procedures, pursuant to  
3149 section 1-121, to implement the provisions of this section.

3150 Sec. 77. Section 32-344 of the general statutes is repealed and the  
3151 following is substituted in lieu thereof (*Effective July 1, 2010*):

3152 As used in this section and sections 32-345 and 32-346:

3153 (1) "Business-led consortium" means a coalition or other group of  
3154 entities, related by contractual or other arrangements, that (A) includes  
3155 at least one Connecticut business and may include other businesses  
3156 and nonprofit or public institutions, and (B) is led by a business for the  
3157 purpose of technology development or commercialization;

3158 (2) ["Corporation"] "Authority" means [Connecticut Innovations,  
3159 Incorporated, as created under section 32-35] the Connecticut  
3160 Economic Innovations Authority established pursuant to section 2 of  
3161 this act;

3162 (3) "Small business" means a corporation, limited liability company,  
3163 partnership, sole proprietorship or individual, operating a business for  
3164 profit, which employs five hundred or fewer employees, including  
3165 employees employed in any subsidiary or affiliated corporation;

3166 (4) "Small business innovation research program" means the federal  
3167 program established pursuant to the Small Business Innovation  
3168 Development Act of 1982 (P.L. 97-219), as amended, which provides  
3169 funds to small businesses to conduct innovative research which has  
3170 potential commercial applications;

3171 (5) "Small business technology transfer program" means the federal  
3172 program established pursuant to the Small Business Research and

3173 Development Enhancement Act of 1992 (P.L. 102-564), as amended,  
3174 which provides funds to small businesses that collaborate with  
3175 nonprofit research institutions to conduct innovative research which  
3176 has potential commercial applications;

3177 (6) "Federal technology support program" means any program now  
3178 or hereafter established by the government of the United States of  
3179 America or any agency or instrumentality thereof, other than the small  
3180 business innovation research program and small business technology  
3181 transfer program that (A) is authorized to provide funding support for  
3182 projects undertaken by businesses and business-led consortia for the  
3183 development or commercialization of advanced technologies,  
3184 including without limitation technologies applied or applicable to  
3185 national defense, and (B) requires recipients to furnish a portion of the  
3186 funds necessary to carry out such activities;

3187 (7) "Micro business" means a business entity, including its affiliates,  
3188 that (A) is independently owned and operated, and (B) employs fewer  
3189 than fifty full-time employees or has gross annual sales of less than  
3190 five million dollars.

3191 Sec. 78. Subsection (e) of section 32-356 of the general statutes is  
3192 repealed and the following is substituted in lieu thereof (*Effective July*  
3193 *1, 2010*):

3194 (e) (1) There is established a Small Business Incubator Advisory  
3195 Board. Said board shall consist of: (A) The Commissioner of Economic  
3196 and Community Development; (B) the [president of the Connecticut  
3197 Development Authority and the] executive director of [Connecticut  
3198 Innovations, Incorporated] the Connecticut Economic Innovations  
3199 Authority, or the executive director's designee, as an ex-officio  
3200 nonvoting [members, or their designees] member; (C) one member to  
3201 be appointed by the Governor; (D) two members with experience in  
3202 the field of technology transfer and commercialization, to be appointed  
3203 by the speaker of the House of Representatives; (E) two members with  
3204 experience in new product and market development, to be appointed  
3205 by the president pro tempore of the Senate; (F) one member to be

3206 appointed by the majority leader of the Senate; (G) one member to be  
3207 appointed by the majority leader of the House of Representatives; (H)  
3208 one member with experience in seed and early stage capital  
3209 investment, to be appointed by the minority leader of the House of  
3210 Representatives; and (I) one member with experience in seed and early  
3211 stage capital investment, to be appointed by the minority leader of the  
3212 Senate. All initial appointments to said board shall be made not later  
3213 than September 1, 2007.

3214 (2) The Commissioner of Economic and Community Development  
3215 shall schedule the first meeting of said board not later than October 15,  
3216 2007. Thereafter, the board shall meet at least once annually to evaluate  
3217 and recommend changes to the guidelines adopted pursuant to this  
3218 section.

3219 Sec. 79. Section 32-450 of the general statutes is repealed and the  
3220 following is substituted in lieu thereof (*Effective July 1, 2010*):

3221 As used in sections 32-450 to 32-457, inclusive, as amended by this  
3222 act:

3223 (1) "Awarding authority" means the Commissioner of Economic and  
3224 Community Development [,] and the board of directors of the  
3225 [Connecticut Development Authority and the board of directors of  
3226 Connecticut Innovations, Incorporated] Connecticut Economic  
3227 Innovations Authority.

3228 (2) "Economic development financial assistance" means any grant,  
3229 loan or loan guarantee, or combination thereof, or any tax credits  
3230 approved pursuant to section 32-9t, provided to a business for the  
3231 purpose of economic development.

3232 (3) "Employee representatives" means representatives of any  
3233 certified or recognized bargaining agents for employees of a business.

3234 (4) "Threshold project" means (A) a project for which a business  
3235 operating in the state and having twenty-five or more full-time  
3236 employees in the state submits a request to an awarding authority for

3237 economic development financial assistance in the form of (i) a grant in  
3238 the amount of two hundred fifty thousand dollars or more, or (ii) a  
3239 combination of a grant and a loan or loan guarantee, totaling two  
3240 hundred fifty thousand dollars or more, or (B) a project for which a  
3241 business operating in the state and having one hundred or more full-  
3242 time employees in the state submits a request to an awarding authority  
3243 for economic development financial assistance in the form of (i) a loan  
3244 or a loan guarantee, in the amount of one million dollars or more, or  
3245 (ii) a combination of a loan and a loan guarantee, totaling one million  
3246 dollars or more.

3247 Sec. 80. Section 32-462 of the general statutes is repealed and the  
3248 following is substituted in lieu thereof (*Effective July 1, 2010*):

3249 (a) As used in this section:

3250 (1) "Agency" means the Department of Economic and Community  
3251 Development [, the Connecticut Development Authority] or  
3252 [Connecticut Innovations, Incorporated] the Connecticut Economic  
3253 Innovations Authority.

3254 (2) "Financial assistance" means grants, loans, loan guarantees,  
3255 contracts of insurance, investments, or combinations thereof, which are  
3256 provided from the proceeds of bonds, notes or other obligations of the  
3257 state or an agency which constitute a debt or liability of the state or  
3258 which are secured by a special capital reserve fund payable from  
3259 amounts appropriated or deemed appropriated from the General  
3260 Fund.

3261 (3) "Applicant" means any eligible applicant seeking financial  
3262 assistance from an agency for a business project. The term "applicant"  
3263 shall not include any political subdivision of the state.

3264 (4) "Business project" means a business proposal undertaken by one  
3265 or more applicants, but does not include housing unless undertaken in  
3266 combination with another unrelated type of business.

3267 (5) "Biotechnology business project" means any commercial project

3268 to be used or occupied by any person to conduct laboratory activity  
3269 relating to, or the research, development or manufacture of,  
3270 biologically active molecules or devices that apply to, affect or analyze  
3271 biological processes.

3272 (b) (1) No agency or agencies may award more than a total of ten  
3273 million dollars of financial assistance during any two-year period to an  
3274 applicant or for a business project unless such financial assistance is  
3275 specifically authorized by an act of the General Assembly which has  
3276 been enacted before, on or after July 1, 1994. (2) The provisions of  
3277 subdivision (1) of this subsection shall not apply to any awards funded  
3278 or to be funded by bonds authorized to be issued by the State Bond  
3279 Commission before July 1, 1994.

3280 (c) Notwithstanding the provisions of subsection (b) of this section,  
3281 no agency or agencies may award more than twenty million dollars of  
3282 financial assistance for a biotechnology business project during any  
3283 two-year period unless such financial assistance is specifically  
3284 authorized by an act of the General Assembly which has been enacted  
3285 before, on or after July 1, 2001.

3286 Sec. 81. Section 32-478 of the general statutes is repealed and the  
3287 following is substituted in lieu thereof (*Effective July 1, 2010*):

3288 The board of directors of [Connecticut Innovations, Incorporated]  
3289 the Connecticut Economic Innovations Authority shall give priority to  
3290 applicants who have established a work environment consistent with  
3291 the criteria set forth in section 32-475 in awarding financial assistance  
3292 under the program authorized pursuant to sections 32-344, as  
3293 amended by this act, 32-345 and 32-346, to the extent consistent with  
3294 any state or regional economic development strategy.

3295 Sec. 82. Section 32-479 of the general statutes is repealed and the  
3296 following is substituted in lieu thereof (*Effective July 1, 2010*):

3297 [Not later than July 1, 1996, the] The Commissioner of Economic  
3298 and Community Development, the Labor Commissioner [, the

3299 Connecticut Development Authority and Connecticut Innovations,  
3300 Incorporated] and the Connecticut Economic Innovations Authority  
3301 shall jointly develop goals and objectives and quantifiable outcome  
3302 measures related to the percentage of financial assistance which is  
3303 being provided to high performance work organizations. The Labor  
3304 Commissioner [, the Connecticut Development Authority] and  
3305 [Connecticut Innovations, Incorporated] the Connecticut Economic  
3306 Innovations Authority shall submit an annual report concerning such  
3307 goals, objectives and measures to the joint standing committee of the  
3308 General Assembly having cognizance of matters relating to labor and  
3309 public employees and the joint standing committee having cognizance  
3310 of matters relating to commerce.

3311 Sec. 83. Section 32-480 of the general statutes is repealed and the  
3312 following is substituted in lieu thereof (*Effective July 1, 2010*):

3313 The Department of Economic and Community Development, the  
3314 Labor Department [, the Connecticut Development Authority] and  
3315 [Connecticut Innovations, Incorporated] the Connecticut Economic  
3316 Innovations Authority shall, when appropriate, encourage persons,  
3317 firms and corporations which contact said departments or authorities  
3318 for financial assistance to utilize high performance work practices in  
3319 their business operations.

3320 Sec. 84. Section 32-700 of the general statutes is repealed and the  
3321 following is substituted in lieu thereof (*Effective July 1, 2010*):

3322 As used in sections 32-701 to 32-703, inclusive, as amended by this  
3323 act, and this section:

3324 (1) "Awarding authority" means the Commissioner of Economic and  
3325 Community Development, the board of directors of the [Connecticut  
3326 Development Authority, the board of directors of Connecticut  
3327 Innovations, Incorporated,] Connecticut Economic Innovations  
3328 Authority and the head of any other quasi-public agency, as defined in  
3329 section 1-120, as amended by this act, and any state agency authorized  
3330 to award state assistance, as defined in subdivision (2) of this section.

3331 (2) "State assistance" means any grant, loan, loan guarantee or  
3332 issuance of tax benefit not of general applicability for the purpose of  
3333 economic development that is (A) made to a business entity operated  
3334 for profit, and (B) in an amount greater than one million dollars or  
3335 that, if added to any other such state assistance made to the same  
3336 business entity during the preceding two years, would total greater  
3337 than one million dollars.

3338 Sec. 85. Subsection (a) of section 32-701 of the general statutes is  
3339 repealed and the following is substituted in lieu thereof (*Effective July*  
3340 *1, 2010*):

3341 (a) The terms and conditions of any agreement for state assistance  
3342 under any program of the general statutes to a business entity  
3343 operated for profit administered by the Department of Economic and  
3344 Community Development [ , Connecticut Development Authority] and  
3345 [Connecticut Innovations, Incorporated,] the Connecticut Economic  
3346 Innovations Authority shall include provisions for (1) specific goals for  
3347 the creation and retention of full-time and part-time jobs and for  
3348 periodic reports by the recipient on progress in achieving such goals if  
3349 the primary purpose of the state assistance is job creation or retention,  
3350 and (2) a requirement that an applicant for any type of state assistance,  
3351 except grants and loans of a term of less than one year, provide the  
3352 agency with appropriate security for such financial assistance,  
3353 including, but not limited to, a letter of credit, a lien on real property or  
3354 a security interest in goods, equipment, inventory or other property of  
3355 any kind and that the recipient of such state assistance will remain in  
3356 substantial material compliance with state and federal law.

3357 Sec. 86. Section 32-717 of the general statutes is repealed and the  
3358 following is substituted in lieu thereof (*Effective July 1, 2010*):

3359 (a) The Commissioner of Economic and Community Development,  
3360 [the chairperson of Connecticut Innovations, Incorporated,] the  
3361 president of The University of Connecticut and the [chairperson of the  
3362 Connecticut Development Authority] executive director of the  
3363 Connecticut Economic Innovations Authority, or their respective

3364 designees, shall prepare, within available appropriations, and in  
3365 consultation with the Governor's Competitiveness Council, the  
3366 Commissioner of Education, the Commissioner of Higher Education,  
3367 the chancellor of the community-technical college system, the director  
3368 of the Office of Workforce Competitiveness and any other agencies  
3369 and leading technology-focused organizations deemed appropriate by  
3370 the Commissioner of Economic and Community Development,  
3371 recommendations for an implementation plan and budget to establish  
3372 an Innovation Network that will include the following: (1) The creation  
3373 of endowed chairs and the hiring of leading academic professionals in  
3374 targeted fields based on core competencies to work at universities,  
3375 state colleges and community colleges, in collaboration with other  
3376 technology initiatives; (2) the focused and aggressive solicitation of  
3377 and leveraged partnership with federal research funds; (3) increased  
3378 corporate-sponsored research; (4) the establishment of at least one  
3379 innovation accelerator, linked to universities and involving  
3380 corporations and start-up enterprises focused on advanced technology  
3381 and leveraging the efforts underway by the Connecticut Center for  
3382 Advanced Technology in the Hartford area; (5) the strengthening of  
3383 technology transfer and entrepreneurship activities at universities in  
3384 the state; (6) incentives and financial support for collaborative research  
3385 between universities and industry or federally sponsored technology  
3386 centers; (7) the creation of linkages to angel networks; and (8) the  
3387 creation of linkages to incubators in Connecticut. Said plan shall also  
3388 include provisions for the utilization of existing resources, including,  
3389 but not limited to, [Connecticut Innovations, Incorporated, the  
3390 Connecticut Development Authority] the Connecticut Economic  
3391 Innovations Authority, The University of Connecticut and the Office of  
3392 Workforce Competitiveness.

3393 (b) Not later than January 1, 2006, the Commissioner of Economic  
3394 and Community Development, in consultation with [the chairperson  
3395 of Connecticut Innovations, Incorporated,] the president of The  
3396 University of Connecticut and the [chairperson of the Connecticut  
3397 Development Authority] executive director of the Connecticut  
3398 Economic Innovations Authority, shall develop an implementation

3399 plan for the Innovation Network, within available resources, and  
3400 submit said plan and budget to the Governor and the joint standing  
3401 committees of the General Assembly having cognizance of matters  
3402 relating to economic development, education and labor, in accordance  
3403 with the provisions of section 11-4a.

3404 Sec. 87. Section 32-718 of the general statutes is repealed and the  
3405 following is substituted in lieu thereof (*Effective July 1, 2010*):

3406 The Department of Economic and Community Development,  
3407 [Connecticut Innovations, Incorporated,] The University of  
3408 Connecticut, the [Connecticut Development Authority] Connecticut  
3409 Economic Innovations Authority and the Office of Workforce  
3410 Competitiveness may use up to ten million dollars of their existing  
3411 resources for plan implementation and to provide a catalyst for an  
3412 additional forty million dollars of private investment. The plan for  
3413 how these funds will be applied and how they will leverage the  
3414 private money shall be presented to and approved by the State Bond  
3415 Commission.

3416 Sec. 88. Subsection (d) of section 8-192 of the general statutes is  
3417 repealed and the following is substituted in lieu thereof (*Effective July*  
3418 *1, 2010*):

3419 (d) For the purposes of carrying out or administering a specified  
3420 development plan authorized under this chapter, the [Connecticut  
3421 Development Authority] Connecticut Economic Innovations Authority  
3422 may, upon a resolution with respect to such project adopted by the  
3423 legislative body of the municipality, issue and administer bonds which  
3424 are payable solely or in part from and secured by the pledge and  
3425 security provided for in subsection (a) of this section subject to the  
3426 general terms and provisions of law applicable to the issuance of  
3427 bonds by the [Connecticut Development Authority] Connecticut  
3428 Economic Innovations Authority, except that the provisions of  
3429 subsection (b) of section 32-23j shall not apply. For purposes of this  
3430 section and section 8-192a, as amended by this act, references to the  
3431 [Connecticut Development Authority] Connecticut Economic

3432 Innovations Authority shall include any subsidiary of the [Connecticut  
3433 Development Authority established pursuant to subsection (l) of  
3434 section 32-11a] Connecticut Economic Innovations Authority.

