



General Assembly

Amendment

February Session, 2012

LCO No. 5332

HB0501805332HDO

Offered by:
REP. BERGER, 73rd Dist.

To: Subst. House Bill No. 5018

File No. 379

Cal. No. 289

**"AN ACT CONCERNING CONNECTICUT INNOVATIONS,
INCORPORATED, AND THE CONNECTICUT DEVELOPMENT
AUTHORITY."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective from passage*) As used in sections 2 to 4,
4 inclusive, of this act, "authority" means the Connecticut Development
5 Authority established pursuant to section 32-11a of the general
6 statutes, as amended by this act, and "corporation" means Connecticut
7 Innovations, Incorporated, established pursuant to section 32-35 of the
8 general statutes, as amended by this act.

9 Sec. 2. (NEW) (*Effective July 1, 2012*) (a) In accordance with the
10 provisions of section 4-38d of the general statutes, which shall be
11 deemed applicable to the transfers provided for herein, all powers and
12 duties of the authority under the provisions of chapter 579 of the
13 general statutes, and under any other provisions of the general statutes
14 setting forth powers or duties of the authority, shall be transferred to

15 the corporation. On and after the effective date of this section, the
16 Connecticut Brownfields Redevelopment Authority shall be a
17 subsidiary of the corporation.

18 (b) All notes, bonds or other obligations issued by the authority for
19 the financing of any project or projects, including any general
20 obligation bonds of the authority, shall be in accordance with their
21 terms of full force and effect and valid and binding upon the
22 corporation as the successor to the authority, and with respect to any
23 resolution, contract, deed, trust agreement, mortgage, conditional sale
24 or loan agreement, pledge, security arrangement, commitment,
25 obligation or liability or other such document, public record, right,
26 remedy, special act or public act, obligation, liability or responsibility
27 pertaining thereto, the corporation shall be, and shall be deemed to be,
28 the successor to the authority. All properties, rights in land, buildings
29 and equipment and any funds, moneys, revenues and receipts or
30 assets of such authority pledged or otherwise securing any such notes,
31 bonds or other obligations shall belong to the corporation as successor
32 to the authority, subject to such pledges and other security
33 arrangements and to agreements with the holders of the outstanding
34 notes, bonds or other obligations. Any resolution with respect to the
35 issuance of bonds of the authority, and any other action taken by the
36 authority with respect to assisting in the financing of any project shall
37 be, or shall be deemed to be, a resolution of the corporation or an
38 action taken by the corporation subject only to any agreements with
39 the holders of outstanding notes, bonds or other obligations of such
40 authority.

41 (c) To carry out the purposes of the authority as defined in
42 subsection (t) of section 32-23d of the general statutes, as amended by
43 this act, and the purposes of the corporation as set forth in section 32-
44 39 of the general statutes, as amended by this act, the corporation shall
45 have and may exercise all of the powers of the authority set forth in
46 chapter 579 of the general statutes as of the effective date of this section
47 and all of the powers of the corporation set forth in chapter 581 of the
48 general statutes.

49 (d) Whenever the term "Connecticut Development Authority" is
50 used or referred to in the general statutes, the term "Connecticut
51 Innovations, Incorporated" shall be substituted in lieu thereof.

52 (e) The procedures of the authority, adopted pursuant to section 1-
53 121 of the general statutes, shall remain in full force and effect with
54 respect to any matter before the corporation.

55 (f) Nothing in this section shall be deemed to limit the powers
56 exercised by the authority or the corporation before the effective date
57 of this section.

58 Sec. 3. (NEW) (*Effective from passage*) (a) From the effective date of
59 this section to July 1, 2012, the authority and the corporation may enter
60 into any agreements, including agreements with third parties, that are
61 necessary or convenient to facilitate the assignment to and assumption
62 by the corporation of the rights and responsibilities of the authority
63 pursuant to section 2 of this act, provided no consent of any third party
64 and no instrument of assumption or assignment shall be required to
65 give effect to the transfers provided for in section 2 of this act.

66 (b) The authority shall provide to the corporation such professional
67 and clerical support, facilities, equipment and supplies during the
68 period from the passage of this section to July 1, 2012, as may be
69 necessary to prepare for and complete the transfers contemplated by
70 section 2 of this act.

71 Sec. 4. (NEW) (*Effective July 1, 2012*) (a) The corporation may form
72 one or more subsidiaries to carry out the public purposes of the
73 corporation and may transfer to any such subsidiary any moneys and
74 real or personal property of any kind or nature. Any such subsidiary
75 may be organized as a stock or nonstock corporation or a limited
76 liability company. Each such subsidiary shall have and may exercise
77 such powers of the corporation as are set forth in the resolution of the
78 corporation prescribing the purposes for which such subsidiary is
79 formed and such other powers provided to it by law.

80 (b) (1) Without limiting the authority of the corporation with respect
81 to establishing other subsidiaries pursuant to subsection (a) of this
82 section, the corporation may establish one or more subsidiaries to
83 stimulate, encourage and carry out the remediation, development and
84 financing of contaminated property within this state, in coordination
85 with the Department of Energy and Environmental Protection, and to
86 provide financial, developmental and environmental expertise to
87 others including, but not limited to, municipalities, interested in or
88 undertaking such remediation, development or financing which are
89 determined to be public purposes for which public funds may be
90 expended. The corporation may transfer to any such subsidiary any
91 moneys and real or personal property.

92 (2) Neither the Connecticut Brownfields Redevelopment Authority
93 nor any other subsidiary formed under this subsection may provide
94 for any bonded indebtedness of the state for the cost of any liability or
95 contingent liability for the remediation of contaminated real property
96 unless such indebtedness is specifically authorized by an act of the
97 General Assembly. Each such subsidiary may do all things necessary
98 or convenient to carry out the purposes of this subsection, section 12-
99 81r of the general statutes, subsection (h) of section 22a-133m of the
100 general statutes, subsection (a) of section 22a-133x of the general
101 statutes, sections 22a-133aa, 22a-133bb and 22a-133dd of the general
102 statutes, subsection (l) of section 22a-134a of the general statutes, and
103 sections 22a-452f, 32-7e and 32-23pp to 32-23rr, inclusive, of the general
104 statutes, including, but not limited to, (A) solicit, receive and accept
105 aid, grants or contributions from any source of money, property or
106 labor or other things of value, to be held, used and applied to carry out
107 the purposes of this subsection, section 12-81r of the general statutes,
108 subsection (h) of section 22a-133m of the general statutes, subsection
109 (a) of section 22a-133x of the general statutes, sections 22a-133aa, 22a-
110 133bb and 22a-133dd of the general statutes, subsection (l) of section
111 22a-134a of the general statutes, and sections 22a-452f, 32-7e and 32-
112 23pp to 32-23rr, inclusive, of the general statutes, subject to the
113 conditions upon which such grants and contributions may be made,

114 including, but not limited to, gifts, grants or loans, from any
115 department, agency or quasi-public agency of the United States or the
116 state; (B) enter into agreements with persons upon such terms and
117 conditions as are consistent with the purposes of such subsidiary to
118 acquire or facilitate the remediation, development or financing of
119 contaminated real or personal property; (C) to acquire, take title, lease,
120 purchase, own, manage, hold and dispose of real and personal
121 property and lease, convey or deal in or enter into agreements with
122 respect to such property; (D) examine, inspect, rehabilitate, remediate
123 or improve real or personal property or engage others to do so on such
124 subsidiary's behalf, or enter into contracts therefor; (E) mortgage,
125 convey or dispose of its assets and pledge its revenues to secure any
126 borrowing, for the purpose of financing, refinancing, rehabilitating,
127 remediating, improving or developing its assets, provided each such
128 borrowing or mortgage shall be a special obligation of such subsidiary,
129 which obligation may be in the form of notes, bonds, bond anticipation
130 notes and other obligations issued by or to such subsidiary to the
131 extent permitted under this section and sections 2 and 3 of this act to
132 fund and refund the same and provide for the rights of the holders
133 thereof, and to secure the same by pledge of revenues, notes or other
134 assets and which shall be payable solely from the assets, revenues and
135 other resources of such subsidiary; (F) to create real estate investment
136 trusts or similar entities or to become a member of a limited liability
137 company or to become a partner in limited or general partnerships or
138 establish other contractual arrangements with private and public
139 sector entities as such subsidiary deems necessary to remediate,
140 develop or finance environmentally contaminated property in the
141 state; and (G) any other powers necessary or appropriate to carry out
142 the purposes of this subsection, subsection (h) of section 22a-133m of
143 the general statutes, subsection (a) of section 22a-133x of the general
144 statutes, sections 22a-133aa, 22a-133bb and 22a-133dd of the general
145 statutes, subsection (l) of section 22a-134a of the general statutes, and
146 sections 22a-452f, 32-7e and 32-23pp to 32-23rr, inclusive, of the general
147 statutes. The board of directors, executive director, officers and staff of
148 the authority may serve as members of any advisory or other board

149 which may be established to carry out the purposes of this subsection,
150 subsection (h) of section 22a-133m of the general statutes, subsection
151 (a) of section 22a-133x of the general statutes, sections 22a-133aa, 22a-
152 133bb and 22a-133dd of the general statutes, subsection (l) of section
153 22a-134a of the general statutes, and sections 22a-452f, 32-7e and 32-
154 23pp to 32-23rr, inclusive, of the general statutes.

155 (c) Each subsidiary of the corporation shall be deemed a quasi-
156 public agency for purposes of chapter 12 of the general statutes and
157 shall have all the privileges, immunities, tax exemptions and other
158 exemptions of the corporation. Each such subsidiary may sue and shall
159 be subject to suit, provided its liability shall be limited solely to the
160 assets, revenues and resources of the subsidiary and without recourse
161 to the general funds, revenues, resources or any other assets of the
162 corporation. Each such subsidiary is authorized to assume or take title
163 to property subject to any existing lien, encumbrance or mortgage and
164 to mortgage, convey or dispose of its assets and pledge its revenues to
165 secure any borrowing, provided each such borrowing or mortgage
166 shall be a special obligation of the subsidiary, which obligation may be
167 in the form of bonds, bond anticipation notes and other obligations, to
168 fund and refund the same and provide for the rights of the holders
169 thereof, and to secure the same by pledge or revenues, notes and other
170 assets and which shall be payable solely from the assets, revenues and
171 other resources of the subsidiary. The corporation may assign to a
172 subsidiary any rights, moneys or other assets it has under any
173 governmental program. No subsidiary of the corporation shall borrow
174 without the approval of the corporation.

175 (d) Each such subsidiary shall act through its board of directors, at
176 least one-half of which shall be members of the board of directors of
177 the corporation or their designees or officers or employees of the
178 corporation. A resolution of the corporation shall prescribe the
179 purposes for which each such subsidiary is formed.

180 (e) The provisions of section 1-125 of the general statutes, as
181 amended by this act, and this subsection shall apply to any officer,

182 director, designee or employee appointed as a member, director or
183 officer of any such subsidiary. Any such person so appointed shall not
184 be personally liable for the debts, obligations or liabilities of any such
185 subsidiary as provided in said section 1-125. The subsidiary shall, and
186 the corporation may, save harmless and indemnify such officer,
187 director, designee or employee as provided by said section 1-125.

188 (f) The corporation, or such subsidiary, may take such actions as are
189 necessary to comply with the provisions of the Internal Revenue Code
190 of 1986, or any subsequent corresponding internal revenue code of the
191 United States, as amended from time to time, to qualify and maintain
192 any such subsidiary as a corporation exempt from taxation under said
193 code.

194 (g) The corporation may make loans to each such subsidiary from its
195 assets and the proceeds of its bonds, notes and other obligations,
196 provided the source and security for the repayment of such loans is
197 derived from the assets, revenues and resources of the subsidiary.

198 (h) Notwithstanding any other provision of the general statutes, the
199 Commissioner of Energy and Environmental Protection shall issue to
200 the corporation or any subsidiary of such corporation a covenant not to
201 sue pursuant to section 22a-133aa or 22a-133bb of the general statutes,
202 as applicable, without fee, as otherwise required in subsection (c) of
203 said section 22a-133aa for the remediation of a facility in accordance
204 with an approved remediation plan.

205 Sec. 5. Subsection (l) of section 1-79 of the 2012 supplement to the
206 general statutes is repealed and the following is substituted in lieu
207 thereof (*Effective July 1, 2012*):

208 (l) "Quasi-public agency" means [the Connecticut Development
209 Authority,] Connecticut Innovations, Incorporated, and the
210 Connecticut Health and Education Facilities Authority, Connecticut
211 Higher Education Supplemental Loan Authority, Connecticut Housing
212 Finance Authority, Connecticut Housing Authority, Connecticut
213 Resources Recovery Authority, Lower Fairfield County Convention

214 Center Authority, Capital City Economic Development Authority,
215 Connecticut Lottery Corporation, Connecticut Airport Authority,
216 Health Information Technology Exchange of Connecticut and
217 Connecticut Health Insurance Exchange.

218 Sec. 6. Section 1-120 of the 2012 supplement to the general statutes is
219 repealed and the following is substituted in lieu thereof (*Effective July*
220 *1, 2012*):

221 As used in sections 1-120 to 1-123, inclusive:

222 (1) "Quasi-public agency" means [the Connecticut Development
223 Authority,] Connecticut Innovations, Incorporated, and the
224 Connecticut Health and Educational Facilities Authority, Connecticut
225 Higher Education Supplemental Loan Authority, Connecticut Housing
226 Finance Authority, Connecticut Housing Authority, Connecticut
227 Resources Recovery Authority, Capital City Economic Development
228 Authority, Connecticut Lottery Corporation, Connecticut Airport
229 Authority, Health Information Technology Exchange of Connecticut
230 and Connecticut Health Insurance Exchange.

231 (2) "Procedure" means each statement, by a quasi-public agency, of
232 general applicability, without regard to its designation, that
233 implements, interprets or prescribes law or policy, or describes the
234 organization or procedure of any such agency. The term includes the
235 amendment or repeal of a prior regulation, but does not include,
236 unless otherwise provided by any provision of the general statutes, (A)
237 statements concerning only the internal management of any agency
238 and not affecting procedures available to the public, and (B) intra-
239 agency memoranda.

