General Assembly

Raised Bill No. 327

February Session, 2010

LCO No. **1594**

____SB00327CE___031910___

Referred to Committee on Commerce

Introduced by:
(CE)

AN ACT CONCERNING CONSOLIDATION OF ECONOMIC DEVELOPMENT ENTITIES.

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

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 Section 32-1*l* of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2010*):

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

[(1) To utilize the department's resources for planning and developing an economic and community development reorganization plan which (A) sets forth policy goals for the department, (B) determines strategies to encourage economic and community development and the provision of housing in this state, including housing for very low, low and moderate income families, (C) determines the feasibility of dividing the operation of programs and resources of the state in support of economic and community development between and among the department and CDA, CHFA and CII, (D) identifies strategies to increase the leverage of resources of the state used in furtherance of the purposes of CDA, CHFA and CII,

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, 588*l*, 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, 588*l*, 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**]** <u>Connecticut Economic</u>
827 <u>Innovations Authority</u>, 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 32-23*ll*, 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 32-23*ll*, 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 32-23*ll*, 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

research and other services to assist small technology-based companies;

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

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

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

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

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, <u>as amended by this act,</u>
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,**]** <u>the</u>
2057 <u>Connecticut Economic Innovations Authority</u> 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<u>, as amended by this act</u>. 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 32-41*l* 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 32-41*l*, 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 32-23*ll*, 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**]** <u>the</u>
2791 <u>Connecticut Economic Innovations Authority</u> 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**]** <u>the Connecticut Economic Innovations Authority</u>; (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 32-1*l*, 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 <u>the Connecticut Economic Innovations Authority</u> 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, <u>as</u>
3293 <u>amended by this act,</u> 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**]** <u>The</u> 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**]** <u>Connecticut Economic Innovations Authority</u>
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

4-66c may, with the approval of the Governor and the State Bond Commission, be used to capitalize the brownfield remediation and development account created by subsections (l) to (o), inclusive, of this section.

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

Sec. 105. Subdivision (1) of subsection (b) of section 32-9qq of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2010*):

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

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

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

Sec. 107. Subsection (b) of section 32-23o of the general statutes is 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; <u>or</u>

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<u>, as amended by this</u>
5053 <u>act</u>:

5054 (1) "Authority" means the **[**Connecticut Development Authority**]**
5055 <u>Connecticut Economic Innovations Authority</u>; 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**]** <u>Connecticut Economic Innovations</u>

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	*July 1, 2010*	32-1*l*
Sec. 2	*July 1, 2010*	New section
Sec. 3	*July 1, 2010*	New section
Sec. 4	*July 1, 2010*	New section
Sec. 5	*July 1, 2010*	New section
Sec. 6	*July 1, 2010*	New section
Sec. 7	*July 1, 2010*	New section
Sec. 8	*October 1, 2010*	New section
Sec. 9	*July 1, 2010*	New section
Sec. 10	*July 1, 2010*	1-79(l)
Sec. 11	*July 1, 2010*	1-120
Sec. 12	*July 1, 2010*	1-124
Sec. 13	*July 1, 2010*	1-125
Sec. 14	*July 1, 2010*	3-24d
Sec. 15	*July 1, 2010*	3-24f
Sec. 16	*July 1, 2010*	4-124ff
Sec. 17	*July 1, 2010*	8-134
Sec. 18	*July 1, 2010*	8-134a
Sec. 19	*July 1, 2010*	32-23d(w)
Sec. 20	*July 1, 2010*	32-23k
Sec. 21	*July 1, 2010*	32-23q
Sec. 22	*July 1, 2010*	32-23r

Sec. 23	*July 1, 2010*	32-23t
Sec. 24	*July 1, 2010*	32-23v(a)(3)
Sec. 25	*July 1, 2010*	32-23x(a)
Sec. 26	*July 1, 2010*	32-23z
Sec. 27	*July 1, 2010*	32-23aa
Sec. 28	*July 1, 2010*	32-23hh
Sec. 29	*July 1, 2010*	32-23qq
Sec. 30	*July 1, 2010*	32-23ss
Sec. 31	*July 1, 2010*	32-23tt
Sec. 32	*July 1, 2010*	32-23yy
Sec. 33	*July 1, 2010*	32-23zz
Sec. 34	*July 1, 2010*	32-34
Sec. 35	*July 1, 2010*	32-39c
Sec. 36	*July 1, 2010*	32-39d
Sec. 37	*July 1, 2010*	32-39e
Sec. 38	*July 1, 2010*	32-40
Sec. 39	*July 1, 2010*	32-40a
Sec. 40	*July 1, 2010*	32-40b
Sec. 41	*July 1, 2010*	32-40c
Sec. 42	*July 1, 2010*	32-41a
Sec. 43	*July 1, 2010*	32-41b
Sec. 44	*July 1, 2010*	32-41i
Sec. 45	*July 1, 2010*	32-41j
Sec. 46	*July 1, 2010*	32-41k
Sec. 47	*July 1, 2010*	32-41*l*
Sec. 48	*July 1, 2010*	32-41m
Sec. 49	*July 1, 2010*	32-41n
Sec. 50	*July 1, 2010*	32-41o
Sec. 51	*July 1, 2010*	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*