3435 Sec. 89. Section 8-192a of the general statutes is repealed and the  
3436 following is substituted in lieu thereof (*Effective July 1, 2010*):

3437 Any development plan authorized under this chapter or any  
3438 proceedings authorizing the issuance of bonds under this chapter may  
3439 contain a provision that taxes, if any, identified in such plan or such  
3440 authorizing proceeding and levied upon taxable real or personal  
3441 property, or both, in a development project each year or payments in  
3442 lieu of such taxes authorized pursuant to chapter 114, or both, by or for  
3443 the benefit of any one or more municipalities, districts or other public  
3444 taxing agencies after adoption of the development plan as provided by  
3445 section 8-191 or such authorizing proceedings, as the case may be, shall  
3446 be divided as follows: (a) In each fiscal year that portion of the taxes or  
3447 payments in lieu of taxes, or both, which would be produced by  
3448 applying the then current tax rate of each of the taxing agencies to the  
3449 total sum of the assessed value of the taxable property in the  
3450 development project on the effective date of such adoption or the date  
3451 of such authorizing proceedings, as the case may be, or on any date  
3452 between such two dates which is identified in such proceedings, shall  
3453 be allocated to and when collected shall be paid into the funds of the  
3454 respective taxing agencies in the same manner as taxes by or for said  
3455 taxing agencies on all other property are paid; and (b) that portion of  
3456 the assessed taxes or the payments in lieu of taxes, or both, each fiscal  
3457 year in excess of the amount referred to in subdivision (a) of this  
3458 section shall be allocated to and when collected shall be paid into a  
3459 special fund of the municipality or the [Connecticut Development  
3460 Authority] Connecticut Economic Innovations Authority as issuer of  
3461 such bonds to be used in each fiscal year, first to pay the principal of  
3462 and interest due in such fiscal year on loans, moneys advanced to, or  
3463 indebtedness, whether funded, refunded, assumed, or otherwise,  
3464 incurred by such municipality or the [Connecticut Development  
3465 Authority] Connecticut Economic Innovations Authority as issuer of

3466 such bonds to finance or refinance in whole or in part, such  
3467 development project, and then, at the option of the municipality or the  
3468 [Connecticut Development Authority] Connecticut Economic  
3469 Innovations Authority as issuer of such bonds, to purchase bonds  
3470 issued for the project which has generated the tax increments or  
3471 payments in lieu of taxes and then, at the option of the municipality or  
3472 the [Connecticut Development Authority] Connecticut Economic  
3473 Innovations Authority as issuer of such bonds, to reimburse the  
3474 provider of or reimbursement party with respect to any guarantee,  
3475 letter of credit, policy of bond insurance, funds deposited in a debt  
3476 service reserve fund, funds deposited as capitalized interest or other  
3477 credit enhancement device used to secure payment of debt service on  
3478 any bonds, notes or other indebtedness issued pursuant to section 8-  
3479 192, as amended by this act, to finance or refinance such development  
3480 project, to the extent of any payments of debt service made therefrom.  
3481 Unless and until the total assessed valuation of the taxable property in  
3482 a development project exceeds the total assessed value of the taxable  
3483 property in such project as shown by the last assessment list referred to  
3484 in subdivision (a) of this section, all of the taxes levied and collected  
3485 and all of the payments in lieu of taxes due and collected upon the  
3486 taxable property in such development project shall be paid into the  
3487 funds of the respective taxing agencies. When such loans, advances,  
3488 and indebtedness, if any, and interest thereon, and such debt service  
3489 reimbursement to the provider of or reimbursement party with respect  
3490 to such credit enhancement, have been paid in full, all moneys  
3491 thereafter received from taxes or payments in lieu of taxes, or both,  
3492 upon the taxable property in such development project shall be paid  
3493 into the funds of the respective taxing agencies in the same manner as  
3494 taxes on all other property are paid.

3495 Sec. 90. Subsection (b) of section 8-240m of the general statutes is  
3496 repealed and the following is substituted in lieu thereof (*Effective July*  
3497 *1, 2010*):

3498 (b) The [Connecticut Development Authority] Connecticut  
3499 Economic Innovations Authority may provide financial assistance,

3500 including, without limitation, financial assistance in the form of grants,  
3501 loans and the purchase of capital stock, for the program established  
3502 pursuant to subsection (a) of section 8-240k, upon the execution of a  
3503 financial assistance agreement containing such terms and conditions as  
3504 the [Connecticut Development Authority] Connecticut Economic  
3505 Innovations Authority shall deem necessary and appropriate to fulfill  
3506 the purposes of sections 8-240k to 8-240n, inclusive.

3507 Sec. 91. Section 13b-79w of the general statutes is repealed and the  
3508 following is substituted in lieu thereof (*Effective July 1, 2010*):

3509 The [Connecticut Development Authority] Connecticut Economic  
3510 Innovations Authority is authorized to make loans, on such terms and  
3511 subject to such conditions as it determines, to (1) support transit-  
3512 oriented development projects, as defined in section 13b-79o; and (2)  
3513 encourage the development and use of port and rail freight facilities  
3514 and services, including trackage and related infrastructure.

3515 Sec. 92. Section 16-243v of the general statutes is repealed and the  
3516 following is substituted in lieu thereof (*Effective July 1, 2010*):

3517 (a) For purposes of this section: (1) "Connecticut electric efficiency  
3518 partner program" means the coordinated effort among the Department  
3519 of Public Utility Control, persons and entities providing enhanced  
3520 demand-side management technologies, and electric consumers to  
3521 conserve electricity and reduce demand in Connecticut through the  
3522 purchase and deployment of energy efficient technologies; (2)  
3523 "enhanced demand-side management technologies" means demand-  
3524 side management solutions, customer-side emergency dispatchable  
3525 generation resources, customer-side renewable energy generation, load  
3526 shifting technologies and conservation and load management  
3527 technologies that reduce electric distribution company customers'  
3528 electric demand, and high efficiency natural gas and oil boilers and  
3529 furnaces; and (3) "Connecticut electric efficiency partner" means an  
3530 electric distribution company customer who acquires an enhanced  
3531 demand-side management technology or a person, other than an  
3532 electric distribution company, that provides enhanced demand-side

3533 management technologies to electric distribution company customers.

3534 (b) The Energy Conservation Management Board, in consultation  
3535 with the Renewable Energy Investments Advisory Committee, shall  
3536 evaluate and approve enhanced demand-side management  
3537 technologies that can be deployed by Connecticut electric efficiency  
3538 partners to reduce electric distribution company customers' electric  
3539 demand. Such evaluation shall include an examination of the potential  
3540 to reduce customers' demand, federally mandated congestion charges  
3541 and other electric costs. On or before October 15, 2007, the Energy  
3542 Conservation Management Board shall file such evaluation with the  
3543 Department of Public Utility Control for the department to review and  
3544 approve or to review, modify and approve on or before October 15,  
3545 2007.

3546 (c) Not later than October 15, 2007, the Energy Conservation  
3547 Management Board shall file with the department, for the department  
3548 to review and approve or to review, modify and approve, an analysis  
3549 of the state's electric demand, peak electric demand and growth  
3550 forecasts for electric demand and peak electric demand. Such analysis  
3551 shall identify the principal drivers of electric demand and peak electric  
3552 demand, associated electric charges tied to electric demand and peak  
3553 electric demand growth, including, but not limited to, federally  
3554 mandated congestion charges and other electric costs, and any other  
3555 information the department deems appropriate. The analysis shall  
3556 include, but not be limited to, an evaluation of the costs and benefits of  
3557 the enhanced demand-side management technologies approved  
3558 pursuant to subsection (b) of this section and establishing suggested  
3559 funding levels for said individual technologies.

3560 (d) Commencing April 1, 2008, any person may apply to the  
3561 department for certification and funding as a Connecticut electric  
3562 efficiency partner. Such application shall include the technologies that  
3563 the applicant shall purchase or provide and that have been approved  
3564 pursuant to subsection (b) of this section. In evaluating the application,  
3565 the department shall (1) consider the applicant's potential to reduce

3566 customers' electric demand, including peak electric demand, and  
3567 associated electric charges tied to electric demand and peak electric  
3568 demand growth, (2) determine the portion of the total cost of each  
3569 project that shall be paid for by the customer participating in this  
3570 program and the portion of the total cost of each project that shall be  
3571 paid for by all electric ratepayers and collected pursuant to subsection  
3572 (h) of this section. In making such determination, the department shall  
3573 ensure that all ratepayer investments maintain a minimum two-to-one  
3574 payback ratio, and (3) specify that participating Connecticut electric  
3575 efficiency partners shall maintain the technology for a period sufficient  
3576 to achieve such investment payback ratio. The annual ratepayer  
3577 contribution for projects approved pursuant to this section shall not  
3578 exceed sixty million dollars. Not less than seventy-five per cent of such  
3579 annual ratepayer investment shall be used for the technologies  
3580 themselves. No person shall receive electric ratepayer funding  
3581 pursuant to this subsection if such person has received or is receiving  
3582 funding from the Energy Conservation and Load Management Funds  
3583 for the projects included in said person's application. No person shall  
3584 receive electric ratepayer funding without receiving a certificate of  
3585 public convenience and necessity as a Connecticut electric efficiency  
3586 partner by the department. The department may grant an applicant a  
3587 certificate of public convenience if it possesses and demonstrates  
3588 adequate financial resources, managerial ability and technical  
3589 competency. The department may conduct additional requests for  
3590 proposals from time to time as it deems appropriate. The department  
3591 shall specify the manner in which a Connecticut electric efficiency  
3592 partner shall address measures of effectiveness and shall include  
3593 performance milestones.

3594 (e) Beginning February 1, 2010, a certified Connecticut electric  
3595 efficiency partner may only receive funding if selected in a request for  
3596 proposal developed, issued and evaluated by the department. In  
3597 evaluating a proposal, the department shall take into consideration the  
3598 potential to reduce customers' electric demand including peak electric  
3599 demand, and associated electric charges tied to electric demand and  
3600 peak electric demand growth, including, but not limited to, federally

3601 mandated congestion charges and other electric costs, and shall utilize  
3602 a cost benefit test established pursuant to subsection (c) of this section  
3603 to rank responses for selection. The department shall determine the  
3604 portion of the total cost of each project that shall be paid by the  
3605 customer participating in this program and the portion of the total cost  
3606 of each project that shall be paid by all electric ratepayers and collected  
3607 pursuant to the provisions of this subsection. In making such  
3608 determination, the department shall (1) ensure that all ratepayer  
3609 investments maintain a minimum two-to-one payback ratio, and (2)  
3610 specify that participating Connecticut electric efficiency partners shall  
3611 maintain the technology for a period sufficient to achieve such  
3612 investment payback ratio. The annual ratepayer contribution shall not  
3613 exceed sixty million dollars. Not less than seventy-five per cent of such  
3614 annual ratepayer investment shall be used for the technologies  
3615 themselves. No Connecticut electric efficiency partner shall receive  
3616 funding pursuant to this subsection if such partner has received or is  
3617 receiving funding from the Energy Conservation and Load  
3618 Management Funds for such technology. The department may conduct  
3619 additional requests for proposals from time to time as it deems  
3620 appropriate. The department shall specify the manner in which a  
3621 Connecticut electric efficiency partner shall address measures of  
3622 effectiveness and shall include performance milestones.

3623 (f) The department may retain the services of a third party entity  
3624 with expertise in areas such as demand-side management solutions,  
3625 customer-side renewable energy generation, customer-side distributed  
3626 generation resources, customer-side emergency dispatchable  
3627 generation resources, load shifting technologies and conservation and  
3628 load management investments to assist in the development and  
3629 operation of the Connecticut electric efficiency partner program. The  
3630 costs for obtaining third party services pursuant to this subsection  
3631 shall be recoverable through the systems benefits charge.

3632 (g) The department shall develop a long-term low-interest loan  
3633 program to assist certified Connecticut electric efficiency partners in  
3634 financing the customer portion of the capital costs of approved

3635 enhanced demand-side management technologies. The department  
3636 may establish such financing mechanism by the use of one or more of  
3637 the following strategies: (1) Modifying the existing long-term  
3638 customer-side distributed generation financing mechanism established  
3639 pursuant to section 16-243j, (2) negotiating and entering into an  
3640 agreement with the [Connecticut Development Authority] Connecticut  
3641 Economic Innovations Authority to establish a credit facility or to  
3642 utilize grants, loans or loan guarantees for the purposes of this section  
3643 upon such terms and conditions as the authority may prescribe  
3644 including provisions regarding the rights and remedies available to the  
3645 authority in case of default, or (3) selecting by competitive bid one or  
3646 more entities that can provide such long-term financing.

3647 (h) The department shall provide for the payment of electric  
3648 ratepayers' portion of the costs of deploying enhanced demand-side  
3649 management technologies by implementing a contractual financing  
3650 agreement with the [Connecticut Development Authority] Connecticut  
3651 Economic Innovations Authority or a private financing entity selected  
3652 through an appropriate open competitive selection process. No  
3653 contractual financing agreements entered into with the [Connecticut  
3654 Development Authority] Connecticut Economic Innovations Authority  
3655 shall exceed ten million dollars. Any electric ratepayer costs resulting  
3656 from such financing agreement shall be recovered from all electric  
3657 ratepayers through the systems benefits charge.

3658 (i) On or before February 15, 2009, and annually thereafter, the  
3659 department shall report to the joint standing committee of the General  
3660 Assembly having cognizance of matters relating to energy regarding  
3661 the effectiveness of the Connecticut electric efficiency partner program  
3662 established pursuant to this section. Said report shall include, but not  
3663 be limited to, an accounting of all benefits and costs to ratepayers, a  
3664 description of the approved technologies, the payback ratio of all  
3665 investments, the number of programs deployed and a list of proposed  
3666 projects compared to approved projects and reasons for not being  
3667 approved.

3668 (j) On or before April 1, 2011, the Department of Public Utility  
3669 Control shall initiate a proceeding to review the effectiveness of the  
3670 program and perform a ratepayer cost-benefit analysis. Based upon the  
3671 department's findings in the proceeding, the department may modify  
3672 or discontinue the partnership program established pursuant to this  
3673 section.

3674 Sec. 93. Subparagraph (P) of subdivision (1) of section 22a-134 of the  
3675 2010 supplement to the general statutes is repealed and the following  
3676 is substituted in lieu thereof (*Effective July 1, 2010*):

3677 (P) Any conveyance of an establishment to any entity created or  
3678 operating under chapter 130 or 132, or to an urban rehabilitation  
3679 agency, as defined in section 8-292, or to a municipality under section  
3680 32-224, or to the [Connecticut Development Authority] Connecticut  
3681 Economic Innovations Authority or any subsidiary of the authority;

3682 Sec. 94. Section 22a-173 of the general statutes is repealed and the  
3683 following is substituted in lieu thereof (*Effective July 1, 2010*):

3684 The [Connecticut Development Authority] Connecticut Economic  
3685 Innovations Authority may, upon application of the proposed  
3686 mortgagee, insure and make advance commitments to insure mortgage  
3687 payments required by a first mortgage on new machinery, equipment  
3688 and buildings for the primary purpose of reducing, controlling or  
3689 eliminating air pollution, certified as approved for such purpose by the  
3690 Commissioner of Environmental Protection, upon such terms and  
3691 conditions as the [Connecticut Development Authority] Connecticut  
3692 Economic Innovations Authority may prescribe in accordance with the  
3693 provisions of chapter 579.