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

243 Sec. 7. Section 1-125 of the 2012 supplement to the general statutes is
244 repealed and the following is substituted in lieu thereof (*Effective July*

245 1, 2012):

246 The directors, officers and employees of [the Connecticut
247 Development Authority,] Connecticut Innovations, Incorporated, and
248 the Connecticut Higher Education Supplemental Loan Authority,
249 Connecticut Housing Finance Authority, Connecticut Housing
250 Authority, Connecticut Resources Recovery Authority, including ad
251 hoc members of the Connecticut Resources Recovery Authority,
252 Connecticut Health and Educational Facilities Authority, Capital City
253 Economic Development Authority, the Health Information Technology
254 Exchange of Connecticut, Connecticut Airport Authority, Connecticut
255 Lottery Corporation and Connecticut Health Insurance Exchange and
256 any person executing the bonds or notes of the agency shall not be
257 liable personally on such bonds or notes or be subject to any personal
258 liability or accountability by reason of the issuance thereof, nor shall
259 any director or employee of the agency, including ad hoc members of
260 the Connecticut Resources Recovery Authority, be personally liable for
261 damage or injury, not wanton, reckless, wilful or malicious, caused in
262 the performance of his or her duties and within the scope of his or her
263 employment or appointment as such director, officer or employee,
264 including ad hoc members of the Connecticut Resources Recovery
265 Authority. The agency shall protect, save harmless and indemnify its
266 directors, officers or employees, including ad hoc members of the
267 Connecticut Resources Recovery Authority, from financial loss and
268 expense, including legal fees and costs, if any, arising out of any claim,
269 demand, suit or judgment by reason of alleged negligence or alleged
270 deprivation of any person's civil rights or any other act or omission
271 resulting in damage or injury, if the director, officer or employee,
272 including ad hoc members of the Connecticut Resources Recovery
273 Authority, is found to have been acting in the discharge of his or her
274 duties or within the scope of his or her employment and such act or
275 omission is found not to have been wanton, reckless, wilful or
276 malicious.

277 Sec. 8. Subsection (b) of section 32-35 of the 2012 supplement to the
278 general statutes is repealed and the following is substituted in lieu

279 thereof (*Effective July 1, 2012*):

280 (b) The corporation shall be governed by a board of [fifteen]
281 seventeen directors. [Eight] Nine members shall be appointed by the
282 Governor, [at least] six of whom shall be knowledgeable, and have
283 favorable reputations for skill, knowledge and experience, in the
284 development of innovative [technology and technological processes]
285 start-up businesses, including, but not limited to, expertise in academic
286 research, technology transfer and application, the development of
287 technological invention and new enterprise development and three of
288 whom shall be knowledgeable, and have favorable reputations for
289 skill, knowledge and experience, in the field of financial lending or the
290 development of commerce, trade and business. [Three] Four members
291 shall be the Commissioner of Economic and Community
292 Development, the president of the Board of Regents for Higher
293 Education, the Treasurer and the Secretary of the Office of Policy and
294 Management, who shall serve ex officio and shall have all of the
295 powers and privileges of a member of the board of directors. Each ex-
296 officio member may designate his deputy or any member of his staff to
297 represent him at meetings of the corporation with full power to act and
298 vote in his behalf. Four members shall be appointed as follows: One by
299 the president pro tempore of the Senate, one by the minority leader of
300 the Senate, one by the speaker of the House of Representatives and one
301 by the minority leader of the House of Representatives. Each member
302 appointed by the Governor shall serve at the pleasure of the Governor
303 but no longer than the term of office of the Governor or until the
304 member's successor is appointed and qualified, whichever is longer.
305 Each member appointed by a member of the General Assembly shall
306 serve in accordance with the provisions of section 4-1a. A director shall
307 be eligible for reappointment. The Governor shall fill any vacancy for
308 the unexpired term of a member appointed by the Governor. The
309 appropriate legislative appointing authority shall fill any vacancy for
310 the unexpired term of a member appointed by such authority.

311 Sec. 9. (NEW) (*Effective July 1, 2012*) (a) (1) Wherever the term
312 "Connecticut Development Authority" is used in the following sections

313 of the general statutes, the term "Connecticut Innovations
314 Incorporated" shall be substituted in lieu thereof: 3-24d, 3-24f, 3-99d, 8-
315 134, 8-134a, 8-192, 8-192a, 8-240m, 13b-79w, 16-243v, 22a-134, 22a-173,
316 22a-259, 22a-264, 25-33a, 32-1l, 32-3, 32-4l, 32-6j, 32-9c, 32-9n, 32-9cc, 32-
317 9kk, 32-9ll, 32-9qq, 32-22b, 32-23l, 32-23o, 32-23q, 32-23r, 32-23s, 32-23t,
318 32-23v, 32-23x, 32-23z, 32-23aa, 32-23qq, 32-23ss, 32-23tt, 32-31a, 32-61,
319 32-68a, 32-141, 32-222, 32-223, 32-227, 32-244, 32-244a, 32-262, 32-263,
320 32-265, 32-266, 32-285, 32-341, 32-477, 32-500, 32-503 and 32-609.

321 (2) Wherever the term "authority" is used in the following sections
322 of the general statutes, the term "corporation" shall be substituted in
323 lieu thereof: 32-14, 32-15, 32-16, 32-16a, 32-17a, 32-18, 32-19, 32-22, 32-
324 22a, 32-23a, 32-23j, as amended by this act, 32-23o, 32-23p, 32-23q, 32-
325 23r, 32-23s, 32-23v, 32-23x, 32-23y, 32-23z, 32-23bb, 32-23ii, 32-23jj, 32-
326 23kk, 32-23ll, 32-23qq, 32-23ss, 32-23tt, 32-23uu, 32-23vv, 32-31a, 32-61,
327 32-62, 32-63, 32-64, 32-65, 32-67, 32-68a, 32-262, 32-263, 32-265, 32-267,
328 32-269, 32-270, 32-271, 32-272, 32-280, 32-282, 32-285, 32-341, 32-356, 32-
329 500, 32-503, 32-717 and 32-718.

330 (b) The Legislative Commissioners' Office shall, in codifying the
331 provisions of this section, make such technical, grammatical and
332 punctuation changes as are necessary to carry out the purposes of this
333 section.

334 Sec. 10. Subsection (b) of section 4-124ff of the 2012 supplement to
335 the general statutes is repealed and the following is substituted in lieu
336 thereof (*Effective July 1, 2012*):

337 (b) There is established a Council of Advisors on Strategies for the
338 Knowledge Economy to promote the formation of university-industry
339 partnerships, identify benchmarks for technology-based workforce
340 innovation and competitiveness and advise the award process (1) for
341 innovation challenge grants to public postsecondary schools and their
342 business partners, and (2) grants under section 4-124hh. The council
343 shall be chaired by the Commissioner of Economic and Community
344 Development and shall include the Secretary of the Office of Policy

345 and Management, the president of the Board of Regents for Higher
346 Education, the Labor Commissioner, the [executive directors] chief
347 executive officer of Connecticut Innovations, Incorporated [and the
348 Connecticut Development Authority] and four representatives from
349 the technology industry, one of whom shall be appointed by the
350 president pro tempore of the Senate, one of whom shall be appointed
351 by the speaker of the House of Representatives, one of whom shall be
352 appointed by the minority leader of the Senate and one of whom shall
353 be appointed by the minority leader of the House of Representatives.

354 Sec. 11. Subdivision (42) of section 8-250 of the general statutes is
355 repealed and the following is substituted in lieu thereof (*Effective July*
356 *1, 2012*):

357 (42) To accept from the department: (A) Financial assistance, (B)
358 revenues or the right to receive revenues with respect to any program
359 under the supervision of the department, and (C) loan assets or equity
360 interests in connection with any program under the supervision of the
361 department; to make advances to and reimburse the department for
362 any expenses incurred or to be incurred by it in the delivery of such
363 assistance, revenues, rights, assets, interests or amounts; to enter into
364 agreements with the department for the delivery of services by the
365 authority in consultation with the department [, the Connecticut
366 Development Authority] and Connecticut Innovations, Incorporated,
367 to third parties which agreements may include provisions for payment
368 by the department to the authority for the delivery of such services;
369 and to enter into agreements with the department [or with the
370 Connecticut Development Authority] or Connecticut Innovations,
371 Incorporated, for the sharing of assistants, agents and other
372 consultants, professionals and employees, and facilities and other real
373 and personal property used in the conduct of the authority's affairs;

374 Sec. 12. Subsection (a) of section 32-1c of the general statutes is
375 repealed and the following is substituted in lieu thereof (*Effective July*
376 *1, 2012*):

377 (a) In addition to any other powers, duties and responsibilities
378 provided for in this chapter, chapter 131, chapter 579 and section 4-8
379 and subsection (a) of section 10-409, the commissioner shall have the
380 following powers, duties and responsibilities: (1) To administer and
381 direct the operations of the Department of Economic and Community
382 Development; (2) to report annually to the Governor, as provided in
383 section 4-60; (3) to conduct and administer the research and planning
384 functions necessary to carry out the purposes of said chapters and
385 sections; (4) to encourage and promote the development of industry
386 and business in the state and to investigate, study and undertake ways
387 and means of promoting and encouraging the prosperous
388 development and protection of the legitimate interest and welfare of
389 Connecticut business, industry and commerce, within and outside the
390 state; (5) to serve, ex officio as a director on the board of Connecticut
391 Innovations, Incorporated; (6) to serve as a member of the Committee
392 of Concern for Connecticut Jobs; (7) to promote and encourage the
393 location and development of new business in the state as well as the
394 maintenance and expansion of existing business and for that purpose
395 to cooperate with state and local agencies and individuals both within
396 and outside the state; (8) to plan and conduct a program of information
397 and publicity designed to attract tourists, visitors and other interested
398 persons from outside the state to this state and also to encourage and
399 coordinate the efforts of other public and private organizations or
400 groups of citizens to publicize the facilities and attractions of the state
401 for the same purposes; (9) to advise and cooperate with municipalities,
402 persons and local planning agencies within the state for the purpose of
403 promoting coordination between the state and such municipalities as
404 to plans and development; (10) by reallocating funding from other
405 agency accounts or programs, to assign adequate and available staff to
406 provide technical assistance to businesses in the state in exporting,
407 manufacturing and cluster-based initiatives and to provide guidance
408 and advice on regulatory matters; (11) [to provide all necessary staff,
409 services, accounting and office space and equipment required by the
410 Connecticut Development Authority subject to the provisions of
411 section 4b-23, where real estate acquisitions are involved; (12)] to aid

412 minority businesses in their development; [(13)] (12) to appoint such
413 assistants, experts, technicians and clerical staff, subject to the
414 provisions of chapter 67, as are necessary to carry out the purposes of
415 said chapters and sections; [(14)] (13) to employ other consultants and
416 assistants on a contract or other basis for rendering financial, technical
417 or other assistance and advice; [(15)] (14) to acquire or lease facilities
418 located outside the state subject to the provisions of section 4b-23;
419 [(16)] (15) to advise and inform municipal officials concerning
420 economic development and collect and disseminate information
421 pertaining thereto, including information about federal, state and
422 private assistance programs and services pertaining thereto; [(17)] (16)
423 to inquire into the utilization of state government resources and
424 coordinate federal and state activities for assistance in and solution of
425 problems of economic development and to inform and advise the
426 Governor about and propose legislation concerning such problems;
427 [(18)] (17) to conduct, encourage and maintain research and studies
428 relating to industrial and commercial development; [(19)] (18) to
429 prepare and review model ordinances and charters relating to these
430 areas; [(20)] (19) to maintain an inventory of data and information and
431 act as a clearinghouse and referral agency for information on state and
432 federal programs and services relative to the purpose set forth herein.
433 The inventory shall include information on all federal programs of
434 financial assistance for defense conversion projects and other projects
435 consistent with a defense conversion strategy and shall identify
436 businesses which would be eligible for such assistance and provide
437 notification to such business of such programs; [(21)] (20) to conduct,
438 encourage and maintain research and studies and advise municipal
439 officials about forms of cooperation between public and private
440 agencies designed to advance economic development; [(22)] (21) to
441 promote and assist the formation of municipal and other agencies
442 appropriate to the purposes of this chapter; [(23)] (22) to require notice
443 of the submission of all applications by municipalities and any agency
444 thereof for federal and state financial assistance for economic
445 development programs as relate to the purposes of this chapter; [(24)]
446 (23) with the approval of the Commissioner of Administrative

447 Services, to reimburse any employee of the department, including the
448 commissioner, for reasonable business expenses, including but not
449 limited to, mileage, travel, lodging, and entertainment of business
450 prospects and other persons to the extent necessary or advisable to
451 carry out the purposes of subdivisions (4), (7), (8) and (11) of this
452 subsection and other provisions of this chapter; [(25)] (24) to assist in
453 resolving solid waste management issues; [(26)] (25) (A) to serve as an
454 information clearinghouse for various public and private programs
455 available to assist businesses, (B) to identify specific micro businesses,
456 as defined in section 32-344, whose growth and success could benefit
457 from state or private assistance and contact such small businesses in
458 order to (i) identify their needs, (ii) provide information about public
459 and private programs for meeting such needs, including, but not
460 limited to, technical assistance, job training and financial assistance,
461 and (iii) arrange for the provision of such assistance to such businesses;
462 [(27)] (26) to enhance and promote the digital media and motion
463 picture industries in the state; [(28)] (27) by reallocating funding from
464 other agency accounts or programs, to develop a marketing campaign
465 that promotes Connecticut as a place of innovation; and [(29)] (28) by
466 reallocating funding from other agency accounts or programs, to
467 execute the steps necessary to implement the knowledge corridor
468 agreement with Massachusetts to promote the biomedical device
469 industry.

470 Sec. 13. Subsection (a) of section 32-1e of the general statutes is
471 repealed and the following is substituted in lieu thereof (*Effective July*
472 *1, 2012*):

473 (a) The Commissioner of Economic and Community Development,
474 in consultation with the Connecticut Resources Recovery Authority
475 and the Commissioner of Energy and Environmental Protection, shall
476 prepare a plan for the support and promotion of industries that use,
477 process or transport recycled materials. The plan shall outline ways
478 existing programs of the Department of Economic and Community
479 Development, the Connecticut Resources Recovery Authority and
480 agencies such as the Department of Energy and Environmental

481 Protection [, the Connecticut Development Authority] and Connecticut
482 Innovations, Incorporated will be used to promote such industries.

483 Sec. 14. Section 32-1k of the general statutes is repealed and the
484 following is substituted in lieu thereof (*Effective July 1, 2012*):

485 As used in sections 8-244b to 8-244d, inclusive, this section and
486 section 32-1l, the following terms shall have the following meanings
487 unless the context clearly indicates another meaning and intent:

488 (1) "Department" means the Department of Economic and
489 Community Development;

490 (2) "Commissioner" means the Commissioner of Economic and
491 Community Development;

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

494 [(4)] (3) "CHFA" means the Connecticut Housing Finance Authority,
495 as created under chapter 134;

496 [(5)] (4) "CII" means Connecticut Innovations, Incorporated, as
497 created under chapter 581; and

498 [(6)] (5) "SHA" means the State Housing Authority as created under
499 section 8-244b.

