



General Assembly

**Substitute Bill No. 1**

February Session, 2016

\* SB00001FIN\_\_040816\_\_ \*

**AN ACT CONCERNING INNOVATION, ENTREPRENEURSHIP AND CONNECTICUT'S ECONOMIC FUTURE.**

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

1 Section 1. (NEW) (*Effective from passage*) (a) There is established  
2 ImpaCT within Connecticut Innovations, Incorporated. The purposes  
3 of ImpaCT shall be to foster innovation, start-up businesses and  
4 entrepreneur community building; to serve as a catalyst to protect and  
5 enhance the innovation ecosystem; to connect start-up entrepreneurs  
6 with other start-up entrepreneurs and with state, federal and private  
7 resources; to facilitate the establishment of innovation districts; to  
8 facilitate mentorship for start-up entrepreneurs; and to provide  
9 technical training and resources to start-up businesses and  
10 entrepreneurs. ImpaCT shall not be an employer as defined in section  
11 5-270 of the general statutes.

12 (b) ImpaCT shall be overseen by a board of directors, which shall be  
13 known as the ImpaCT board of directors or the ImpaCT board. The  
14 ImpaCT board of directors shall consist of seven members, a majority  
15 of whom shall be serial entrepreneurs. By education or experience,  
16 such members shall be qualified in one or more of the following: Start-  
17 up business development and investment, innovation district  
18 development, urban planning and technology commercialization in  
19 higher education. The ImpaCT board shall consist of the following

20 members: (1) One appointed by the Governor for an initial term of four  
21 years; (2) one appointed by the speaker of the House of  
22 Representatives for an initial term of two years; (3) one appointed by  
23 the president pro tempore of the Senate for an initial term of two years;  
24 (4) one appointed by the minority leader of the House of  
25 Representatives for an initial term of two years; (5) one appointed by  
26 the minority leader of the Senate for an initial term of two years; and  
27 (6) two jointly appointed by the chairpersons of the joint standing  
28 committee of the General Assembly having cognizance of matters  
29 relating to finance, revenue and bonding for an initial term of four  
30 years. Thereafter, all members shall be appointed by the original  
31 appointing authority for four-year terms. Any member of the board  
32 shall be eligible for reappointment. Any vacancy occurring other than  
33 by expiration of term shall be filled in the same manner as the original  
34 appointment for the balance of the unexpired term. The appointing  
35 authority for any member may remove such member for misfeasance,  
36 malfeasance or wilful neglect of duty.

37 (c) All initial appointments to the board of directors shall be made  
38 not later than July 1, 2016. The chief executive officer of Connecticut  
39 Innovations, Incorporated shall schedule the first meeting of the board,  
40 which shall be held not later than July 15, 2016. The ImpaCT board of  
41 directors shall designate the chairperson of the board from among its  
42 members.

43 (d) Members of the ImpaCT board of directors may not designate a  
44 representative to perform in their absence their respective duties under  
45 this section or section 2 of this act.

46 (e) The chairperson shall, with the approval of the members of the  
47 ImpaCT board of directors, appoint an executive director of ImpaCT  
48 who shall be an employee of ImpaCT and paid a salary prescribed by  
49 the members. The executive director shall supervise the administrative  
50 affairs and technical activities of ImpaCT in accordance with the  
51 directives of the board.

52 (f) Each member of the ImpaCT board of directors shall serve  
53 without compensation but shall be entitled to reimbursement for such  
54 member's actual and necessary expenses incurred in the performance  
55 of such member's official duties.

56 (g) Members may engage in private employment, or in a profession  
57 or business, subject to any applicable laws, rules and regulations of the  
58 state regarding official ethics or conflict of interest.

59 (h) Five members of the ImpaCT board of directors shall constitute a  
60 quorum for the transaction of any business or the exercise of any  
61 power of ImpaCT. For the transaction of any business or the exercise of  
62 any power of the authority, and except as otherwise provided in this  
63 section or section 2 of this act, the ImpaCT board may act by a majority  
64 of the members present at any meeting at which a quorum is in  
65 attendance.

66 (i) ImpaCT shall continue as long as it has obligations outstanding  
67 and until its existence is terminated by law, provided no such  
68 termination shall affect any outstanding contractual obligation of  
69 ImpaCT and the state shall succeed to the obligations of ImpaCT under  
70 any contract. Upon the termination of the existence of ImpaCT, all its  
71 rights and properties shall pass to and be vested in Connecticut  
72 Innovations, Incorporated.

73 (j) It shall not constitute a conflict of interest for a trustee, director,  
74 partner or officer of any person, firm or corporation, or any individual  
75 having a financial interest in a person, firm or corporation, to serve as a  
76 member of the ImpaCT board of directors, provided such trustee,  
77 director, partner, officer or individual complies with all applicable  
78 provisions of chapter 10 of the general statutes. All members shall be  
79 deemed public officials and shall adhere to the code of ethics for public  
80 officials set forth in chapter 10 of the general statutes.

81 Sec. 2. (NEW) (*Effective from passage*) (a) For the purposes  
82 enumerated in subsection (a) of section 1 of this act, ImpaCT is

83 authorized and empowered to:

84 (1) Sue and be sued in its own name, and plead and be impleaded;

85 (2) (A) Employ such assistants, agents and other employees as may  
86 be necessary or desirable who shall not be employees, as defined in  
87 subsection (b) of section 5-270 of the general statutes; (B) establish all  
88 necessary or appropriate personnel practices and policies, including  
89 personnel practices and policies relating to hiring, promotion,  
90 compensation, retirement and collective bargaining, which need not be  
91 in accordance with chapter 68 of the general statutes but may be in  
92 accordance with the personnel practices and policies of Connecticut  
93 Innovations, Incorporated; and (C) engage consultants, attorneys and  
94 appraisers as may be necessary or desirable to carry out its purposes in  
95 accordance with this section;

96 (3) Receive and accept grants or contributions from any source of  
97 money, property, labor or other things of value, to be held, used and  
98 applied to carry out the purposes of this section subject to such  
99 conditions upon which such grants and contributions may be made,  
100 including, but not limited to, grants or contributions from any  
101 department, agency or instrumentality of the United States or this state  
102 for any purpose consistent with this section;

103 (4) Make and enter into all contracts and agreements necessary or  
104 incidental to the performance of its duties and the execution of its  
105 powers under this section, including contracts and agreements for  
106 such professional services as the authority deems necessary, including,  
107 but not limited to, financial consultant and technical specialists;

108 (5) Procure insurance against any liability or loss in connection with  
109 its property and other assets, in such amounts and from such insurers  
110 as it deems desirable, and procure insurance for employees;

111 (6) Account for and audit funds of ImpaCT and funds of any  
112 recipients of funds from ImpaCT;

113 (7) Establish advisory committees to assist in accomplishing its  
114 duties under this section, which may include one or more members of  
115 the ImpaCT board of directors and persons other than members;

116 (8) Serve as a resource to start-up entrepreneurs in this state by (A)  
117 providing counseling and technical assistance in the areas of  
118 entrepreneurial business planning and management, financing and  
119 marketing for start-up businesses; and (B) conducting business  
120 workshops, seminars and conferences with local partners, including,  
121 but not limited to, public and independent institutions of higher  
122 education, municipal governments, regional economic development  
123 districts, private industry, chambers of commerce, small business  
124 development organizations and economic development organizations;

125 (9) Facilitate partnerships between innovative start-up businesses,  
126 research institutions and venture capitalists or financial institutions;

127 (10) Increase the quantity and availability of capital for start-up  
128 businesses and entrepreneurs including, but not limited to, angel  
129 investors and venture capitalists;

130 (11) Promote technology-based development in the state;

131 (12) Encourage and promote the establishment of and, within  
132 available resources, provide financial aid to advanced technology  
133 centers;

134 (13) Maintain an inventory of data and information concerning state  
135 and federal programs that are related to the purposes of this section  
136 and serve as a clearinghouse and referral service for such data and  
137 information;

138 (14) Promote and encourage and, within available resources,  
139 provide financial aid for the establishment, maintenance and operation  
140 of incubator facilities;

141 (15) Promote and encourage the coordination of public and private

142 resources and activities within the state in order to assist technology-  
143 based business entrepreneurs and business enterprises;

144 (16) Promote science, engineering, mathematics and other  
145 disciplines that are essential to the development and application of  
146 technology;

147 (17) Coordinate its efforts with existing business outreach centers, as  
148 described in section 32-9qq of the general statutes;

149 (18) Provide financial aid to persons developing smart buildings, as  
150 defined in section 32-23d of the general statutes, incubator facilities or  
151 other information technology intensive office and laboratory space;

152 (19) Coordinate the development and implementation of strategies  
153 regarding technology-based talent and innovation among state and  
154 quasi-public agencies, including the creation and administration of the  
155 Connecticut Small Business Innovation Research Office to act as a  
156 centralized clearinghouse and provide technical assistance to  
157 applicants in developing small business innovation research programs  
158 in conformity with the federal program established pursuant to the  
159 Small Business Research and Development Enhancement Act of 1992,  
160 P.L. 102-564, as amended from time to time, and other proposals;

161 (20) Encourage the retention of younger generation start-up  
162 entrepreneurs in the state;

163 (21) Promote entrepreneurship among students at institutions of  
164 higher education;

165 (22) Make planning grants to entities seeking to apply for  
166 innovation district status pursuant to section 7 of this act, provided  
167 each such entity demonstrates that its proposed innovation district  
168 meets the purposes set forth in section 6 of this act; and

169 (23) Do all acts and things necessary or convenient to carry out the  
170 purposes of this section and the powers expressly granted by this

171 section.

172 (b) The board shall:

173 (1) Develop a plan to facilitate stronger relationships between  
174 Connecticut businesses and institutions of higher education in order to  
175 support entrepreneurial research and entrepreneurial talent  
176 development;

177 (2) Establish an investment fund that supports student-owned start-  
178 up businesses;

179 (3) Establish a state-wide technology transfer office to (A) support  
180 the commercialization of ideas from students and faculty of  
181 institutions of higher education; (B) identify the most efficient and  
182 effective location for such office; (C) recommend the annual funding  
183 level for such office; (D) promote and support entrepreneurship and  
184 innovation among public institutions of higher education, private  
185 institutions of higher education and Connecticut businesses; and (E)  
186 provide advice and assistance to public and private research  
187 institutions on strategies for technology transfer, including, but not  
188 limited to, (i) assessing the viability and value of developing  
189 technologies; (ii) defining and exploiting potential markets for such  
190 technologies; (iii) commercialization strategies; (iv) intellectual  
191 property issues, including, but not limited to, licensing strategies; and  
192 (v) business development;

193 (4) Create an informational Internet web site known as ImpaCT that  
194 (A) lists services, programs or events offered to entrepreneurs; (B)  
195 advertises Connecticut based start-up businesses seeking funding,  
196 including links to the Internet web sites where such funding  
197 opportunities are available; (C) serves as an online community for  
198 entrepreneurs; (D) lists current research projects related to  
199 entrepreneurship and innovation being conducted by professors at  
200 institutions of higher education; (E) provides information concerning  
201 innovation and entrepreneurial programming available at institutions

202 of higher education, including, but not limited to, engineering,  
203 computer science and bioscience; and (F) connects businesses seeking  
204 to buy Connecticut made products for their business inputs;

205 (5) Publicize such informational Internet web site and any  
206 workshops, seminars and conferences facilitated by such office;

207 (6) Advise the Governor, the General Assembly, the Commissioner  
208 of Economic and Community Development, the president of The  
209 University of Connecticut and the president of the Board of Regents  
210 for Higher Education on matters relating to science, engineering and  
211 technology that may have an impact on state policies, programs,  
212 employers and residents, and on job creation and retention;

213 (7) Make recommendations for the designation of innovation  
214 districts pursuant to sections 5 to 8, inclusive, of this act;

215 (8) Annually develop, update and implement a strategic state-wide  
216 innovation and entrepreneurship marketing plan for the promotion of  
217 Connecticut as an innovation and entrepreneurship hub. The executive  
218 director shall report, in accordance with the provisions of section 11-4a  
219 of the general statutes, to the joint standing committees of the General  
220 Assembly having cognizance of matters relating to commerce and  
221 finance, revenue and bonding, on or before January 1, 2017, and  
222 annually thereafter, concerning the content of such plan;

223 (9) Develop a gap year program model for institutions of higher  
224 education under which students work for a cybersecurity, data science,  
225 software development, or other technology based start-up business for  
226 one year prior to graduation and are provided with matching funds  
227 from such start-up business to support their cost of living during the  
228 year; and

229 (10) Develop a student loan deferral or forgiveness program for  
230 students who start businesses in the state immediately after  
231 graduation.