3694 Sec. 95. Section 22a-259 of the general statutes is repealed and the  
3695 following is substituted in lieu thereof (*Effective July 1, 2010*):

3696 The following are declared to be policies of the state of Connecticut:  
3697 (1) That maximum resources recovery from solid waste and maximum  
3698 recycling and reuse of such resources in order to protect, preserve and

3699 enhance the environment of the state shall be considered  
3700 environmental goals of the state; (2) that solid waste disposal and  
3701 resources recovery facilities and projects are to be implemented either  
3702 by the state of Connecticut or under state auspices, in furtherance of  
3703 these goals; (3) that appropriate governmental structure, processes and  
3704 support are to be provided so that effective state systems and facilities  
3705 for solid waste management and large-scale resources recovery may be  
3706 developed, financed, planned, designed, constructed and operated for  
3707 the benefit of the people and municipalities of the state; (4) that private  
3708 industry is to be utilized to the maximum extent feasible to perform  
3709 planning, design, management, construction, operation,  
3710 manufacturing and marketing functions related to solid waste disposal  
3711 and resources recovery and to assist in the development of industrial  
3712 enterprise based upon resources recovery, recycling and reuse; (5) that  
3713 long-term negotiated contracts between the state and private persons  
3714 and industries may be utilized as an incentive for the development of  
3715 industrial and commercial enterprise based on resources recovery  
3716 within the state; (6) that solid waste disposal services shall be provided  
3717 for municipal and regional authorities and private persons in the state,  
3718 at reasonable cost, by state systems and facilities where such services  
3719 are considered necessary and desirable in accordance with the state-  
3720 wide solid waste management plan and that any revenues received  
3721 from the payment of the costs of such services otherwise from the  
3722 operation of state systems and facilities shall be redistributed to the  
3723 users of such services provided that the authority has determined that  
3724 all contractual obligations related to such systems and facilities have  
3725 been met and that such revenues are surplus and not needed to  
3726 provide necessary support for such systems and facilities; (7) that  
3727 provision shall be made for planning, research and development, and  
3728 appropriate innovation in the design, management and operation of  
3729 the state's systems and facilities for solid waste management, in order  
3730 to permit continuing improvement and provide adequate incentives  
3731 and processes for lowering operating and other costs; (8) that the  
3732 authority established pursuant to this chapter shall have responsibility  
3733 for implementing solid waste disposal and resources recovery systems

3734 and facilities and solid waste management services where necessary  
3735 and desirable throughout the state in accordance with the state solid  
3736 waste management plan and applicable statutes and regulations; (9)  
3737 that actions and activities performed or carried out by the authority or  
3738 its contractors in accordance with the provisions of this chapter shall  
3739 be in conformity with the state solid waste management plan and with  
3740 other applicable policies and regulations of the state, as promulgated  
3741 from time to time in law and by action of the Department of  
3742 Environmental Protection and the [Connecticut Development  
3743 Authority] Connecticut Economic Innovations Authority; (10) that it  
3744 being to the best interest of the state, municipalities, individual citizens  
3745 and the environment to minimize the quantity of materials entering  
3746 the waste stream that would require collection, transportation,  
3747 processing, or disposal by any level of government, it is the intent of  
3748 this legislation to promote the presegregation of recoverable or  
3749 recyclable materials before they become mixed and included in the  
3750 waste stream; and that this intent shall be reflected in the policy of the  
3751 resources recovery authority and that no provision of this chapter or  
3752 action of this authority shall either discourage or prohibit either  
3753 voluntary or locally ordained solid waste segregation programs or the  
3754 sale of such segregated materials to private persons, unless the  
3755 authority has determined based upon a feasibility report filed with the  
3756 applicable municipal authority that the reduced user fees charged to it  
3757 should result in its total cost of solid waste management including user  
3758 fees paid to the authority to be less without presegregation than with  
3759 it; [.] and (11) that these policies and purposes are hereby declared to  
3760 be in the public interest and the provisions of this chapter to be  
3761 necessary and for the public benefit, as a matter of legislative  
3762 determination.

3763 Sec. 96. Section 22a-264 of the general statutes is repealed and the  
3764 following is substituted in lieu thereof (*Effective July 1, 2010*):

3765 The activities of the authority in providing or contracting to provide  
3766 solid waste management services to the state, regions, municipalities  
3767 and persons, in implementing the state resources recovery system and

3768 in planning, designing, financing, constructing, managing or operating  
3769 solid waste facilities, including their location, size and capabilities,  
3770 shall be in conformity with applicable statutes and regulations and  
3771 with the state solid waste management plan as promulgated by the  
3772 Commissioner of Environmental Protection. The authority shall have  
3773 power to assist in the preparation, revision, extension or amendment  
3774 of the state solid waste management plan, and the Department of  
3775 Environmental Protection is hereby authorized to utilize, by contract  
3776 or other agreement, the capabilities of the authority for the carrying  
3777 out of such planning functions. The authority shall have power to  
3778 revise and update, as may be necessary to carry out the purposes of  
3779 this chapter, that portion of the state solid waste management plan  
3780 defined as the "solid waste management system". To effect such  
3781 revision and updating, the authority shall prepare an annual plan of  
3782 operations which shall be reviewed by the Commissioner of  
3783 Environmental Protection for consistency with the state solid waste  
3784 management plan. Upon approval by the Commissioner of  
3785 Environmental Protection and by a two-thirds vote of the authority's  
3786 full board of directors, the annual plan of operations shall be  
3787 promulgated. Any activities of the authority carried out to assist in the  
3788 development of industry and commerce based upon the availability of  
3789 recovered resources for recycling and reuse shall be coordinated to the  
3790 extent practicable with plans and activities of the [Connecticut  
3791 Development Authority] Connecticut Economic Innovations Authority  
3792 with due consideration given to the secondary materials industries  
3793 operating within the state of Connecticut.

3794 Sec. 97. Subsection (c) of section 25-33a of the general statutes is  
3795 repealed and the following is substituted in lieu thereof (*Effective July*  
3796 *1, 2010*):

3797 (c) Each grant made pursuant to subsection (a) of this section shall  
3798 be authorized by the [Connecticut Development Authority]  
3799 Connecticut Economic Innovations Authority or, if the authority so  
3800 determines, by a committee of the authority consisting of the chairman  
3801 and either one other member of the authority or its executive director.

3802 The [Connecticut Development Authority] Connecticut Economic  
3803 Innovations Authority shall charge reasonable application and other  
3804 fees to be applied to the administrative expenses incurred in carrying  
3805 out the provisions of this section, to the extent such expenses are not  
3806 paid by the authority or from moneys appropriated to the department.  
3807 Each such payment shall be made by the Treasurer upon certification  
3808 by the Commissioner of Economic and Community Development that  
3809 the payment is authorized under the provisions of this section under  
3810 the applicable rules and regulations of the department, and under the  
3811 terms and conditions established by the authority or the duly  
3812 appointed committee thereof in authorizing the making of the grant.

3813 Sec. 98. Subsection (a) of section 32-1o of the 2010 supplement to the  
3814 general statutes is repealed and the following is substituted in lieu  
3815 thereof (*Effective July 1, 2010*):

3816 (a) On or before July 1, 2009, and every five years thereafter, the  
3817 Commissioner of Economic and Community Development, within  
3818 available appropriations, shall prepare an economic strategic plan for  
3819 the state in consultation with the Secretary of the Office of Policy and  
3820 Management, the Commissioners of Environmental Protection and  
3821 Transportation, the Labor Commissioner, the executive directors of the  
3822 Connecticut Housing Finance Authority, the [Connecticut  
3823 Development Authority, the Connecticut Innovations, Inc., the  
3824 Commission on Culture and Tourism] Connecticut Economic  
3825 Innovations Authority and the Connecticut Health and Educational  
3826 Facilities Authority, and the president of the Office of Workforce  
3827 Competitiveness, or their respective designees, and any other agencies  
3828 the Commissioner of Economic and Community Development deems  
3829 appropriate.

3830 Sec. 99. Section 32-5a of the general statutes is repealed and the  
3831 following is substituted in lieu thereof (*Effective July 1, 2010*):

3832 The Commissioner of Economic and Community Development and  
3833 the board of directors of the [Connecticut Development Authority]  
3834 Connecticut Economic Innovations Authority shall require, as a

3835 condition of any financial assistance provided on and after June 23,  
3836 1993, under any program administered by the Department of  
3837 Economic and Community Development or such authority to any  
3838 business organization, that such business organization: (1) Shall not  
3839 relocate outside of the state for ten years after receiving such assistance  
3840 or during the term of a loan or loan guarantee, whichever is longer,  
3841 unless the full amount of the assistance is repaid to the state and a  
3842 penalty equal to five per cent of the total assistance received is paid to  
3843 the state, and (2) shall, if the business organization relocates within the  
3844 state during such period, offer employment at the new location to its  
3845 employees from the original location if such employment is available.  
3846 For the purposes of subdivision (1) of this section, the value of a  
3847 guarantee shall be equal to the amount of the state's liability under the  
3848 guarantee. As used in this section, "relocate" means the physical  
3849 transfer of the operations of a business in its entirety or of any division  
3850 of a business which independently receives any financial assistance  
3851 from the state from the location such business or division occupied at  
3852 the time it accepted the financial assistance to another location.  
3853 Notwithstanding the provisions of this section, the Commissioner of  
3854 Economic and Community Development shall adopt regulations in  
3855 accordance with chapter 54 to establish the terms and conditions of  
3856 repayment, including specifying the conditions under which  
3857 repayment may be deferred, following a determination by the  
3858 commissioner of a legitimate hardship.

3859 Sec. 100. Section 32-6j of the general statutes is repealed and the  
3860 following is substituted in lieu thereof (*Effective July 1, 2010*):

3861 In the assessment and provision of job training for employers, the  
3862 Commissioner of Economic and Community Development and the  
3863 executive director of the [Connecticut Development Authority]  
3864 Connecticut Economic Innovations Authority shall request the  
3865 assistance of the Labor Commissioner. Upon receipt of a request for job  
3866 training pursuant to this section, the Labor Commissioner shall notify  
3867 the chancellor of the regional community-technical colleges, or his  
3868 designee, of such request. The chancellor, or his designee, shall

3869 determine if a training program exists or can be designed at a regional  
3870 community-technical college to meet such training need and shall  
3871 notify the Labor Commissioner of such determination. The Labor  
3872 Commissioner shall to the extent possible make arrangements for the  
3873 participation of the regional community-technical colleges, the  
3874 Connecticut State University System, other institutions of higher  
3875 education, other postsecondary institutions, adult education programs  
3876 and state regional vocational-technical schools in implementing the  
3877 program. Nothing in this section shall preclude the Labor  
3878 Commissioner from considering or choosing other providers to meet  
3879 such training need.

3880 Sec. 101. Subsection (a) of section 32-9c of the general statutes is  
3881 repealed and the following is substituted in lieu thereof (*Effective July*  
3882 *1, 2010*):

3883 (a) In accordance with the provisions of section 4-38d, all powers  
3884 and duties of the Connecticut Development Commission under the  
3885 provisions of chapter 579, shall be transferred to the [Connecticut  
3886 Development Authority] Connecticut Economic Innovations Authority  
3887 and all the powers and duties of said commission under the provisions  
3888 of this chapter shall be transferred to the Department of Economic and  
3889 Community Development.

3890 Sec. 102. Subsection (b) of section 32-9n of the general statutes is  
3891 repealed and the following is substituted in lieu thereof (*Effective July*  
3892 *1, 2010*):

3893 (b) Said Office of Small Business Affairs shall: (1) Administer the  
3894 small business development center program run by the Department of  
3895 Economic and Community Development; (2) coordinate the flow of  
3896 information within the technical and management assistance program  
3897 run by the Department of Economic and Community Development; (3)  
3898 encourage the [Connecticut Development Authority] Connecticut  
3899 Economic Innovations Authority to grant loans to small businesses,  
3900 particularly those owned and operated by minorities and other socially  
3901 or economically disadvantaged individuals; (4) coordinate and serve

3902 as a liaison between all federal, state, regional and municipal agencies  
3903 and programs affecting small business affairs; and (5) administer any  
3904 business management training program established under section 32-  
3905 352 or section 32-355 as the Commissioner of Economic and  
3906 Community Development may determine.

3907 Sec. 103. Subsection (d) of section 32-9cc of the general statutes is  
3908 repealed and the following is substituted in lieu thereof (*Effective July*  
3909 *1, 2010*):

3910 (d) The Department of Environmental Protection, the Connecticut  
3911 Development Authority and the Department of Public Health shall  
3912 each designate one or more staff members to act as a liaison between  
3913 their offices and the Office of Brownfield Remediation and  
3914 Development. The Commissioners of Economic and Community  
3915 Development, Environmental Protection and Public Health and the  
3916 executive director of the [Connecticut Development Authority]  
3917 Connecticut Economic Innovations Authority shall enter into a  
3918 memorandum of understanding concerning each entity's  
3919 responsibilities with respect to the Office of Brownfield Remediation  
3920 and Development. The Office of Brownfield Remediation and  
3921 Development may develop and recruit two volunteers from the private  
3922 sector, including a person from the Connecticut chapter of the National  
3923 Brownfield Association, with experience in different aspects of  
3924 brownfield remediation and development. Said volunteers may assist  
3925 the Office of Brownfield Remediation and Development in achieving  
3926 the goals of this section.

3927 Sec. 104. Section 32-9kk of the general statutes is repealed and the  
3928 following is substituted in lieu thereof (*Effective July 1, 2010*):

3929 (a) As used in subsections (b) to (k), inclusive, of this section:

3930 (1) "Brownfield" means any abandoned or underutilized site where  
3931 redevelopment and reuse has not occurred due to the presence or  
3932 potential presence of pollution in the buildings, soil or groundwater  
3933 that requires remediation before or in conjunction with the restoration,

3934 redevelopment and reuse of the property;

3935 (2) "Commissioner" means the Commissioner of Economic and  
3936 Community Development;

3937 (3) "Department" means the Department of Economic and  
3938 Community Development;

3939 (4) "Eligible applicant" means any municipality, a for-profit or  
3940 nonprofit organization or entity, a local or regional economic  
3941 development entity acting on behalf of a municipality or any  
3942 combination thereof;

3943 (5) "Financial assistance" means grants, extensions of credit, loans or  
3944 loan guarantees, participation interests in loans made to eligible  
3945 applicants by the [Connecticut Development Authority] Connecticut  
3946 Economic Innovations Authority or combinations thereof;

3947 (6) "Municipality" means a town, city, consolidated town and city or  
3948 consolidated town and borough;

3949 (7) "Eligible brownfield project" means the foreclosure,  
3950 investigation, assessment, remediation and development of a  
3951 brownfield undertaken pursuant to this subsection and subsections (b)  
3952 to (k), inclusive, of this section;

3953 (8) "Project area" means the area within which a brownfield  
3954 development project is located;

3955 (9) "Real property" means land, buildings and other structures and  
3956 improvements thereto, subterranean or subsurface rights, any and all  
3957 easements, air rights and franchises of any kind or nature;

3958 (10) "State" means the state of Connecticut; and

3959 (11) "Eligible grant recipients" means municipalities, economic  
3960 development authorities, regional economic development authorities,  
3961 or qualified nonprofit community and economic development  
3962 corporations.

3963 (b) Subject to the availability of funds, the Commissioner of  
3964 Economic and Community Development may, in consultation with the  
3965 Commissioner of Environmental Protection, provide financial  
3966 assistance pursuant to subsections (e) and (f) of this section in support  
3967 of eligible brownfield projects, as defined in subdivision (7) of  
3968 subsection (a) of this section.

3969 (c) An eligible applicant, as defined in subdivision (4) of subsection  
3970 (a) of this section, shall submit an application for financial assistance to  
3971 the Commissioner of Economic and Community Development on  
3972 forms provided by said commissioner and with such information said  
3973 commissioner deems necessary, including, but not limited to: (1) A  
3974 description of the proposed project; (2) an explanation of the expected  
3975 benefits of the project in relation to the purposes of subsections (a) to  
3976 (i), inclusive, of this section; (3) information concerning the financial  
3977 and technical capacity of the eligible applicant to undertake the  
3978 proposed project; (4) a project budget; (5) a description of the condition  
3979 of the property involved including the results of any environmental  
3980 assessment of the property; and (6) the names of any persons known to  
3981 be liable for the remediation of the property.

