



Senate Bill No. 1401

October Special Session, Public Act No. 11-2

AN ACT ESTABLISHING THE CONNECTICUT BIOSCIENCE COLLABORATION PROGRAM.

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

Section 1. (NEW) (*Effective from passage*) (a) For purposes of this section:

(1) "Corporation" means Connecticut Innovations, Incorporated;

(2) "Board" means the board of directors of Connecticut Innovations, Incorporated;

(3) "Internal Revenue Code" means the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time.

(b) There is established within Connecticut Innovations, Incorporated the Connecticut Bioscience Collaboration program. Said program shall support the establishment of a bioscience cluster anchored by a research laboratory housed at The University of Connecticut Health Center as provided in this subsection.

(1) The corporation shall work in collaboration with an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue

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Code to develop, construct and equip a structure for use as a research laboratory and office building operation. The board may provide loans to such organization for the purpose of developing, constructing and equipping such structure. The board shall review and approve loan terms and conditions, and may require matching funds from private or nonstate entities. The board may allow payment on such loans to be deferred, and may forgive all or part of such loans, based upon the board's assessment of such organization's fulfillment of the loan terms and conditions.

(2) The corporation may, at the direction of the board, provide an annual operations, research and development grant to such organization for annual operating expenses and bioscience medical research, including research on stem cells, DNA (deoxyribonucleic acid), systems genomics and genome-based medicine.

(3) The corporation may, at the direction of the board, enter into venture agreements with such organization, upon such terms and conditions as would benefit the state, such organization and other private sector entities involved in the bioscience cluster.

(c) (1) There is hereby created a "Connecticut Bioscience Collaboration Fund". Said fund shall be held and administered by Connecticut Innovations, Incorporated separate and apart from all other funds and accounts of the corporation. Amounts authorized by the State Bond Commission in accordance with section 2 of this act shall be paid to the corporation for deposit into the Connecticut Bioscience Collaboration Fund.

(2) Any funds or revenues of the corporation derived from investment income or loan repayments received by the corporation in connection with the Connecticut Bioscience Collaboration program shall be held, administered and invested by the corporation or deposited with and invested by any institution as may be designated

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by the corporation at its sole discretion and paid as the corporation shall direct. All moneys in such accounts shall be used and applied to carry out the purposes of said program. The corporation may make payments from such accounts to the Connecticut Bioscience Collaboration Fund for use in accordance with subdivision (3) of this subsection.

(3) The moneys in the Connecticut Bioscience Collaboration Fund shall be used to carry out the purposes of the Connecticut Bioscience Collaboration program, as enumerated in subsection (b) of this section, and for the repayment of state bonds in such amounts as may be required by the State Bond Commission pursuant to section 2 of this act.

(d) (1) The board shall establish an application process, with guidelines and terms for grants and loans awarded under the Connecticut Bioscience Collaboration program. The board shall review and approve each such application.

(2) Not later than April 15, 2012, and quarterly thereafter, the board shall provide a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce and higher education. Such report shall contain available information on the status and progress of the operations and funding of the Connecticut Bioscience Collaboration program.

(3) The executive director of the corporation shall prepare for each fiscal year an operating and capital budget for the Connecticut Bioscience Collaboration program. Not later than ninety days prior to the start of the fiscal year, the executive director shall submit the budget to the board. The board shall submit a copy of such annual budget, in accordance with the provisions of section 11-4a of the

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general statutes, to the Governor, the Secretary of the Office of Policy and Management, and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce and higher education.

Sec. 2. (NEW) (*Effective from passage*) (a) The State Bond Commission shall authorize the issuance of bonds of the state, in accordance with the provisions of section 3-20 of the general statutes, in principal amounts not exceeding in the aggregate two hundred ninety million six hundred eighty-five thousand dollars for the Connecticut Bioscience Collaboration program established pursuant to section 1 of this act. The amount authorized for the issuance and sale of bonds in accordance with this section shall not exceed the amount authorized in each fiscal year in the following amounts, provided, to the extent the board of directors of Connecticut Innovations, Incorporated does not provide for the use of all or a portion of such amount in a fiscal year, such amount not provided for shall be carried forward and added to the authorized amount for the next succeeding fiscal year, and provided further, the costs of issuance and capitalized interest, if any, may be added to the capped amount in each fiscal year, and each of the authorized amounts shall be effective on July first of the fiscal year indicated as follows:

Fiscal Year Ending June 30	Amount
2012	\$34,162,000
2013	85,113,000
2014	59,728,000
2015	19,669,000
2016	21,425,000
2017	21,108,000
2018	15,820,000
2019	12,525,000
2020	10,565,000
2021	10,570,000

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subsection (a) of this section, the principal amount of the bonds authorized under this section shall be deemed to be an appropriation and allocation of such amount, and such approval of such request shall be deemed the allotment by the Governor of such capital outlays within the meaning of section 4-85 of the general statutes.

Sec. 3. Subdivision (37) of section 32-39 of the general statutes, as amended by section 136 of public act 11-80, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(37) To provide financial aid to enable biotechnology, bioscience and other technology companies to lease, acquire, construct, maintain, repair, replace or otherwise obtain and maintain production, testing, research, development, manufacturing, laboratory and related and other facilities, improvements and equipment;

Approved November 8, 2011