500 Sec. 15. Subsection (a) of section 32-1o of the 2012 supplement to the
501 general statutes is repealed and the following is substituted in lieu
502 thereof (*Effective July 1, 2012*):

503 (a) On or before July 1, 2009, and every five years thereafter, the
504 Commissioner of Economic and Community Development, within
505 available appropriations, shall prepare an economic strategic plan for
506 the state in consultation with the Secretary of the Office of Policy and
507 Management, the Commissioners of Energy and Environmental
508 Protection and Transportation, the Labor Commissioner, the

509 chairperson of the Culture and Tourism Advisory Committee, the
510 executive directors of the Connecticut Housing Finance Authority, [the
511 Connecticut Development Authority,] Connecticut Innovations,
512 Incorporated, and the Connecticut Health and Educational Facilities
513 Authority, or their respective designees, and any other agencies the
514 Commissioner of Economic and Community Development deems
515 appropriate.

516 Sec. 16. Section 32-4h of the general statutes is repealed and the
517 following is substituted in lieu thereof (*Effective July 1, 2012*):

518 Not later than August 1, 1997, and annually thereafter, [the
519 chairperson of the board of directors of the Connecticut Development
520 Authority and] the chairperson of the board of directors of Connecticut
521 Innovations, Incorporated shall submit a report to the joint standing
522 committee of the General Assembly having cognizance of matters
523 relating to the Department of Economic and Community
524 Development, in accordance with the provisions of section 11-4a,
525 which details the amount of bond funds expended during the previous
526 fiscal year on each economic cluster in the state by the quasi-public
527 agency administered by such chairperson.

528 Sec. 17. Section 32-23e of the general statutes is repealed and the
529 following is substituted in lieu thereof (*Effective July 1, 2012*):

530 To accomplish the purposes of the [authority, as defined in
531 subsection (t) of section 32-23d] corporation, which are hereby
532 determined to be public purposes for which public funds may be
533 expended, and in addition to any other powers provided by law, the
534 [authority] corporation shall have power to: (1) Determine the location
535 and character of any project to be financed under the provisions of said
536 chapters and sections, provided any financial assistance shall be
537 approved in accordance with written procedures prepared pursuant to
538 subdivision (14) of this section; (2) purchase, receive, by gift or
539 otherwise, lease, exchange, or otherwise acquire, and construct,
540 reconstruct, improve, maintain, equip and furnish one or more

541 projects, including all real and personal property which the [authority]
542 corporation may deem necessary in connection therewith, and to enter
543 into a contract with a person therefor upon such terms and conditions
544 as the [authority] corporation shall determine to be reasonable,
545 including but not limited to reimbursement for the planning,
546 designing, financing, construction, reconstruction, improvement,
547 equipping, furnishing, operation and maintenance of the project and
548 any claims arising therefrom and establishment and maintenance of
549 reserve and insurance funds with respect to the financing of the
550 project; (3) insure any or all payments to be made by the borrower
551 under the terms of any agreement for the extension of credit or making
552 of a loan by the [authority] corporation in connection with any
553 economic development project to be financed, wholly or in part,
554 through the issuance of bonds or mortgage payments of any mortgage
555 which is given by a mortgagor to the mortgagee who has provided the
556 mortgage for an economic development project upon such terms and
557 conditions as the [authority] corporation may prescribe and as
558 provided herein, and the faith and credit of the state are pledged
559 thereto; (4) in connection with the insuring of payments of any
560 mortgage, request for its guidance a finding of the municipal planning
561 commission, or, if there is no planning commission, a finding of the
562 municipal officers, of the municipality in which the economic
563 development project is proposed to be located, or of the regional
564 planning agency of which such municipality is a member, as to the
565 expediency and advisability of the economic development project; (5)
566 sell or lease to any person, all or any portion of a project, purchase
567 from eligible financial institutions mortgages with respect to economic
568 development projects, purchase or repurchase its own bonds, and sell,
569 pledge or assign to any person any such bonds, mortgages, or other
570 loans, notes, revenues or assets of the [authority] corporation, or any
571 interest therein, for such consideration and upon such terms as the
572 [authority] corporation may determine to be reasonable; (6) mortgage
573 or otherwise encumber all or any portion of a project whenever it shall
574 find such action to be in furtherance of the purposes of said chapters
575 and sections; (7) enter into agreements with any person, including

576 prospective mortgagees and mortgagors, for the purpose of planning,
577 designing, constructing, acquiring, altering and financing projects,
578 providing liquidity or a secondary market for mortgages or other
579 financial obligations incurred with respect to facilities which would
580 qualify as a project under this chapter, purchasing loans made by
581 regional corporations under section 32-276, or for any other purpose in
582 furtherance of any other power of the [authority] corporation; (8) grant
583 options to purchase or renew a lease for any of its projects on such
584 terms as the [authority] corporation may determine to be reasonable;
585 (9) employ or retain attorneys, accountants and architectural,
586 engineering and financial consultants and such other employees and
587 agents and to fix their compensation and to employ the Connecticut
588 Development Credit Corporation on a cost basis as it shall deem
589 necessary to assist it in carrying out the purposes of said [authority]
590 corporation legislation; (10) [borrow money or accept gifts, grants or
591 loans of funds, property or service from any source, public or private,
592 and comply, subject to the provisions of said authority legislation, with
593 the terms and conditions thereof; (11)] accept from a federal agency
594 loans, grants or loan guarantees or otherwise participate in any loan,
595 grant, loan guarantee or other financing or economic or project
596 development program of a federal agency in furtherance of, and
597 consistent with, the purposes of the [authority] corporation, and enter
598 into agreements with such agency respecting any such loans, grants,
599 loan guarantees or federal agency programs; [(12)] (11) provide tenant
600 lease guarantees and performance guarantees, invest in, extend credit
601 or make loans to any person for the planning, designing, financing,
602 acquiring, constructing, reconstructing, improving, expanding,
603 continuing in operation, equipping and furnishing of a project and for
604 the refinancing of existing indebtedness with respect to any facility or
605 part thereof which would qualify as a project in order to facilitate
606 substantial improvements thereto, which guarantees, investments,
607 credits or loans may be secured by loan agreements, lease agreements,
608 installment sale agreements, mortgages, contracts and all other
609 instruments or fees and charges, upon such terms and conditions as
610 the [authority] corporation shall determine to be reasonable in

611 connection with such loans, including provision for the establishment
612 and maintenance of reserve and insurance funds and in the exercise of
613 powers granted in this section in connection with a project for such
614 person, to require the inclusion in any contract, loan agreement or
615 other instrument, such provisions for the construction, use, operation
616 and maintenance and financing of a project as the [authority]
617 corporation may deem necessary or desirable; [(13)] (12) in connection
618 with any application for assistance under said [authority] corporation
619 legislation, or commitments therefor, to make and collect such fees and
620 charges as the [authority] corporation shall determine to be reasonable;
621 [(14)] (13) adopt procedures, in accordance with the provisions of
622 section 1-121, to carry out the [provisions of said authority legislation]
623 purposes of the corporation, which may give priority to applications
624 for financial assistance based upon the extent the project will
625 materially contribute to the economic base of the state by creating or
626 retaining jobs, providing increased wages or benefits to employees,
627 promoting the export of products or services beyond the boundaries of
628 the state, encouraging innovation in products or services, encouraging
629 defense-dependent business to diversify to nondefense production,
630 promoting standards of participation adopted by the Connecticut
631 partnership compact pursuant to section 33-374g of the general
632 statutes, revision of 1958, revised to 1991, or will otherwise enhance
633 existing activities that are important to the economic base of the state,
634 provided regulation-making proceedings commenced before January
635 1, 1989, shall be governed by sections 4-166 to 4-174, inclusive; [(15)]
636 adopt an official seal and alter the same at pleasure; (16)] (14) maintain
637 an office at such place or places within the state as it may designate;
638 [(17) sue and be sued in its own name and plead and be impleaded,
639 service of process in any action to be made by service upon the
640 executive director of said authority either in hand or by leaving a copy
641 of the process at the office of the authority with some person having
642 charge thereof; (18) employ such assistants, agents and other
643 employees as may be necessary or desirable for its purposes, which
644 employees shall be exempt from the classified service and shall not be
645 employees as defined in subsection (b) of section 5-270; establish all

646 necessary or appropriate personnel practices and policies, including
647 those relating to hiring, promotion, compensation, retirement and
648 collective bargaining, which need not be in accordance with chapter 68
649 and the authority shall not be an employer as defined in subsection (a)
650 of section 5-270; contract for and engage appraisers of industrial
651 machinery and equipment, consultants and property management
652 services, and utilize the services of other governmental agencies; (19)]
653 (15) when it becomes necessary or feasible for the [authority]
654 corporation to safeguard itself from losses, acquire, purchase, manage
655 and operate, hold and dispose of real and personal property, take
656 assignments of rentals and leases and make and enter into all
657 contracts, leases, agreements and arrangements necessary or incidental
658 to the performance of its duties; [(20)] (16) in order to further the
659 purposes of [said authority legislation] the corporation, or to assure the
660 payment of the principal and interest on bonds or notes of the
661 [authority] corporation or to safeguard the mortgage insurance fund,
662 purchase, acquire and take assignments of notes, mortgages and other
663 forms of security and evidences of indebtedness, purchase, acquire,
664 attach, seize, accept or take title to any project by conveyance or, by
665 foreclosure, and sell, lease or rent any project for a use specified in said
666 chapters and sections or in this chapter; [(21) adopt rules for the
667 conduct of its business; (22) invest any funds not needed for immediate
668 use or disbursement, including any funds held in reserve, in
669 obligations issued or guaranteed by the United States of America or
670 the state of Connecticut and in other obligations which are legal
671 investments for savings banks in this state; (23)] (17) do, or delegate,
672 any and all things necessary or convenient to carry out the purposes
673 and to exercise the powers given and granted [in said authority
674 legislation; provided, in all matters concerning the internal
675 administrative functions of the authority which are funded by
676 amounts appropriated by the state to the authority or to the
677 department, the procedures of the state relating to office space,
678 supplies, facilities, materials, equipment and professional services shall
679 be followed, and provided further, that in the acquisition by the
680 authority of real estate involving the use of appropriated funds or

681 bonds supported by the full faith and credit of the state, the authority
682 shall be subject to the provisions of section 4b-23; (24)] to the
683 corporation; (18) to accept from the department: (A) Financial
684 assistance, (B) revenues or the right to receive revenues with respect to
685 any program under the supervision of the department, and (C) loan
686 assets or equity interests in connection with any program under the
687 supervision of the department; to make advances to and reimburse the
688 department for any expenses incurred or to be incurred by it in the
689 delivery of such assistance, revenues, rights, assets or amounts; to
690 enter into agreements for the delivery of services by the [authority]
691 corporation, in consultation with the department [,] and the
692 Connecticut Housing Finance Authority, [and Connecticut
693 Innovations, Incorporated,] to third parties which agreements may
694 include provisions for payment by the department to the [authority]
695 corporation for the delivery of such services; and to enter into
696 agreements with the department or with the Connecticut Housing
697 Finance Authority [or Connecticut Innovations, Incorporated] for the
698 sharing of assistants, agents and other consultants, professionals and
699 employees, and facilities and other real and personal property used in
700 the conduct of the [authority's] corporation's affairs; and [(25)] (19) to
701 transfer to the department: (A) Financial assistance, (B) revenues or the
702 right to receive revenues with respect to any program under the
703 supervision of the [authority] corporation, and (C) loan assets or equity
704 interests in connection with any program under the supervision of the
705 [authority] corporation, provided the transfer of such financial
706 assistance, revenues, rights, assets or interests is determined by the
707 [authority] corporation to be practicable, within the constraints and not
708 inconsistent with the fiduciary obligations of the [authority]
709 corporation imposed upon or established upon the [authority]
710 corporation by any provision of the general statutes, the [authority's]
711 corporation's bond resolutions or any other agreement or contract of
712 the authority and to have no adverse effect on the tax-exempt status of
713 any bonds of the [authority] corporation or the state.

714 Sec. 18. Subdivision (34) of section 32-39 of the 2012 supplement to

715 the general statutes is repealed and the following is substituted in lieu
716 thereof (*Effective July 1, 2012*):

717 (34) To accept from the department: (A) Financial assistance, (B)
718 revenues or the right to receive revenues with respect to any program
719 under the supervision of the department, and (C) loan assets or equity
720 interests in connection with any program under the supervision of the
721 department; to make advances to and reimburse the department for
722 any expenses incurred or to be incurred by it in the delivery of such
723 assistance, revenues, rights, assets, or interests; to enter into
724 agreements for the delivery of services by the corporation, in
725 consultation with the department [,] and the Connecticut Housing
726 Finance Authority, [and the Connecticut Development Authority,] to
727 third parties, which agreements may include provisions for payment
728 by the department to the corporation for the delivery of such services;
729 and to enter into agreements with the department or with the
730 [Connecticut Development Authority or] Connecticut Housing Finance
731 Authority for the sharing of assistants, agents and other consultants,
732 professionals and employees, and facilities and other real and personal
733 property used in the conduct of the corporation's affairs;

734 Sec. 19. Subdivision (1) of section 32-450 of the general statutes is
735 repealed and the following is substituted in lieu thereof (*Effective July*
736 *1, 2012*):

737 (1) "Awarding authority" means the Commissioner of Economic and
738 Community Development [,] and the board of directors of [the
739 Connecticut Development Authority and the board of directors of]
740 Connecticut Innovations, Incorporated.

741 Sec. 20. Subdivision (1) of subsection (a) of section 32-462 of the
742 general statutes is repealed and the following is substituted in lieu
743 thereof (*Effective July 1, 2012*):

744 (1) "Agency" means the Department of Economic and Community
745 Development [, the Connecticut Development Authority] or
746 Connecticut Innovations, Incorporated.

747 Sec. 21. Section 32-479 of the general statutes is repealed and the
748 following is substituted in lieu thereof (*Effective July 1, 2012*):

749 Not later than July 1, 1996, the Commissioner of Economic and
750 Community Development, the Labor Commissioner [, the Connecticut
751 Development Authority] and Connecticut Innovations, Incorporated
752 shall jointly develop goals and objectives and quantifiable outcome
753 measures related to the percentage of financial assistance which is
754 being provided to high performance work organizations. The Labor
755 Commissioner [, the Connecticut Development Authority] and
756 Connecticut Innovations, Incorporated shall submit an annual report
757 concerning such goals, objectives and measures to the joint standing
758 committee of the General Assembly having cognizance of matters
759 relating to labor and public employees and the joint standing
760 committee having cognizance of matters relating to commerce.