3982 (d) The commissioner may approve, reject or modify any  
3983 application properly submitted. In reviewing an application and  
3984 determining the type and amount of financial assistance, if any, to be  
3985 provided, the commissioner shall consider the following criteria: (1)  
3986 The availability of funds; (2) the estimated costs of assessing and  
3987 remediating the site, if known; (3) the relative economic condition of  
3988 the municipality; (4) the relative need of the eligible project for  
3989 financial assistance; (5) the degree to which financial assistance is  
3990 necessary as an inducement to the eligible applicant to undertake the  
3991 project; (6) the public health and environmental benefits of the project;  
3992 (7) relative economic benefits of the project to the municipality, the  
3993 region and the state, including, but not limited to, the extent to which  
3994 the project will likely result in a contribution to the municipality's tax  
3995 base and the retention and creation of jobs; (8) the time frame in which  
3996 the contamination occurred; (9) the relationship of the applicant to the

3997 person or entity that caused the contamination; (10) the length of time  
3998 the property has been abandoned; (11) the taxes owed and the  
3999 projected revenues that may be restored to the community; (12) the  
4000 type of financial assistance requested pursuant to this section; and (13)  
4001 such other criteria as the commissioner may establish consistent with  
4002 the purposes of subsection (a) to (k), inclusive, of this section.

4003 (e) (1) There is established a remedial action and redevelopment  
4004 municipal grant program to be administered by the Department of  
4005 Economic and Community Development for the purpose of providing  
4006 financial assistance in the form of grants to eligible grant recipients.  
4007 Eligible grant recipients may use grant funds for any development  
4008 project, including manufacturing, retail, residential, municipal,  
4009 educational, parks, community centers and mixed-use development,  
4010 and the project's associated costs, including (A) soil, groundwater and  
4011 infrastructure investigation, (B) assessment, (C) remediation, (D)  
4012 abatement, (E) hazardous materials or waste disposal, (F) long-term  
4013 groundwater or natural attenuation monitoring, (G) environmental  
4014 land use restrictions, (H) attorneys' fees, (I) planning, engineering and  
4015 environmental consulting, and (J) building and structural issues,  
4016 including demolition, asbestos abatement, polychlorinated biphenyls  
4017 removal, contaminated wood or paint removal, and other  
4018 infrastructure remedial activities.

4019 (2) The Commissioner of Economic and Community Development  
4020 shall award grants on a competitive basis, based at a minimum on an  
4021 annual request for applications, the first of which shall be issued on  
4022 October 1, 2008, and the following to be issued on June first each year,  
4023 with awards being made by the following January first. The  
4024 commissioner, at the commissioner's discretion, may increase the  
4025 frequency of requests for applications and awards depending upon the  
4026 number of applicants and the availability of funding.

4027 (3) A grant awarded pursuant to this section shall not exceed four  
4028 million dollars. If the eligible costs exceed four million dollars, the  
4029 commissioner may request and seek funding through other state

4030 programs.

4031 (4) If the eligible grant recipient develops and sells the property,  
4032 such applicant shall return any money received pursuant to this  
4033 subsection, to the brownfield remediation and development account  
4034 established pursuant to subsection (l) of this section, minus twenty per  
4035 cent, which such eligible grant recipient shall retain to cover costs of  
4036 oversight, administration, development and, if applicable, lost tax  
4037 revenue.

4038 (5) Any eligible grant recipient shall be immune from liability to the  
4039 extent provided in subsection (a) of section 32-9ee.

4040 (6) The eligible grant recipient may make low-interest loans to a  
4041 redeveloper, if the future reuse is known and an agreement with the  
4042 redeveloper is in place and the private party is a coapplicant. Loan  
4043 principal and interest payments shall be returned to the brownfield  
4044 remediation and development account established pursuant to  
4045 subsection (l) of this section, minus twenty per cent of the principal,  
4046 which the eligible grant recipient shall retain. If the eligible grant  
4047 recipient provides a loan, such loan may be secured by a state or  
4048 municipal lien on the property.

4049 (7) Any eligible grant recipients that provide a loan pursuant to  
4050 subdivision (6) of this subsection shall require the loan recipient to  
4051 enter a voluntary program pursuant to section 22a-133x or 22a-133y  
4052 with the Commissioner of Environmental Protection for brownfield  
4053 remediation. The commissioner may use not more than five per cent of  
4054 eligible grant or loan proceeds for reasonable administrative expenses.

4055 (8) Notwithstanding section 22a-134a, the eligible grant recipient  
4056 may acquire and convey its interest in the property without such  
4057 recipient or the subsequent purchaser incurring liability, including any  
4058 such liability incurred pursuant to section 22a-134a, provided the  
4059 property was remediated pursuant to section 22a-133x or 22a-133y or  
4060 pursuant to an order issued by the Commissioner of Environmental  
4061 Protection and such remediation was performed in accordance with

4062 the standards adopted pursuant to section 22a-133k as determined by  
4063 said commissioner or, if authorized by said commissioner, verified by  
4064 a licensed environmental professional unless such verification has  
4065 been rejected by said commissioner subsequent to an audit conducted  
4066 by said commissioner and provided the subsequent purchaser has no  
4067 direct or related liability for the site conditions.

4068 (f) (1) The Department of Economic and Community Development  
4069 shall develop a targeted brownfield development loan program to  
4070 provide financial assistance in the form of low-interest loans to eligible  
4071 applicants who are potential brownfield purchasers who have no  
4072 direct or related liability for the site conditions and eligible applicants  
4073 who are existing property owners who (A) are currently in good  
4074 standing and otherwise compliant with the Department of  
4075 Environmental Protection's regulatory programs, (B) demonstrate an  
4076 inability to fund the investigation and cleanup themselves, and (C)  
4077 cannot retain or expand jobs due to the costs associated with the  
4078 investigating and remediating of the contamination.

4079 (2) The commissioner shall provide low-interest loans to eligible  
4080 applicants who are purchasers or existing property owners pursuant to  
4081 this section who seek to develop property for purposes of retaining or  
4082 expanding jobs in the state or for developing housing to serve the  
4083 needs of first-time home buyers. Loans shall be available to  
4084 manufacturing, retail, residential or mixed-use developments,  
4085 expansions or reuses. The commissioner shall provide loans based  
4086 upon project merit and viability, the economic and community  
4087 development opportunity, municipal support, contribution to the  
4088 community's tax base, number of jobs, past experience of the applicant,  
4089 compliance history and ability to pay.

4090 (3) Any loan recipient who is a brownfields purchaser and who (A)  
4091 receives a loan in excess of thirty thousand dollars, or (B) uses loan  
4092 proceeds to perform a Phase II environmental investigation, shall be  
4093 subject to section 22a-134a or shall enter a voluntary program for  
4094 remediation of the property with the Department of Environmental

4095 Protection. Any loan recipient who is an existing property owner shall  
4096 enter a voluntary program with the Department of Environmental  
4097 Protection.

4098 (4) Loans made pursuant to this subsection shall have such terms  
4099 and conditions and shall be subject to such eligibility, loan approval  
4100 and criteria, as determined by the commissioner. Such conditions shall  
4101 include, but not be limited to, performance requirements and  
4102 commitments to maintain or retain jobs. Loan repayment shall coincide  
4103 with the restoration of the site to a productive use or the completion of  
4104 the expansion. Such loans shall be for a period not to exceed twenty  
4105 years.

4106 (5) If the property is sold before loan repayment, the loan is payable  
4107 upon closing, with interest, unless the commissioner agrees otherwise.  
4108 The commissioner may carry the loan forward as an encumbrance to  
4109 the purchaser with the same terms and conditions as the original loan.

4110 (6) Loans made pursuant to this subsection may be used for any  
4111 purpose, including the present or past costs of investigation,  
4112 assessment, remediation, abatement, hazardous materials or waste  
4113 disposal, long-term groundwater or natural attenuation monitoring,  
4114 costs associated with an environmental land use restriction, attorneys'  
4115 fees, planning, engineering and environmental consulting costs, and  
4116 building and structural issues, including demolition, asbestos  
4117 abatement, polychlorinated biphenyls removal, contaminated wood or  
4118 paint removal, and other infrastructure remedial activities.

4119 (7) For any loan made pursuant to this subsection that is greater  
4120 than fifty thousand dollars, the applicant shall submit a redevelopment  
4121 plan that describes how the property will be used or reused for  
4122 commercial, industrial or mixed-use development and how it will  
4123 result in jobs and private investment in the community. For any  
4124 residential development loan pursuant to this subsection, the  
4125 developer shall agree that the development will provide the housing  
4126 needs reasonable and appropriate for first-time home buyers or recent  
4127 college graduates looking to remain in this state.

4128 (8) The loan program established pursuant to this subsection shall  
4129 be available to all qualified new and existing property owners.  
4130 Recipients who use loans for commercial, industrial or mixed-use  
4131 development shall agree to retain or add jobs, during the term of the  
4132 loan, unless otherwise agreed to by the Department of Economic and  
4133 Community Development, the [Connecticut Development Authority]  
4134 Connecticut Economic Innovations Authority and the Connecticut  
4135 Brownfield Redevelopment Authority. The residential developer shall  
4136 agree to retire the loan upon sale of the units unless the development  
4137 will be apartments.

4138 (9) Each loan recipient pursuant to this subsection may be eligible  
4139 for up to two million dollars per year for up to two years, subject to  
4140 agency underwriting and reasonable and customary requirements to  
4141 assure performance. If additional funds are needed, the Commissioner  
4142 of Economic and Community Development may recommend that the  
4143 project be funded through the State Bond Commission.

4144 (g) The Commissioner of Economic and Community Development  
4145 shall approve applications submitted in accordance with subsection (c)  
4146 of this section before awarding any financial assistance to an eligible  
4147 applicant or purchasing any participation interest in a loan made by  
4148 the [Connecticut Development Authority] Connecticut Economic  
4149 Innovations Authority for the benefit of an eligible applicant.  
4150 Notwithstanding any other provision of this section, if the applicant's  
4151 request for financial assistance involves the department purchasing a  
4152 participation interest in a loan made by the [Connecticut Development  
4153 Authority] Connecticut Economic Innovations Authority, such  
4154 authority may submit such application and other information as is  
4155 required of eligible applicants under subsection (c) of this section on  
4156 behalf of such eligible applicant and no further application shall be  
4157 required of such eligible applicant. No financial assistance shall exceed  
4158 fifty per cent of the total project cost, provided in the case of (1)  
4159 planning or site evaluation projects, and (2) financial assistance to any  
4160 project in a targeted investment community, such assistance shall not  
4161 exceed ninety per cent of the project cost. Upon approval of the

4162 commissioner, a nonstate share of the total project cost, if any, may be  
4163 satisfied entirely or partially from noncash contributions, including  
4164 contributions of real property, from private sources or, to the extent  
4165 permitted by federal law, from moneys received by the municipality  
4166 under any federal grant program.

4167 (h) Financial assistance may be made available for (1) site  
4168 investigation and assessment, (2) planning and engineering, including,  
4169 but not limited to, the reasonable cost of environmental consultants,  
4170 laboratory analysis, investigatory and remedial contractors, architects,  
4171 attorneys' fees, feasibility studies, appraisals, market studies and  
4172 related activities, (3) the acquisition of real property, provided  
4173 financial assistance for such acquisition shall not exceed fair market  
4174 value as appraised as if clean, (4) the construction of site and  
4175 infrastructure improvements related to the site remediation, (5)  
4176 demolition, asbestos abatement, hazardous waste removal, PCB  
4177 removal and related infrastructure remedial activities, (6) remediation,  
4178 groundwater monitoring, including, but not limited to, natural  
4179 attenuation groundwater monitoring and costs associated with filing  
4180 an environmental land use restriction, (7) environmental insurance,  
4181 and (8) other reasonable expenses the commissioner determines are  
4182 necessary or appropriate for the initiation, implementation and  
4183 completion of the project. The department may purchase participation  
4184 interests in loans made by the [Connecticut Development Authority]  
4185 Connecticut Economic Innovations Authority for the foregoing  
4186 purposes.

4187 (i) The commissioner may establish the terms and conditions of any  
4188 financial assistance provided pursuant to subsections (a) to (k),  
4189 inclusive, of this section. The commissioner may make any stipulation  
4190 in connection with an offer of financial assistance the commissioner  
4191 deems necessary to implement the policies and purposes of such  
4192 sections, including, but not limited to the following: (1) Providing  
4193 assurances that the eligible applicant will discharge its obligations in  
4194 connection with the project; and (2) requiring that the eligible  
4195 applicant provide the department with appropriate security for such

4196 financial assistance, including, but not limited to, a letter of credit, a  
4197 lien on real property or a security interest in goods, equipment,  
4198 inventory or other property of any kind.

4199 (j) The commissioner may use any available funds for financial  
4200 assistance under the provisions of subsections (a) to (k), inclusive, of  
4201 this section.

4202 (k) Whenever funds are used pursuant to subsections (a) to (k),  
4203 inclusive, of this section for purposes of environmental assessments or  
4204 remediation of a brownfield, the Commissioner of Environmental  
4205 Protection may seek reimbursement of the costs and expenses incurred  
4206 by requesting the Attorney General to bring a civil action to recover  
4207 such costs and expenses from any party responsible for such pollution  
4208 provided no such action shall be brought separately from any action to  
4209 recover costs and expenses incurred by the Commissioner of  
4210 Environmental Protection in pursuing action to contain, remove or  
4211 mitigate any pollution on such site. The costs and expenses recovered  
4212 may include, but shall not be limited to, (1) the actual cost of  
4213 identifying, evaluating, planning for and undertaking the remediation  
4214 of the site; (2) any administrative costs not exceeding ten per cent of  
4215 the actual costs; (3) the costs of recovering the reimbursement; and (4)  
4216 interest on the actual costs at a rate of ten per cent a year from the date  
4217 such expenses were paid. The defendant in any civil action brought  
4218 pursuant to this subsection shall have no cause of action or claim for  
4219 contribution against any person with whom the Commissioner of  
4220 Environmental Protection has entered into a covenant not to sue  
4221 pursuant to sections 22a-133aa and 22a-133bb with respect to pollution  
4222 on or emanating from the property that is the subject of said civil  
4223 action. Funds recovered pursuant to this section shall be deposited in  
4224 the brownfield remediation and development account established  
4225 pursuant to subsections (l) to (o), inclusive, of this section. The  
4226 provisions of this subsection shall be in addition to any other remedies  
4227 provided by law.

4228 (l) There is established a separate nonlapsing account within the

4229 General Fund to be known as the "brownfield remediation and  
4230 development account". There shall be deposited in the account: (1) The  
4231 proceeds of bonds issued by the state for deposit into said account and  
4232 used in accordance with this section; (2) repayments of assistance  
4233 provided pursuant to subsection (c) of section 22a-133u; (3) interest or  
4234 other income earned on the investment of moneys in the account; (4)  
4235 funds recovered pursuant to subsection (i) of this section; and (5) all  
4236 funds required by law to be deposited in the account. Repayment of  
4237 principal and interest on loans made pursuant to subsections (a) to (k),  
4238 inclusive, of this section shall be credited to such account and shall  
4239 become part of the assets of the account. Any balance remaining in  
4240 such account at the end of any fiscal year shall be carried forward in  
4241 the account for the fiscal year next succeeding.

4242 (m) All moneys received in consideration of financial assistance,  
4243 including payments of principal and interest on any loans, shall be  
4244 credited to the account. At the discretion of the Commissioner of  
4245 Economic and Community Development and subject to the approval  
4246 of the Secretary of the Office of Policy and Management, any federal,  
4247 private or other moneys received by the state in connection with  
4248 projects undertaken pursuant to subsections (a) to (k), inclusive, of this  
4249 section shall be credited to the assets of the account.

4250 (n) Notwithstanding any provision of law, proceeds from the sale of  
4251 bonds available pursuant to subdivision (1) of subsection (b) of section  
4252 4-66c may, with the approval of the Governor and the State Bond  
4253 Commission, be used to capitalize the brownfield remediation and  
4254 development account created by subsections (l) to (o), inclusive, of this  
4255 section.

4256 (o) The commissioner may, with the approval of the Secretary of the  
4257 Office of Policy and Management, provide financial assistance  
4258 pursuant to subsections (a) to (k), inclusive, of this section from the  
4259 account established under subsection (l) to (o), inclusive, of this  
4260 section.

