
OLR Bill Analysis

sHB 5264

AN ACT CONCERNING THE APPROVAL OF FINANCIAL AID APPLICATIONS FILED WITH CONNECTICUT INNOVATIONS, INCORPORATED AND ESTABLISHING AN ATTENDANCE POLICY FOR CONNECTICUT INNOVATIONS, INCORPORATED'S BOARD OF DIRECTORS.

SUMMARY

This bill increases, from \$150,000 to \$500,000, the (1) maximum amount of financial assistance that Connecticut Innovations, Inc. (CI) staff may approve in an individual application if delegated this authority by CI's board of directors and (2) aggregate 12-month cap on staff-awarded assistance to an applicant. Under the aggregate cap, CI staff cannot approve an assistance application if the amount requested plus the amount of CI assistance received by the applicant in the previous 12 months exceeds this cap (i.e., \$500,000 under the bill).

As under existing law, (1) assistance that goes over either of these caps must be approved by the board of directors or a committee of the board and (2) CI staff exercising delegated approval authority must process the application according to procedures adopted by CI. Financial assistance includes loans, loan guarantees, equity investments, and other forms of economic development assistance.

Additionally, the bill deems an appointed member of CI's board of directors to have resigned if he or she misses three consecutive board meetings or fails to attend 50% of the meetings in a calendar year. It requires the board chairperson to fill, for the balance of the unexpired term, a vacancy that occurs for these reasons.

By law, the board has nine gubernatorial appointees, four legislative appointees, and four ex-officio members. Board members appointed by the governor or a legislator serve at the pleasure of the appointing authority but no longer than the appointing authority's term of office or

until a successor is appointed and qualified, whichever is longer.

EFFECTIVE DATE: October 1, 2022

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute

Yea 16 Nay 7 (03/08/2022)