232       Sec. 3. (NEW) (*Effective from passage*) The members of the ImpaCT  
233 board of directors shall adopt written procedures, in accordance with  
234 the provisions of section 1-121 of the general statutes, for: (1) Adopting  
235 an annual budget and plan of operations, including a requirement of  
236 board approval before the budget or plan may take effect; (2) hiring,  
237 dismissing, promoting and compensating employees of ImpaCT,  
238 provided such procedures may be in accordance with those of  
239 Connecticut Innovations, Incorporated and shall include an affirmative  
240 action policy and a requirement of board approval before a position  
241 may be created or a vacancy filled; (3) acquiring personal property and  
242 personal services, including a requirement of board approval for any  
243 nonbudgeted expenditure in excess of an amount to be determined by  
244 the board; (4) contracting for financial, legal and other professional  
245 services, including a requirement that ImpaCT solicit proposals at least  
246 once every three years for each such service which it uses; (5)  
247 awarding grants and other financial assistance, including eligibility  
248 criteria, the application process and the role played by ImpaCT's staff  
249 and board of directors; and (6) the use of surplus funds to the extent  
250 authorized under this section or section 2 of this act or other provisions  
251 of the general statutes.

252       Sec. 4. (NEW) (*Effective from passage*) (a) For the purposes of this  
253 section, "administrator" means Connecticut Innovations, Incorporated  
254 in its capacity as administrator of the ImpaCT Fund established  
255 pursuant to this section.

256       (b) There is established an ImpaCT Fund, to be held, administered,  
257 invested and disbursed by the administrator. The fund shall contain  
258 any moneys required or permitted by law to be deposited in the fund  
259 and any moneys received from any public or private contributions,  
260 gifts, grants, donations, bequests or devises to the fund. Any balance  
261 remaining in the fund shall be carried forward in the fund for the fiscal  
262 year next succeeding.

263       (c) Any return on investment attributable to the investment of the  
264 fund by the administrator shall be deposited and held for the use and

265 benefit of the fund. Moneys in or received for the fund may be  
266 deposited with and invested by any institution as may be designated  
267 by the administrator at its sole discretion and paid as the administrator  
268 shall direct. The administrator may make payments from deposit  
269 accounts for use in accordance with the provisions of this section.

270 (d) The ImpaCT Fund shall not be deemed an account within the  
271 General Fund and shall be used exclusively for the purposes provided  
272 in this section.

273 (e) The ImpaCT Fund shall be used (1) to provide grants to  
274 innovation entities, as defined in section 5 of this act, (2) to provide  
275 planning grants to entities pursuant to section 2 of this act, (3) to  
276 provide grants to innovation places pursuant to section 8 of this act, (4)  
277 to provide grants to business accelerators pursuant to section 21 of this  
278 act, (5) for the purposes enumerated in sections 1 and 2 of this act, and  
279 (6) for technology transfer purposes.

280 (f) All expenditures from the ImpaCT Fund shall be approved by  
281 the ImpaCT board of directors. Any such approval shall be specific to  
282 an individual expenditure to be made or for budgeted expenditures  
283 with such variations as the ImpaCT board of directors may authorize  
284 at the time of such budget approval.

285 (g) Connecticut Innovations, Incorporated shall provide any  
286 necessary staff, office space, office systems and administrative support  
287 for the administration of the ImpaCT Fund in accordance with this  
288 section. In acting as administrator of the fund, the administrator shall  
289 have and may exercise all of the powers of Connecticut Innovations,  
290 Incorporated set forth in section 32-39 of the general statutes, as  
291 amended by this act, provided expenditures from the fund shall be  
292 approved by the ImpaCT board of directors pursuant to subsection (f)  
293 of this section.

294 (h) Beginning January 1, 2017, the administrator shall prepare for  
295 each fiscal year a plan of operations and an operating and capital

296 budget for the ImpaCT Fund. Not later than ninety days prior to the  
297 start of the fiscal year, the administrator shall submit the plan and  
298 budget to the ImpaCT board of directors for its review and approval.

299 (i) Not later than April 15, 2017, and annually thereafter, the  
300 administrator shall provide a report of the activities of the ImpaCT  
301 Fund to the ImpaCT board of directors for its review and approval.  
302 Upon its approval of such report, the ImpaCT board of directors shall  
303 provide such report, in accordance with the provisions of section 11-4a  
304 of the general statutes, to the joint standing committees of the General  
305 Assembly having cognizance of matters relating to commerce and  
306 finance, revenue and bonding. Such report shall contain available  
307 information on the status and progress of the operations and funding  
308 of the ImpaCT Fund and the types, amounts and recipients of grants  
309 awarded.

310 Sec. 5. (NEW) (*Effective from passage*) For the purposes of this section  
311 and sections 6 to 8, inclusive, of this act, the following terms shall have  
312 the following meanings unless the context otherwise requires:

313 (1) "Anchor institution" means an entity having a significant and  
314 stable presence in the community, including, but not limited to, an  
315 institution of higher education, hospital, major corporation, research  
316 institution or existing business incubator or business accelerator;

317 (2) "ImpaCT board" or "board" means the ImpaCT board of directors  
318 established pursuant to section 1 of this act;

319 (3) "Designated innovation district" means an area designated as an  
320 innovation district pursuant to section 6 of this act;

321 (4) "District plan" means the plan submitted to the ImpaCT board  
322 pursuant to subsection (a) of section 7 of this act;

323 (5) "Entity" means a corporation, association, partnership, limited  
324 liability company, benefit corporation, nonprofit organization,  
325 municipality, institution of higher education or any other similar

326 entity;

327 (6) "Executive director" means the executive director of ImpaCT;

328 (7) "Innovation entity" means an entity that has submitted an  
329 application for innovation district status for a proposed innovation  
330 district that is designated as an innovation district by the executive  
331 director pursuant to subsection (a) of section 6 of this act;

332 (8) "Municipality" means any town, city, consolidated town and city  
333 or consolidated town and borough;

334 (9) "New Haven Line" means the rail passenger service operated  
335 between New Haven and intermediate points and Grand Central  
336 Station, including the Danbury, Waterbury and New Canaan branch  
337 lines;

338 (10) "Public transit" means the New Haven line, Shore Line East, the  
339 New Haven Hartford Springfield rail line and the New Britain to  
340 Hartford busway and any planned expansion of such busway; and

341 (11) "Shore Line East" means the rail service operating between New  
342 Haven and New London.

343 Sec. 6. (NEW) (*Effective from passage*) (a) There is established an  
344 innovation district program within ImpaCT. The purpose of such  
345 program is to (1) foster innovation and entrepreneurship by facilitating  
346 the designation and establishment of innovation districts in compact  
347 geographic areas having entrepreneurial and innovation potential  
348 where (A) existing anchor institutions, institutions, companies and  
349 recreational spaces are in close proximity to start-up businesses, (B)  
350 public transit is accessible, (C) a significant portion of the underlying  
351 zoning allows for mixed-use development, including, but not limited  
352 to, housing, office and retail, and (D) foot traffic is facilitated; (2)  
353 identify, designate and fund the initial costs associated with  
354 development of an innovation district; (3) encourage collaboration  
355 among institutions of higher education, medical institutions, hospitals,

356 existing companies, start-up businesses, researchers and investors; (4)  
357 encourage the leveraging of private investment in designated  
358 innovation districts; (5) connect entrepreneurs who are facing similar  
359 opportunities and challenges with other entrepreneurs and with  
360 private and public resources; and (6) facilitate the establishment of  
361 innovation places in municipalities having a connection to an  
362 innovation district by transit, labor market patterns or some other  
363 relationship, provided such innovation places have entrepreneurial  
364 and innovation potential and are located in a compact geographic area  
365 of high density land use within a walkable commercial and residential  
366 center.

367 (b) The executive director shall designate as an innovation district  
368 any proposed innovation district recommended for innovation district  
369 status by the ImpaCT board pursuant to the provisions of section 8 of  
370 this act, unless the executive director determines that good cause  
371 exists, supported by substantial evidence, to reject such  
372 recommendation on the grounds that the proposed innovation district  
373 fails to comply with the purposes set forth in subsection (a) of this  
374 section. The executive director shall award grants to innovation  
375 entities in an amount equal to the amount recommended by the  
376 ImpaCT board. Prior to awarding any such grant, the executive  
377 director shall (1) enter into an agreement with any such innovation  
378 entity concerning (A) allowable grant expenses, provided such  
379 expenses shall be limited to those recommended by the ImpaCT board,  
380 and (B) submission of an annual financial audit of grant expenditures  
381 to the executive director until all grant moneys have been expended by  
382 the innovation entity, provided any such audit shall be prepared by an  
383 independent auditor, and (2) confirm that a significant portion of the  
384 underlying zoning of the proposed district allows for mixed-use  
385 development, including, but not limited to, housing, office and retail. If  
386 the executive director finds that any such grant is being used for  
387 purposes that are not in conformity with the expenses allowed  
388 pursuant to subdivision (1) of this subsection, the executive director  
389 may require repayment of such grant.

390 (c) The executive director shall report, in accordance with the  
391 provisions of section 11-4a of the general statutes, to the joint standing  
392 committees of the General Assembly having cognizance of matters  
393 relating to commerce and finance, revenue and bonding on or before  
394 July 1, 2017, and on or before July first annually thereafter until July 1,  
395 2020, regarding the grants distributed pursuant to this section and  
396 concerning the operation and effectiveness of the innovation district  
397 program.

398 Sec. 7. (NEW) (*Effective from passage*) (a) Any entity may submit an  
399 application for innovation district status to the ImpaCT board. Such  
400 application shall be submitted on or before September 1, 2016, on a  
401 form prescribed by the board and shall contain sufficient information  
402 to establish that the proposed innovation district is suitable for the  
403 purposes set forth in section 6 of this act.