761 Sec. 22. Section 32-480 of the general statutes is repealed and the
762 following is substituted in lieu thereof (*Effective July 1, 2012*):

763 The Department of Economic and Community Development, the
764 Labor Department [, the Connecticut Development Authority] and
765 Connecticut Innovations, Incorporated shall, when appropriate,
766 encourage persons, firms and corporations which contact said
767 departments or authorities for financial assistance to utilize high
768 performance work practices in their business operations.

769 Sec. 23. Subdivision (1) of section 32-700 of the general statutes is
770 repealed and the following is substituted in lieu thereof (*Effective July*
771 *1, 2012*):

772 (1) "Awarding authority" means the Commissioner of Economic and
773 Community Development, [the board of directors of the Connecticut
774 Development Authority,] the board of directors of Connecticut
775 Innovations, Incorporated, and the head of any other quasi-public
776 agency, as defined in section 1-120, as amended by this act, and any
777 state agency authorized to award state assistance, as defined in
778 subdivision (2) of this section.

779 Sec. 24. Subsection (a) of section 32-701 of the general statutes is
780 repealed and the following is substituted in lieu thereof (*Effective July*
781 *1, 2012*):

782 (a) The terms and conditions of any agreement for state assistance
783 under any program of the general statutes to a business entity
784 operated for profit administered by the Department of Economic and
785 Community Development [~~the Connecticut Development Authority~~] and
786 Connecticut Innovations, Incorporated, shall include provisions for (1)
787 specific goals for the creation and retention of full-time and part-time
788 jobs and for periodic reports by the recipient on progress in achieving
789 such goals if the primary purpose of the state assistance is job creation
790 or retention, and (2) a requirement that an applicant for [any type of]
791 state assistance, except equity investments, grants and loans of a term
792 of less than one year, provide the agency with [appropriate] security
793 that is appropriate and reasonable in the circumstance for such
794 financial assistance, including, but not limited to, a letter of credit, a
795 lien on real property or a security interest in goods, equipment,
796 inventory or other property of any kind and that the recipient of such
797 state assistance will remain in substantial material compliance with
798 state and federal law.

799 Sec. 25. Subsections (a) and (b) of section 32-11a of the 2012
800 supplement to the general statutes are repealed and the following is
801 substituted in lieu thereof (*Effective July 1, 2012*):

802 (a) There is hereby created as a body politic and corporate,
803 constituting a public instrumentality and political subdivision of the
804 state created for the performance of an essential public and
805 governmental function, [~~the Connecticut Development Authority~~]
806 Connecticut Innovations, Incorporated, which is empowered to carry
807 out the purposes of the [authority, as defined in subsection (t) of
808 section 32-23d] corporation, which are hereby determined to be public
809 purposes for which public funds may be expended. [The Connecticut
810 Development Authority] Connecticut Innovations, Incorporated, shall
811 not be construed to be a department, institution or agency of the state.

812 (b) All notes, bonds or other obligations issued by the Connecticut
813 Development Authority or the Connecticut Development Commission
814 for the financing of any project or projects shall be in accordance with
815 their terms of full force and effect and valid and binding upon [the
816 authority] Connecticut Innovations, Incorporated, as the successor to
817 the Connecticut Development [Commission] Authority and with
818 respect to any resolution, contract, deed, trust agreement, mortgage,
819 conditional sale or loan agreement, commitment, obligation or liability
820 or other such document, public record, right, remedy, special act or
821 public act, obligation, liability or responsibility pertaining thereto, the
822 [authority] corporation shall be, and shall be deemed to be, the
823 successor to the Connecticut Development [Commission] Authority.
824 All properties, rights in land, buildings and equipment and any funds,
825 moneys, revenues and receipts or assets of such commission pledged
826 or otherwise securing any such notes, bonds or other obligations shall
827 belong to the [authority] corporation as successor to the Connecticut
828 Development [Commission] Authority, subject to such pledges and
829 other security arrangements and to agreements with the holders of the
830 outstanding notes, bonds or other obligations. Any resolution with
831 respect to the issuance of bonds of the commission for the purposes of
832 the act and any other action taken by the commission with respect to
833 assisting in the financing of any project shall be, or shall be deemed to
834 be, a resolution of the [authority] corporation or an action taken by the
835 [authority] corporation subject only to any agreements with the
836 holders of outstanding notes, bonds or other obligations of the
837 commission.

838 Sec. 26. Section 32-23k of the general statutes is repealed and the
839 following is substituted in lieu thereof (*Effective July 1, 2012*):

840 The state of Connecticut does hereby pledge to and agree with the
841 holders of any bonds and notes issued under the provisions of [the
842 authority legislation, as defined in subsection (hh) of section 32-23d]
843 section 32-23f, as amended by this act, and with those parties who may
844 enter into contracts with [the Connecticut Development Authority]
845 Connecticut Innovations, Incorporated, or its successor agency,

846 [pursuant to the provisions of such authority legislation,] that the state
847 will not limit or alter the rights hereby vested in the [authority]
848 corporation until such obligations, together with the interest thereon,
849 are fully met and discharged and such contracts are fully performed
850 on the part of the [authority] corporation, provided nothing contained
851 herein shall preclude such limitation or alteration if and when
852 adequate provision shall be made by law for the protection of the
853 holders of such bonds and notes of the [authority] corporation or those
854 entering into such contracts with the [authority] corporation. The
855 [authority] corporation is authorized to include this pledge and
856 undertaking for the state in such bonds and notes or contracts.

857 Sec. 27. Subsection (a) of section 1-124 of the 2012 supplement to the
858 general statutes is repealed and the following is substituted in lieu
859 thereof (*Effective July 1, 2012*):

860 (a) [The Connecticut Development Authority] Connecticut
861 Innovations, Incorporated, the Connecticut Health and Educational
862 Facilities Authority, the Connecticut Higher Education Supplemental
863 Loan Authority, the Connecticut Housing Finance Authority, the
864 Connecticut Housing Authority, the Connecticut Resources Recovery
865 Authority, the Health Information Technology Exchange of
866 Connecticut, the Connecticut Airport Authority, the Capital City
867 Economic Development Authority and the Connecticut Health
868 Insurance Exchange shall not borrow any money or issue any bonds or
869 notes which are guaranteed by the state of Connecticut or for which
870 there is a capital reserve fund of any kind which is in any way
871 contributed to or guaranteed by the state of Connecticut until and
872 unless such borrowing or issuance is approved by the State Treasurer
873 or the Deputy State Treasurer appointed pursuant to section 3-12. The
874 approval of the State Treasurer or said deputy shall be based on
875 documentation provided by the authority that it has sufficient
876 revenues to (1) pay the principal of and interest on the bonds and notes
877 issued, (2) establish, increase and maintain any reserves deemed by the
878 authority to be advisable to secure the payment of the principal of and
879 interest on such bonds and notes, (3) pay the cost of maintaining,

880 servicing and properly insuring the purpose for which the proceeds of
881 the bonds and notes have been issued, if applicable, and (4) pay such
882 other costs as may be required.

883 Sec. 28. Section 32-23h of the general statutes is repealed and the
884 following is substituted in lieu thereof (*Effective July 1, 2012*):

885 The exercise of the powers granted [by the authority legislation, as
886 defined in subsection (hh) of section 32-23d,] to the corporation shall
887 constitute the performance of an essential governmental function and
888 the [authority] corporation shall not be required to pay any taxes or
889 assessments upon or in respect of a project, or any property or moneys
890 of the [authority] corporation, levied by any municipality or political
891 subdivision or special district having taxing powers of the state, nor
892 shall the [authority] corporation be required to pay state taxes of any
893 kind, and the [authority] corporation, its projects, property and
894 moneys and any bonds and notes issued under the provisions of said
895 chapters and sections, their transfer and the income therefrom,
896 including any profit made on the sale thereof, shall at all times be free
897 from taxation of every kind by the state except for estate or succession
898 taxes and by the municipalities and all other political subdivisions or
899 special districts having taxing powers of the state; provided any
900 person leasing a project from the [authority] corporation shall pay to
901 the municipality, or other political subdivision or special district
902 having taxing powers, in which such project is located, a payment in
903 lieu of taxes which shall equal the taxes on real and personal property,
904 including water and sewer assessments, which such lessee would have
905 been required to pay had it been the owner of such property during
906 the period for which such payment is made and neither the [authority]
907 corporation nor its projects, properties, money or bonds and notes
908 shall be obligated, liable or subject to lien of any kind for the
909 enforcement, collection or payment thereof. The sale of tangible
910 personal property or services by the [authority] corporation is exempt
911 from the sales tax under chapter 219, and the storage, use or other
912 consumption in this state of tangible personal property or services
913 purchased from the [authority] corporation is exempt from the use tax

914 under chapter 219. If and to the extent the proceedings [under which
915 the bonds authorized to be issued under the provisions of said
916 chapters and sections] by the corporation so provide, the [authority]
917 corporation may agree to cooperate with the lessee of a project in
918 connection with any administrative or judicial proceedings for
919 determining the validity or amount of such payments and may agree
920 to appoint or designate and reserve the right in and for such lessee to
921 take all action which the [authority] corporation may lawfully take in
922 respect of such payments and all matters relating thereto, provided
923 such lessee shall bear and pay all costs and expenses of the [authority]
924 corporation thereby incurred at the request of such lessee or by reason
925 of any such action taken by such lessee on behalf of the [authority]
926 corporation. Any lessee of a project which has paid the amounts in lieu
927 of taxes required by this section to be paid shall not be required to pay
928 any such taxes in which a payment in lieu thereof has been made to the
929 state or to any such municipality or other political subdivision or
930 special district having taxing powers, any other statute to the contrary
931 notwithstanding. Any industrial pollution control facility financed
932 [under said chapters and sections] by the corporation shall be subject
933 to such approvals, as may be required by law, of any agency of the
934 state and any agency of the United States having jurisdiction in the
935 matter and, in the discretion of the [authority] corporation, may be
936 acquired, constructed or improved as part of or jointly with a pollution
937 control facility undertaken by a municipality or political subdivision or
938 special district having taxing powers in the state and the [authority]
939 corporation is authorized to cooperate and execute contracts with such
940 a municipality or political subdivision or special district.

941 Sec. 29. Section 32-46 of the general statutes is repealed and the
942 following is substituted in lieu thereof (*Effective July 1, 2012*):

943 (a) The corporation shall [be and is hereby declared exempt from all
944 franchise, corporate business, property and income taxes levied by the
945 state or any municipality, provided nothing herein shall be construed
946 to exempt from any such taxes, or from any taxes levied in connection
947 with the manufacture or sale of any products which are the subject of

948 any agreement made by the corporation, any person entering into any
949 agreement with the corporation] have the tax exemptions provided
950 under section 32-23h, as amended by this act.

951 (b) Sales of and the storage, use or other consumption of any
952 tangible personal property or services acquired for incorporation into
953 or used and consumed in connection with the development,
954 construction, rehabilitation, renovation or repair of a project, as
955 defined in subsection (d) of section 32-23d, as amended by this act,
956 which project has been approved by the board of directors of the
957 corporation for sales and use tax relief in accordance with procedures
958 adopted by the board shall, subject to any limitations or conditions of
959 such approval, be exempt from sales and use taxes imposed by chapter
960 219. The corporation may deliver a certificate, in such form as the
961 corporation may prescribe, to the effect that the sale of such tangible
962 property or services is exempt from sales and use taxes imposed by
963 said chapter 219, which certificate may be used in the purchase of such
964 tangible personal property or services and on which certificate each
965 seller of such tangible personal property or services may rely.

966 Sec. 30. Section 32-5a of the general statutes is repealed and the
967 following is substituted in lieu thereof (*Effective July 1, 2012*):

968 The Commissioner of Economic and Community Development [and
969 the board of directors of the Connecticut Development Authority] shall
970 require, as a condition of any financial assistance provided on and
971 after June 23, 1993, under any program administered by the
972 Department of Economic and Community Development or such
973 authority to any business organization, that such business
974 organization: (1) Shall not relocate outside of the state for ten years
975 after receiving such assistance or during the term of a loan or loan
976 guarantee, whichever is longer, unless the full amount of the assistance
977 is repaid to the state and a penalty equal to five per cent of the total
978 assistance received is paid to the state and (2) shall, if the business
979 organization relocates within the state during such period, offer
980 employment at the new location to its employees from the original

981 location if such employment is available. For the purposes of
982 subdivision (1) of this section, the value of a guarantee shall be equal to
983 the amount of the state's liability under the guarantee. As used in this
984 section, "relocate" means the physical transfer of the operations of a
985 business in its entirety or of any division of a business which
986 independently receives any financial assistance from the state from the
987 location such business or division occupied at the time it accepted the
988 financial assistance to another location. Notwithstanding the
989 provisions of this section, the Commissioner of Economic and
990 Community Development shall adopt regulations in accordance with
991 chapter 54 to establish the terms and conditions of repayment,
992 including specifying the conditions under which repayment may be
993 deferred, following a determination by the commissioner of a
994 legitimate hardship.

995 Sec. 31. Section 32-23d of the general statutes is repealed and the
996 following is substituted in lieu thereof (*Effective July 1, 2012*):

997 For the purposes of this chapter, the following terms shall have the
998 following meanings unless the context indicates another meaning and
999 intent:

1000 (a) "Department" means the Department of Economic and
1001 Community Development or its successor agency.

1002 (b) "State" means the state of Connecticut.

1003 (c) "Municipality" means any town, city or borough in the state.

1004 (d) "Project" means any facility, plant, works, system, building,
1005 structure, utility, fixture or other real property improvement located in
1006 the state, any machinery, equipment, furniture, fixture or other
1007 personal property to be located in the state and the land on which it is
1008 located or which is reasonably necessary in connection therewith,
1009 which is of a nature or which is to be used or occupied by any person
1010 for purposes which would constitute it as an economic development
1011 project, information technology project, public service project, urban

1012 project, recreation project, commercial fishing project, health care
1013 project, the convention center project, as defined in subdivision (3) of
1014 section 32-600, nonprofit project or remediation project, and any real
1015 property improvement reasonably related thereto. A project may be
1016 acquired (1) directly, or (2) indirectly through the purchase of all or
1017 substantially all of the stock of a corporation.

