



House Bill No. 5131

Public Act No. 14-35

**AN ACT TRANSFERRING CERTAIN POWERS AND FUNCTIONS
OF THE DEPARTMENT OF ECONOMIC AND COMMUNITY
DEVELOPMENT TO THE DEPARTMENT OF HOUSING.**

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

Section 1. Section 8-37x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2014*):

(a) As used in this section, "authority" or "housing authority" means any of the public corporations created by section 8-40 and the Connecticut Housing Authority when exercising the rights, powers, duties or privileges of, or subject to the immunities or limitations of, housing authorities pursuant to section 8-121, and "housing project" means a project developed or administered pursuant to chapter 128.

(b) The Commissioner of [Economic and Community Development] Housing may: (1) Collect and correlate information regarding housing projects of authorities in the state and upon request to furnish the authorities, in matters of common interest, information, advice and the services of expert personnel; (2) study state-wide needs for the elimination of substandard housing to stimulate state and city planning involving housing, and otherwise to study housing needs, both rural and urban, and to formulate proposals for meeting these

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needs; (3) study methods of encouraging investment of private capital in low rent housing; (4) study the necessity, feasibility and advantage of the use of state credit by way of loan or subsidy to assist the financing of housing projects for persons of low income; and (5) accept grants-in-aid of any of said commissioner's powers made pursuant to the provisions of any state or federal law and, for the purpose of complying with the requirements or recommendations of any such law, to prepare such plans and specifications and to make such studies, surveys, reports or recommendations concerning existing or contemplated housing conditions or projects in the state as may be necessary or appropriate.

(c) Notwithstanding any other provision of the general statutes, the Commissioner of [Economic and Community Development] Housing may, after conducting a public bidding process as provided in section 8-44, enter into a master contract or contracts with local, regional or state-wide suppliers of labor, supplies, materials, services or personal property on behalf of one or more housing authorities operating state-financed housing programs or projects. The commissioner may, in said commissioner's discretion, with respect to partially completed state-financed programs or projects or in the event of emergencies affecting human health, safety, welfare and life or endangering property, waive the bidding requirement and threshold of said section 8-44.

(d) The Commissioner of [Economic and Community Development] Housing may designate as said commissioner's agent any deputy commissioner or any employee to exercise such authority of the commissioner as said commissioner delegates for the administration of any applicable statute or regulation.

(e) As used in this subsection, "troubled loan" means a loan in which payments of interest or principal, or both interest and principal, (1) are delinquent under the terms of a loan agreement, or (2) may become delinquent under conditions which exist which would reasonably lead

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the Commissioner of [Economic and Community Development] Housing to believe that a borrower would be unable to repay the loan. Said commissioner may authorize the deferred payments of interest or principal, or both interest and principal, or a portion thereof, in the case of a troubled loan made by the commissioner under any provision of the general statutes or special acts if said commissioner determines the deferral to be in the best interests of the state. Such determination shall be in writing and shall include a statement of the reasons why the deferral is in the best interests of the state. Any deferral made under the provisions of this section shall be subject to the approval of the State Bond Commission.

(f) Upon an action by the Commissioner of [Economic and Community Development] Housing to preserve the state's interest in any contract for financial assistance that results in the state acquiring title to any housing property, the commissioner shall be deemed to be an eligible developer, as defined in section 8-39, for the purposes of operating the property and receiving state or federal financial assistance on behalf of the property or the operation of the property.

(g) The Commissioner of [Economic and Community Development] Housing, in consultation with the executive director of the Connecticut Housing Finance Authority, upon the lawful dissolution of any eligible developer of property financed with a loan, grant or any combination thereof from the state, may (1) accept ownership of property owned by such a developer in the name of the state and dispose of such property to an eligible developer for a price and upon terms that the commissioner deems proper, provided such action shall preserve the property as housing for very low, low or moderate income persons; or (2) after approval by the Secretary of the Office of Policy and Management, allow such property to participate in any programs that the commissioner operates, in order to preserve the property as housing for very low, low or moderate income persons. For purposes

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of this subsection, "housing" includes facilities and amenities incidental and pertinent to the provision of affordable housing and intended primarily to serve the residents of the affordable housing development, including, but not limited to, a community room, a laundry room, day care space, a computer center, a management center or playground.

(h) Notwithstanding the provisions of subsection (g) of this section, the Commissioner of [Economic and Community Development] Housing shall allow the continued use of: (1) The Saint Joseph's Residence for Mothers and Children, located in Bridgeport, which is utilized as a day care center; (2) the House of Bread, located in Hartford, which is utilized as a community day care center and corporate offices; and (3) the Rainbow Court Cooperative, located in Middletown, which is utilized as rental units for lower income persons.

(i) The Commissioner of [Economic and Community Development] Housing may adopt regulations, in accordance with the provisions of chapter 54, to carry out the purposes of the Department of [Economic and Community Development] Housing as established by statute.

Sec. 2. Section 8-13x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2014*):

Within available appropriations, the Commissioner of [Economic and Community Development, in consultation with the Commissioner of Housing,] Housing may make grants to nonprofit housing assistance or nonprofit housing development organizations in order to support technical assistance planning, predevelopment, development, construction and management of housing developments. The [Commissioner of Economic and Community Development] commissioner may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section.