404 (1) Such application shall include: (A) Information concerning the  
405 proposed geographical boundaries of the proposed innovation district,  
406 including, but not limited to, a map indicating the boundaries of the  
407 proposed innovation district; (B) information concerning at least two  
408 anchor institutions located within the geographical boundaries of the  
409 proposed innovation district and how such anchor institutions have  
410 agreed to participate in the development of and activities within the  
411 proposed innovation district; (C) a summary of existing and proposed  
412 transportation-related infrastructure within and around the proposed  
413 innovation district; (D) a summary of existing and proposed  
414 businesses, recreational facilities, public parks and any other public or  
415 private gathering spaces located within the proposed innovation  
416 district; (E) information concerning the walkability of the proposed  
417 innovation district; (F) a district plan for the development of the  
418 proposed innovation district, including a plan for connecting the  
419 proposed district to public transit via rail or bus, a plan for leveraging  
420 private investment and a proposed budget and timeline for use of any  
421 moneys granted by the executive director. Such budget shall indicate  
422 priority for the expenditure of grant funds in the event that moneys

423 granted are insufficient to cover the costs of the entire proposed  
424 budget; (G) a list of municipal and state legislative action that may be  
425 required for the execution of such district plan; (H) a letter of support  
426 from the chief elected official of the municipality where the innovation  
427 district is proposed that shall include a statement that the legislative  
428 body of such municipality has, by majority vote, indicated its support  
429 for the proposed innovation district and for any municipal legislative  
430 action recommended in the district plan, provided a chief elected  
431 official may only submit a letter of support for one proposed  
432 innovation district located within the municipality; (I) letters of  
433 support from private investors; (J) information concerning consistency  
434 with the state plan of conservation and development adopted  
435 pursuant to chapter 297 of the general statutes; and (K) information  
436 concerning the capability of the applicant and other entities partnering  
437 with the applicant to implement and administer the district plan and  
438 how such partners will be involved in the decision-making process for  
439 the proposed innovation district.

440 (2) A district plan may include, but shall not be limited to, (A) plans  
441 for: (i) Attracting and directing support to start-up businesses; (ii)  
442 development, in collaboration with private partners, of a business  
443 incubator, coworking space, business accelerator or public meeting  
444 space; (iii) events and community building; (iv) marketing and  
445 outreach; (v) open space improvement; (vi) housing development; (vii)  
446 improvement of technology infrastructure, including, but not limited  
447 to, broadband improvement; (viii) bicycle paths; and (ix) attracting  
448 anchor institutions, and (B) community letters of support from persons  
449 or entities other than the applicant.

450 (b) The ImpaCT board shall screen all applications submitted to it  
451 pursuant to subsection (a) of this section and shall select therefrom a  
452 limited number of finalist applicants. The ImpaCT board shall hold at  
453 least one public hearing on each application submitted by a finalist  
454 applicant. Such hearing shall be held in the municipality where the  
455 proposed innovation district is to be located and shall consist of a

456 presentation by the applicant finalist on its proposal and a public  
457 comment period. The ImpaCT board shall conduct a site walk of any  
458 proposed innovation district submitted by an applicant finalist. The  
459 chairperson of the ImpaCT board shall give appropriate notice of such  
460 hearing. The notice shall (1) state the time and place of the hearing to  
461 be held not fewer than ten days after the date of such notice, and (2) be  
462 posted in a conspicuous place in or near the office of the town clerk for  
463 the municipality where the proposed innovation district is to be  
464 located and posted on the Internet web site of such municipality.  
465 Applicants may submit revised applications to the ImpaCT board  
466 based on public comments received at such hearing.

467       Sec. 8. (NEW) (*Effective from passage*) Through the innovation district  
468 program established pursuant to section 6 of this act, the ImpaCT  
469 board shall:

470       (1) Review and evaluate applications for innovation district status  
471 submitted by entities pursuant to section 7 of this act;

472       (2) (A) Make recommendations to the executive director on or  
473 before January 1, 2017, for the approval of such applications. If no such  
474 application meets the purposes set forth in subsection (a) of section 6 of  
475 this act or the criteria set forth in this subdivision, the board shall not  
476 recommend the approval of any application for innovation district  
477 status to the executive director. Recommendations for the approval of  
478 applications for innovation district status may include modifications to  
479 an application, agreed to by the applicant, as a condition for approval  
480 thereof. Such recommendations shall include recommendations for the  
481 amount of grant moneys to be awarded to each recommended  
482 applicant and recommendations for allowable grant expenses,  
483 including, but not limited to, expenditures set forth in such applicant's  
484 application, expenditures associated with any modifications  
485 recommended thereto by the ImpaCT board, operating expenses and  
486 the cost of the audit prescribed by subdivision (2) of subsection (b) of  
487 section 6 of this act.



488 (B) No application may be recommended for innovation district  
489 status by the ImpaCT board unless such application (i) such  
490 application is consistent with the purposes set forth in section 6 of this  
491 act, (ii) is for a proposed innovation district where a significant portion  
492 of such proposed district is located in an existing or proposed mixed-  
493 use zoning district, (iii) the application was prepared in collaboration  
494 with the local chamber of commerce and the municipal economic  
495 development department, or similar municipal authority, of the  
496 municipality in which the proposed district is located, and (iv) is  
497 approved by majority vote of the legislative body of the municipality  
498 in which the proposed district is to be located.

499 (C) In determining whether to recommend an application for  
500 approval, the ImpaCT board shall consider, but such consideration  
501 shall not be limited to: (i) Whether the entities partnering together to  
502 implement and administer the proposed district plan are of the quality  
503 to, and have demonstrated the commitment to, implement and  
504 administer the district plan in a manner sufficient to achieve the  
505 purposes set forth in section 6 of this act. Preference shall be given to  
506 applicants having (I) diverse partners, including, but not limited to,  
507 anchor institutions, and (II) partnerships with entities located within  
508 the proposed innovation district; (ii) whether the geography of the  
509 proposed innovation district is sufficiently compact to achieve the  
510 purposes set forth in section 6 of this act, provided no proposed  
511 innovation district having a proposed geographic area consisting of  
512 more than one half square mile shall be recommended by the ImpaCT  
513 board unless the applicant demonstrates that good cause exists for  
514 expanding such district beyond one half square mile; (iii) whether the  
515 district plan is sufficient to achieve the purposes set forth in section 6  
516 of this act and whether such plan includes (I) sufficient measures to  
517 ensure walkability within the proposed district; (II) sufficient measures  
518 to enhance regular interpersonal interactions among residents,  
519 workers and visitors of the district; (III) adequate and accessible public  
520 transportation; and (IV) existing or proposed restaurants, affordable  
521 housing options, retail spaces and public spaces, indoor or outdoor,

522 that provide adequate opportunity for interpersonal interaction; (iv)  
523 the extent to which the district plan leverages private investment; (v)  
524 self-sustainability of the district after moneys granted by the executive  
525 director are fully expended; (vi) whether the underlying zoning of the  
526 proposed district provides for, or will be amended to provide for,  
527 reduced minimum floor area for residential dwelling units; and (vii)  
528 any other criteria the ImpaCT board determines is relevant for  
529 evaluating whether the proposed district, if granted innovation district  
530 status, will achieve the purposes set forth in section 6 of this act;

531 (3) Publicize and post on its Internet web site the deadline for  
532 applications for innovation district status pursuant to section 7 of this  
533 act; and

534 (4) Develop a program to provide grants to innovation places,  
535 including, but not limited to, a process to apply for such grants, the  
536 criteria for grant approval and a process for approving such grants,  
537 provided such grants shall only be provided to innovation places that  
538 meet the purposes set forth in section 6 of this act.

539 Sec. 9. (*Effective from passage*) On or before June 1, 2016, the  
540 Commissioner of Economic and Community Development shall  
541 publicize and post on its Internet web site the deadline for applications  
542 for innovation district status pursuant to section 7 of this act and the  
543 language of sections 5 to 8, inclusive, of this act.

544 Sec. 10. Section 32-235 of the 2016 supplement to the general statutes  
545 is repealed and the following is substituted in lieu thereof (*Effective*  
546 *from passage*):

547 (a) For the purposes described in subsection (b) of this section, the  
548 State Bond Commission shall have the power, from time to time, to  
549 authorize the issuance of bonds of the state in one or more series and  
550 in principal amounts not exceeding in the aggregate one billion four  
551 hundred fifteen million three hundred thousand dollars, provided (1)  
552 one hundred forty million dollars of said authorization shall be

553 effective July 1, 2011, and twenty million dollars of said authorization  
554 shall be made available for small business development; (2) two  
555 hundred eighty million dollars of said authorization shall be effective  
556 July 1, 2012, and forty million dollars of said authorization shall be  
557 made available for the Small Business Express program established  
558 pursuant to section 32-7g, as amended by this act, and not more than  
559 twenty million dollars of said authorization may be made available for  
560 businesses that commit to relocating one hundred or more jobs that are  
561 outside of the United States to the state; and (3) one hundred million  
562 dollars of said authorization shall be effective July 1, 2016. Any amount  
563 of said authorizations that are made available for small business  
564 development or businesses that commit to relocating one hundred or  
565 more jobs that are outside of the United States to the state, but are not  
566 exhausted for such purpose by the first day of the fiscal year  
567 subsequent to the fiscal year in which such amount was made  
568 available, shall be used for the purposes described in subsection (b) of  
569 this section. For purposes of this subsection, a "small business" is one  
570 employing not more than one hundred employees.

571 (b) The proceeds of the sale of said bonds, to the extent of the  
572 amount stated in subsection (a) of this section, shall be used by the  
573 Department of Economic and Community Development (1) for the  
574 purposes of sections 32-220 to 32-234, inclusive, including economic  
575 cluster-related programs and activities, and for the Connecticut job  
576 training finance demonstration program pursuant to sections 32-23uu  
577 and 32-23vv, provided (A) three million dollars shall be used by said  
578 department solely for the purposes of section 32-23uu and not more  
579 than five million two hundred fifty thousand dollars of the amount  
580 stated in said subsection (a) may be used by said department for the  
581 purposes of section 31-3u, (B) not less than one million dollars shall be  
582 used for an educational technology grant to the deployment center  
583 program and the nonprofit business consortium deployment center  
584 approved pursuant to section 32-41l, (C) not less than two million  
585 dollars shall be used by said department for the establishment of a  
586 pilot program to make grants to businesses in designated areas of the

587 state for construction, renovation or improvement of small  
588 manufacturing facilities, provided such grants are matched by the  
589 business, a municipality or another financing entity. The  
590 Commissioner of Economic and Community Development shall  
591 designate areas of the state where manufacturing is a substantial part  
592 of the local economy and shall make grants under such pilot program  
593 which are likely to produce a significant economic development  
594 benefit for the designated area, (D) five million dollars may be used by  
595 said department for the manufacturing competitiveness grants  
596 program, (E) one million dollars shall be used by said department for  
597 the purpose of a grant to the Connecticut Center for Advanced  
598 Technology, for the purposes of subdivision (5) of subsection (a) of  
599 section 32-7f, (F) fifty million dollars shall be used by said department  
600 for the purpose of grants to the United States Department of the Navy,  
601 the United States Department of Defense or eligible applicants for  
602 projects related to the enhancement of infrastructure for long-term, on-  
603 going naval operations at the United States Naval Submarine Base-  
604 New London, located in Groton, which will increase the military value  
605 of said base. Such projects shall not be subject to the provisions of  
606 sections 4a-60 and 4a-60a, (G) two million dollars shall be used by said  
607 department for the purpose of a grant to the Connecticut Center for  
608 Advanced Technology, Inc., for manufacturing initiatives, including  
609 aerospace and defense, and (H) four million dollars shall be used by  
610 said department for the purpose of a grant to companies adversely  
611 impacted by the construction at the Quinnipiac Bridge, where such  
612 grant may be used to offset the increase in costs of commercial  
613 overland transportation of goods or materials brought to the port of  
614 New Haven by ship or vessel, (2) for the purposes of the small  
615 business assistance program established pursuant to section 32-9yy,  
616 provided fifteen million dollars shall be deposited in the small  
617 business assistance account established pursuant to said section 32-  
618 9yy, [and] (3) to deposit twenty million dollars in the small business  
619 express assistance account established pursuant to section 32-7h, (4) to  
620 deposit twenty-five million dollars in the ImpaCT Fund established  
621 pursuant to section 4 of this act, which shall be used by ImpaCT to

622 provide grants to designated innovation districts, as defined in section  
623 5 of this act, or planning grants pursuant to section 2 of this act, (5) to  
624 deposit five million dollars in the ImpaCT Fund established pursuant  
625 to section 4 of this act, which shall be used by ImpaCT to provide  
626 grants to innovation places pursuant to section 8 of this act, (6) sixty  
627 million dollars shall be used by Startup CT for the purposes of  
628 providing loans pursuant to section 20 of this act, (7) to deposit  
629 twenty-five million dollars in the ImpaCT Fund established pursuant  
630 to section 4 of this act, which shall be used by ImpaCT to provide  
631 grants to business accelerators pursuant to section 21 of this act, and  
632 (8) five million dollars shall be used by the State Department of  
633 Education to provide grants to technical high schools for the provision  
634 of evening training programs in the skilled trades, including, but not  
635 limited to, manufacturing, masonry, electrical, plumbing and  
636 carpentry trades, provided the purpose of any such program shall be  
637 to prepare participants for earning a credential or degree recognized  
638 by employers or trade associations, as applicable.