4261 Sec. 105. Subdivision (1) of subsection (b) of section 32-9qq of the

4262 general statutes is repealed and the following is substituted in lieu  
4263 thereof (*Effective July 1, 2010*):

4264 (1) A business outreach center shall be any nonprofit or  
4265 governmental entity providing or able to provide assistance to small  
4266 businesses and minority business enterprises in the areas of business  
4267 plan development, financial projection, loan package planning,  
4268 including loan packaging for small businesses and minority business  
4269 enterprises which are seeking financial assistance from the  
4270 [Connecticut Development Authority] Connecticut Economic  
4271 Innovations Authority, business counseling and related monitoring  
4272 and follow-up services.

4273 Sec. 106. Section 32-22b of the general statutes is repealed and the  
4274 following is substituted in lieu thereof (*Effective July 1, 2010*):

4275 The [Connecticut Development Authority] Connecticut Economic  
4276 Innovations Authority may establish a loan guarantee program to  
4277 provide guarantees of not more than thirty per cent of the loan to  
4278 lenders who provide financing to eligible developers or eligible  
4279 property owners as defined in subsection (a) of section 32-9kk, as  
4280 amended by this act.

4281 Sec. 107. Subsection (b) of section 32-23o of the general statutes is  
4282 repealed and the following is substituted in lieu thereof (*Effective July*  
4283 *1, 2010*):

4284 (b) Each such loan or extension of credit shall be authorized by the  
4285 [Connecticut Development Authority] Connecticut Economic  
4286 Innovations Authority or, if the authority so determines, by a  
4287 committee of the authority consisting of the chairman and either one  
4288 other member of the authority or its executive director, as specified in  
4289 the determination of the authority. Any administrative expenses  
4290 incurred in carrying out the provisions of this section, to the extent not  
4291 paid by the authority or from moneys appropriated to the department,  
4292 shall be paid from the Small Contractors' Revolving Loan Fund.  
4293 Payments from the Small Contractors' Revolving Loan Fund to small

4294 contractors or to pay such administrative expenses shall be made by  
4295 the Treasurer upon certification by the Commissioner of Economic and  
4296 Community Development that the payment is authorized under the  
4297 provisions of this section, under the applicable rules and regulations of  
4298 the department, and, if made to a small contractor, under the terms  
4299 and conditions established by the authority or the duly appointed  
4300 committee thereof in authorizing the making of the loan or the  
4301 extension of credit.

4302 Sec. 108. Section 32-23s of the general statutes is repealed and the  
4303 following is substituted in lieu thereof (*Effective July 1, 2010*):

4304 The amendments to sections 32-11a, 32-16, 32-23c, 32-23d, as  
4305 amended by this act, 32-23e, 32-23f and 32-23j effective on June 29,  
4306 1981, are intended and shall be construed as a clarification and  
4307 expansion of the powers of the [Connecticut Development Authority]  
4308 Connecticut Economic Innovations Authority, and shall not limit or  
4309 impair any obligation incurred or right exercised by the authority  
4310 under its powers prior to said date.

4311 Sec. 109. Section 32-61 of the general statutes is repealed and the  
4312 following is substituted in lieu thereof (*Effective July 1, 2010*):

4313 As used in this chapter, "authority" means the [Connecticut  
4314 Development Authority created under subsection (a) of section 32-11a]  
4315 Connecticut Economic Innovations Authority established pursuant to  
4316 this act; "executive director" means the executive director of the  
4317 [Connecticut Development Authority appointed pursuant to  
4318 subsection (d) of section 32-11a] Connecticut Economic Innovations  
4319 Authority established pursuant to section 2 of this act; "project" means  
4320 a project as defined in subsection (d) of section 32-23d; "insurance  
4321 fund" means the Revenue Bond Mortgage Insurance Fund created  
4322 under section 32-62; "eligible financial institution" means an eligible  
4323 financial institution as defined in section 32-65; "state" means the state  
4324 of Connecticut; and "loan" means loans, notes, bonds or other forms of  
4325 indebtedness related to the financing or refinancing of a project by the  
4326 authority or an eligible financial institution, or any participation or

4327 other interest therein, however evidenced, or any pool or portion of the  
4328 foregoing.

4329 Sec. 110. Subsection (a) of section 32-141 of the general statutes is  
4330 repealed and the following is substituted in lieu thereof (*Effective July*  
4331 *1, 2010*):

4332 (a) (1) The total amount of private activity bonds which may be  
4333 issued by state issuers in the calendar year commencing January 1,  
4334 2001, under the state ceiling in effect for such year, shall be allocated as  
4335 follows: (A) Sixty per cent to the Connecticut Housing Finance  
4336 Authority; (B) fifteen per cent to the [Connecticut Development  
4337 Authority] Connecticut Economic Innovations Authority; and (C)  
4338 twenty-five per cent to municipalities and political subdivisions,  
4339 departments, agencies, authorities and other bodies of municipalities,  
4340 the Connecticut Higher Education Supplemental Loan Authority and  
4341 for contingencies.

4342 (2) The total amount of private activity bonds which may be issued  
4343 by state issuers in the calendar year commencing January 1, 2007, and  
4344 each calendar year thereafter, under the state ceiling in effect for each  
4345 such year, shall be allocated as follows: (A) Sixty per cent to the  
4346 Connecticut Housing Finance Authority; (B) twelve and one-half per  
4347 cent to the [Connecticut Development Authority] Connecticut  
4348 Economic Innovations Authority; and (C) twenty-seven and one-half  
4349 per cent to municipalities and political subdivisions, departments,  
4350 agencies, authorities and other bodies of municipalities and the  
4351 Connecticut Higher Education Supplemental Loan Authority, then to  
4352 the Connecticut Student Loan Foundation and then for contingencies.  
4353 At least ten per cent of bonds allocated under subparagraph (A) of this  
4354 subdivision shall be used for multifamily residential housing in the  
4355 calendar year commencing January 1, 2008. In each calendar year  
4356 commencing January 1, 2009, fifteen per cent of such bonds shall be  
4357 used for multifamily residential housing.

4358 (3) The board of directors of the Connecticut Housing Finance  
4359 Authority shall undertake a review and analysis of the multifamily

4360 housing goals and programs of the authority to determine the extent to  
4361 which the authority can increase the production of multifamily  
4362 housing and promote its preservation, including production of  
4363 multifamily housing that serves households with incomes less than  
4364 fifty per cent of the area median income and households with incomes  
4365 less than twenty-five per cent of the area median income. Such review  
4366 and analysis shall include, but not be limited to, the use of private  
4367 activity bonds in conjunction with four per cent federal tax credits. The  
4368 board of directors of the authority shall report its findings and  
4369 recommendations to the joint standing committee of the General  
4370 Assembly having cognizance of matters relating to planning and  
4371 development and to the select committee on housing not later than  
4372 January 1, 2008.

4373 Sec. 111. Section 32-222 of the general statutes is repealed and the  
4374 following is substituted in lieu thereof (*Effective July 1, 2010*):

4375 As used in sections 32-220 to 32-234, inclusive: (a) "Business  
4376 development project" means a project undertaken by an eligible  
4377 applicant involving one or more of the following:

4378 (1) The construction, substantial renovation, improvement or  
4379 expansion of a facility;

4380 (2) The acquisition of new machinery and equipment;

4381 (3) The acquisition, improvement, demolition, cultivation or  
4382 disposition of real property, or combinations thereof, or the  
4383 remediation of contaminated real property;

4384 (4) The creation at a facility, within twenty-four months of the  
4385 initiation of a hiring program, not less than ten new jobs or an increase  
4386 in the number of persons employed at the facility of twenty per cent,  
4387 whichever is greater;

4388 (5) Economic diversification of the economy of an area of the state or  
4389 manufacturing or other economic base business where such area or  
4390 business is substantially reliant upon defense and related industry;

4391 (6) Participation in the avoidance of an imminent plant closing or  
4392 relocation by a manufacturing or other economic base business or  
4393 assist or improve the economy of an area of the state which has been or  
4394 is likely to be significantly and adversely impacted by one or more  
4395 major plant closings or relocations;

4396 (7) Support research and development or commercialization of  
4397 technologies, products, processes or techniques of a manufacturing or  
4398 other economic base business;

4399 (8) Creation or support of organizations that provide technical and  
4400 engineering assistance to small manufacturers or other economic base  
4401 businesses to assist them with the design, testing, manufacture and  
4402 marketing of new products and the instruction and implementation of  
4403 new techniques and technologies;

4404 (9) Support of substantial workforce development efforts;

4405 (10) Promotion of community conservation or development or  
4406 improvement of the quality of life for urban residents of the state; [or]

4407 (11) Promotion of the revitalization of underutilized, state-owned  
4408 former railroad depots and areas adjacent to such depots; or

4409 (12) Promotion of export activities, including sponsorship of  
4410 programs that support exportation, assistance to companies in  
4411 accessing federal Department of Commerce services, and provision of  
4412 marketing materials and web site improvements for exporters.

4413 (b) "Business support services" means activities related to a  
4414 municipal development project or business development project which  
4415 support the economic competitiveness of manufacturing or economic  
4416 base businesses or which further the interests of the state, including,  
4417 but not limited to, facilities and services related to day care, job  
4418 training, education, transportation, employee housing, energy  
4419 conservation, pollution control and recycling, provided activities  
4420 related to employee housing shall be limited to feasibility and  
4421 implementation studies;

4422 (c) "Commissioner" means the Commissioner of Economic and  
4423 Community Development;

4424 (d) "Economic base business" means a business that the  
4425 commissioner determines will materially contribute to the economy of  
4426 the state by creating or retaining jobs, exporting products or services  
4427 beyond the state's boundaries, encouraging innovation in products or  
4428 services, adding value to products or services or otherwise supporting  
4429 or enhancing existing activities important to the economy of the state;

4430 (e) "Economic cluster" means an economic cluster, as defined in  
4431 section 32-4e, recognized by the commissioner;

4432 (f) "Department" means the Department of Economic and  
4433 Community Development;

4434 (g) "Development plan" means a plan for a municipal development  
4435 project prepared in accordance with the provisions of subsection (b) of  
4436 section 32-223, as amended by this act;

4437 (h) "Eligible applicant" means any for-profit or nonprofit  
4438 organization, or any combination thereof, any municipality, regional  
4439 planning agency or any combination thereof and further provided, in  
4440 the case of a loan made by the [Connecticut Development Authority]  
4441 Connecticut Economic Innovations Authority in which the department  
4442 purchases a participation interest, "eligible applicant" means the for-  
4443 profit or nonprofit organization, or any combination thereof, that will  
4444 receive the proceeds of such loan;

4445 (i) "Financial assistance" means grants, funds for the purchase of  
4446 insurance policies and payment of deductibles for insurance policies to  
4447 cover remediation costs, extensions of credit, loans or loan guarantees,  
4448 participation interests in loans made to eligible applicants by the  
4449 [Connecticut Development Authority] Connecticut Economic  
4450 Innovations Authority or combinations thereof;

4451 (j) "For-profit organization" means a for-profit partnership or sole  
4452 proprietorship or corporation or limited liability company which is an

4453 economic base business or has a North American Industrial  
4454 Classification code of 311111 through 339999 or 493110, 493120, 493130,  
4455 493190, 511210, 512110, 512120, 512191, 522210, 522293, 522294, 522298,  
4456 522310, 522320, 522390, 523110, 523120, 523130, 523140, 523210, 523910,  
4457 524113, 524114, 524126, 524127, 524128, 524130, 524292, 541711, 541712,  
4458 551111, 551112, 551114, 561422, 611310, 611410, 611420, 611430, 611513,  
4459 611519, 611710 and 624410 or any business that is part of an economic  
4460 cluster, or any establishment or auxiliary or operating unit thereof, as  
4461 defined in the North American Industrial Classification System  
4462 Manual, which has demonstrated to the satisfaction of the  
4463 commissioner that it has the qualifications, including financial  
4464 qualifications, necessary to carry out a business development project;

4465 (k) "Implementing agency" means one of the following agencies  
4466 designated by a municipality under section 32-223, as amended by this  
4467 act: (1) An economic development commission, redevelopment agency;  
4468 sewer authority or sewer commission; public works commission; water  
4469 authority or water commission; port authority or port commission or  
4470 harbor authority or harbor commission; parking authority or parking  
4471 commission; (2) a nonprofit development corporation; or (3) any other  
4472 agency designated and authorized by a municipality to undertake a  
4473 project and approved by the commissioner;

4474 (l) "Municipal development project" means a business development  
4475 project through which real property is acquired by a municipality or  
4476 implementing agency as part of such project;

4477 (m) "Municipality" means a town, city, consolidated town and city  
4478 or consolidated town and borough;

4479 (n) "Nonprofit organization" means a municipality or nonprofit  
4480 corporation as defined in section 33-1002 and organized under the  
4481 laws of this state and for purposes of this chapter includes any  
4482 constituent unit of the state system of higher education;

4483 (o) "Planning commission" means a planning and zoning  
4484 commission designated pursuant to section 8-4a or a planning

4485 commission created pursuant to section 8-19;

4486 (p) "Project" means a municipal development project or business  
4487 development project;

4488 (q) "Project area" means the area within which a municipal  
4489 development project or business development project is located;

4490 (r) "Real property" means land, buildings and other structures and  
4491 improvements thereto, subterranean or subsurface right, any and all  
4492 easements, air rights and franchises of any kind or nature;

4493 (s) "Site and infrastructure improvements" means improvements to:  
4494 (1) Sanitary sewer facilities; (2) natural gas pipes, electric, telephone  
4495 and telecommunications conduits and other facilities and waterlines  
4496 and water supply facilities, except for any such pipes, wires, conduits,  
4497 waterlines or any such pipes, wires, conduits, waterlines or facilities  
4498 which a public service company, as defined in section 16-1, water  
4499 company, as defined in section 25-32a, or municipal utility is required  
4500 to install pursuant to any provision of the general statutes or any  
4501 special act, regulation or order of the Department of Public Utility  
4502 Control or a certificate of public convenience and necessity; (3) storm  
4503 drainage facilities, including facilities to control flooding; (4) site  
4504 grading, landscaping, environmental improvements, including  
4505 remediation of contaminated sites, parking facilities, roadways and  
4506 related appurtenances; (5) railroad spurs; (6) public port or docking  
4507 facilities; and (7) such other related improvements necessary or  
4508 appropriate to carry out the project;

4509 (t) "State" means the state of Connecticut;

4510 (u) "Targeted investment community" means a municipality which  
4511 contains an enterprise zone designated pursuant to section 32-70;

4512 (v) "Total project cost" means costs of any kind or nature relating to  
4513 the planning, implementation and completion of a municipal or  
4514 business development project;

4515 (w) "Legislative body" means (1) the board of selectmen in a town  
4516 that does not have a charter, special act or home rule ordinance  
4517 relating to its government, or (2) the council, board of aldermen,  
4518 representative town meeting, board of selectmen or other elected  
4519 legislative body described in a charter, special act or home rule  
4520 ordinance relating to its government in a city, consolidated town and  
4521 city, consolidated town and borough or a town having a charter,  
4522 special act, consolidation ordinance or home rule ordinance relating to  
4523 its government.

4524 Sec. 112. Section 32-223 of the 2010 supplement to the general  
4525 statutes is repealed and the following is substituted in lieu thereof  
4526 (*Effective July 1, 2010*):

4527 (a) (1) An eligible applicant shall submit an application for financial  
4528 assistance to the commissioner on forms provided by the  
4529 commissioner and with such information the commissioner deems  
4530 necessary, including, but not limited to: (A) A description of the  
4531 proposed project; (B) an explanation of the expected benefits of the  
4532 project in relation to the purposes of sections 32-220 to 32-234,  
4533 inclusive; (C) information concerning the financial and technical  
4534 capacity of the eligible applicant to undertake the proposed project;  
4535 (D) a project budget; and (E) identification, when appropriate, of  
4536 business support services that may be of benefit to the state and the  
4537 manufacturing and economic base businesses located or locating in the  
4538 project area as part of the project. In the case of a municipal  
4539 development project the eligible applicant shall, in addition to an  
4540 application for financial assistance, submit a development plan  
4541 prepared pursuant to subsection (b) of section 32-224 and approved by  
4542 the commissioner, provided an eligible applicant may, prior to the  
4543 submission of a development plan, receive financial assistance for  
4544 activities related to the planning of a municipal development project to  
4545 the extent such assistance is provided for under subsection (b) of this  
4546 section.