1018 (e) "Eligible financial institution" means any trust company, bank,
1019 savings bank, credit union, savings and loan association, insurance
1020 company, investment company, mortgage banker, trustee, executor,
1021 pension fund, retirement fund or other fiduciary or financial
1022 institution, the state or, to the extent otherwise permitted by law, any
1023 municipality, or any political subdivision, instrumentality, agency or
1024 body politic and corporate thereof, which is approved by the authority
1025 to participate in the financing of a project.

1026 (f) "Cost of project" as determined by the authority means the cost or
1027 fair market value of construction, lands, property rights, utility
1028 extensions, disposal facilities, access roads, easements, franchises,
1029 financing charges, interest, engineering and legal services, plans,
1030 specifications, surveys, cost estimates, studies and other expenses
1031 necessary or incident to the development, construction, financing and
1032 placing in operation of a project and, subject to the provisions of
1033 section 32-16, the cost or fair market value of machinery, equipment,
1034 furniture, fixtures or other personal property of a project.

1035 (g) "Insurance fund" means the Mortgage and Loan Insurance Fund
1036 created by section 32-14.

1037 (h) "Maturity date" means the date on which the mortgage
1038 indebtedness would be extinguished if paid in accordance with
1039 periodic payments provided for in the mortgage.

1040 (i) "Mortgage" means a mortgage or lien on a project together with
1041 credit instruments, if any, secured thereby, or any other agreement for
1042 the extension of credit or making of a loan related to the financing of a
1043 project or any portions thereof or interest therein, however evidenced,

1044 including financing by means of a lease or a conditional or installment
1045 sales agreement, or any pool of or interest in any of the foregoing
1046 financed from any source.

1047 (j) "Mortgagee" means the original lender or other provider of credit
1048 under the mortgage or participants therein, and their successors and
1049 assigns, approved by the authority and may include, but is not limited
1050 to, all eligible financial institutions and, except as used in section 32-
1051 17a, the authority as defined in subsection [(w)] (v) of this section.

1052 (k) "Mortgagor" includes the successors and assigns of the
1053 mortgagor.

1054 (l) "Mortgage payments" means payments called for by a mortgage,
1055 and may include, but is not limited to, interest, installments of
1056 principal, taxes and assessments, mortgage insurance premiums and
1057 hazard insurance premiums.

1058 (m) "Mortgage year" means the annual period measured by the date
1059 or the anniversary of the date of the execution of the mortgage.

1060 (n) "Principal obligation" means the sum total of all mortgage
1061 payments due from the mortgagor.

1062 (o) "Municipal planning commission" means a municipal planning
1063 commission created under chapter 126.

1064 (p) "Regional planning agency" means a regional planning agency
1065 created under chapter 127.

1066 (q) "Federal agency" means the United States, the president of the
1067 United States and any department of, or corporation, agency or
1068 instrumentality designated or established by, the United States.

1069 (r) "Revenues" means receipts, revenues, service charges, rentals or
1070 other payments to be received on account of lease, mortgage,
1071 conditional sale, sale or loan agreements and payments and any other
1072 income derived from the lease, sale or other disposition of a project,

1073 moneys in such reserve and insurance funds or accounts or other
1074 funds and accounts and income from the investment thereof,
1075 established in connection with the issuance of bonds, notes or other
1076 obligations for a project or projects, and fees, charges or other moneys
1077 to be received by the authority in respect of projects and contracts with
1078 persons.

1079 (s) "Person" means any person, including individuals, firms,
1080 partnerships, associations, cooperatives, limited liability companies or
1081 corporations, public or private, for profit or nonprofit, organized or
1082 existing under the laws of the state or any other state, and, to the
1083 extent otherwise permitted by law, any municipality, district,
1084 including any special district having taxing powers, agency, authority,
1085 instrumentality, or other governmental entity or political subdivision
1086 in the state or any federal agency.

1087 [(t) "Purposes of the authority", means the purposes of the authority
1088 expressed in and pursuant to the authority legislation, including with
1089 respect to the promotion, planning and designing, developing,
1090 encouraging, assisting, acquiring, constructing, reconstructing,
1091 improving, maintaining and equipping and furnishing of a project and
1092 assisting directly or indirectly in the financing of the cost thereof.]

1093 [(u)] (t) "Economic development project" means any project which is
1094 to be used or occupied by any person for (1) manufacturing, industrial,
1095 research, office or product warehousing or distribution purposes or
1096 hydroponic or aquaponic food production purposes and which the
1097 authority determines will tend to maintain or provide gainful
1098 employment, maintain or increase the tax base of the economy, or
1099 maintain, expand or diversify industry in the state, or (2) controlling,
1100 abating, preventing or disposing land, water, air or other
1101 environmental pollution, including without limitation thermal,
1102 radiation, sewage, wastewater, solid waste, toxic waste, noise or
1103 particulate pollution, except resources recovery facilities, as defined in
1104 section 22a-219a, used for the principal purpose of processing
1105 municipal solid waste and which are not expansions or additions to

1106 resources recovery facilities operating on July 1, 1990, or (3) the
1107 conservation of energy or the utilization of cogeneration technology or
1108 solar, wind, hydro, biomass or other renewable sources to produce
1109 energy for any industrial or commercial application, or (4) any other
1110 purpose which the authority determines will materially contribute to
1111 the economic base of the state by creating or retaining jobs, promoting
1112 the export of products or services beyond state boundaries,
1113 encouraging innovation in products or services, or otherwise
1114 contributing to, supporting or enhancing existing activities that are
1115 important to the economic base of the state.

1116 [(v)] (u) "Commissioner" means the Commissioner of Economic and
1117 Community Development.

1118 [(w) "Authority"] (v) "Corporation" means [the Connecticut
1119 Development Authority or its successor as established and created
1120 under section 32-11a] Connecticut Innovations, Incorporated, as
1121 established and created pursuant to section 32-35, as amended by this
1122 act.

1123 [(x)] (w) "Capital reserve fund bond" means any bond of the
1124 authority secured by a special capital reserve fund established
1125 pursuant to this chapter.

1126 [(y)] (x) "Recreation project" means any project which is to be
1127 primarily available for the use of the general public including without
1128 limitation stadiums, sports complexes, amusement parks, museums,
1129 theaters, civic, concert, cultural and exhibition centers, centers for the
1130 visual and performing arts, hotels, motels, resorts, inns and other
1131 public lodging accommodations and which the authority determines
1132 will tend to (1) promote tourism, (2) provide a special enhancement of
1133 recreation facilities in the state or (3) contribute to the business or
1134 industrial development of the state.

1135 [(z)] (y) "Public service project" means any project which is to be
1136 used or occupied by a common carrier or public utility to provide bus,
1137 truck, rail, limousine, water or air transportation services or water,

1138 sewer, gas, electricity, or telephone utility services, and which the
1139 authority determines will tend to assist the common carrier or public
1140 utility in providing service to the general public in the state. A public
1141 service project may include ferry boats or railroad rolling stock, but
1142 may not include any other vehicle, aircraft or watercraft.

1143 [(aa)] (z) "Urban project" means any project which is to be used or
1144 occupied by any person for commercial or retail sales or service
1145 purposes located wholly or partly within an urban municipality in the
1146 state and which the authority determines will tend (1) to maintain or
1147 provide gainful construction or permanent employment, maintain or
1148 expand the tax base of the economy or maintain, expand or diversify
1149 industry in the state, or (2) to otherwise revitalize the economy of the
1150 urban municipality. An "urban municipality", for the purposes of this
1151 definition, means any municipality which is a "distressed
1152 municipality" as defined in subsection (b) of section 32-9p.

1153 [(bb)] (aa) "Commercial fishing project" means any project which is
1154 to be used or occupied by any person for commercial fishing purposes
1155 or for support, maintenance, storage, production, or manufacturing
1156 purposes reasonably related to commercial fishing activity, including
1157 without limitation commercial fishing vessels, docks, wharves, piers,
1158 land or floating processing facilities, transportation terminals, facilities
1159 for the maintenance, storage, and construction of vessels and
1160 equipment, and fish storage and handling facilities.

1161 [(cc)] (bb) "Health care project" means any project which is to be
1162 used or occupied by any person for the providing of services in any
1163 residential care home, nursing home or rest home, as defined in
1164 subsection (c) of section 19a-490, or for the providing of living space
1165 for physically handicapped persons or persons sixty years of age or
1166 older.

1167 [(dd)] (cc) "Nonprofit project" means any project which (1) is to be
1168 used or occupied by any person organized and operated not for profit
1169 but exclusively for health, educational, charitable, community,

1170 cultural, agricultural, consumer or other purposes benefiting the
1171 citizens of the state, or as an agricultural or hospital cooperative or
1172 service organization or as a chamber of commerce or trade or
1173 professional association and (2) which the authority determines
1174 satisfies a public need not adequately met by businesses operating for
1175 profit.

1176 [(ee)] (dd) "Information technology project" means any project (1)
1177 providing information technology intensive office or laboratory space,
1178 including, but not limited to, smart buildings, incubator facilities, or
1179 any project that is to be used or occupied by any person specializing in
1180 e-commerce technologies or other technologies using high-speed
1181 communications infrastructure, and (2) which the authority deems will
1182 materially contribute to the economic base of the state by creating or
1183 retaining jobs, promoting the export of products or services beyond
1184 state borders, encouraging innovation in products or services, or
1185 otherwise contributing to, supporting or enhancing existing activities
1186 that are important to the economic base of the state.

1187 [(ff)] (ee) "Incubator facilities" has the same meaning as incubator
1188 facilities in subdivision (5) of section 32-34.

1189 [(gg)] (ff) "Smart building" means a building that houses, for use by
1190 its tenants, an information or communications infrastructure capable of
1191 transmitting digital video, voice and data content over a high-speed
1192 wired, wireless or other communications intranet and provides the
1193 capability of delivering and receiving high-speed digital video, voice
1194 and data transmissions over the Internet.

1195 [(hh) "Authority legislation" means this chapter, chapters 578, 584,
1196 588l, 588n, 588r and 588u, sections 8-134, 8-134a, 8-192, 8-192a, 25-33a,
1197 32-23zz and 32-68a, and any other provisions of the general statutes or
1198 any public or special act setting forth or governing the powers and
1199 duties of the authority.]

1200 [(ii)] (gg) "Remediation project" means any project (1) involving the
1201 development, redevelopment or productive reuse of real property

1202 within this state that (A) has been subject to a spill, as defined in
1203 section 22a-452c, (B) is an establishment, as defined in subdivision (3)
1204 of section 22a-134, (C) is a facility, as defined in 42 USC 9601(9), or (D)
1205 is eligible to be treated as polluted real property for purposes of
1206 section 22a-133m or contaminated real property for purposes of section
1207 22a-133aa or section 22a-133bb, provided the development,
1208 redevelopment or productive reuse is undertaken pursuant to a
1209 remediation plan meeting all applicable standards and requirements of
1210 the Department of Energy and Environmental Protection, (2) that the
1211 authority determines will add or support significant new economic
1212 activity or employment in the municipality in which such project is
1213 located or will otherwise materially contribute to the economic base of
1214 the state or the municipality or will provide a residential or mixed-use
1215 development pursuant to chapter 828, and (3) for which assistance
1216 from the authority will be needed to attract necessary private
1217 investment.

1218 Sec. 32. Section 32-40 of the general statutes is repealed and the
1219 following is substituted in lieu thereof (*Effective July 1, 2012*):

1220 (a) All applications for financial aid shall be forwarded, together
1221 with an application fee prescribed by the corporation, to the [executive
1222 director] chief executive officer of the corporation. Each such
1223 application shall be processed in accordance with the written
1224 procedures adopted by the corporation under subdivision (5) of
1225 subsection (d) of section 32-35. The [finance committee of the
1226 corporation] board of directors or a duly constituted committee thereof
1227 shall approve or deny each application recommended by the executive
1228 director. If the [finance] board of directors or any such committee
1229 approves an application, the board or such committee may authorize
1230 the corporation to enter into an agreement or agreements on behalf of
1231 the corporation to provide financial aid to the applicant. The applicant
1232 shall be promptly notified of such action by the corporation.

1233 (b) In making the decision as to approval or denial of an application,
1234 the [finance] board or any committee of the [corporation] board shall

1235 give priority to those applicants (1) whose businesses are defense-
1236 dependent, or are located in municipalities which the Commissioner of
1237 Economic and Community Development has declared have been
1238 severely impacted by prime defense contract cutbacks pursuant to
1239 section 32-56, and (2) whose proposed research and development
1240 activity, technology, product or invention is to be used to convert all or
1241 a portion of the applicant's business to non-defense-related industrial
1242 or commercial activity, or to create a new non-defense-related
1243 industrial or commercial business. For purposes of this section, a
1244 defense-dependent business is any business that derives over fifty per
1245 cent of its gross income, generated from operations within the state,
1246 from prime defense contracts or from subcontracts entered into in
1247 connection with prime defense contracts, a significant portion of
1248 whose facilities and equipment are designed specifically for defense
1249 production and cannot be converted to nondefense uses without
1250 substantial investment.

1251 (c) All financial and credit information and all trade secrets
1252 contained in any application for financial aid submitted to the
1253 corporation or obtained by the corporation concerning any applicant,
1254 project, activity, technology, product or invention shall be exempt
1255 from the provisions of subsection (a) of section 1-210.

1256 Sec. 33. Section 32-23f of the general statutes is repealed and the
1257 following is substituted in lieu thereof (*Effective July 1, 2012*):

1258 (a) Subject to the approval of the Treasurer of the state or the
1259 Treasurer's deputy appointed pursuant to section 3-12, and other
1260 applicable limitations of the [authority legislation, as defined in
1261 subsection (hh) of section 32-23d] general statutes, the [authority]
1262 corporation may borrow money and issue its bonds and notes from
1263 time to time and use the proceeds thereof for the purposes of the
1264 [authority, as defined in subsection (t) of section 32-23d, and in order]
1265 corporation and to carry out its powers [under said authority
1266 legislation] and to pay all other expenditures of the [authority]
1267 corporation incident to and necessary in connection with such

1268 purposes including providing funds to be paid into any fund or funds
1269 to secure such bonds or notes. All such bonds issued by the [authority]
1270 corporation, secured by a special capital reserve fund within the
1271 meaning of subsection (b) of section 32-23j, as amended by this act,
1272 shall be general obligations of the [authority] corporation payable out
1273 of any revenues or other receipts, funds, or moneys of the [authority]
1274 corporation, subject only to any agreements with the holders of
1275 particular notes or bonds pledging any particular revenues, receipts,
1276 funds or moneys, provided the [authority] corporation may issue
1277 general obligation bonds of the [authority] corporation without the
1278 security of a special capital reserve fund. Any other such bonds or
1279 notes not issued in anticipation of the issuance of bonds referred to in
1280 the preceding sentence shall be special obligations of the [authority]
1281 corporation payable solely out of any revenues or other receipts, funds
1282 or moneys of the [authority] corporation pledged therefor. All such
1283 notes and such bonds may be executed and delivered in such manner
1284 and at such times, may be in such form and denominations and of such
1285 tenor and maturity or maturities, may be in bearer or registered form,
1286 as to principal and interest or as to principal alone, may be payable at
1287 such time or times not exceeding forty years from the date thereof,
1288 may be payable at such place or places whether within or without the
1289 state, may bear interest at such rate or rates payable at such time or
1290 times and at such place or places and evidenced in such manner, and
1291 may contain such provisions not inconsistent with said chapters and
1292 sections, as shall be provided in the resolution of the [authority]
1293 corporation authorizing the issuance of the bonds and notes.