639 (c) All provisions of section 3-20, or the exercise of any right or  
640 power granted thereby which are not inconsistent with the provisions  
641 of this section are hereby adopted and shall apply to all bonds  
642 authorized by the State Bond Commission pursuant to this section, and  
643 temporary notes in anticipation of the money to be derived from the  
644 sale of any such bonds so authorized may be issued in accordance with  
645 said section 3-20 and from time to time renewed. Such bonds shall  
646 mature at such time or times not exceeding twenty years from their  
647 respective dates as may be provided in or pursuant to the resolution or  
648 resolutions of the State Bond Commission authorizing such bonds.  
649 None of said bonds shall be authorized except upon a finding by the  
650 State Bond Commission that there has been filed with it a request for  
651 such authorization, which is signed by or on behalf of the Secretary of  
652 the Office of Policy and Management and states such terms and  
653 conditions as said commission, in its discretion, may require. Said  
654 bonds issued pursuant to this section shall be general obligations of the  
655 state and the full faith and credit of the state of Connecticut are

656 pledged for the payment of the principal of and interest on said bonds  
657 as the same become due, and accordingly and as part of the contract of  
658 the state with the holders of said bonds, appropriation of all amounts  
659 necessary for punctual payment of such principal and interest is  
660 hereby made, and the Treasurer shall pay such principal and interest  
661 as the same become due.

662 Sec. 11. Section 32-39 of the general statutes is repealed and the  
663 following is substituted in lieu thereof (*Effective October 1, 2016*):

664 The purposes of the corporation shall be to stimulate and encourage  
665 the research and development of new technologies, businesses and  
666 products, to encourage the creation and transfer of new technologies,  
667 to assist existing businesses in adopting current and innovative  
668 technological processes, to stimulate and provide services to industry  
669 that will advance the adoption and utilization of technology, to  
670 achieve improvements in the quality of products and services, to  
671 stimulate and encourage the development and operation of new and  
672 existing science parks and incubator facilities, and to promote science,  
673 engineering, mathematics and other disciplines that are essential to the  
674 development and application of technology within Connecticut by the  
675 infusion of financial aid for research, invention and innovation in  
676 situations in which such financial aid would not otherwise be  
677 reasonably available from commercial or other sources, and for these  
678 purposes the corporation shall have the following powers:

679 (1) To have perpetual succession as a body corporate and to adopt  
680 bylaws, policies and procedures for the regulation of its affairs and  
681 conduct of its businesses as provided in section 32-36;

682 (2) To enter into venture agreements with persons, upon such terms  
683 and on such conditions as are consistent with the purposes of this  
684 chapter, for the advancement of financial aid to such persons for the  
685 research, development and application of specific technologies,  
686 products, procedures, services and techniques, to be developed and  
687 produced in this state, and to condition such agreements upon

688 contractual assurances that the benefits of increasing or maintaining  
689 employment and tax revenues shall remain in this state and shall  
690 accrue to it;

691 (3) To solicit, receive and accept aid, grants or contributions from  
692 any source of money, property or labor or other things of value, to be  
693 held, used and applied to carry out the purposes of this chapter,  
694 subject to the conditions upon which such grants and contributions  
695 may be made, including but not limited to, gifts or grants from any  
696 department or agency of the United States or the state;

697 (4) To invest in, acquire, lease, purchase, own, manage, hold and  
698 dispose of real property and lease, convey or deal in or enter into  
699 agreements with respect to such property on any terms necessary or  
700 incidental to the carrying out of these purposes; provided, however,  
701 [that] (A) all such acquisitions of real property for the corporation's  
702 own use with amounts appropriated by the state to the corporation or  
703 with the proceeds of bonds supported by the full faith and credit of the  
704 state shall be subject to the approval of the Secretary of the Office of  
705 Policy and Management and the provisions of section 4b-23, and (B)  
706 the corporation shall relocate its main office to a designated innovation  
707 district, as defined in section 9 of this act, on or before January 1, 2018,  
708 and shall establish a satellite office in each other designated innovation  
709 district;

710 (5) To borrow money or to guarantee a return to the investors in or  
711 lenders to any capital initiative, to the extent permitted under this  
712 chapter;

713 (6) To hold patents, copyrights, trademarks, marketing rights,  
714 licenses, or any other evidences of protection or exclusivity as to any  
715 products as defined herein, issued under the laws of the United States  
716 or any state or any nation;

717 (7) To employ such assistants, agents and other employees as may  
718 be necessary or desirable, which employees shall be exempt from the

719 classified service and shall not be employees, as defined in subsection  
720 (b) of section 5-270; establish all necessary or appropriate personnel  
721 practices and policies, including those relating to hiring, promotion,  
722 compensation, retirement and collective bargaining, which need not be  
723 in accordance with chapter 68, and the corporation shall not be an  
724 employer, as defined in subsection (a) of section 5-270; and engage  
725 consultants, attorneys and appraisers as may be necessary or desirable  
726 to carry out its purposes in accordance with this chapter;

727 (8) To make and enter into all contracts and agreements necessary or  
728 incidental to the performance of its duties and the execution of its  
729 powers under this chapter;

730 (9) To sue and be sued, plead and be impleaded, adopt a seal and  
731 alter the same at pleasure;

732 (10) With the approval of the State Treasurer, to invest any funds  
733 not needed for immediate use or disbursement, including any funds  
734 held in reserve, in obligations issued or guaranteed by the United  
735 States of America or the state of Connecticut and in other obligations  
736 which are legal investments for retirement funds in this state;

737 (11) To procure insurance against any loss in connection with its  
738 property and other assets in such amounts and from such insurers as it  
739 deems desirable;

740 (12) To the extent permitted under its contract with other persons, to  
741 consent to any termination, modification, forgiveness or other change  
742 of any term of any contractual right, payment, royalty, contract or  
743 agreement of any kind to which the corporation is a party;

744 (13) To do anything necessary and convenient to render the bonds  
745 to be issued under section 32-41 more marketable;

746 (14) To acquire, lease, purchase, own, manage, hold and dispose of  
747 personal property, and lease, convey or deal in or enter into  
748 agreements with respect to such property on any terms necessary or



749 incidental to the carrying out of these purposes;

750 (15) In connection with any application for assistance under this  
751 chapter, or commitments therefor, to make and collect such fees as the  
752 corporation shall determine to be reasonable;

753 (16) To enter into venture agreements with persons, upon such  
754 terms and conditions as are consistent with the purposes of this  
755 chapter to provide financial aid to such persons for the marketing of  
756 new and innovative services based on the use of a specific technology,  
757 product, device, technique, service or process;

758 (17) To enter into limited partnerships or other contractual  
759 arrangements with private and public sector entities as the corporation  
760 deems necessary to provide financial aid which shall be used to make  
761 investments of seed venture capital in companies based in or  
762 relocating to the state in a manner which shall foster additional capital  
763 investment, the establishment of new businesses, the creation of new  
764 jobs and additional commercially-oriented research and development  
765 activity. The repayment of such financial aid shall be structured in  
766 such manner as the corporation deems will best encourage private  
767 sector participation in such limited partnerships or other  
768 arrangements. The board of directors, chief executive officer, officers  
769 and staff of the corporation may serve as members of any advisory or  
770 other board which may be established to carry out the purposes of this  
771 subdivision;

772 (18) To account for and audit funds of the corporation and funds of  
773 any recipients of financial aid from the corporation;

774 [(19) To advise the Governor, the General Assembly, the  
775 Commissioner of Economic and Community Development and the  
776 president of the Board of Regents for Higher Education on matters  
777 relating to science, engineering and technology which may have an  
778 impact on state policies, programs, employers and residents, and on  
779 job creation and retention;

780 (20) To promote technology-based development in the state;

781 (21) To encourage and promote the establishment of and, within  
782 available resources, to provide financial aid to advanced technology  
783 centers;

784 (22) To maintain an inventory of data and information concerning  
785 state and federal programs which are related to the purposes of this  
786 chapter and to serve as a clearinghouse and referral service for such  
787 data and information;]

788 ~~[(23)]~~ (19) To conduct and encourage research and studies relating  
789 to technological development;

790 ~~[(24)]~~ (20) To provide technical or other assistance and, within  
791 available resources, to provide financial aid to the Connecticut  
792 Academy of Science and Engineering, Incorporated, in order to further  
793 the purposes of this chapter;

794 ~~[(25)]~~ (21) To recommend a science and technology agenda for the  
795 state that will promote the formation of public and private  
796 partnerships for the purpose of stimulating research, new business  
797 formation and growth and job creation;

798 ~~[(26)]~~ (22) To encourage and provide technical assistance and,  
799 within available resources, to provide financial aid to existing  
800 manufacturers and other businesses in the process of adopting  
801 innovative technology and new state-of-the-art processes and  
802 techniques;

803 ~~[(27)]~~ (23) To recommend state goals for technological development  
804 and to establish policies and strategies for developing and assisting  
805 technology-based companies and for attracting such companies to the  
806 state;

807 ~~[(28)]~~ To promote and encourage and, within available resources, to  
808 provide financial aid for the establishment, maintenance and operation

809 of incubator facilities;

810 (29) To promote and encourage the coordination of public and  
811 private resources and activities within the state in order to assist  
812 technology-based entrepreneurs and business enterprises;]

813 [(30)] (24) To provide services to industry that will stimulate and  
814 advance the adoption and utilization of technology and achieve  
815 improvements in the quality of products and services;

816 [(31) To promote science, engineering, mathematics and other  
817 disciplines that are essential to the development and application of  
818 technology;

819 (32) To coordinate its efforts with existing business outreach centers,  
820 as described in section 32-9qq;]

821 [(33)] (25) To do all acts and things necessary and convenient to  
822 carry out the purposes of this chapter;