4547 (2) The United States Department of the Navy, the United States

4548 Department of Defense or eligible applicants shall not be required to  
4549 submit an application for financial assistance to the commissioner, as  
4550 required by subsection (a) of this section, for projects related to the  
4551 enhancement of infrastructure for long-term, on-going naval  
4552 operations at the United States Naval Submarine Base-New London  
4553 that are funded by grants to said Department of the Navy, said  
4554 Department of Defense or said applicants as provided in subdivision  
4555 (6) of subsection (b) of this section.

4556 (b) Applications properly submitted shall be reviewed and may be  
4557 approved, disapproved or modified by the commissioner. In reviewing  
4558 an application and determining the type and amount of financial  
4559 assistance, if any, to be provided, the commissioner shall consider the  
4560 following criteria: (1) The availability of funds; (2) the relative  
4561 economic condition of the municipality; (3) the relative need of the  
4562 eligible applicant or project for financial assistance; (4) the degree to  
4563 which financial assistance is necessary as an inducement to the eligible  
4564 applicant to undertake the project or to the manufacturing or economic  
4565 base business to locate or undertake the project in the state; (5) the  
4566 relative economic benefit of the project to the state, including, but not  
4567 limited to: (A) The extent to which the project will likely result in the  
4568 retention and creation of jobs, the retention, expansion or relocation of  
4569 manufacturing or economic base businesses in the state or the  
4570 diversification of such businesses, or (B) the extent to which the project  
4571 will increase competitiveness of such businesses, respond to potential  
4572 or actual dislocation as a result of major plant closings or relocations  
4573 and address the business service needs of such businesses and the  
4574 state; and (6) such other criteria as the commissioner may establish  
4575 consistent with the purposes of sections 32-220 to 32-234, inclusive. The  
4576 commissioner shall not deny an application for financial assistance for  
4577 a project solely because the project site does not have sewer service or  
4578 access to sewer service.

4579 (c) No financial assistance shall be given to an eligible applicant and  
4580 no participation interest in a loan made by the [Connecticut  
4581 Development Authority] Connecticut Economic Innovations Authority

4582 for the benefit of an eligible applicant shall be purchased by the  
4583 department until the commissioner has approved the application  
4584 submitted in accordance with subsection (a) of this section.  
4585 Notwithstanding any other provision of this section, in the event that  
4586 the financial assistance requested is the purchase by the department of  
4587 a participation interest in a loan made by the [Connecticut  
4588 Development Authority] Connecticut Economic Innovations  
4589 Authority, such authority may submit such application and other  
4590 information as is required of eligible applicants under subsection (a) of  
4591 this section on behalf of such eligible applicant and no further  
4592 application shall be required of such eligible applicant. No financial  
4593 assistance shall exceed: (1) Except as otherwise provided in  
4594 subdivisions (2) to (6), inclusive, of this subsection, fifty per cent of the  
4595 total project cost, (2) in the case of financial assistance to any project in  
4596 a targeted investment community, ninety per cent of the project cost,  
4597 (3) when two or more municipalities which are not targeted  
4598 investment communities jointly initiate a municipal development  
4599 project in accordance with the provisions of subsection (e) of section  
4600 32-224, seventy-five per cent of the total project cost, (4) in the case of a  
4601 municipal development project jointly initiated by two or more  
4602 municipalities at least one of which is a targeted investment  
4603 community, the sum of: (A) Seventy-five per cent of the portion of the  
4604 total project cost allocable to the participation of the municipality or  
4605 municipalities which are not targeted investment communities, and (B)  
4606 ninety per cent of the portion of the total project cost allocable to the  
4607 participation of any targeted investment community or communities,  
4608 (5) in the case of a defense diversification project, ninety per cent of the  
4609 total project cost if the project involves a municipal development  
4610 project or the acquisition or development, or both, of real property for  
4611 an unspecified occupant, and one hundred per cent in the case of any  
4612 other defense diversification project, and (6) in the case of moneys  
4613 used by the department for the purpose of grants to the United States  
4614 Department of the Navy, United States Department of Defense or  
4615 eligible applicants for projects related to the enhancement of  
4616 infrastructure for long-term, on-going naval operations at the United

4617 States Naval Submarine Base-New London, as provided in subdivision  
4618 (6) of subsection (b) of section 32-235, one hundred per cent of the total  
4619 project cost. A municipality's share of the total project cost, if any, may,  
4620 with the approval of the commissioner, be satisfied entirely or partially  
4621 from noncash contributions, including contributions of real property,  
4622 from private sources, or, to the extent permitted by federal law, from  
4623 moneys received by the municipality under any federal grant program.

4624 (d) Financial assistance, whether provided directly to eligible  
4625 applicants or indirectly in the form of the department's purchase of a  
4626 participation interest in a loan made by the [Connecticut Development  
4627 Authority] Connecticut Economic Innovations Authority under  
4628 sections 32-220 to 32-234, inclusive, may be used for (1) the planning of  
4629 a municipal development project or business development project,  
4630 including, but not limited to, the reasonable cost of feasibility studies,  
4631 engineering, appraisals, market studies and related activities; (2) the  
4632 acquisition of real property, machinery or equipment, or any  
4633 combination thereof, provided such financial assistance shall not  
4634 exceed fair market value; (3) the construction of site and infrastructure  
4635 improvements relating to a municipal development or business  
4636 development project; (4) the construction, renovation and demolition  
4637 of buildings; (5) relocation expenses for the purpose of assisting an  
4638 eligible applicant to locate, construct, renovate or acquire a facility; or  
4639 (6) such other reasonable expenses necessary or appropriate for the  
4640 initiation, implementation and completion of the project, including,  
4641 but not limited to: (A) Administrative expenses of the eligible  
4642 applicant; and (B) business support services in conjunction with  
4643 another state agency when such agency does not provide adequate  
4644 funds for such services or when no other state agency provides such  
4645 services. The department may purchase participation interests in loans  
4646 made by the [Connecticut Development Authority] Connecticut  
4647 Economic Innovations Authority for the foregoing purposes. All  
4648 relocation assistance provided under sections 32-220 to 32-234,  
4649 inclusive, to persons residing in the project area shall be in  
4650 conformance with chapter 135.

4651 (e) The commissioner may establish the terms and conditions of any  
4652 financial assistance provided under sections 32-220 to 32-234, inclusive,  
4653 except that the interest rate on any loans shall be determined by the  
4654 State Bond Commission in accordance with subsection (t) of section 3-  
4655 20. The commissioner may make any stipulation in connection with an  
4656 offer of financial assistance he deems necessary to implement the  
4657 policies and purposes of sections 32-220 to 32-234, inclusive, including,  
4658 but not limited to the following: (1) The provision of assurances that  
4659 the eligible applicant will discharge its obligations in connection with  
4660 the project, and (2) a requirement that the eligible applicant provide  
4661 the department with appropriate security for such financial assistance,  
4662 including, but not limited to, a letter of credit, a lien on real property or  
4663 a security interest in goods, equipment, inventory or other property of  
4664 any kind.

4665 Sec. 113. Section 32-227 of the general statutes is repealed and the  
4666 following is substituted in lieu thereof (*Effective July 1, 2010*):

4667 (a) For the purpose of carrying out or administering a municipal or  
4668 business development project, (1) a municipality, acting by and  
4669 through its implementing agency, may, subject to the limitations and  
4670 procedures set forth in this section, issue from time to time bonds of  
4671 the municipality, and (2) the [Connecticut Development Authority]  
4672 Connecticut Economic Innovations Authority may, upon a resolution  
4673 adopted by the legislative body of the municipality, issue from time to  
4674 time bonds which, in either case, are payable solely or in part from and  
4675 secured by: (A) A pledge of and lien upon any or all of the income,  
4676 proceeds, revenues and property of development projects, including  
4677 the proceeds of grants, loans, advances or contributions from the  
4678 federal government, the state or other source, including financial  
4679 assistance furnished by the municipality or any other public body  
4680 pursuant to sections 32-220 to 32-234, inclusive; (B) taxes or payments  
4681 in lieu of taxes, or both, in whole or in part, allocated to and paid into a  
4682 special fund of the municipality or the [Connecticut Development  
4683 Authority] Connecticut Economic Innovations Authority pursuant to  
4684 the provisions of subsection (c) of this section; or (C) any combination

4685 of the methods in subparagraphs (A) and (B) of this subdivision. Any  
4686 bonds payable and secured as provided in this subsection shall be  
4687 authorized by, and the appropriation of the proceeds thereof approved  
4688 by and subject to, a resolution adopted by the legislative body of the  
4689 municipality, notwithstanding the provisions of any other statute, local  
4690 law or charter governing the authorization and issuance of bonds and  
4691 the appropriation of the proceeds thereof generally by the  
4692 municipality. No such resolution shall be adopted until after a public  
4693 hearing has been held upon such authorization. Notice of such hearing  
4694 shall be published not less than five days prior to such hearing in a  
4695 newspaper having a general circulation in the municipality. Any such  
4696 bonds of a municipality or the [Connecticut Development Authority]  
4697 Connecticut Economic Innovations Authority shall be issued and sold  
4698 in such manner; bear interest at such rate or rates, including variable  
4699 rates; provide for the payment of interest on such dates, whether  
4700 before or at maturity; be issued at, above or below par; mature at such  
4701 time or times not exceeding thirty years from their date; have such  
4702 rank or priority; be payable in such medium of payment; be issued in  
4703 such form, including, without limitation, registered or book-entry  
4704 form; carry such registration and transfer privileges and be made  
4705 subject to purchase or redemption before maturity at such price or  
4706 prices and under such terms and conditions, including the condition  
4707 that such bonds be subject to purchase or redemption on the demand  
4708 of the owner thereof; and contain such other terms and particulars as  
4709 the legislative body of the municipality or the officers delegated such  
4710 authority by the legislative body of the municipality shall determine.  
4711 Any such bonds of the [Connecticut Development Authority]  
4712 Connecticut Economic Innovations Authority shall be issued and sold  
4713 in the manner and subject to the general terms and provisions of law  
4714 applicable to issuance of bonds by the [Connecticut Development  
4715 Authority] Connecticut Economic Innovations Authority, except that  
4716 the provisions of subsection (b) of section 32-23j shall not apply. The  
4717 proceedings under which bonds are authorized to be issued may,  
4718 subject to the provisions of indenture or to any other depository  
4719 agreement, provide for the method of disbursement thereof, with such

4720 safeguards and restrictions as it may determine. Any pledge made by  
4721 the municipality or the [Connecticut Development Authority]  
4722 Connecticut Economic Innovations Authority for bonds issued as  
4723 provided in this subsection shall be valid and binding from the time  
4724 when the pledge is made, and any revenues or other receipts, funds or  
4725 moneys so pledged and thereafter received by the municipality or the  
4726 [Connecticut Development Authority] Connecticut Economic  
4727 Innovations Authority shall be subject to the lien of such pledge  
4728 without any physical delivery thereof or further act. The lien of any  
4729 such pledge shall be valid and binding as against all parties having  
4730 claims of any kind in tort, contract or otherwise against the  
4731 municipality or [Connecticut Development Authority] the Connecticut  
4732 Economic Innovations Authority, irrespective of whether such parties  
4733 have notice of such lien. Neither the resolution nor any other  
4734 instrument by which a pledge is created need be recorded. All  
4735 expenses incurred in carrying out such financing may be treated as  
4736 project costs. Such bonds shall not be included in computing the  
4737 aggregate indebtedness of the municipality, provided, if such bonds  
4738 are made payable, in whole or in part, from funds contracted to be  
4739 advanced by the municipality, the aggregate amount of such funds not  
4740 yet appropriated to such purpose shall be included in computing the  
4741 aggregate indebtedness of the municipality. As used in this section,  
4742 "bonds" means any bonds, including refunding bonds, notes,  
4743 temporary notes, interim certificates, debentures or other obligations.  
4744 Temporary notes issued in accordance with this subsection in  
4745 anticipation of the receipt of the proceeds of bond issues may be issued  
4746 for a period of not more than five years, and notes issued for a shorter  
4747 period of time may be renewed by the issue of other notes, provided  
4748 the period from the date of the original notes to the maturity of the last  
4749 notes issued in renewal thereof shall not exceed five years. For  
4750 purposes of this section, references to the Connecticut Development  
4751 Authority shall include any subsidiary of the [Connecticut  
4752 Development Authority established pursuant to subsection (l) of  
4753 section 32-11a] Connecticut Economic Innovations Authority.

4754 (b) For the purpose of carrying out or administering a municipal or

4755 business development project, a municipality or its implementing  
4756 agency may accept grants, advances, loans or other financial assistance  
4757 from the federal government, the state or other source and may do any  
4758 and all things necessary or desirable to secure such financial aid. To  
4759 assist any project located in the area in which it is authorized to act,  
4760 any public body, including the state, or any city, town, borough,  
4761 authority, district, subdivision or agency of the state, may, upon such  
4762 terms as it determines, furnish service or facilities, provide property,  
4763 lend or contribute funds, and take any other action of a character  
4764 which it is authorized to perform for other purposes. To obtain funds  
4765 for the temporary and definitive financing of any project, a  
4766 municipality or implementing agency may, in addition to other action  
4767 authorized under this act or other law, issue its general obligation  
4768 bonds, notes, temporary notes or other obligations secured by a pledge  
4769 of the municipality's full faith and credit. Such bonds, notes,  
4770 temporary notes and other obligations shall be authorized in  
4771 accordance with the requirements for the authorization of such  
4772 obligations generally by the municipality and the authorization,  
4773 issuance and sale thereof shall be subject to the limitations contained in  
4774 the general statutes, including provisions on the limitation of the  
4775 aggregate indebtedness of the municipality. Notwithstanding the  
4776 provisions of sections 7-264, 7-378 and 7-378a, and any other public or  
4777 special act or charter or bond ordinance or bond resolution which  
4778 limits the issuance or renewal of temporary notes issued in  
4779 anticipation of the receipt of the proceeds of bond issues to a period of  
4780 time of less than five years from the date of the original notes or  
4781 requires a reduction in the principal amount of such notes or renewal  
4782 notes prior to the fifth anniversary of the date of the original notes,  
4783 such temporary notes may be issued for a period of not more than five  
4784 years, and notes issued for a shorter period of time may be renewed by  
4785 the issue of other notes, provided the period from the date of the  
4786 original notes to the maturity of the last notes issued in renewal  
4787 thereof shall not exceed five years.

4788 (c) Any development plan authorized under sections 32-220 to 32-  
4789 234, inclusive, or any proceedings authorizing the issuance of bonds

4790 under said sections may contain a provision that taxes, if any,  
4791 identified in such plan or such authorizing proceedings and levied  
4792 upon taxable real or personal property, or both, in a project each year  
4793 or payments in lieu of such taxes authorized pursuant to chapter 114,  
4794 or both, by or for the benefit of any one or more municipalities,  
4795 districts or other public taxing agencies, as the case may be, shall be  
4796 divided as follows: (1) In each fiscal year that portion of the taxes or  
4797 payments in lieu of taxes, or both, which would be produced by  
4798 applying the then current tax rate of each of the taxing agencies to the  
4799 total sum of the assessed value of the taxable property in the project on  
4800 the effective date of such adoption or the date of such authorizing  
4801 proceedings, as the case may be, or on any date between such two  
4802 dates which is identified in such proceedings, shall be allocated to and  
4803 when collected shall be paid into the funds of the respective taxing  
4804 agencies in the same manner as taxes by or for said taxing agencies on  
4805 all other property are paid; and (2) that portion of the assessed taxes or  
4806 the payments in lieu of taxes, or both, each fiscal year in excess of the  
4807 amount referred to in subdivision (1) of this subsection shall be  
4808 allocated to and when collected shall be paid into a special fund of the  
4809 municipality or the [Connecticut Development Authority] Connecticut  
4810 Economic Innovations Authority to be used in each fiscal year, first to  
4811 pay the principal of and interest due in such fiscal year on loans,  
4812 moneys advanced to, or indebtedness, whether funded, refunded,  
4813 assumed, or otherwise, incurred by such municipality or the  
4814 [Connecticut Development Authority] Connecticut Economic  
4815 Innovations Authority to finance or refinance in whole or in part, such  
4816 project, and then, at the option of the municipality or the [Connecticut  
4817 Development Authority] Connecticut Economic Innovations  
4818 Authority, to purchase bonds issued for the project which has  
4819 generated the tax increments or payments in lieu of taxes and then, at  
4820 the option of the municipality or the [Connecticut Development  
4821 Authority] Connecticut Economic Innovations Authority, to reimburse  
4822 the provider of or reimbursement party with respect to any guarantee,  
4823 letter of credit, policy of bond insurance, funds deposited in a debt  
4824 service reserve fund, funds deposited as capitalized interest or other

4825 credit enhancement device used to secure payment of debt service on  
4826 any bonds, notes or other indebtedness issued pursuant to this section  
4827 to finance or refinance such project, to the extent of any payments of  
4828 debt service made therefrom. Unless and until the total assessed  
4829 valuation of the taxable property in a project exceeds the total assessed  
4830 value of the taxable property in such project as shown by the last  
4831 assessment list referred to in subdivision (1) of this subsection, all of  
4832 the taxes levied and collected and all of the payments in lieu of taxes  
4833 due and collected upon the taxable property in such project shall be  
4834 paid into the funds of the respective taxing agencies. When such loans,  
4835 advances, and indebtedness, if any, and interest thereof, and such debt  
4836 service reimbursement to the provider of or reimbursement party with  
4837 respect to such credit enhancement, have been paid in full, all moneys  
4838 thereafter received from taxes or payments in lieu of taxes, or both,  
4839 upon the taxable property in such development project shall be paid  
4840 into the funds of the respective taxing agencies in the same manner as  
4841 taxes on all other property are paid.