1294 (b) Issuance by the [authority] corporation of one or more series of
1295 bonds or notes for one or more purposes shall not preclude it from
1296 issuing other bonds or notes in connection with the same project or
1297 any other projects, but the proceeding wherein any subsequent bonds
1298 or notes may be issued shall recognize and protect any prior pledge or
1299 mortgage made for any prior issue of bonds or notes unless in the
1300 resolution authorizing such prior issue the right is reserved to issue
1301 subsequent bonds on a parity with such prior issue.

1302 (c) Subject to the approval of the Treasurer of the state or his deputy
1303 appointed pursuant to section 3-12, any bonds or notes of the
1304 [authority] corporation may be sold at such price or prices, at public or
1305 private sale, in such manner and from time to time as may be
1306 determined by the [authority] corporation, and the [authority]
1307 corporation may pay all expenses, premiums and commissions which
1308 it may deem necessary or advantageous in connection with the
1309 issuance and sale thereof; and any moneys of the [authority]
1310 corporation, including proceeds from the sale of any bonds and notes,
1311 and revenues, receipts and income from any of its projects, may be
1312 invested and reinvested in such obligations, securities and other
1313 investments, including time deposits or certificates of deposit, or
1314 deposited or redeposited in such bank or banks as shall be provided in
1315 the resolution or resolutions authorizing the issuance of the bonds and
1316 notes.

1317 (d) The [authority] corporation is authorized to provide for the
1318 issuance of its bonds for the purpose of refunding any bonds of the
1319 [authority] corporation then outstanding, including the payment of
1320 any redemption premium thereon and any interest accrued or to
1321 accrue to the earliest or subsequent date of redemption, purchase or
1322 maturity of such bonds, and, if deemed advisable by the [authority]
1323 corporation, for the additional purpose of paying all or any part of the
1324 cost of constructing and acquiring additions, improvements,
1325 extensions or enlargements of a project or any portion thereof. The
1326 proceeds of any such bonds issued for the purpose of refunding
1327 outstanding bonds may, in the discretion of the [authority]
1328 corporation, be applied to the purchase or retirement at maturity or
1329 redemption of such outstanding bonds either on their earliest or any
1330 subsequent redemption date, and may, pending such application, be
1331 placed in escrow to be applied to such purchase or retirement at
1332 maturity or redemption on such date as may be determined by the
1333 [authority] corporation.

1334 (e) Whether or not the bonds or notes are of such form and character
1335 as to be negotiable instruments under article eight of title 42a, the

1336 bonds or notes shall be and are hereby made negotiable instruments
1337 within the meaning of and for all the purposes of article eight of said
1338 title 42a, subject only to the provisions of the bonds or notes for
1339 registration.

1340 (f) The principal of and interest on bonds or notes issued by the
1341 [authority] corporation may be secured by a pledge of any revenues
1342 and receipts of the [authority] corporation derived from any project
1343 and may be additionally secured by a mortgage or deed of trust
1344 covering all or any part of a project, including any additions,
1345 improvements, extensions to or enlargements of any projects thereafter
1346 made. Such bonds or notes may also be secured by a pledge or
1347 assignment of a loan agreement, conditional sale agreement or
1348 agreement of sale or by an assignment of the lease of any project for
1349 the construction and acquisition of which said bonds or notes are
1350 issued and by an assignment of the revenues and receipts derived by
1351 the [authority] corporation from such project. The payments of
1352 principal and interest on such bonds or notes may be additionally
1353 secured by a pledge of any other property, revenues, moneys, or funds
1354 available to the [authority] corporation for such purpose. The
1355 resolution authorizing the issuance of any such bonds or notes and any
1356 such mortgage or deed of trust or lease or loan agreement, conditional
1357 sale agreement or agreement of sale or credit agreement may contain
1358 agreements and provisions respecting the establishment of reserves to
1359 secure such bonds or notes, the maintenance and insurance of the
1360 projects covered thereby, the fixing and collection of rents for any
1361 portion thereof leased by the [authority] corporation to others or the
1362 sums to be paid under any conditional sale agreement or agreement of
1363 sale entered into by the [authority] corporation with others, the
1364 creation and maintenance of special funds from such revenues and the
1365 rights and remedies available in the event of default, the vesting in a
1366 trustee or trustees of such property, rights, powers and duties in trust
1367 as the [authority] corporation may determine, which may include any
1368 or all of the rights, powers and duties of any trustee appointed by the
1369 holders of any bonds and notes and limiting or abrogating the right of

1370 the holders of any bonds and notes of the [authority] corporation to
1371 appoint a trustee under this chapter, chapter 578 and subsection (a) of
1372 section 10-409, or limiting the rights, powers and duties of such
1373 trustee; provision for a trust agreement by and between the [authority]
1374 corporation and a corporate trust which may be any trust company or
1375 bank having the powers of a trust company within or without the
1376 state, which agreement may provide for the pledging or assigning of
1377 any revenues or assets or income from assets to which or in which the
1378 [authority] corporation has any rights or interest, and may further
1379 provide for such other rights and remedies exercisable by the trustee
1380 as may be proper for the protection of the holders of any bonds or
1381 notes and not otherwise in violation of law, and such agreement may
1382 provide for the restriction of the rights of any individual holder of
1383 bonds or notes of the [authority] corporation and may contain any
1384 further provisions which are reasonable to delineate further the
1385 respective rights, duties, safeguards, responsibilities and liabilities of
1386 the [authority] corporation; persons and collective holders of bonds or
1387 notes of the [authority] corporation and the trustee; and covenants to
1388 do or refrain from doing such acts and things as may be necessary or
1389 convenient or desirable in order to better secure any bonds or notes of
1390 the [authority] corporation, or which, in the discretion of the
1391 [authority] corporation, will tend to make any bonds or notes to be
1392 issued more marketable notwithstanding that such covenants, acts or
1393 things may not be enumerated herein; and any other matters of like or
1394 different character, which in any way affect the security or protection
1395 of the bonds or notes, all as the [authority] corporation shall deem
1396 advisable and not in conflict with the provisions hereof. Each pledge,
1397 agreement, mortgage and deed of trust made for the benefit or security
1398 of any of the bonds or notes of the [authority] corporation shall be in
1399 effect until the principal of and interest on the bonds or notes for the
1400 benefit of which the same were made have been fully paid, or until
1401 provision has been made for payment in the manner provided in the
1402 resolution or resolutions authorizing their issuance. Any pledge made
1403 in respect of such bonds or notes shall be valid and binding from the
1404 time when the pledge is made; the revenues, money or property so

1405 pledged and thereafter received by the [authority] corporation shall
1406 immediately be subject to the lien of such pledge without any physical
1407 delivery thereof or further act; and the lien of any such pledge shall be
1408 valid and binding as against all parties having claims of any kind in
1409 tort, contract or otherwise against the [authority] corporation
1410 irrespective of whether such parties have notice thereof. Neither the
1411 resolution, trust indenture nor any other instrument by which a pledge
1412 is created need be recorded. The resolution authorizing the issuance of
1413 such bonds or notes may provide for the enforcement of any such
1414 pledge or security in any lawful manner. The [authority] corporation
1415 may elect to have the provisions of title 42a, the Connecticut uniform
1416 commercial code, apply to any pledge made by or to the [authority]
1417 corporation to secure its bonds or notes by filing a financing statement
1418 with respect to the security interest created by the pledge and, in such
1419 case, the financing statement shall be filed as if the debtor were located
1420 in this state.

1421 (g) The [authority] corporation may provide in any resolution
1422 authorizing the issuance of bonds or notes that any project or part
1423 thereof or any addition, improvement, extension or enlargement
1424 thereof, may be constructed by the [authority] corporation or the lessee
1425 or any designee of the [authority] corporation, and may also provide in
1426 such proceedings for the time and manner of and requisites for
1427 disbursements to be made for the cost of such construction and
1428 disbursements as the [authority] corporation shall deem necessary or
1429 appropriate.

1430 (h) The [authority] corporation may issue notes and bonds in
1431 accordance herewith for one or more projects or to provide funds to be
1432 used for the purposes of the [authority, as defined in subsection (t) of
1433 section 32-23d] corporation, without reference to a particular project or
1434 projects.

1435 (i) The [authority] corporation is further authorized and empowered
1436 to issue bonds, notes or other obligations under this section the interest
1437 on which may be includable in the gross income of the holder or

1438 holders thereof under the Internal Revenue Code of 1986, or any
1439 subsequent corresponding Internal Revenue Code of the United States,
1440 as from time to time amended, to the same extent and in the same
1441 manner that interest on bills, notes, bonds or other obligations of the
1442 United States is includable in the gross income of the holder or holders
1443 thereof under any such Internal Revenue Code. Any such bonds, notes
1444 or other obligations may be issued only upon a finding by the
1445 [authority] corporation that such issuance is necessary, is in the public
1446 interest, and is in furtherance of the purposes and powers of the
1447 [authority] corporation. The state hereby consents to such inclusion
1448 only for the bonds, notes or other obligations of the [authority]
1449 corporation so authorized.

1450 Sec. 34. Section 32-23i of the general statutes is repealed and the
1451 following is substituted in lieu thereof (*Effective July 1, 2012*):

1452 Bonds issued by the [authority] corporation under the provisions of
1453 [the authority legislation, as defined in subsection (hh) of section 32-
1454 23d,] section 32-23f, as amended by this act, are hereby made securities
1455 in which all public officers and public bodies of the state and its
1456 political subdivisions, all insurance companies, credit unions, building
1457 and loan associations, investment companies, savings banks, banking
1458 associations, trust companies, executors, administrators, trustees and
1459 other fiduciaries and pension, profit-sharing and retirement funds may
1460 properly and legally invest funds, including capital in their control or
1461 belonging to them. Such bonds are hereby made securities which may
1462 properly and legally be deposited with and received by any state or
1463 municipal officer or any agency or municipality of the state for any
1464 purpose for which the deposit of bonds or obligations of the state is
1465 now or may hereafter be authorized by law. The corporation and any
1466 subsidiary thereof may purchase and hold bonds or notes issued by
1467 the corporation or any such subsidiary.

1468 Sec. 35. Section 32-23j of the general statutes is repealed and the
1469 following is substituted in lieu thereof (*Effective July 1, 2012*):

1470 (a) Bonds or notes of the [authority] corporation issued under the
1471 provisions of [the authority legislation, as defined in subsection (hh) of
1472 section 32-23d] section 32-23f, as amended by this act, shall not be
1473 deemed to constitute a debt or liability of the state or of any
1474 municipality thereof or a pledge of the faith and credit of the state or of
1475 any such municipality and shall not constitute bonds or notes issued or
1476 guaranteed by the state within the meaning of section 3-21, but shall be
1477 payable solely from the revenues and funds herein provided therefor.
1478 All such bonds or notes shall contain on the face thereof a statement to
1479 the effect that neither the state of Connecticut nor any municipality
1480 thereof other than the [authority] corporation shall be obligated to pay
1481 the same or the interest thereon and that neither the faith and credit
1482 nor the taxing power of the state of Connecticut or of any municipality
1483 is pledged to the payment of the principal of or the interest on such
1484 bonds or notes.

1485 (b) The [authority] corporation may create and establish one or
1486 more reserve funds to be known as special capital reserve funds and
1487 may pay into such special capital reserve funds (1) any moneys
1488 appropriated and made available by the state for the purposes of such
1489 funds, (2) any proceeds of sale of notes or bonds, to the extent
1490 provided in the resolution of the [authority] corporation authorizing
1491 the issuance thereof, and (3) any other moneys which may be made
1492 available to the [authority] corporation for the purpose of such funds
1493 from any other source or sources. The moneys held in or credited to
1494 any special capital reserve fund established under this section, except
1495 as hereinafter provided, shall be used solely for the payment of the
1496 principal of bonds of the [authority] corporation secured by such
1497 special capital reserve fund as the same become due, the purchase of
1498 such bonds of the [authority] corporation, the payment of interest on
1499 such bonds of the [authority] corporation or the payment of any
1500 redemption premium required to be paid when such bonds are
1501 redeemed prior to maturity; provided, the [authority] corporation shall
1502 have power to provide that moneys in any such fund shall not be
1503 withdrawn therefrom at any time in such amount as would reduce the

1504 amount of such funds to less than the maximum amount of principal
1505 and interest becoming due by reason of maturity or a required sinking
1506 fund installment in the succeeding calendar year on the bonds of the
1507 [authority] corporation then outstanding and secured by such special
1508 capital reserve fund or such lesser amount specified by the [authority]
1509 corporation in its resolution authorizing the issuance of any such
1510 bonds, such amount being herein referred to as the "required
1511 minimum capital reserve", except for the purpose of paying such
1512 principal of, redemption premium and interest on such bonds of the
1513 [authority] corporation secured by such special capital reserve
1514 becoming due and for the payment of which other moneys of the
1515 [authority] corporation are not available. The [authority] corporation
1516 may provide that it shall not issue bonds at any time if the required
1517 minimum capital reserve on the bonds outstanding and the bonds then
1518 to be issued and secured by a special capital reserve fund will exceed
1519 the amount of such special capital reserve fund at the time of issuance,
1520 unless the [authority] corporation, at the time of the issuance of such
1521 bonds, shall deposit in such special capital reserve fund from the
1522 proceeds of the bonds so to be issued, or otherwise, an amount which,
1523 together with the amount then in such special capital reserve fund, will
1524 be not less than the required minimum capital reserve. On or before
1525 December first, annually, there is deemed to be appropriated from the
1526 state General Fund such sums, if any, as shall be certified by the
1527 commissioner to the Secretary of the Office of Policy and Management
1528 and Treasurer of the state, as necessary to restore each such special
1529 capital reserve fund to the amount equal to the required minimum
1530 capital reserve of such fund, and such amounts shall be allotted and
1531 paid to the [authority] corporation. For the purpose of evaluation of
1532 any such special capital reserve fund, obligations acquired as an
1533 investment for any such fund shall be valued at amortized cost.
1534 Nothing contained in this section shall preclude the [authority]
1535 corporation from establishing and creating other debt service reserve
1536 funds in connection with the issuance of bonds or notes of the
1537 [authority] corporation. Subject to any agreement or agreements with
1538 holders of outstanding notes and bonds of the [authority] corporation,

