



General Assembly

February Session, 2010

Governor's Bill No. 22

LCO No. 427

* SB00022CE 032310 *

Referred to Committee on Commerce

Introduced by:

SEN. MCKINNEY, 28th Dist.

REP. CAFERO, 142nd Dist.

AN ACT CONCERNING SMALL BUSINESS ASSISTANCE.

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

1 Section 1. (NEW) (*Effective July 1, 2010*) (a) As used in this section,
2 "qualified business" means a business employing less than two
3 hundred fifty people.

4 (b) Subject to the availability of funds, the Commissioner of
5 Economic and Community Development may establish a small
6 business assistance program to provide direct loans and loan
7 guarantees to qualified businesses.

8 (c) As part of the program established pursuant to subsection (b) of
9 this section, the commissioner may: (1) (A) Guarantee, make an
10 advance commitment to guarantee or cause to be guaranteed loans to
11 qualified businesses, provided the cumulative guarantees (i) to any
12 business shall not exceed three million dollars, and (ii) to all businesses
13 shall not exceed seventy-five million dollars, (B) in the case that loans
14 are not made available in connection with such guarantees, make or

15 cause to be made direct loans to any qualified business, provided the
16 cumulative total of outstanding loans (i) to any business at any time
17 shall not exceed three million dollars, and (ii) to all businesses at any
18 time shall not exceed seventy-five million dollars, or (C) transfer funds
19 to the Connecticut Development Authority for deposit in the
20 Investment and Loan Guaranty Fund, provided the authority shall
21 only use such transferred funds for loan guarantees to qualified
22 businesses made pursuant to this section; (2) make or cause to be made
23 direct loans to any qualified business, provided the cumulative total of
24 outstanding loans (A) to any business at any time shall not exceed five
25 hundred thousand dollars, and (B) to all businesses at any time shall
26 not exceed twenty-five million dollars; and (3) enter into participation
27 agreements with the authority, provided such agreements shall be
28 limited to loans and loan guarantees that meet the requirements of this
29 section.

30 Sec. 2. (*Effective July 1, 2010*) (a) For the purposes described in
31 subsection (b) of this section, the State Bond Commission shall have
32 the power, from time to time, to authorize the issuance of bonds of the
33 state in one or more series and in principal amounts not exceeding in
34 the aggregate one hundred million dollars.

35 (b) The proceeds of the sale of said bonds, to the extent of the
36 amount stated in subsection (a) of this section, shall be used by the
37 Department of Economic and Community Development for the
38 purpose of the small business assistance program established pursuant
39 to section 1 of this act.

40 (c) All provisions of section 3-20 of the general statutes, or the
41 exercise of any right or power granted thereby, which are not
42 inconsistent with the provisions of this section are hereby adopted and
43 shall apply to all bonds authorized by the State Bond Commission
44 pursuant to this section, and temporary notes in anticipation of the
45 money to be derived from the sale of any such bonds so authorized
46 may be issued in accordance with said section 3-20 and from time to
47 time renewed. Such bonds shall mature at such time or times not

48 exceeding twenty years from their respective dates as may be provided
49 in or pursuant to the resolution or resolutions of the State Bond
50 Commission authorizing such bonds. None of said bonds shall be
51 authorized except upon a finding by the State Bond Commission that
52 there has been filed with it a request for such authorization which is
53 signed by or on behalf of the Secretary of the Office of Policy and
54 Management and states such terms and conditions as said commission,
55 in its discretion, may require. Said bonds issued pursuant to this
56 section shall be general obligations of the state and the full faith and
57 credit of the state of Connecticut are pledged for the payment of the
58 principal of and interest on said bonds as the same become due, and
59 accordingly and as part of the contract of the state with the holders of
60 said bonds, appropriation of all amounts necessary for punctual
61 payment of such principal and interest is hereby made, and the State
62 Treasurer shall pay such principal and interest as the same become
63 due.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2010</i> | New section |
| Sec. 2 | <i>July 1, 2010</i> | New section |

CE *Joint Favorable*