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Sec. 3. Section 32-1c of the 2014 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2014*):

(a) In addition to any other powers, duties and responsibilities provided for in this chapter, chapter 131, chapter 579 and section 4-8 and subsection (a) of section 10-409, the commissioner shall have the following powers, duties and responsibilities: (1) To administer and direct the operations of the Department of Economic and Community Development; (2) to report annually to the Governor, as provided in section 4-60; (3) to conduct and administer the research and planning functions necessary to carry out the purposes of said chapters and sections; (4) to encourage and promote the development of industry and business in the state and to investigate, study and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Connecticut business, industry and commerce, within and outside the state; (5) to serve, *ex officio* as a director on the board of Connecticut Innovations, Incorporated; (6) to serve as a member of the Committee of Concern for Connecticut Jobs; (7) to promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and for that purpose to cooperate with state and local agencies and individuals both within and outside the state; (8) to plan and conduct a program of information and publicity designed to attract tourists, visitors and other interested persons from outside the state to this state and also to encourage and coordinate the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the state for the same purposes; (9) to advise and cooperate with municipalities, persons and local planning agencies within the state for the purpose of promoting coordination between the state and such municipalities as to plans and development; (10) by reallocating funding from other agency accounts or programs, to assign adequate and available staff to

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provide technical assistance to businesses in the state in exporting, manufacturing and cluster-based initiatives and to provide guidance and advice on regulatory matters; (11) to aid minority businesses in their development; (12) to appoint such assistants, experts, technicians and clerical staff, subject to the provisions of chapter 67, as are necessary to carry out the purposes of said chapters and sections; (13) to employ other consultants and assistants on a contract or other basis for rendering financial, technical or other assistance and advice; (14) to acquire or lease facilities located outside the state subject to the provisions of section 4b-23; (15) to advise and inform municipal officials concerning economic development and collect and disseminate information pertaining thereto, including information about federal, state and private assistance programs and services pertaining thereto; (16) to inquire into the utilization of state government resources and coordinate federal and state activities for assistance in and solution of problems of economic development and to inform and advise the Governor about and propose legislation concerning such problems; (17) to conduct, encourage and maintain research and studies relating to industrial and commercial development; (18) to prepare and review model ordinances and charters relating to these areas; (19) to maintain an inventory of data and information and act as a clearinghouse and referral agency for information on state and federal programs and services relative to the purpose set forth herein. The inventory shall include information on all federal programs of financial assistance for defense conversion projects and other projects consistent with a defense conversion strategy and shall identify businesses which would be eligible for such assistance and provide notification to such business of such programs; (20) to conduct, encourage and maintain research and studies and advise municipal officials about forms of cooperation between public and private agencies designed to advance economic development; (21) to promote and assist the formation of municipal and other agencies appropriate to the purposes of this chapter; (22) to require notice of the

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submission of all applications by municipalities and any agency thereof for federal and state financial assistance for economic development programs as relate to the purposes of this chapter; (23) with the approval of the Commissioner of Administrative Services, to reimburse any employee of the department, including the commissioner, for reasonable business expenses, including but not limited to, mileage, travel, lodging, and entertainment of business prospects and other persons to the extent necessary or advisable to carry out the purposes of subdivisions (4), (7), (8) and (11) of this subsection and other provisions of this chapter; (24) to assist in resolving solid waste management issues; (25) (A) to serve as an information clearinghouse for various public and private programs available to assist businesses, (B) to identify specific micro businesses, as defined in section 32-344, whose growth and success could benefit from state or private assistance and contact such small businesses in order to (i) identify their needs, (ii) provide information about public and private programs for meeting such needs, including, but not limited to, technical assistance, job training and financial assistance, and (iii) arrange for the provision of such assistance to such businesses; (26) to enhance and promote the digital media and motion picture industries in the state; (27) by reallocating funding from other agency accounts or programs, to develop a marketing campaign that promotes Connecticut as a place of innovation; and (28) by reallocating funding from other agency accounts or programs, to execute the steps necessary to implement the knowledge corridor agreement with Massachusetts to promote the biomedical device industry.

(b) The Commissioner of Economic and Community Development may make available technical and financial assistance and advisory services to any appropriate agency, authority or commission for planning and other functions pertinent to economic development provided any financial assistance to a regional planning agency or a regional council of elected officials shall have the prior approval of the

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Secretary of the Office of Policy and Management or his designee. Financial assistance shall be rendered upon such contractual arrangements as may be agreed upon by the commissioner and any such agency, authority or commission in accordance with their respective needs, and the commissioner may determine the qualifications of personnel or consultants to be engaged for such assistance.

(c) The Commissioner of Economic and Community Development shall do all things necessary to apply for, qualify for and accept any federal funds made available or allotted under any federal act for planning or any other projects, programs or activities which may be established by federal law, for any of the purposes, or activities related thereto, of the Department of Economic and Community Development and said Commissioner of Economic and Community Development shall administer any such funds allotted to the department in accordance with federal law. The commissioner may enter into contracts with the federal government concerning the use and repayment of such funds under any such federal act, the prosecution of the work under any such contract and the establishment of any disbursement from a separate account in which federal and state funds estimated to be required for plan preparation or other eligible activities under such federal act shall be kept. Said account shall not be a part of the General Fund of the state or any subdivision of the state. The commissioner shall report on activities to apply for, qualify for and accept funds under this subsection in its annual report submitted pursuant to section 32-1m.

(d) The Commissioner of Economic and Community Development may designate any deputy commissioner or employee of the department to exercise the authority of the commissioner for the purpose of administering any statutory or regulatory responsibility.

[[d)] (e) The powers and duties enumerated in this section shall be

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in addition to and shall not limit any other powers or duties of the Commissioner of Economic and Community Development contained in any other law.

Approved May 28, 2014