4842 (d) Notwithstanding the provisions of subsection (a) or (b) of this  
4843 section and any other public or special act or charter or bond ordinance  
4844 or bond resolution which limits the renewal of temporary notes issued  
4845 pursuant to said subsections in anticipation of the receipt of the  
4846 proceeds of bond issues to five years from the date of the original  
4847 notes, any municipality may renew temporary notes in accordance  
4848 with the provisions of this section for an additional period of not more  
4849 than four years from the end of such five-year period. The officers or  
4850 board authorized to issue the bonds or determine the particulars of the  
4851 bonds may adopt a resolution authorizing the renewal of temporary  
4852 notes for such additional period under the following conditions: (1) All  
4853 project grant payments and bond sale proceeds received shall be  
4854 promptly applied toward project costs or toward payment of such  
4855 temporary notes as the same shall become due and payable or shall be  
4856 deposited in trust for such purposes; (2) no later than the end of each  
4857 period of twelve months after the end of such five-year period a  
4858 portion of such temporary notes equal to at least one-twentieth of the  
4859 municipality's estimated cost of the project shall be retired from funds

4860 other than project grants or land sale proceeds or note proceeds; (3) the  
4861 interest on all temporary notes renewed after such five-year period  
4862 shall be paid from funds other than project grants or land sale  
4863 proceeds or note proceeds; (4) the principal amount of each bond issue  
4864 when sold shall be reduced by the amounts spent under subdivision  
4865 (2) of this section, and the principal of such bonds shall be paid in  
4866 annual installments commencing no later than one year from the date  
4867 of issue; and (5) the maximum authorized term of the bonds when sold  
4868 shall be reduced by not less than the number of months from the end  
4869 of such five-year period to the date of issue. Any anticipated federal or  
4870 state project grants or land sale proceeds may be used in computing  
4871 the municipality's cost of the project. Any municipality in which such  
4872 resolution is passed shall include in its annual budget or shall  
4873 otherwise appropriate sufficient funds to make the payments required  
4874 by subdivisions (2) and (3) of this subsection.

4875 Sec. 114. Section 32-244 of the general statutes is repealed and the  
4876 following is substituted in lieu thereof (*Effective July 1, 2010*):

4877 (a) All data and other information received by the Department of  
4878 Economic and Community Development, the [Connecticut  
4879 Development Authority] Connecticut Economic Innovations Authority  
4880 or any implementing agency, as defined in section 32-222, as amended  
4881 by this act, or any advisory board or committee of the department,  
4882 authority or agency, from any person in connection with an  
4883 application for, or the provision of, financial assistance, which consists  
4884 of the following, shall be deemed, for purposes of a public records  
4885 request pursuant to the Freedom of Information Act, as defined in  
4886 section 1-200, made to the Department of Economic and Community  
4887 Development, the [Connecticut Development Authority] Connecticut  
4888 Economic Innovations Authority or any such implementing agency,  
4889 advisory board or committee, to be information described in  
4890 subdivision (5) of subsection (b) of section 1-210: (1) Actual trade  
4891 secrets or information that a person intends to become a trade secret,  
4892 (2) material that a person intends to patent, (3) patented material, (4)  
4893 marketing or business plans, (5) plans for new products or services, (6)

4894 reports of customer orders or sales or other documents that would  
4895 disclose names and addresses of customers or potential customers, (7)  
4896 information concerning the financial condition or personal affairs of  
4897 any individual, (8) financial statements or projections, (9) sales or  
4898 earnings forecasts, (10) capital or strategic plans, (11) information  
4899 regarding research and development, (12) tax returns, or (13) other  
4900 commercial, credit or financial information with respect to the financial  
4901 condition or business operations of an applicant for or recipient of  
4902 financial assistance which is of a type not customarily made available  
4903 to the public.

4904 (b) The enumeration in this section of particular types of data and  
4905 information shall not be construed to limit the possible applicability of  
4906 subdivision (5) of subsection (b) of section 1-210 to other data or  
4907 information not so enumerated.

4908 Sec. 115. Section 32-244a of the general statutes is repealed and the  
4909 following is substituted in lieu thereof (*Effective July 1, 2010*):

4910 All information contained in any application for financial assistance  
4911 submitted to the Department of Economic and Community  
4912 Development or the [Connecticut Development Authority]  
4913 Connecticut Economic Innovations Authority prior to October 1, 2000,  
4914 and all information with respect to any person or project, including all  
4915 financial, credit and proprietary information, obtained by the  
4916 Department of Economic and Community Development or the  
4917 [Connecticut Development Authority] Connecticut Economic  
4918 Innovations Authority prior to October 1, 2000, or on or after October  
4919 1, 2000, pursuant to the requirements of an agreement entered into  
4920 prior to October 1, 2000, shall be exempt from the provisions of  
4921 subsection (a) of section 1-210.

4922 Sec. 116. Subsection (k) of section 32-261 of the general statutes is  
4923 repealed and the following is substituted in lieu thereof (*Effective July*  
4924 *1, 2010*):

4925 (k) As used in this section, the following terms shall have the

4926 following meanings unless the context indicates another meaning and  
4927 intent:

4928 (1) "Authority" means the [Connecticut Development Authority  
4929 created under subsection (a) of section 32-23d] Connecticut Economic  
4930 Innovations Authority established pursuant to section 2 of this act;

4931 (2) "Eligible financial institution" shall have the same meaning as  
4932 "eligible financial institution", as defined in subsection (e) of section 32-  
4933 23d;

4934 (3) "Loans" means loans, notes, bonds and all other forms of debt  
4935 financing or extensions of credit, secured or unsecured, including  
4936 loans for working capital purposes;

4937 (4) "Other investments" means (A) any and all forms of equity  
4938 financing made by the authority or an eligible financial institution, (B)  
4939 any participation or other interest in such equity financing, however  
4940 evidenced, or (C) any pool or portfolio of, or position in, loans, such  
4941 equity financing or any combination thereof;

4942 (5) "Person" means a person, as defined in subsection (s) of section  
4943 32-23d; and

4944 (6) "State" means the state of Connecticut.

4945 Sec. 117. Subsection (b) of section 32-262 of the general statutes is  
4946 repealed and the following is substituted in lieu thereof (*Effective July*  
4947 *1, 2010*):

4948 (b) The proceeds of the sale of said bonds, to the extent of the  
4949 amount stated in subsection (a) of this section, shall be used by the  
4950 Department of Economic and Community Development to make  
4951 grants to the [Connecticut Development Authority] Connecticut  
4952 Economic Innovations Authority for deposit in the Investment and  
4953 Loan Guaranty Fund to be used for the purpose of section 32-261, as  
4954 amended by this act. The terms and conditions of said grants shall be  
4955 governed in accordance with a grant contract between the department

4956 and the authority.

4957 Sec. 118. Section 32-265 of the general statutes is repealed and the  
4958 following is substituted in lieu thereof (*Effective July 1, 2010*):

4959 (a) As used in this section: (1) "Authority" means the [Connecticut  
4960 Development Authority] Connecticut Economic Innovations  
4961 Authority, and (2) "financial institution" means an eligible financial  
4962 institution, as defined in subsection (e) of section 32-23d, which is  
4963 approved by the authority to participate in the program established by  
4964 this section.

4965 (b) In order to stimulate and encourage the growth and  
4966 development of the state economy, the Connecticut Capital Access  
4967 Fund is created to provide portfolio insurance to participating financial  
4968 institutions to assist them in making loans that are somewhat riskier  
4969 than conventional loans. The insurance shall be based on a portfolio  
4970 insurance mechanism applicable to loans enrolled by a financial  
4971 institution in the program, rather than loans by loan guarantees. The  
4972 state, acting through the [Connecticut Development Authority]  
4973 Connecticut Economic Innovations Authority, shall enter into a  
4974 participation agreement with each financial institution approved to  
4975 participate in the program. A participation agreement entered into by  
4976 the authority and a financial institution shall establish a separate loan  
4977 loss reserve account, owned and controlled by the [Connecticut  
4978 Development Authority] Connecticut Economic Innovations  
4979 Authority, but earmarked to cover losses on loans enrolled by that  
4980 financial institution in the program. A separate loan loss reserve  
4981 account shall be established for each participating financial institution.  
4982 Each time a financial institution enrolls a loan in the program,  
4983 payments shall be made into the earmarked loan loss reserve account  
4984 by the borrower, financial institution and the authority, in amounts  
4985 consistent with the provisions of the participation agreement. The  
4986 financial institution shall be allowed to recover the cost of its payment  
4987 from the borrower.

4988 (c) To carry out the purposes of this section, the authority shall have

4989 those powers set forth in section 32-23. The authority shall also have  
4990 the power to take all reasonable steps and exercise all available  
4991 remedies necessary or desirable to protect the obligations or interests  
4992 of the authority including, but not limited to, the purchase or  
4993 redemption in foreclosure proceedings, bankruptcy proceedings or in  
4994 other judicial proceedings of any property on which it holds a  
4995 mortgage or other lien or in which it has an interest, and for such  
4996 purposes payment may be made from the Connecticut Capital Access  
4997 Fund.

4998 (d) Approval of loans for which payments may be made into an  
4999 account established under this section shall be within the sole  
5000 discretion of the financial institution making the loan except that such  
5001 loans shall comply with the requirements specified in the participation  
5002 agreement.

5003 (e) The authority shall adopt written procedures in accordance with  
5004 section 1-121 for implementing the program. Such written procedures  
5005 shall include the form of participation agreement which shall set forth  
5006 procedures for use of the program and the rights and responsibilities  
5007 of participating financial institutions and the authority. The  
5008 participation agreement shall require that loans enrolled in the  
5009 program shall be for a business purpose in the state and shall not be  
5010 used for residential housing, passive real estate ownership, an insider  
5011 transaction or to refinance a prior loan by the financial institution  
5012 which was not covered under the program, except that if new funds  
5013 are provided to a borrower, an amount equal to the amount of the new  
5014 funds may be covered under the program.

5015 (f) (1) For the purposes described in subdivision (2) of this  
5016 subsection, the State Bond Commission shall have the power, from  
5017 time to time, to authorize the issuance of bonds of the state in one or  
5018 more series and in principal amounts not exceeding in the aggregate  
5019 five million dollars.

5020 (2) The proceeds of the sale of said bonds, to the extent of the  
5021 amount stated in subdivision (1) of this subsection, shall be used by the

5022 Department of Economic and Community Development to make  
5023 grants to the [Connecticut Development Authority] Connecticut  
5024 Economic Innovations Authority for deposit in the Connecticut Capital  
5025 Access Fund to be used for the purposes authorized under this section  
5026 and section 32-341, as amended by this act.

5027 (3) All provisions of section 3-20, or the exercise of any right or  
5028 power granted thereby which are not inconsistent with the provisions  
5029 of this section are hereby adopted and shall apply to all bonds  
5030 authorized by the State Bond Commission pursuant to this section, and  
5031 temporary notes in anticipation of the money to be derived from the  
5032 sale of any such bonds so authorized may be issued in accordance with  
5033 said section 3-20 and from time to time renewed. Such bonds shall  
5034 mature at such time or times not exceeding twenty years from their  
5035 respective dates as may be provided in or pursuant to the resolution or  
5036 resolutions of the State Bond Commission authorizing such bonds.  
5037 None of said bonds shall be authorized except upon a finding by the  
5038 State Bond Commission that there has been filed with it a request for  
5039 such authorization, which is signed by or on behalf of the Secretary of  
5040 the Office of Policy and Management and states such terms and  
5041 conditions as said commission, in its discretion, may require. Said  
5042 bonds issued pursuant to this section shall be general obligations of the  
5043 state and the full faith and credit of the state of Connecticut are  
5044 pledged for the payment of the principal of and interest on said bonds  
5045 as the same become due, and accordingly and as part of the contract of  
5046 the state with the holders of said bonds, appropriation of all amounts  
5047 necessary for punctual payment of such principal and interest is  
5048 hereby made, and the Treasurer shall pay such principal and interest  
5049 as the same become due.

5050 Sec. 119. Section 32-266 of the general statutes is repealed and the  
5051 following is substituted in lieu thereof (*Effective July 1, 2010*):

5052 As used in sections 32-266 to 32-284, inclusive, as amended by this  
5053 act:

5054 (1) "Authority" means the [Connecticut Development Authority]

5055 Connecticut Economic Innovations Authority; and

5056 (2) "Regional corporation" means a corporation formed by three or  
5057 more municipal development corporations, a regional economic  
5058 development corporation or a regional community development  
5059 corporation.

5060 Sec. 120. Subsection (b) of section 32-285 of the 2010 supplement to  
5061 the general statutes is repealed and the following is substituted in lieu  
5062 thereof (*Effective July 1, 2010*):

5063 (b) As used in this section: (1) "Authority" means the [Connecticut  
5064 Development Authority] Connecticut Economic Innovations  
5065 Authority; and (2) "eligible project" means a large-scale economic  
5066 development project (A) that may add a substantial amount of new  
5067 economic activity and employment in the municipality in which it is to  
5068 be located and surrounding areas, and may generate significant  
5069 additional tax revenues in the state; (B) for which use of the tax  
5070 incremental financing mechanism may be necessary to attract the  
5071 project to locate in the state; (C) which is economically viable and self-  
5072 sustaining, taking into account the application of the proceeds of the  
5073 bonds to be issued under the tax incremental financing program; (D)  
5074 for which the direct and indirect economic benefits to the state and the  
5075 municipality in which it will be located outweigh the costs of the  
5076 project; and (E) which is consistent with the strategic development  
5077 priorities of the state.

5078 Sec. 121. Subsection (a) of section 32-341 of the general statutes is  
5079 repealed and the following is substituted in lieu thereof (*Effective July*  
5080 *1, 2010*):

5081 (a) There is established within the [Connecticut Development  
5082 Authority] Connecticut Economic Innovations Authority a small  
5083 business assistance program under which the authority shall make  
5084 loans and loan guarantees and provide equity equivalent capital to  
5085 businesses in this state that employ not more than one hundred  
5086 persons and are unable to obtain conventional financial assistance. The

5087 authority may establish criteria for such loans, including, but not  
5088 limited to, whether such assistance would enable an applicant to create  
5089 or retain jobs and whether the applicant exports goods or services out  
5090 of the state.

5091 Sec. 122. Subdivision (1) of section 32-500 of the general statutes is  
5092 repealed and the following is substituted in lieu thereof (*Effective July*  
5093 *1, 2010*):

5094 (1) "Authority" means the [Connecticut Development Authority]  
5095 Connecticut Economic Innovations Authority.