823 [(34)] (26) To accept from the department: (A) Financial assistance,  
824 (B) revenues or the right to receive revenues with respect to any  
825 program under the supervision of the department, and (C) loan assets  
826 or equity interests in connection with any program under the  
827 supervision of the department; to make advances to and reimburse the  
828 department for any expenses incurred or to be incurred by it in the  
829 delivery of such assistance, revenues, rights, assets, or interests; to  
830 enter into agreements for the delivery of services by the corporation, in  
831 consultation with the department and the Connecticut Housing  
832 Finance Authority, to third parties, which agreements may include  
833 provisions for payment by the department to the corporation for the  
834 delivery of such services; and to enter into agreements with the  
835 department or with the Connecticut Housing Finance Authority for the  
836 sharing of assistants, agents and other consultants, professionals and  
837 employees, and facilities and other real and personal property used in  
838 the conduct of the corporation's affairs;

839 [(35)] (27) To transfer to the department: (A) Financial assistance, (B)  
840 revenues or the right to receive revenues with respect to any program  
841 under the supervision of the corporation, and (C) loan assets or equity  
842 interests in connection with any program under the supervision of the  
843 corporation, provided the transfer of such financial assistance,  
844 revenues, rights, assets or interests is determined by the corporation to  
845 be practicable, within the constraints and not inconsistent with the  
846 fiduciary obligations of the corporation imposed upon or established  
847 upon the corporation by any provision of the general statutes, the  
848 corporation's bond resolutions or any other agreement or contract of  
849 the corporation and to have no adverse effect on the tax-exempt status  
850 of any bonds of the state;

851 [(36)] (28) With respect to any capital initiative, to create, with one  
852 or more persons, one or more affiliates and to provide, directly or  
853 indirectly, for the contribution of capital to any such affiliate, each such  
854 affiliate being expressly authorized to exercise on such affiliate's own  
855 behalf all powers which the corporation may exercise under this  
856 section, in addition to such other powers provided to it by law;

857 [(37)] (29) To provide financial aid to enable biotechnology,  
858 bioscience and other technology companies to lease, acquire, construct,  
859 maintain, repair, replace or otherwise obtain and maintain production,  
860 testing, research, development, manufacturing, laboratory and related  
861 and other facilities, improvements and equipment; and

862 [(38) To provide financial aid to persons developing smart  
863 buildings, as defined in section 32-23d, incubator facilities or other  
864 information technology intensive office and laboratory space;]

865 [(39)] (30) To provide financial aid to persons developing or  
866 constructing the basic buildings, facilities or installations needed for  
867 the functioning of the media and motion picture industry in this state,  
868 [;]

869 [(40) To coordinate the development and implementation of

870 strategies regarding technology-based talent and innovation among  
871 state and quasi-public agencies, including the creation and  
872 administration of the Connecticut Small Business Innovation Research  
873 Office to act as a centralized clearinghouse and provide technical  
874 assistance to applicants in developing small business innovation  
875 research programs in conformity with the federal program established  
876 pursuant to the Small Business Research and Development  
877 Enhancement Act of 1992, P.L. 102-564, as amended, and other  
878 proposals.]

879 Sec. 12. Subsection (h) of section 32-35 of the general statutes is  
880 repealed and the following is substituted in lieu thereof (*Effective*  
881 *October 1, 2016*):

882 (h) The corporation shall provide funding for the operation of the  
883 Connecticut Small Business Innovation Research Office in accordance  
884 with subdivision [(41) of section 32-39] (19) of section 2 of this act.

885 Sec. 13. (NEW) (*Effective from passage*) Notwithstanding any  
886 provision of the general statutes, any venture agreement, investment  
887 agreement or other similar agreement entered into by Connecticut  
888 Innovations, Incorporated on or after the effective date of this section  
889 shall involve one or more private partners.

890 Sec. 14. (*Effective from passage*) On or before December 1, 2016,  
891 Connecticut Innovations, Incorporated shall submit a performance  
892 audit of such corporation conducted by an independent accounting or  
893 management consulting firm which shall include, but not be limited to  
894 a recommendation as to: (1) Whether the staffing levels of such  
895 corporation are appropriate; (2) if any innovation district has been  
896 designated as an innovation district pursuant to section 6 of this act on  
897 or before December 1, 2016, a recommendation as to which of such  
898 districts the corporation should relocate to; (3) whether the corporation  
899 should shift to a fund model similar to that established pursuant to  
900 section 20 of this act; (4) recommended measures for the corporation to  
901 take in order to improve its ranking in two or more ranking systems

902 prepared by organizations that rank public venture capital entities by  
903 varying success measures; (5) an analysis of performance based on any  
904 other performance measures recommended by the ImpaCT board,  
905 established pursuant to section 1 of this act; and (6) an analysis of  
906 compensation policies at private investment firms and  
907 recommendations for compensation amounts for employees of  
908 Connecticut Innovations, Incorporated that will maximize  
909 performance by said employees in a manner that allows Connecticut  
910 Innovations, Incorporated to achieve its purposes.

911 Sec. 15. (NEW) (*Effective from passage*) (a) The Commissioner of  
912 Economic and Community Development shall establish a mentorship  
913 network to connect start-up entrepreneurs in technology based  
914 ventures, including, but not limited to, cybersecurity, data science,  
915 software development, and other technology based start-up business,  
916 with qualified mentors. The commissioner shall provide mentorship  
917 training to any Connecticut business seeking to participate in such  
918 mentorship network.

919 (b) The commissioner may forgive a portion of any state assistance  
920 received by a technology based business and owed to the state if such  
921 business participates in the mentorship network established pursuant  
922 to subsection (a) of this section. The commissioner shall develop a  
923 formula to calculate such state assistance forgiveness based on the  
924 hours of mentorship provided by any such business.

925 Sec. 16. Section 52 of public act 11-1 of the October special session is  
926 repealed and the following is substituted in lieu thereof (*Effective from*  
927 *passage*):

928 (a) For the purposes described in subsection (b) of this section, the  
929 State Bond Commission shall have the power, from time to time to  
930 authorize the issuance of bonds of the state in one or more series and  
931 in principal amounts not exceeding in the aggregate one hundred  
932 twenty-five million dollars, provided twenty-five million dollars of  
933 said authorization shall be effective July 1, 2012, twenty-five million

934 dollars of said authorization shall be effective July 1, 2013, twenty-five  
935 million dollars of said authorization shall be effective July 1, 2014, and  
936 twenty-five million dollars of said authorization shall be effective July  
937 1, 2015.

938 (b) The proceeds of the sale of said bonds, to the extent of the  
939 amount stated in subsection (a) of this section, shall be used (1) by  
940 Connecticut Innovations, Incorporated for the purpose of  
941 recapitalizing the programs established in chapter 581 of the general  
942 statutes, provided (A) up to fifteen million dollars shall be made  
943 available for the preseed financing program established pursuant to  
944 section 32-41x of the general statutes, (B) five million dollars is  
945 deposited per year in the ImpaCT Fund established pursuant to section  
946 4 of this act in each of the fiscal years ending June 30, 2017, to June 30,  
947 2021, inclusive, which shall be used for the purposes enumerated in  
948 subsection (a) of section 1 of this act, and (C) one million dollars is  
949 deposited per year in the ImpaCT Fund established pursuant to section  
950 4 of this act in each of the fiscal years ending June 30, 2017, to June 30,  
951 2021, inclusive, which shall be used by ImpaCT for technology transfer  
952 purposes, and (2) by The University of Connecticut for the purpose of  
953 hiring staff for its entrepreneurship program in an amount up to one  
954 million dollars in each of the fiscal years ending June 30, 2017, to June  
955 30, 2021, inclusive, which shall be used for such purposes, provided  
956 (A) the university provides matching funds for such hiring, and (B) the  
957 university establishes a partnership with a designated innovation  
958 district, as defined in section 5 of this act, in which said university  
959 agrees to establish, in such district, its branch campus for programs  
960 that relate to the specialty of such innovation district.

961 (c) All provisions of section 3-20 of the general statutes, or the  
962 exercise of any right or power granted thereby, which are not  
963 inconsistent with the provisions of this section are hereby adopted and  
964 shall apply to all bonds authorized by the State Bond Commission  
965 pursuant to this section, and temporary notes in anticipation of the  
966 money to be derived from the sale of any such bonds so authorized

967 may be issued in accordance with said section 3-20 and from time to  
968 time renewed. Such bonds shall mature at such time or times not  
969 exceeding twenty years from their respective dates as may be provided  
970 in or pursuant to the resolution or resolutions of the State Bond  
971 Commission authorizing such bonds. None of said bonds shall be  
972 authorized except upon a finding by the State Bond Commission that  
973 there has been filed with it a request for such authorization which is  
974 signed by or on behalf of the Secretary of the Office of Policy and  
975 Management and states such terms and conditions as said commission,  
976 in its discretion, may require. Said bonds issued pursuant to this  
977 section shall be general obligations of the state and the full faith and  
978 credit of the state of Connecticut are pledged for the payment of the  
979 principal of and interest on said bonds as the same become due, and  
980 accordingly and as part of the contract of the state with the holders of  
981 said bonds, appropriation of all amounts necessary for punctual  
982 payment of such principal and interest is hereby made, and the State  
983 Treasurer shall pay such principal and interest as the same become  
984 due.

985 Sec. 17. Subsection (c) of section 32-7g of the general statutes is  
986 repealed and the following is substituted in lieu thereof (*Effective*  
987 *October 1, 2016*):

988 (c) The commissioner shall establish a streamlined application  
989 process for the Small Business Express program. The small business  
990 applicant may receive assistance pursuant to said program not later  
991 than thirty days after submitting a completed application to the  
992 department. Any small business meeting the eligibility criteria in  
993 subsection (a) of this section may apply to said program. The  
994 commissioner shall give priority for available funding to small  
995 businesses creating jobs and may give priority for available funding to  
996 (1) economic base industries, as defined in subsection (d) of section 32-  
997 222, including, but not limited to, those in the fields of precision  
998 manufacturing, business services, green and sustainable technology,  
999 bioscience and information technology, [and] (2) businesses attempting



1000 to export their products or services to foreign markets, and (3)  
1001 businesses located in designated innovation districts, as defined in  
1002 section 5 of this act.

1003 Sec. 18. Section 10-395a of the general statutes is repealed and the  
1004 following is substituted in lieu thereof (*Effective from passage*):

1005 There is established an account within the General Fund to be  
1006 known as the "state-wide tourism, innovation and entrepreneurship  
1007 marketing account". The account may contain all moneys required by  
1008 law to be deposited in the account. Any balance remaining in said  
1009 account at the end of any fiscal year shall be carried forward in said  
1010 account for the fiscal year next succeeding. The moneys in said account  
1011 shall be allocated for implementation of the state-wide marketing plan  
1012 in accordance with section 10-396 and implementation of the state-  
1013 wide innovation and entrepreneurship marketing plan in accordance  
1014 with section 2 of this act.