1539 any amount or amounts allotted and paid to the [authority]
1540 corporation by the state pursuant to this section shall be repaid to the
1541 state from moneys of the [authority] corporation at such time as such
1542 moneys are not required for any other of its corporate purposes and in
1543 any event shall be repaid to the state on the date one year after all
1544 bonds and notes of the [authority] corporation theretofore issued on
1545 the date or dates such amount or amounts are allotted and paid to the
1546 [authority] corporation or thereafter issued, together with interest on
1547 such bonds and notes, with interest on any unpaid installments of
1548 interest and all costs and expenses in connection with any action or
1549 proceeding by or on behalf of the holders thereof, are fully met and
1550 discharged. Notwithstanding any other provisions contained in said
1551 chapters and sections, the aggregate amount of bonds secured by such
1552 special capital reserve funds authorized to be created and established
1553 by this section, shall not exceed four hundred fifty million dollars.
1554 Only economic development projects may be assisted or financed by
1555 such bonds and the proceeds of such bonds shall not be used for such
1556 purpose unless the [authority] corporation is of the opinion and
1557 determines that the revenues derived from the economic development
1558 project or projects shall be sufficient (1) to pay the applicable principal
1559 of and interest on the bonds, the proceeds of which are used to finance
1560 the economic development project or projects, (2) to establish, increase
1561 and maintain any reserves deemed by the [authority] corporation to be
1562 advisable to secure the payment of the principal of and interest on
1563 such bonds, (3) unless the contract with the person obligates the
1564 person to pay for the maintenance and insurance of the economic
1565 development project, to pay the cost of maintaining the economic
1566 development project in good repair and keeping it properly insured,
1567 and (4) to pay such other costs or taxes on the economic development
1568 project as may be required and that such person is found by the
1569 [authority] corporation to be financially responsible and
1570 presumptively able to comply with the terms and conditions of any
1571 lease, conditional sale or credit agreement or loan agreement,
1572 agreement of sale, mortgage or other agreement as made by it with the
1573 [authority] corporation with respect to the industrial project; in making

1574 these determinations and this finding, the authority shall consider all
1575 information reasonably available to it including information as to the
1576 business reputation of such person, the character and ability of its
1577 management, the adequacy of its financial resources, the market
1578 demand for its products, the adequacy of its distribution methods, its
1579 past earnings and the likelihood that it can successfully meet any
1580 required payments under such lease, mortgage, loan agreement or
1581 other agreement out of current income.

1582 Sec. 36. Section 32-38 of the general statutes is repealed and the
1583 following is substituted in lieu thereof (*Effective July 1, 2012*):

1584 The board shall appoint [an executive director] a chief executive
1585 officer of the corporation who shall not be a member of the board and
1586 who shall serve at the pleasure of the board and shall receive such
1587 compensation as shall be determined by the board. The [executive
1588 director] chief executive officer shall direct and supervise
1589 administrative affairs and the general management of the corporation.
1590 The [executive director] chief executive officer may employ such other
1591 employees as shall be designated by the board of directors; shall attend
1592 all meetings of the board; keep a record of all proceedings and
1593 maintain and be custodian of all books, documents and papers filed
1594 with the corporation and of the minute book of the corporation and of
1595 its official seal. The [executive director] chief executive officer may
1596 cause copies to be made of all minutes and other records and
1597 documents of the corporation and may give certificates under the
1598 official seal of the corporation to the effect that such copies are true
1599 copies, and all persons dealing with the corporation may rely upon
1600 such certificates. The [executive director] chief executive officer or the
1601 [executive director's] chief executive officer's designee may serve as a
1602 member of such other boards or committees as may be necessary or
1603 desirable to carry out the purposes of the corporation.

1604 Sec. 37. Section 32-41a of the general statutes is repealed and the
1605 following is substituted in lieu thereof (*Effective July 1, 2012*):

1606 (a) There is hereby created a "Connecticut Innovations, Incorporated
1607 Fund". Proceeds from the sale of bonds authorized by the State Bond
1608 Commission in accordance with section 32-41 and section 32-41b shall
1609 be paid directly to the Treasurer of the state as agent of the corporation
1610 and the Treasurer shall deposit all such amounts in the Connecticut
1611 Innovations, Incorporated Fund. The moneys in said fund shall be paid
1612 by checks signed by the Treasurer of the state or by his deputy
1613 appointed pursuant to section 3-12 on requisition of the [executive
1614 director] chief executive officer of the corporation or his designee.

1615 (b) Any funds or revenues of Connecticut Innovations, Incorporated
1616 derived from application fees, royalty payments, investment income,
1617 [and] sale and disposition of investments, license fees, lease payments,
1618 application, commitment or financing fees, loan repayments or any
1619 other source received by the corporation in connection with its
1620 programs shall be held, administered and invested by the corporation
1621 or deposited with and invested by any institution as may be
1622 designated by the corporation at its sole discretion and paid as the
1623 corporation shall direct. All moneys in such accounts shall be used and
1624 applied to carry out the purposes of the corporation. The corporation
1625 may make payments from such accounts to the Treasurer of the state
1626 for deposit in the Connecticut Innovations, Incorporated Fund for use
1627 in accordance with subsection (c) of this section.

1628 (c) The moneys in the Connecticut Innovations, Incorporated Fund
1629 (1) shall be used to carry out the purposes of the corporation and for
1630 the repayment of state bonds in such amounts as may be required by
1631 the State Bond Commission pursuant to said section 32-41 and section
1632 32-41b and (2) may be used as state matching funds for federal funds
1633 available to the state for defense conversion projects or other projects
1634 consistent with a defense conversion strategy.

1635 Sec. 38. Subsection (f) of section 32-9p of the 2012 supplement to the
1636 general statutes is repealed and the following is substituted in lieu
1637 thereof (*Effective July 1, 2012*):

1638 (f) ["Authority", "capital] Capital reserve fund bond",
1639 "commissioner", "department", "industrial project" and "insurance
1640 fund" shall have the meaning such words and terms are given in
1641 section 32-23d, as amended by this act.

1642 Sec. 39. Section 32-23zz of the 2012 supplement to the general
1643 statutes is repealed and the following is substituted in lieu thereof
1644 (*Effective July 1, 2012*):

1645 (a) For the purpose of assisting (1) any information technology
1646 project, as defined in subsection [(ee)] (dd) of section 32-23d, as
1647 amended by this act, which is located in an eligible municipality, as
1648 defined in subdivision (12) of subsection (a) of section 32-9t, or (2) any
1649 remediation project, as defined in subsection [(ii)] (gg) of section 32-
1650 23d, as amended by this act, [the Connecticut Development Authority]
1651 Connecticut Innovations, Incorporated, may, upon a resolution of the
1652 legislative body of a municipality, issue and administer bonds which
1653 are payable solely or in part from and secured by: (A) A pledge of and
1654 lien upon any and all of the income, proceeds, revenues and property
1655 of such a project, including the proceeds of grants, loans, advances or
1656 contributions from the federal government, the state or any other
1657 source, including financial assistance furnished by the municipality or
1658 any other public body, (B) taxes or payments or grants in lieu of taxes
1659 allocated to and payable into a special fund of [the Connecticut
1660 Development Authority] Connecticut Innovations, Incorporated,
1661 pursuant to the provisions of subsection (b) of this section, or (C) any
1662 combination of the foregoing. Any such bonds of [the Connecticut
1663 Development Authority] Connecticut Innovations, Incorporated, shall
1664 mature at such time or times not exceeding thirty years from their date
1665 of issuance and shall be subject to the general terms and provisions of
1666 law applicable to the issuance of bonds by [the Connecticut
1667 Development Authority] Connecticut Innovations, Incorporated,
1668 except that such bonds shall be issued without a special capital reserve
1669 fund as provided in subsection (b) of section 32-23j, as amended by
1670 this act, and, for purposes of section 32-23f, as amended by this act,
1671 only the approval of the board of directors of the [authority]

1672 corporation shall be required for the issuance and sale of such bonds.
1673 Any pledge made by the municipality or [the Connecticut
1674 Development Authority] Connecticut Innovations, Incorporated, for
1675 bonds issued as provided in this section shall be valid and binding
1676 from the time when the pledge is made, and revenues and other
1677 receipts, funds or moneys so pledged and thereafter received by the
1678 municipality or [the Connecticut Development Authority] Connecticut
1679 Innovations, Incorporated, shall be subject to the lien of such pledge
1680 without any physical delivery thereof or further act. The lien of such
1681 pledge shall be valid and binding against all parties having claims of
1682 any kind in tort, contract or otherwise against the municipality or [the
1683 Connecticut Development Authority] Connecticut Innovations,
1684 Incorporated, even if the parties have no notice of such lien. Recording
1685 of the resolution or any other instrument by which such a pledge is
1686 created shall not be required. In connection with any such assignment
1687 of taxes or payments in lieu of taxes, [the Connecticut Development
1688 Authority] Connecticut Innovations, Incorporated, may, if the
1689 resolution so provides, exercise the rights provided for in section 12-
1690 195h of an assignee for consideration of any lien filed to secure the
1691 payment of such taxes or payments in lieu of taxes. All expenses
1692 incurred in providing such assistance may be treated as project costs.

1693 (b) Any proceedings authorizing the issuance of bonds under this
1694 section may contain a provision that taxes or a specified portion
1695 thereof, if any, identified in such authorizing proceedings and levied
1696 upon taxable real or personal property, or both, in a project each year,
1697 or payments or grants in lieu of such taxes or a specified portion
1698 thereof, by or for the benefit of any one or more municipalities,
1699 districts or other public taxing agencies, as the case may be, shall be
1700 divided as follows: (1) In each fiscal year that portion of the taxes or
1701 payments or grants in lieu of taxes which would be produced by
1702 applying the then current tax rate of each of the taxing agencies to the
1703 total sum of the assessed value of the taxable property in the project on
1704 the date of such authorizing proceedings, adjusted in the case of grants
1705 in lieu of taxes to reflect the applicable statutory rate of

1706 reimbursement, shall be allocated to and when collected shall be paid
1707 into the funds of the respective taxing agencies in the same manner as
1708 taxes by or for said taxing agencies on all other property are paid; and
1709 (2) that portion of the assessed taxes or the payments or grants in lieu
1710 of taxes, or both, each fiscal year in excess of the amount referred to in
1711 subdivision (1) of this subsection shall be allocated to and when
1712 collected shall be paid into a special fund of [the Connecticut
1713 Development Authority] Connecticut Innovations, Incorporated, to be
1714 used in each fiscal year, in the discretion of [the Connecticut
1715 Development Authority] Connecticut Innovations, Incorporated, to
1716 pay the principal of and interest due in such fiscal year on bonds
1717 issued by [the Connecticut Development Authority] Connecticut
1718 Innovations, Incorporated, to finance, refinance or otherwise assist
1719 such project, to purchase bonds issued for such project, or to reimburse
1720 the provider of or reimbursement party with respect to any guarantee,
1721 letter of credit, policy of bond insurance, funds deposited in a debt
1722 service reserve fund, funds deposited as capitalized interest or other
1723 credit enhancement device used to secure payment of debt service on
1724 any bonds issued by [the Connecticut Development Authority]
1725 Connecticut Innovations, Incorporated, to finance, refinance or
1726 otherwise assist such project, to the extent of any payments of debt
1727 service made therefrom. Unless and until the total assessed valuation
1728 of the taxable property in a project exceeds the total assessed value of
1729 the taxable property in such project as shown by the last assessment
1730 list referred to in subdivision (1) of this subsection, all of the taxes
1731 levied and collected and all of the payments or grants in lieu of taxes
1732 due and collected upon the taxable property in such project shall be
1733 paid into the funds of the respective taxing agencies. When such bonds
1734 and interest thereof, and such debt service reimbursement to the
1735 provider of or reimbursement party with respect to such credit
1736 enhancement, have been paid in full, all moneys thereafter received
1737 from taxes or payments or grants in lieu of taxes upon the taxable
1738 property in such development project shall be paid into the funds of
1739 the respective taxing agencies in the same manner as taxes on all other
1740 property are paid. The total amount of bonds issued pursuant to this

1741 section which are payable from grants in lieu of taxes payable by the
1742 state shall not exceed an amount of bonds, the debt service on which in
1743 any state fiscal year is, in total, equal to one million dollars.

1744 (c) The [authority] corporation may make grants or provide loans or
1745 other forms of financial assistance from the proceeds of special or
1746 general obligation notes or bonds of the authority issued without the
1747 security of a special capital reserve fund within the meaning of
1748 subsection (b) of section 32-23j, as amended by this act, which bonds
1749 are payable from and secured by, in whole or in part, the pledge and
1750 security provided for in section 8-134, 8-192, 32-227 or this section, all
1751 on such terms and conditions, including such agreements with the
1752 municipality and the developer of the project, as the authority
1753 determines to be appropriate in the circumstances, provided any such
1754 project in an area designated as an enterprise zone pursuant to section
1755 32-70 receiving such financial assistance shall be ineligible for any
1756 fixed assessment pursuant to section 32-71, and the authority, as a
1757 condition of such grant, loan or other financial assistance, may require
1758 the waiver, in whole or in part, of any property tax exemption with
1759 respect to such project otherwise available under subsection (59) or
1760 (60) of section 12-81.

1761 (d) As used in this section, "bonds" means any bonds, including
1762 refunding bonds, notes, temporary notes, interim certificates,
1763 debentures or other obligations; "legislative body" has the meaning
1764 provided in subsection (w) of section 32-222; and "municipality" means
1765 a town, city, consolidated town or city or consolidated town and
1766 borough.

1767 (e) For purposes of this section, references to [the Connecticut
1768 Development Authority] Connecticut Innovations, Incorporated, shall
1769 include any subsidiary of [the Connecticut Development Authority]
1770 Connecticut Innovations, Incorporated, established pursuant to
1771 [subsection (l) of section 32-11a] section 4 of this act, and a
1772 municipality may act by and through its implementing agency, as
1773 defined in subsection (k) of section 32-222.