5096 Sec. 123. Section 32-503 of the general statutes is repealed and the  
5097 following is substituted in lieu thereof (*Effective July 1, 2010*):

5098 (a) The [Connecticut Development Authority] Connecticut  
5099 Economic Innovations Authority shall establish an export division  
5100 within the authority. The division shall, within available resources,  
5101 provide: (1) Working capital loans to small and medium-sized  
5102 companies which are unable to obtain export financing, (2) access for  
5103 such companies to existing public and private export lenders and other  
5104 export funding sources, including, but not limited to, transaction  
5105 financing, letters of credit, equity investments and loan guarantees,  
5106 and (3) technical assistance to such companies in obtaining such  
5107 financing. Such export division may give priority to assisting  
5108 Connecticut businesses with regard to trade with African countries  
5109 with whom the United States has diplomatic relations.

5110 (b) On or before January 30, 1998, the authority shall submit a report  
5111 to the joint standing committee of the General Assembly having  
5112 cognizance of matters relating to economic development on the  
5113 progress of the authority in carrying out the purposes of this section,  
5114 including a list of successful transactions.

5115 Sec. 124. Section 32-609 of the general statutes is repealed and the  
5116 following is substituted in lieu thereof (*Effective July 1, 2010*):

5117 With the concurrence of the Secretary of the Office of Policy and

5118 Management and the State Treasurer, the Capital City Economic  
 5119 Development Authority may submit an application to the [Connecticut  
 5120 Development Authority] Connecticut Economic Innovations Authority  
 5121 on behalf of the convention center project as defined in subdivision (3)  
 5122 of section 32-600, for a loan or loans consistent with the requirements  
 5123 of chapter 579 and the [Connecticut Development Authority is hereby  
 5124 authorized to] Connecticut Economic Innovations Authority may  
 5125 review such application as a package for the purposes of its  
 5126 requirements, including eligibility for federal or state funding in  
 5127 addition to the financing applied for. Any loan by the [Connecticut  
 5128 Development Authority] Connecticut Economic Innovations Authority  
 5129 to the Capital City Economic Development Authority shall be  
 5130 evidenced by the general obligation bond of such authority, in fully  
 5131 marketable form, duly executed and accompanied by an approving  
 5132 legal opinion with respect to validity, security and tax matters as  
 5133 would otherwise be required in a public offering. Any loan with  
 5134 respect to the hotel or other portions of private investment pertaining  
 5135 to the convention center project shall be on such terms and conditions  
 5136 as the [Connecticut Development Authority] Connecticut Economic  
 5137 Innovations Authority requires to satisfy its eligibility for financing of  
 5138 a loan from the proceeds of its general obligation program bonds.

5139 Sec. 125. Sections 32-11a, 32-35 and 32-39 of the general statutes are  
 5140 repealed. (*Effective July 1, 2010*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2010</i>	32-11
Sec. 2	<i>July 1, 2010</i>	New section
Sec. 3	<i>July 1, 2010</i>	New section
Sec. 4	<i>July 1, 2010</i>	New section
Sec. 5	<i>July 1, 2010</i>	New section
Sec. 6	<i>July 1, 2010</i>	New section
Sec. 7	<i>July 1, 2010</i>	New section
Sec. 8	<i>October 1, 2010</i>	New section
Sec. 9	<i>July 1, 2010</i>	New section
Sec. 10	<i>July 1, 2010</i>	1-79(l)

Sec. 11	<i>July 1, 2010</i>	1-120
Sec. 12	<i>July 1, 2010</i>	1-124
Sec. 13	<i>July 1, 2010</i>	1-125
Sec. 14	<i>July 1, 2010</i>	3-24d
Sec. 15	<i>July 1, 2010</i>	3-24f
Sec. 16	<i>July 1, 2010</i>	4-124ff
Sec. 17	<i>July 1, 2010</i>	8-134
Sec. 18	<i>July 1, 2010</i>	8-134a
Sec. 19	<i>July 1, 2010</i>	32-23d(w)
Sec. 20	<i>July 1, 2010</i>	32-23k
Sec. 21	<i>July 1, 2010</i>	32-23q
Sec. 22	<i>July 1, 2010</i>	32-23r
Sec. 23	<i>July 1, 2010</i>	32-23t
Sec. 24	<i>July 1, 2010</i>	32-23v(a)(3)
Sec. 25	<i>July 1, 2010</i>	32-23x(a)
Sec. 26	<i>July 1, 2010</i>	32-23z
Sec. 27	<i>July 1, 2010</i>	32-23aa
Sec. 28	<i>July 1, 2010</i>	32-23hh
Sec. 29	<i>July 1, 2010</i>	32-23qq
Sec. 30	<i>July 1, 2010</i>	32-23ss
Sec. 31	<i>July 1, 2010</i>	32-23tt
Sec. 32	<i>July 1, 2010</i>	32-23yy
Sec. 33	<i>July 1, 2010</i>	32-23zz
Sec. 34	<i>July 1, 2010</i>	32-34
Sec. 35	<i>July 1, 2010</i>	32-39c
Sec. 36	<i>July 1, 2010</i>	32-39d
Sec. 37	<i>July 1, 2010</i>	32-39e
Sec. 38	<i>July 1, 2010</i>	32-40
Sec. 39	<i>July 1, 2010</i>	32-40a
Sec. 40	<i>July 1, 2010</i>	32-40b
Sec. 41	<i>July 1, 2010</i>	32-40c
Sec. 42	<i>July 1, 2010</i>	32-41a
Sec. 43	<i>July 1, 2010</i>	32-41b
Sec. 44	<i>July 1, 2010</i>	32-41i
Sec. 45	<i>July 1, 2010</i>	32-41j
Sec. 46	<i>July 1, 2010</i>	32-41k
Sec. 47	<i>July 1, 2010</i>	32-41l
Sec. 48	<i>July 1, 2010</i>	32-41m
Sec. 49	<i>July 1, 2010</i>	32-41n
Sec. 50	<i>July 1, 2010</i>	32-41o
Sec. 51	<i>July 1, 2010</i>	32-41p

Sec. 52	July 1, 2010	32-41q
Sec. 53	July 1, 2010	32-41s
Sec. 54	July 1, 2010	32-41t
Sec. 55	July 1, 2010	32-41u
Sec. 56	July 1, 2010	32-43
Sec. 57	July 1, 2010	32-47
Sec. 58	July 1, 2010	32-47a
Sec. 59	July 1, 2010	32-477
Sec. 60	July 1, 2010	10a-25b
Sec. 61	July 1, 2010	10a-25g
Sec. 62	July 1, 2010	32-41
Sec. 63	July 1, 2010	4-66a(f)
Sec. 64	July 1, 2010	8-250(42)
Sec. 65	July 1, 2010	16-245n
Sec. 66	July 1, 2010	16-245aa
Sec. 67	July 1, 2010	16-245bb(b)
Sec. 68	July 1, 2010	16a-38p(b)
Sec. 69	July 1, 2010	19a-32f(f)
Sec. 70	July 1, 2010	31-11aa(a)
Sec. 71	July 1, 2010	32-1e
Sec. 72	July 1, 2010	32-1k
Sec. 73	July 1, 2010	32-4h
Sec. 74	July 1, 2010	32-6k
Sec. 75	July 1, 2010	32-41v
Sec. 76	July 1, 2010	32-41w
Sec. 77	July 1, 2010	32-344
Sec. 78	July 1, 2010	32-356(e)
Sec. 79	July 1, 2010	32-450
Sec. 80	July 1, 2010	32-462
Sec. 81	July 1, 2010	32-478
Sec. 82	July 1, 2010	32-479
Sec. 83	July 1, 2010	32-480
Sec. 84	July 1, 2010	32-700
Sec. 85	July 1, 2010	32-701(a)
Sec. 86	July 1, 2010	32-717
Sec. 87	July 1, 2010	32-718
Sec. 88	July 1, 2010	8-192(d)
Sec. 89	July 1, 2010	8-192a
Sec. 90	July 1, 2010	8-240m(b)
Sec. 91	July 1, 2010	13b-79w
Sec. 92	July 1, 2010	16-243v

Sec. 93	July 1, 2010	22a-134(1)(P)
Sec. 94	July 1, 2010	22a-173
Sec. 95	July 1, 2010	22a-259
Sec. 96	July 1, 2010	22a-264
Sec. 97	July 1, 2010	25-33a(c)
Sec. 98	July 1, 2010	32-1o(a)
Sec. 99	July 1, 2010	32-5a
Sec. 100	July 1, 2010	32-6j
Sec. 101	July 1, 2010	32-9c(a)
Sec. 102	July 1, 2010	32-9n(b)
Sec. 103	July 1, 2010	32-9cc(d)
Sec. 104	July 1, 2010	32-9kk
Sec. 105	July 1, 2010	32-9qq(b)(1)
Sec. 106	July 1, 2010	32-22b
Sec. 107	July 1, 2010	32-23o(b)
Sec. 108	July 1, 2010	32-23s
Sec. 109	July 1, 2010	32-61
Sec. 110	July 1, 2010	32-141(a)
Sec. 111	July 1, 2010	32-222
Sec. 112	July 1, 2010	32-223
Sec. 113	July 1, 2010	32-227
Sec. 114	July 1, 2010	32-244
Sec. 115	July 1, 2010	32-244a
Sec. 116	July 1, 2010	32-261(k)
Sec. 117	July 1, 2010	32-262(b)
Sec. 118	July 1, 2010	32-265
Sec. 119	July 1, 2010	32-266
Sec. 120	July 1, 2010	32-285(b)
Sec. 121	July 1, 2010	32-341(a)
Sec. 122	July 1, 2010	32-500(1)
Sec. 123	July 1, 2010	32-503
Sec. 124	July 1, 2010	32-609
Sec. 125	July 1, 2010	Repealer section

**CE**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
CT Innovations Inc. (quasi-public); CT. Development Auth. (quasi-public); Department of Economic & Community Development	Various - See Below	See Below	See Below

**Municipal Impact:** None

**Explanation**

The bill creates a new quasi-public agency, the Connecticut Economic Innovations Authority, by consolidating the Connecticut Innovations Inc., and the Connecticut Development Authority. Frequently, agency consolidations can result in long-term savings by streamlining redundant functions and achieving economies of scale; and short term costs resulting from re-locating agencies and changing literature and stationery. However, the bill is silent on how this agency consolidation is to be achieved, thus any resulting costs and savings are unknown. It is assumed that the newly created authority would be funded as each of its components was previously funded, including bond funds. To the extent that the consolidation results in a negative bond rating it may result in increased future borrowing costs, thus reducing the amount of funds available to implement programs and support personnel.

Additionally, the bill expands the uses of the Department of Economic and Community Development's Manufacturing Assistance Act (MAA) funds. As of April 5, 2010, the unallocated balance of MAA funds is \$59 million.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****SB 327*****AN ACT CONCERNING CONSOLIDATION OF ECONOMIC DEVELOPMENT ENTITIES.*****SUMMARY:**

This bill consolidates the Connecticut Development Authority (CDA) and Connecticut Innovations, Inc. (CII) in a new quasi-public agency called the Connecticut Economic Innovations Authority (CEIA). In doing so, it gives CEIA many of the same powers and duties current law grants CDA and CII, except those allowing CII to provide venture capital, create affiliates, provide financial aid to specified industry sectors, and administer the Renewal Energy Fund (§§ 32-39).

The bill also transfers many CDA and CII programs to CEIA and designates it the successor to CDA's bonds. It also makes many technical and conforming changes.

The bill establishes a 12-member board to run CEDA and designates the Department of Economic and Community Development (DECD) commissioner its chairperson. The members are appointed by the governor and legislative leaders, and include the treasurer and Office of Policy and Management (OPM) secretary. The board appoints CEIA's executive director. The bill requires the board members annually to elect their vice chairperson.

The bill makes two changes unrelated to the consolidation. It allows DECD to use Manufacturing Assistance Act funds to promote exporting. Among other things, DECD can use the funds to sponsor a program supporting exports, help companies access federal export assistance services, and provide marketing material and website improvements for exports.

EFFECTIVE DATE: July 1, 2010, except for the provisions transferring CDA's powers and duties to CEIA, which take effect October 1, 2010.

## § 2—ORGANIZATIONAL STRUCTURE

The bill establishes CEIA as a quasi-public agency, like CDA and CII. In doing so, it creates a 12-member governing board that, as Table 1 shows, closely resembles CDA's.

**Table 1: Comparison of CEIA, CDA, and CII Boards**

<i>Appointing Authority</i>	<i>CEIA</i>	<i>CDA</i>	<i>CII</i>
Statute	DECD commissioner, Treasurer, and OPM secretary or designees	Same as CEIA	DECD and higher education commissioners and OPM secretary or designees
Governor	Five members	Four members with expertise in financial lending or developing commerce, trade, or business	Eight members with expertise in innovative technologies and technological processes
House Speaker	One member	One member	One member
Senate President Pro Tempore	One member	One member	One member
House Minority Leader	One member	One member	One member
Senate Minority Leader	One member	One member	One member
Total Members	12 members	11 members	15 members

The bill imposes no experience requirements for CEIA board members. Their terms, conditions, and requirements for serving on the board are largely the same as those for serving on the CDA board.

The board must annually elect its vice chairperson. Under current

law, the governor appoints the chairpersons of the CDA and CII boards, subject to legislative approval.

The powers and duties of CEIA's board are largely the same as those of CDA and CII, including appointing the authority's executive director (see below). The bill transfers the CII board's power to approve applications for funding technology and venture capital investments to CEIA. But in doing so, it does not list the power to make venture capital investments among CEIA's statutory powers. The bill also drops the requirement that CEIA's board create a finance committee to perform this task (§ 34 and § 38).

### **§ 3—STATUTORY PURPOSES AND POWERS**

The bill specifies CEIA's statutory purposes, which include many that are similar to CII's. These mostly involve stimulating and supporting commercially viable research and development.

The bill also gives CEIA specific powers and duties needed to fulfill its statutory purposes. These are similar to those of CDA and CII.

### **§ 4—TAX EXEMPTION**

The bill exempts CEIA and its subsidiaries from all municipal and state taxes.

### **§ 5—SUBSIDIARIES**

The bill allows CEIA to establish subsidiaries to implement any of its statutory purposes, including cleaning up contaminated property. Current law allows CDA to establish subsidiaries only for this purpose. Under the bill, CEIA's subsidiaries have mostly the same powers and duties as CDA's. But unlike the subsidiaries CDA can create under current law, CEIA's subsidiaries must pay the Department of Environmental Protection fees for entering into covenants not to sue. The covenants are legal devices used to encourage developers to clean up and redevelop contaminated property.

The bill does not transfer to CEIA CII's power to create affiliates,

although it refers to CEIA's affiliates in sections where it amends CII statutes by substituting CEIA for CII.

### **§ 6—EXECUTIVE DIRECTOR**

The bill authorizes CEIA's board to appoint the authority's executive director, who cannot be a board member. It also allows the board to appoint any officers it determines to serve at its pleasure. The bill exempts these officers from civil service and authorizes the board to determine their compensation.

Under current law, the CDA and CII boards may appoint only the executive directors of their respective agencies. Current law allows the CDA executive director to appoint other officers.

The powers and duties of CEIA's executive director are mostly the same as those of CDA's and CII's.

### **§ 7—ANNUAL REPORTING REQUIREMENT**

The bill imposes the same annual reporting requirements on CEIA as are currently imposed on CDA and CII. But it also requires CEIA to report separately on the activities authorized by the CII statutes. Current law requires CDA and CII to also provide any additional reports and information the Commerce, Appropriations, and Finance committees request. The bill does not extend this requirement to CEIA.

### **§ 9—TRANSITION ASSISTANCE**

The bill allows CDA and CII to help CEIA assume their respective powers and duties. Between July 1, 2010 and September 30, 2010, CDA and CII can contract with CEIA to provide this assistance, which may include technical support and facilities, equipment, and supplies. But the bill terminates both agencies on July 1, 2010.

## **BACKGROUND**

### ***Related Bills***

sSB 308 (File 159) consolidates CDA, CII, and DECD into the new quasi-public Connecticut Economic Development Authority (CEDA). In consolidating these agencies, that bill makes many similar changes.

The major differences concern DECD, which the bill designates as the successor to CDA's bonds, and CHFA, whose programs the bill transfers to CEDA.

Like this bill, sSB 395 expands the DECD commissioner's ability to support exporting under the Manufacturing Assistance Act. It does so as part of a larger expansion of the commissioner's powers and duties.

**COMMITTEE ACTION**

Commerce Committee

Joint Favorable

Yea 18 Nay 1 (03/18/2010)