1015 Sec. 19. Section 12-704d of the general statutes is repealed and the  
1016 following is substituted in lieu thereof (*Effective July 1, 2016, and*  
1017 *applicable to taxable years commencing on or after January 1, 2016*):

1018 (a) As used in this section:

1019 (1) "Angel investor" means an accredited investor, as defined by the  
1020 Securities and Exchange Commission, or network of accredited  
1021 investors who review new or proposed businesses for potential  
1022 investment and who may seek active involvement, such as consulting  
1023 and mentoring, in a Connecticut business, but "angel investor" does  
1024 not include (A) a person controlling fifty per cent or more of the  
1025 Connecticut business invested in by the angel investor, (B) a venture  
1026 capital company, or (C) any bank, bank and trust company, insurance  
1027 company, trust company, national bank, savings association or  
1028 building and loan association for activities that are a part of its normal  
1029 course of business;

1030 (2) "Cash investment" means the contribution of cash, at a risk of

1031 loss, to a qualified Connecticut business in exchange for qualified  
1032 securities;

1033 (3) "Connecticut business" means any business with its principal  
1034 place of business in Connecticut that is engaged in bioscience,  
1035 advanced materials, photonics, information technology, clean  
1036 technology or any other emerging technology as determined by the  
1037 Commissioner of Economic and Community Development;

1038 (4) "Bioscience" means manufacturing pharmaceuticals, medicines,  
1039 medical equipment or medical devices and analytical laboratory  
1040 instruments, operating medical or diagnostic testing laboratories, or  
1041 conducting pure research and development in life sciences;

1042 (5) "Advanced materials" means developing, formulating or  
1043 manufacturing advanced alloys, coatings, lubricants, refrigerants,  
1044 surfactants, emulsifiers or substrates;

1045 (6) "Photonics" means generation, emission, transmission,  
1046 modulation, signal processing, switching, amplification, detection and  
1047 sensing of light from ultraviolet to infrared and the manufacture,  
1048 research or development of opto-electronic devices, including, but not  
1049 limited to, lasers, masers, fiber optic devices, quantum devices,  
1050 holographic devices and related technologies;

1051 (7) "Information technology" means software publishing, motion  
1052 picture and video production, teleproduction and postproduction  
1053 services, telecommunications, data processing, hosting and related  
1054 services, custom computer programming services, computer system  
1055 design, computer facilities management services, other computer  
1056 related services and computer training;

1057 (8) "Clean technology" means the production, manufacture, design,  
1058 research or development of clean energy, green buildings, smart grid,  
1059 high-efficiency transportation vehicles and alternative fuels,  
1060 environmental products, environmental remediation and pollution  
1061 prevention; and

1062 (9) "Qualified securities" means any form of equity, including a  
1063 general or limited partnership interest, common stock, preferred stock,  
1064 with or without voting rights, without regard to seniority position that  
1065 must be convertible into common stock.

1066 (b) There shall be allowed a credit against the tax imposed under  
1067 this chapter, other than the liability imposed by section 12-707, for a  
1068 cash investment of not less than twenty-five thousand dollars in the  
1069 qualified securities of a Connecticut business by an angel investor. The  
1070 credit shall be in an amount equal to twenty-five per cent of such  
1071 investor's cash investment, provided the total tax credits allowed to  
1072 any angel investor shall not exceed two hundred fifty thousand  
1073 dollars. The credit shall be claimed in the taxable year in which such  
1074 cash investment is made by the angel investor. [and shall not be  
1075 transferable.] The credit may be sold, assigned or otherwise  
1076 transferred, in whole or in part.

1077 (c) To qualify for a tax credit pursuant to this section, a cash  
1078 investment shall be in a Connecticut business that (1) has been  
1079 approved as a qualified Connecticut business pursuant to subsection  
1080 (d) of this section; (2) had annual gross revenues of less than one  
1081 million dollars in the most recent income year of such business; (3) has  
1082 fewer than twenty-five employees, not less than seventy-five per cent  
1083 of whom reside in this state; (4) has been operating in this state for less  
1084 than seven consecutive years; (5) is primarily owned by the  
1085 management of the business and their families; and (6) received less  
1086 than two million dollars in cash investments eligible for the tax credits  
1087 provided by this section.

1088 (d) (1) A Connecticut business may apply to Connecticut  
1089 Innovations, Incorporated, for approval as a Connecticut business  
1090 qualified to receive cash investments eligible for a tax credit pursuant  
1091 to this section. The application shall include (A) the name of the  
1092 business and a copy of the organizational documents of such business,  
1093 (B) a business plan, including a description of the business and the  
1094 management, product, market and financial plan of the business, (C) a

1095 description of the business's innovative technology, product or service,  
1096 (D) a statement of the potential economic impact of the business,  
1097 including the number, location and types of jobs expected to be  
1098 created, (E) a description of the qualified securities to be issued and the  
1099 amount of cash investment sought by the qualified Connecticut  
1100 business, (F) a statement of the amount, timing and projected use of  
1101 the proceeds to be raised from the proposed sale of qualified securities,  
1102 and (G) such other information as the chief executive officer of  
1103 Connecticut Innovations, Incorporated, may require.

1104 (2) Said chief executive officer shall, on a monthly basis, compile a  
1105 list of approved applications, categorized by the cash investments  
1106 being sought by the qualified Connecticut business and type of  
1107 qualified securities offered.

1108 (e) (1) Any angel investor that intends to make a cash investment in  
1109 a business on such list may apply to Connecticut Innovations,  
1110 Incorporated, to reserve a tax credit in the amount indicated by such  
1111 investor. The aggregate amount of all tax credits under this section that  
1112 may be reserved by Connecticut Innovations, Incorporated, shall not  
1113 exceed six million dollars annually for the fiscal years commencing  
1114 July 1, 2010, to July 1, 2012, inclusive, and shall not exceed three  
1115 million dollars in each fiscal year thereafter. Connecticut Innovations,  
1116 Incorporated, shall not reserve tax credits under this section for any  
1117 investment made on or after July 1, [2016] 2019.

1118 (2) The amount of the credit allowed to any investor pursuant to this  
1119 section shall not exceed the amount of tax due from such investor  
1120 under this chapter, other than section 12-707, with respect to such  
1121 taxable year. Any tax credit that is claimed by the angel investor but  
1122 not applied against the tax due under this chapter, other than the  
1123 liability imposed under section 12-707, may be carried forward for the  
1124 five immediately succeeding taxable years until the full credit has been  
1125 applied.

1126 (f) If the angel investor is an S corporation or an entity treated as a

1127 partnership for federal income tax purposes, the tax credit may be  
1128 claimed by the shareholders or partners of the angel investor. If the  
1129 angel investor is a single member limited liability company that is  
1130 disregarded as an entity separate from its owner, the tax credit may be  
1131 claimed by such limited liability company's owner, provided such  
1132 owner is a person subject to the tax imposed under this chapter.

1133 (g) A review of the cumulative effectiveness of the credit under this  
1134 section shall be conducted by Connecticut Innovations, Incorporated,  
1135 by July 1, 2014, and by July first annually thereafter. Such review shall  
1136 include, but need not be limited to, the number and type of  
1137 Connecticut businesses that received angel investments, the number of  
1138 angel investors and the aggregate amount of cash investments, the  
1139 current status of each Connecticut business that received angel  
1140 investments, the number of employees employed in each year  
1141 following the year in which such Connecticut business received the  
1142 angel investment, and the economic impact in the state, of the  
1143 Connecticut business that received the angel investment. Such review  
1144 shall be submitted to the Office of Policy and Management and to the  
1145 joint standing committee of the General Assembly having cognizance  
1146 of matters relating to commerce, in accordance with the provisions of  
1147 section 11-4a.

1148 Sec. 20. (NEW) (*Effective July 1, 2016, and applicable to taxable years*  
1149 *commencing on or after January 1, 2016*) (a) For the purposes of this  
1150 section:

1151 (1) "Cash investment" means the contribution of cash, at a risk of  
1152 loss, to a qualified Connecticut business in exchange for qualified  
1153 securities;

1154 (2) "Connecticut Innovations, Incorporated" means Connecticut  
1155 Innovations, Incorporated or any successor thereto;

1156 (3) "Eligible debt security" means a senior debt instrument issued by  
1157 a growth fund in exchange for cash, at par value or a premium;

1158 (4) "Eligible equity investment" means an equity investment in or  
1159 eligible debt security issued by a growth fund that is acquired at its  
1160 original issue solely in exchange for cash; and

1161 (5) "Start-up fund" means an entity certified by Connecticut  
1162 Innovations, Incorporated pursuant to this section.

1163 (b) (1) There is established a Connecticut venture loan program to  
1164 be known as Startup CT for the purposes of increasing the amount of  
1165 preseed financing and seed financing, as defined in section 32-34 of the  
1166 general statutes, available in Connecticut. Connecticut Innovations,  
1167 Incorporated shall certify up to six entities as start-up funds under this  
1168 section and may make up to sixty million dollars in forgivable loans to  
1169 such entities, provided one such start-up fund shall make investments  
1170 exclusively in intellectual property and start-ups developed by  
1171 students, faculty and researchers from The University of Connecticut.  
1172 On and after September 1, 2016, entities may submit applications for  
1173 approval as a start-up fund, on a form prescribed by Connecticut  
1174 Innovations, Incorporated, which shall include: (A) A description of  
1175 intended industry targets, preferred stage of investment and any  
1176 geographic cluster strategy; (B) a detailed description of the track  
1177 record of key fund managers with an emphasis on experience with  
1178 seed and early stage investments; (C) the specific strategy the fund  
1179 manager will pursue to raise the necessary private capital to qualify for  
1180 a growth loan and a fund-raising track record for funds with similar  
1181 characteristics and targets; and (D) any other information reasonably  
1182 required by Connecticut Innovations, Incorporated.

1183 (2) Connecticut Innovations, Incorporated shall review and consider  
1184 each application and approve or reject such application within thirty  
1185 days of receipt. Upon approval of an entity as a start-up fund,  
1186 Connecticut Innovations, Incorporated shall: (A) Enter into a loan  
1187 agreement with the start-up fund which shall (i) provide a loan in an  
1188 amount up to ten million dollars, which shall be specifically  
1189 conditioned upon the start-up fund securing equity investments in the  
1190 form of cash in an amount at least equal to twenty million dollars; and

1191 (ii) include the economic goals the start-up fund must achieve to be  
1192 granted loan forgiveness, and (B) make an allocation of tax credits to  
1193 the start-up fund, if applicable, pursuant to subsection (c) of this  
1194 section. Approved applicants may submit an additional application for  
1195 loans under this section in the event that Connecticut Innovations,  
1196 Incorporated has not approved the maximum number of start-up  
1197 funds by October 15, 2016.

1198 (3) Within sixty days after receiving approval for a loan under this  
1199 section, the start-up fund shall collect an amount of eligible equity  
1200 investments in an amount equal to twenty million dollars. Within  
1201 sixty-five days after receiving such approval, the growth fund shall  
1202 send documentation to Connecticut Innovations, Incorporated  
1203 sufficient to prove receipt of such equity contribution. Upon receipt of  
1204 such documentation, the state shall make the growth loan to the start-  
1205 up fund.

1206 (4) Prior to any cash investment by a start-up fund, Connecticut  
1207 Innovations, Incorporated shall certify such business as eligible for  
1208 investment based on guidelines promulgated by Connecticut  
1209 Innovations, Incorporated. Such guidelines shall require that the  
1210 business be (A) principally located in or willing to relocate to  
1211 Connecticut, and (B) in the early stages of development.

1212 (5) On or before December thirty-first of the year containing the fifth  
1213 anniversary of the closing date of the loan, and annually thereafter, the  
1214 start-up fund shall provide a state revenue impact assessment  
1215 prepared by a nationally recognized third-party independent  
1216 economic forecasting firm using a dynamic economic forecasting  
1217 model that analyzes the economic impact of the investments of the  
1218 start-up fund, including, but not limited to, jobs created or retained  
1219 thereby. Connecticut Innovations, Incorporated shall forgive all or part  
1220 of the loan upon the achievement of economic development goals  
1221 agreed to by Connecticut Innovations, Incorporated and the start-up  
1222 fund in the loan agreement.