1774 (f) In the case of a remediation project, as defined in subsection [(ii)]
1775 (gg) of section 32-23d, as amended by this act, that involves buildings
1776 that are vacant, underutilized or in deteriorating condition and as to
1777 which municipal real property taxes are delinquent, in whole or in
1778 part, for more than one fiscal year, the amount determined in
1779 accordance with subdivision (1) of subsection (b) of this section may, if
1780 the resolution of the municipality so provides, be established at an
1781 amount less than the amount so determined, but not less than the
1782 amount of municipal property taxes actually paid during the most
1783 recently completed fiscal year. If [the Connecticut Development
1784 Authority] Connecticut Innovations, Incorporated, issues bonds for the
1785 remediation project, the amount established in the resolution shall be
1786 used for all purposes of subsection (a) of this section.

1787 Sec. 40. Subsection (b) of section 1-210 of the 2012 supplement to the
1788 general statutes is repealed and the following is substituted in lieu
1789 thereof (*Effective July 1, 2012*):

1790 (b) Nothing in the Freedom of Information Act shall be construed to
1791 require disclosure of:

1792 (1) Preliminary drafts or notes provided the public agency has
1793 determined that the public interest in withholding such documents
1794 clearly outweighs the public interest in disclosure;

1795 (2) Personnel or medical files and similar files the disclosure of
1796 which would constitute an invasion of personal privacy;

1797 (3) Records of law enforcement agencies not otherwise available to
1798 the public which records were compiled in connection with the
1799 detection or investigation of crime, if the disclosure of said records
1800 would not be in the public interest because it would result in the
1801 disclosure of (A) the identity of informants not otherwise known or the
1802 identity of witnesses not otherwise known whose safety would be
1803 endangered or who would be subject to threat or intimidation if their
1804 identity was made known, (B) signed statements of witnesses, (C)
1805 information to be used in a prospective law enforcement action if

1806 prejudicial to such action, (D) investigatory techniques not otherwise
1807 known to the general public, (E) arrest records of a juvenile, which
1808 shall also include any investigatory files, concerning the arrest of such
1809 juvenile, compiled for law enforcement purposes, (F) the name and
1810 address of the victim of a sexual assault under section 53a-70, 53a-70a,
1811 53a-71, 53a-72a, 53a-72b or 53a-73a, or injury or risk of injury, or
1812 impairing of morals under section 53-21, or of an attempt thereof, or
1813 (G) uncorroborated allegations subject to destruction pursuant to
1814 section 1-216;

1815 (4) Records pertaining to strategy and negotiations with respect to
1816 pending claims or pending litigation to which the public agency is a
1817 party until such litigation or claim has been finally adjudicated or
1818 otherwise settled;

1819 (5) (A) Trade secrets, which for purposes of the Freedom of
1820 Information Act, are defined as information, including formulas,
1821 patterns, compilations, programs, devices, methods, techniques,
1822 processes, drawings, cost data, customer lists, film or television scripts
1823 or detailed production budgets that (i) derive independent economic
1824 value, actual or potential, from not being generally known to, and not
1825 being readily ascertainable by proper means by, other persons who can
1826 obtain economic value from their disclosure or use, and (ii) are the
1827 subject of efforts that are reasonable under the circumstances to
1828 maintain secrecy; and

1829 (B) Commercial or financial information given in confidence, not
1830 required by statute;

1831 (6) Test questions, scoring keys and other examination data used to
1832 administer a licensing examination, examination for employment or
1833 academic examinations;

1834 (7) The contents of real estate appraisals, engineering or feasibility
1835 estimates and evaluations made for or by an agency relative to the
1836 acquisition of property or to prospective public supply and
1837 construction contracts, until such time as all of the property has been

1838 acquired or all proceedings or transactions have been terminated or
1839 abandoned, provided the law of eminent domain shall not be affected
1840 by this provision;

1841 (8) Statements of personal worth or personal financial data required
1842 by a licensing agency and filed by an applicant with such licensing
1843 agency to establish the applicant's personal qualification for the
1844 license, certificate or permit applied for;

1845 (9) Records, reports and statements of strategy or negotiations with
1846 respect to collective bargaining;

1847 (10) Records, tax returns, reports and statements exempted by
1848 federal law or the general statutes or communications privileged by
1849 the attorney-client relationship, marital relationship, clergy-penitent
1850 relationship, doctor-patient relationship, therapist-patient relationship
1851 or any other privilege established by the common law or the general
1852 statutes, including any such records, tax returns, reports or
1853 communications that were created or made prior to the establishment
1854 of the applicable privilege under the common law or the general
1855 statutes;

1856 (11) Names or addresses of students enrolled in any public school or
1857 college without the consent of each student whose name or address is
1858 to be disclosed who is eighteen years of age or older and a parent or
1859 guardian of each such student who is younger than eighteen years of
1860 age, provided this subdivision shall not be construed as prohibiting the
1861 disclosure of the names or addresses of students enrolled in any public
1862 school in a regional school district to the board of selectmen or town
1863 board of finance, as the case may be, of the town wherein the student
1864 resides for the purpose of verifying tuition payments made to such
1865 school;

1866 (12) Any information obtained by the use of illegal means;

1867 (13) Records of an investigation or the name of an employee
1868 providing information under the provisions of section 4-61dd or

1869 sections 17b-301c to 17b-301g, inclusive;

1870 (14) Adoption records and information provided for in sections 45a-
1871 746, 45a-750 and 45a-751;

1872 (15) Any page of a primary petition, nominating petition,
1873 referendum petition or petition for a town meeting submitted under
1874 any provision of the general statutes or of any special act, municipal
1875 charter or ordinance, until the required processing and certification of
1876 such page has been completed by the official or officials charged with
1877 such duty after which time disclosure of such page shall be required;

1878 (16) Records of complaints, including information compiled in the
1879 investigation thereof, brought to a municipal health authority pursuant
1880 to chapter 368e or a district department of health pursuant to chapter
1881 368f, until such time as the investigation is concluded or thirty days
1882 from the date of receipt of the complaint, whichever occurs first;

1883 (17) Educational records which are not subject to disclosure under
1884 the Family Educational Rights and Privacy Act, 20 USC 1232g;

1885 (18) Records, the disclosure of which the Commissioner of
1886 Correction, or as it applies to Whiting Forensic Division facilities of the
1887 Connecticut Valley Hospital, the Commissioner of Mental Health and
1888 Addiction Services, has reasonable grounds to believe may result in a
1889 safety risk, including the risk of harm to any person or the risk of an
1890 escape from, or a disorder in, a correctional institution or facility under
1891 the supervision of the Department of Correction or Whiting Forensic
1892 Division facilities. Such records shall include, but are not limited to:

1893 (A) Security manuals, including emergency plans contained or
1894 referred to in such security manuals;

1895 (B) Engineering and architectural drawings of correctional
1896 institutions or facilities or Whiting Forensic Division facilities;

1897 (C) Operational specifications of security systems utilized by the
1898 Department of Correction at any correctional institution or facility or

1899 Whiting Forensic Division facilities, except that a general description
1900 of any such security system and the cost and quality of such system
1901 may be disclosed;

1902 (D) Training manuals prepared for correctional institutions and
1903 facilities or Whiting Forensic Division facilities that describe, in any
1904 manner, security procedures, emergency plans or security equipment;

1905 (E) Internal security audits of correctional institutions and facilities
1906 or Whiting Forensic Division facilities;

1907 (F) Minutes or recordings of staff meetings of the Department of
1908 Correction or Whiting Forensic Division facilities, or portions of such
1909 minutes or recordings, that contain or reveal information relating to
1910 security or other records otherwise exempt from disclosure under this
1911 subdivision;

1912 (G) Logs or other documents that contain information on the
1913 movement or assignment of inmates or staff at correctional institutions
1914 or facilities; and

1915 (H) Records that contain information on contacts between inmates,
1916 as defined in section 18-84, and law enforcement officers;

1917 (19) Records when there are reasonable grounds to believe
1918 disclosure may result in a safety risk, including the risk of harm to any
1919 person, any government-owned or leased institution or facility or any
1920 fixture or appurtenance and equipment attached to, or contained in,
1921 such institution or facility, except that such records shall be disclosed
1922 to a law enforcement agency upon the request of the law enforcement
1923 agency. Such reasonable grounds shall be determined (A) (i) by the
1924 Commissioner of Administrative Services, after consultation with the
1925 chief executive officer of an executive branch state agency, with respect
1926 to records concerning such agency; and (ii) by the Commissioner of
1927 Emergency Services and Public Protection, after consultation with the
1928 chief executive officer of a municipal, district or regional agency, with
1929 respect to records concerning such agency; (B) by the Chief Court

1930 Administrator with respect to records concerning the Judicial
1931 Department; and (C) by the executive director of the Joint Committee
1932 on Legislative Management, with respect to records concerning the
1933 Legislative Department. As used in this section, "government-owned
1934 or leased institution or facility" includes, but is not limited to, an
1935 institution or facility owned or leased by a public service company, as
1936 defined in section 16-1, a certified telecommunications provider, as
1937 defined in section 16-1, a water company, as defined in section 25-32a,
1938 or a municipal utility that furnishes electric, gas or water service, but
1939 does not include an institution or facility owned or leased by the
1940 federal government, and "chief executive officer" includes, but is not
1941 limited to, an agency head, department head, executive director or
1942 chief executive officer. Such records include, but are not limited to:

1943 (i) Security manuals or reports;

1944 (ii) Engineering and architectural drawings of government-owned
1945 or leased institutions or facilities;

1946 (iii) Operational specifications of security systems utilized at any
1947 government-owned or leased institution or facility, except that a
1948 general description of any such security system and the cost and
1949 quality of such system, may be disclosed;

1950 (iv) Training manuals prepared for government-owned or leased
1951 institutions or facilities that describe, in any manner, security
1952 procedures, emergency plans or security equipment;

1953 (v) Internal security audits of government-owned or leased
1954 institutions or facilities;

1955 (vi) Minutes or records of meetings, or portions of such minutes or
1956 records, that contain or reveal information relating to security or other
1957 records otherwise exempt from disclosure under this subdivision;

1958 (vii) Logs or other documents that contain information on the
1959 movement or assignment of security personnel;

1960 (viii) Emergency plans and emergency preparedness, response,
1961 recovery and mitigation plans, including plans provided by a person
1962 to a state agency or a local emergency management agency or official;
1963 and

1964 (ix) With respect to a water company, as defined in section 25-32a,
1965 that provides water service: Vulnerability assessments and risk
1966 management plans, operational plans, portions of water supply plans
1967 submitted pursuant to section 25-32d that contain or reveal
1968 information the disclosure of which may result in a security risk to a
1969 water company, inspection reports, technical specifications and other
1970 materials that depict or specifically describe critical water company
1971 operating facilities, collection and distribution systems or sources of
1972 supply;

1973 (20) Records of standards, procedures, processes, software and
1974 codes, not otherwise available to the public, the disclosure of which
1975 would compromise the security or integrity of an information
1976 technology system;

1977 (21) The residential, work or school address of any participant in the
1978 address confidentiality program established pursuant to sections 54-
1979 240 to 54-240o, inclusive;

1980 (22) The electronic mail address of any person that is obtained by
1981 the Department of Transportation in connection with the
1982 implementation or administration of any plan to inform individuals
1983 about significant highway or railway incidents;

1984 (23) The name or address of any minor enrolled in any parks and
1985 recreation program administered or sponsored by any public agency;

1986 (24) Responses to any request for proposals or bid solicitation issued
1987 by a public agency or any record or file made by a public agency in
1988 connection with the contract award process, until such contract is
1989 executed or negotiations for the award of such contract have ended,
1990 whichever occurs earlier, provided the chief executive officer of such

1991 public agency certifies that the public interest in the disclosure of such
 1992 responses, record or file is outweighed by the public interest in the
 1993 confidentiality of such responses, record or file;

1994 (25) The name, address, telephone number or electronic mail
 1995 address of any person enrolled in any senior center program or any
 1996 member of a senior center administered or sponsored by any public
 1997 agency;

1998 (26) All records obtained during the course of inspection,
 1999 investigation, examination and audit activities of an institution, as
 2000 defined in section 19a-490, that are confidential pursuant to a contract
 2001 between the Department of Public Health and the United States
 2002 Department of Health and Human Services relating to the Medicare
 2003 and Medicaid programs;

2004 (27) All records obtained by a state agency or a quasi-public agency
 2005 related to a request for assistance from a business or organization
 2006 seeking to expand or relocate to this state, provided the disclosure of
 2007 such records could adversely affect the financial interest of the state,
 2008 the business or organization.

2009 Sec. 41. Subsections (c) to (j), inclusive, and subsection (l) of section
 2010 32-11a of the 2012 supplement to the general statutes and sections 32-
 2011 23c and 32-23g of the general statutes are repealed. (*Effective July 1,*
 2012 *2012*)"

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2012</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>July 1, 2012</i>	New section
Sec. 5	<i>July 1, 2012</i>	1-79(l)
Sec. 6	<i>July 1, 2012</i>	1-120
Sec. 7	<i>July 1, 2012</i>	1-125
Sec. 8	<i>July 1, 2012</i>	32-35(b)

Sec. 9	July 1, 2012	New section
Sec. 10	July 1, 2012	4-124ff(b)
Sec. 11	July 1, 2012	8-250(42)
Sec. 12	July 1, 2012	32-1c(a)
Sec. 13	July 1, 2012	32-1e(a)
Sec. 14	July 1, 2012	32-1k
Sec. 15	July 1, 2012	32-1o(a)
Sec. 16	July 1, 2012	32-4h
Sec. 17	July 1, 2012	32-23e
Sec. 18	July 1, 2012	32-39(34)
Sec. 19	July 1, 2012	32-450(1)
Sec. 20	July 1, 2012	32-462(a)(1)
Sec. 21	July 1, 2012	32-479
Sec. 22	July 1, 2012	32-480
Sec. 23	July 1, 2012	32-700(1)
Sec. 24	July 1, 2012	32-701(a)
Sec. 25	July 1, 2012	32-11a(a) and (b)
Sec. 26	July 1, 2012	32-23k
Sec. 27	July 1, 2012	1-124(a)
Sec. 28	July 1, 2012	32-23h
Sec. 29	July 1, 2012	32-46
Sec. 30	July 1, 2012	32-5a
Sec. 31	July 1, 2012	32-23d
Sec. 32	July 1, 2012	32-40
Sec. 33	July 1, 2012	32-23f
Sec. 34	July 1, 2012	32-23i
Sec. 35	July 1, 2012	32-23j
Sec. 36	July 1, 2012	32-38
Sec. 37	July 1, 2012	32-41a
Sec. 38	July 1, 2012	32-9p(f)
Sec. 39	July 1, 2012	32-23zz
Sec. 40	July 1, 2012	1-210(b)
Sec. 41	July 1, 2012	Repealer section