1223 (c) (1) There shall be allowed a credit against the tax imposed under  
1224 chapter 207 or 208 of the general statutes for an equity investment in  
1225 the form of cash in a start-up fund. The credit shall be earned and  
1226 vested upon the making of an eligible equity investment into a start-up  
1227 fund and shall be available for utilization against the tax imposed by  
1228 chapter 207 or 208 of the general statutes in an amount equal to  
1229 twenty-five per cent of such investment in each of the years containing  
1230 the third and fourth anniversaries of the investment date, for a total  
1231 credit equal to fifty per cent of the investment and shall be  
1232 transferable.

1233 (2) The credit earned under this subsection shall be subject to  
1234 recapture if a start-up fund fails to invest thirty million dollars within  
1235 five years of the loan awarded under this section within four years of  
1236 the closing date of such loan. If a start-up fund fails to comply with the  
1237 provisions of this subdivision, Connecticut Innovations, Incorporated  
1238 shall notify the officers of the start-up fund of the potential recapture,  
1239 in writing, ninety days prior to such potential recapture. Such credit  
1240 shall be recaptured by Connecticut Innovations, Incorporated unless  
1241 the deficiency is waived by Connecticut Innovations, Incorporated or  
1242 is corrected by the start-up fund within such ninety days.

1243 (3) The credit earned under this section may be sold, assigned or  
1244 otherwise transferred, in whole or in part.

1245 (4) The aggregate amount of tax credits that may be earned under  
1246 this section as a result of equity investments in the form of cash in a  
1247 start-up fund shall not exceed sixty million dollars.

1248 Sec. 21. (NEW) (*Effective from passage*) There is established, within  
1249 ImpaCT, AccelerateCT, which shall provide grants to qualified private  
1250 business accelerators for the purpose of developing such accelerators  
1251 and providing financial assistance to growth stage companies utilizing  
1252 such accelerators. Such grants may be in an amount up to four  
1253 hundred thousand dollars and shall be disbursed over two years. Such  
1254 grant moneys may be used by a qualified private business accelerator



1255 for (1) overhead and operational expenses associated with such  
1256 business accelerator, including, but not limited to, lease payments for  
1257 up to two years, information technology infrastructure and  
1258 management personnel costs, and (2) providing financial assistance to  
1259 growth stage companies utilizing such accelerator. ImpaCT shall  
1260 establish an application process for such grants, the criteria for  
1261 approval for such grants and an approval process for such grants,  
1262 provided the criteria for approval shall include, but not be limited to,  
1263 consideration of sufficiency of matching private capital, the location of  
1264 the qualified private business accelerator, investment team expertise,  
1265 network capacity, and the number of growth stage companies  
1266 committed to utilizing such business accelerator. For the purposes of  
1267 this section, growth stage company means a company with five  
1268 hundred thousand to five million dollars in revenue, at least one  
1269 intern, defensible intellectual property, strong management and  
1270 proven sales, as determined by the qualified private business  
1271 accelerator.

1272       Sec. 22. (NEW) (*Effective October 1, 2016*) (a) Notwithstanding the  
1273 provisions of section 32-70 of the general statutes, the Commissioner of  
1274 Economic and Community Development may establish a knowledge  
1275 center enterprise zone surrounding any institution of higher learning  
1276 in the state upon receipt from such institution of a proposal  
1277 recommending the establishment of such a zone, provided: (1) The  
1278 commissioner determines that the economic development benefits of  
1279 establishing such a knowledge center enterprise zone outweigh the  
1280 anticipated costs to the state and the affected municipalities; and (2)  
1281 such proposal complies with the state plan of conservation and  
1282 development adopted pursuant to chapter 297 of the general statutes.  
1283 The commissioner may establish not more than ten knowledge center  
1284 enterprise zones.

1285       (b) Any proposal submitted by an institution of higher learning  
1286 pursuant to subsection (a) of this section shall include, but not be  
1287 limited to: (1) The geographic scope of the proposed knowledge center

1288 enterprise zone, including designation of all census blocks that such  
1289 institution proposes incorporating into such zone, provided no zone  
1290 shall extend beyond a two-mile radius of such institution; (2) the  
1291 nature of business and industry that will be developed and how such  
1292 business and industry align with the mission of such institution; (3)  
1293 how such business and industry will collaborate with such institution  
1294 to create jobs and the anticipated number of jobs to be created; (4) such  
1295 institution's experience with business collaboration or plan for such  
1296 collaboration; (5) any other economic and community developments  
1297 anticipated from the establishment of such zone; and (6) the  
1298 anticipated lost revenue to the state and municipalities as a result of  
1299 establishing such zone.

1300 (c) The commissioner may modify the geographic scope of any  
1301 proposed knowledge center enterprise zone to improve the balance  
1302 between the anticipated economic benefit and the cost to the state and  
1303 affected municipalities.

1304 (d) Businesses located within a knowledge center enterprise zone  
1305 shall be entitled to the same benefits, subject to the same conditions,  
1306 under the general statutes for which businesses located in an  
1307 enterprise zone qualify.

1308 (e) The commissioner shall adopt regulations in accordance with the  
1309 provisions of chapter 54 of the general statutes to implement the  
1310 provisions of this section. Such regulations shall include, but need not  
1311 be limited to: (1) A review and approval process for proposals  
1312 submitted pursuant to subsection (a) of this section; (2) goals and  
1313 performance standards for knowledge center enterprise zones; and (3)  
1314 procedures to assess the performance of knowledge center enterprise  
1315 zones.

1316 (f) Not less than ten years from the original date of approval of a  
1317 knowledge center enterprise zone, the commissioner shall assess the  
1318 performance of such zone. The commissioner may remove the  
1319 designation of such knowledge center enterprise zone if such zone fails

1320 to meet the goals and performance standards set forth in the  
1321 regulations adopted pursuant to subsection (e) of this section.

1322 Sec. 23. Subsection (e) section 13 of public act 15-1 of the June special  
1323 session is amended to read as follows (*Effective from passage*):

1324 (e) For the Department of Economic and Community Development:  
1325 (1) For the Connecticut Manufacturing Innovation Fund established by  
1326 section 32-7o of the general statutes, not exceeding \$20,000,000,  
1327 provided (A) not more than \$3,500,000 shall be used as a grant-in-aid  
1328 to the Connecticut Center for Advanced Technology for research and  
1329 development of the machining of high rate laser-engineered additive  
1330 manufacturing; and (B) \$2,750,000 shall be used as a grant-in-aid to be  
1331 deposited in the Innovation Talent Fund established pursuant to  
1332 section 24 of this act for use by ImpaCT to provide grants to programs  
1333 intended to increase software development technology talent and  
1334 other technology talent as provided in subsection (e) of section 24 of  
1335 this act;

1336 (2) For the Small Business Express program established by section  
1337 32-7g of the general statutes, not exceeding \$50,000,000;

1338 (3) For the Brownfield Remediation and Revitalization program, not  
1339 exceeding \$20,000,000; and

1340 (4) For the implementation of a minority business enterprise  
1341 assistance program to assist such businesses in obtaining surety bonds,  
1342 including bid, performance and payment bonds, for capital  
1343 construction projects, which program may be run by a nonprofit entity  
1344 with which said department shall contract, not exceeding \$2,000,000.

1345 Sec. 24. (NEW) (*Effective from passage*) (a) For the purposes of this  
1346 section, "administrator" means ImpaCT in its capacity as administrator  
1347 of the Innovation Talent Fund established pursuant to this section.

1348 (b) There is established an Innovation Talent Fund, to be held,  
1349 administered, invested and disbursed by the administrator. The fund

1350 shall contain any moneys required or permitted by law to be deposited  
1351 in the fund and any moneys received from any public or private  
1352 contributions, gifts, grants, donations, bequests or devises to the fund.  
1353 Any balance remaining in the fund shall be carried forward in the fund  
1354 for the fiscal year next succeeding.

1355 (c) Any return on investment attributable to the investment of the  
1356 fund by the administrator shall be deposited and held for the use and  
1357 benefit of the fund. Moneys in or received by the fund may be  
1358 deposited with and invested by any institution as may be designated  
1359 by the administrator at its sole discretion and paid as the administrator  
1360 shall direct. The administrator may make payments from such deposit  
1361 accounts for use in accordance with the provisions of this section.

1362 (d) The Innovation Talent Fund shall not be deemed an account  
1363 within the General Fund and shall be used exclusively for the purposes  
1364 provided in this section.

1365 (e) Amounts in the Innovation Talent Fund shall initially be used to  
1366 provide grants to programs intended to increase software  
1367 development technology talent in this state. After such grants are  
1368 made, amounts in the fund shall be used to provide grants to  
1369 programs intended to increase other technology talent in this state.

1370 (f) All expenditures from the Innovation Talent Fund shall be  
1371 approved by the ImpaCT board of directors. Any such approval shall  
1372 be specific to an individual expenditure to be made or for budgeted  
1373 expenditures with such variations as the ImpaCT board of directors  
1374 may authorize at the time of such budget approval.

1375 (g) ImpaCT shall provide any necessary staff, office space, office  
1376 systems and administrative support for the operation of the Innovation  
1377 Talent Fund in accordance with this section. In acting as administrator  
1378 of the fund, the administrator shall have and may exercise all of the  
1379 powers of ImpaCT set forth in section 2 of this act, provided  
1380 expenditures from the fund shall be approved by the ImpaCT board of

1381 directors pursuant to subsection (f) of this section.

1382 (h) Beginning January 1, 2017, the administrator shall prepare for  
1383 each fiscal year a plan of operations and an operating and capital  
1384 budget for the Innovation Talent Fund. Not later than ninety days  
1385 prior to the start of the fiscal year, the administrator shall submit the  
1386 plan and budget to the ImpaCT board of directors for its review and  
1387 approval.

1388 (i) Not later than April 15, 2017, and annually thereafter, the  
1389 administrator shall provide a report of the activities of the Innovation  
1390 Talent Fund to the ImpaCT board of directors for its review and  
1391 approval. Upon its approval of such report, the ImpaCT board of  
1392 directors shall provide such report, in accordance with the provisions  
1393 of section 11-4a of the general statutes, to the joint standing committees  
1394 of the General Assembly having cognizance of matters relating to  
1395 commerce and finance, revenue and bonding. Such report shall contain  
1396 available information on the status and progress of the operations and  
1397 funding of the Innovation Talent Fund and the types, amounts and  
1398 recipients of grants awarded.

1399 Sec. 25. (*Effective July 1, 2016*) The proceeds of securities of any issue,  
1400 not exceeding in the aggregate the amount specified under subsection  
1401 (a) of section 10a-109e of the general statutes, as amended by this act,  
1402 shall be used to provide grants-in-aid to the city of Waterbury, to be  
1403 administered by the Department of Administrative Services, for the  
1404 purpose of property acquisition, construction, reconstruction,  
1405 renovations and improvements by the city of Waterbury of real  
1406 property in the city of Waterbury that shall be leased by The  
1407 University of Connecticut as part of its downtown Waterbury campus.

1408 Sec. 26. Subsection (a) of section 10a-109e of the 2016 supplement to  
1409 the general statutes is repealed and the following is substituted in lieu  
1410 thereof (*Effective July 1, 2016*):

1411 (a) The university may administer, manage, schedule, finance,

1412 further design and construct UConn 2000, to operate and maintain the  
 1413 components thereof in a prudent and economical manner and to  
 1414 reserve for and make renewals and replacements thereof when  
 1415 appropriate, it being hereby determined and found to be in the best  
 1416 interest of the state and the university to provide this independent  
 1417 authority to the university along with providing assured revenues  
 1418 therefor as the efficient and cost effective course to achieve the  
 1419 objective of avoiding further decline in the physical infrastructure of  
 1420 the university and to renew, modernize, enhance and maintain such  
 1421 infrastructure, the particular project or projects, each being hereby  
 1422 approved as a project of UConn 2000, and the presently estimated cost  
 1423 thereof being as follows:

T1	UConn 2000 Project	Phase I	Phase II	Phase III
T2		Fiscal Years	Fiscal Years	Fiscal Years
T3		1996-1999	2000-2005	2005-2024
T4				
T5	Academic and Research			[450,000,000]
T6				<u>443,000,000</u>
T7	Facilities			
T8				
T9	Agricultural Biotechnology			
T10	Facility	9,400,000		
T11				
T12	Agricultural Biotechnology			
T13	Facility Completion		10,000,000	
T14				
T15	Alumni Quadrant			
T16	Renovations		14,338,000	
T17				
T18	Arjona and Monteith			
T19	(new classroom buildings)			66,100,000
T20				
T21	Avery Point Campus			

T22	Undergraduate and		
T23	Library Building		35,000,000
T24			
T25	Avery Point Marine		
T26	Science Research Center -		
T27	Phase I	34,000,000	
T28			
T29	Avery Point Marine		
T30	Science Research Center -		
T31	Phase II		16,682,000
T32			
T33	Avery Point Renovation	5,600,000	15,000,000
T34			
T35	Babbidge Library	0	
T36			
T37	Balancing Contingency		5,506,834
T38			
T39	Beach Hall Renovations		10,000,000
T40			
T41	Benton State Art Museum		
T42	Addition	1,400,000	3,000,000
T43			
T44	Biobehavioral Complex		
T45	Replacement		4,000,000
T46			
T47	Bishop Renovation		8,000,000
T48			
T49	Budds Building		
T50	Renovation	2,805,000	
T51			
T52	Business School		
T53	Renovation	4,803,000	
T54			
T55	Chemistry Building	53,700,000	

T56			
T57	Commissary Warehouse		1,000,000
T58			
T59	Deferred Maintenance/ Code/ADA Renovation		
T60			
T61	Lump Sum	39,332,000	805,000,000
T62			
T63	Deferred Maintenance & Renovation Lump Sum		
T64			
T65	Balance		104,668,000
T66			
T67	East Campus North Renovations		11,820,000
T68			
T69			
T70	Engineering Building (with Environmental Research Institute)		36,700,000
T71			
T72			
T73			
T74	Equine Center		1,000,000
T75			
T76	Equipment, Library Collections & Telecommunications		
T77			
T78		60,500,000	470,000,000
T79			
T80	Equipment, Library Collections & Telecommunications Completion		
T81			
T82			
T83		182,118,146	
T84			
T85	Family Studies (DRM) Renovation		6,500,000
T86			
T87			
T88	Farm Buildings Repairs/ Replacement		6,000,000
T89			



T90			
T91	Fine Arts Phase II		20,000,000
T92			
T93	Floriculture Greenhouse		3,000,000
T94			
T95	Gant Building Renovations		34,000,000
T96			
T97	Gant Plaza Deck	0	
T98			
T99	Gentry Completion		10,000,000
T100			
T101	Gentry Renovation	9,299,000	
T102			
T103	Grad Dorm Renovations	7,548,000	
T104			
T105	Gulley Hall Renovation	1,416,000	
T106			
T107	Hartford Relocation		
T108	Acquisition/Renovation	56,762,020	70,000,000
T109			
T110	Hartford Relocation Design	1,500,000	
T111			
T112	Hartford Relocation		
T113	Feasibility Study	500,000	
T114			
T115	Heating Plant Upgrade	10,000,000	
T116			
T117	Hilltop Dormitory New	30,000,000	
T118			
T119	Hilltop Dormitory		
T120	Renovations	3,141,000	
T121			
T122	Ice Rink Enclosure	2,616,000	
T123			

T124	Incubator Facilities		10,000,000
T125			
T126	International House		
T127	Conversion	800,000	
T128			
T129	Intramural, Recreational		
T130	and Intercollegiate		
T131	Facilities		31,000,000
T132			
T133	Jorgensen Renovation		7,200,000
T134			
T135	Koons Hall Renovation/		
T136	Addition		7,000,000
T137			
T138	Lakeside Renovation		3,800,000
T139			
T140	Law School Renovations/		
T141	Improvements		15,000,000
T142			
T143	Library Storage Facility		5,000,000
T144			
T145	Litchfield Agricultural		
T146	Center - Phase I	1,000,000	
T147			
T148	Litchfield Agricultural		
T149	Center - Phase II	700,000	
T150			
T151	Manchester Hall		
T152	Renovation		6,000,000
T153			
T154	Mansfield Apartments		
T155	Renovation	2,612,000	
T156			
T157	Mansfield Training School		

T158	Improvements	27,614,000	29,000,000
T159			
T160	Natural History Museum		
T161	Completion		4,900,000
T162			
T163	North Campus Renovation	2,654,000	
T164			
T165	North Campus Renovation		
T166	Completion	21,049,000	
T167			
T168	North Hillside Road		
T169	Completion		11,500,000
T170			
T171	North Superblock Site		
T172	and Utilities	8,000,000	
T173			
T174	Northwest Quadrant		
T175	Renovation	2,001,000	
T176			
T177	Northwest Quadrant		
T178	Renovation	15,874,000	
T179			
T180	Observatory		1,000,000
T181			
T182	Old Central Warehouse		18,000,000
T183			
T184	Parking Garage #3		78,000,000
T185			
T186	Parking Garage – North	10,000,000	
T187			
T188	Parking Garage – South	15,000,000	
T189			
T190	Pedestrian Spinepath	2,556,000	
T191			

T192	Pedestrian Walkways	3,233,000	
T193			
T194	Psychology Building		
T195	Renovation/ Addition		20,000,000
T196			
T197	Residential Life Facilities		162,000,000
T198			
T199	Roadways	10,000,000	
T200			
T201	School of Business	20,000,000	
T202			
T203	School of Pharmacy/	3,856,000	
T204	Biology		
T205			
T206	School of Pharmacy/		
T207	Biology Completion		61,058,000
T208			
T209	Shippee/Buckley		
T210	Renovations		6,156,000
T211			
T212	Social Science K Building		20,964,000
T213			
T214	South Campus Complex	13,127,000	
T215			
T216	Stamford Campus		
T217	Improvements/Housing		13,000,000
T218			
T219	Stamford Downtown		
T220	Relocation - Phase I	45,659,000	
T221			
T222	Stamford Downtown		
T223	Relocation - Phase II		17,392,000
T224			
T225	Storrs Hall Addition		4,300,000

T226		
T227	Student Health Services	12,000,000
T228		
T229	Student Union Addition	23,000,000
T230		
T231	Support Facility	
T232	(Architectural and	
T233	Engineering Services)	2,000,000
T234		
T235	Technology Quadrant -	
T236	Phase IA	38,000,000
T237		
T238	Technology Quadrant -	
T239	Phase IB	16,611,000
T240		
T241	Technology Quadrant -	
T242	Phase II	72,000,000
T243		
T244	Technology Quadrant -	
T245	Phase III	15,000,000
T246		
T247	Torrey Life Science	
T248	Renovation	17,000,000
T249		
T250	Torrey Renovation	
T251	Completion and Biology	
T252	Expansion	42,000,000
T253		
T254	Torrington Campus	
T255	Improvements	1,000,000
T256		
T257	Towers Renovation	17,794,000
T258		
T259	UConn Products Store	1,000,000

T260			
T261	Undergraduate Education		
T262	Center	650,000	
T263			
T264	Undergraduate Education		
T265	Center		7,450,000
T266			
T267	Underground Steam &		
T268	Water Upgrade	3,500,000	
T269			
T270	Underground Steam &		
T271	Water Upgrade		
T272	Completion		9,000,000
T273			
T274	University Programs		
T275	Building - Phase I	8,750,000	
T276			
T277	University Programs		
T278	Building - Phase II		
T279	Visitors Center		300,000
T280			
T281	Waring Building		
T282	Conversion	7,888,000	
T283			
T284	Waterbury Downtown		
T285	Campus		3,000,000
T286			
T287	Waterbury Property		
T288	<u>Purchase and Grants-in-Aid</u>		
T289	<u>to Waterbury for Acquisition</u>		
T290	<u>Construction, Reconstruction,</u>		
T291	<u>Renovations/Improvements</u>	325,000	<u>7,000,000</u>
T292			
T293	West Campus Renovations		14,897,000

T294			
T295	West Hartford Campus		
T296	Renovations/		
T297	Improvements		25,000,000
T298			
T299	White Building Renovation	2,430,000	
T300			
T301	Wilbur Cross Building		
T302	Renovation		3,645,000
T303			
T304	Young Building		
T305	Renovation/ Addition		17,000,000
T306			
T307	HEALTH CENTER		
T308			
T309	CLAC Renovation		
T310	Biosafety Level 3 Lab		14,000,000
T311			
T312	Deferred Maintenance/		
T313	Code/ADA Renovation		
T314	Sum - Health Center		61,000,000
T315			
T316	Dental School Renovation		5,000,000
T317			
T318	Equipment, Library		
T319	Collections and		
T320	Telecommunications -		
T321	Health Center		75,000,000
T322			
T323	Library/Student Computer		
T324	Center Renovation		5,000,000
T325			
T326	Main Building Renovation		125,000,000
T327			

T328	Medical School Academic			
T329	Building Renovation			9,000,000
T330				
T331	Parking Garage - Health			
T332	Center			8,400,000
T333				
T334	Research Tower			60,000,000
T335				
T336	Support Building			
T337	Addition/Renovation			4,000,000
T338				
T339	The University of			
T340	Connecticut			
T341	Health Center			
T342	New Construction and			
T343	Renovation			394,900,000
T344				
T345	Planning and Design Costs			25,000,000
T346				
T347	Total - Storrs and Regional			
T348	Campus Project List			2,583,000,000
T349				
T350	Total - Health Center			
T351	Project List			786,300,000
T352				
T353	TOTAL	382,000,000	868,000,000	3,369,300,000

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section



Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	32-235
Sec. 11	<i>October 1, 2016</i>	32-39
Sec. 12	<i>October 1, 2016</i>	32-35(h)
Sec. 13	<i>from passage</i>	New section
Sec. 14	<i>from passage</i>	New section
Sec. 15	<i>from passage</i>	New section
Sec. 16	<i>from passage</i>	PA 11-1 of the October Sp. Sess., Sec. 52
Sec. 17	<i>October 1, 2016</i>	32-7g(c)
Sec. 18	<i>from passage</i>	10-395a
Sec. 19	<i>July 1, 2016, and applicable to taxable years commencing on or after January 1, 2016</i>	12-704d
Sec. 20	<i>July 1, 2016, and applicable to taxable years commencing on or after January 1, 2016</i>	New section
Sec. 21	<i>from passage</i>	New section
Sec. 22	<i>October 1, 2016</i>	New section
Sec. 23	<i>from passage</i>	PA 15-1 of the June Sp. Sess., (e) Sec. 13
Sec. 24	<i>from passage</i>	New section
Sec. 25	<i>July 1, 2016</i>	New section
Sec. 26	<i>July 1, 2016</i>	10a-109e(a)

**FIN**      *Joint Favorable Subst.*