



House of Representatives

General Assembly

File No. 310

January Session, 2023

Substitute House Bill No. 6661

House of Representatives, March 29, 2023

The Committee on Commerce reported through REP. MESKERS of the 150th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT REQUIRING THE INCLUSION OF CERTAIN REMEDIES IN FINANCIAL ASSISTANCE AGREEMENTS.

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

- 1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section:
- 2 (1) "Awarding authority" means the Commissioner of Economic and
3 Community Development and any state agency authorized to award
4 financial assistance; and
- 5 (2) "Financial assistance" has the same meaning as provided in section
6 32-462 of the general statutes.
- 7 (b) Each awarding authority shall, in the terms and conditions of any
8 agreement for financial assistance, include provisions for remedies in
9 the event the recipient of financial assistance wilfully fails to comply
10 with any applicable state or federal law, regulation, rule or executive
11 order, including, but not limited to, labor laws. Such remedies may
12 include, but need not be limited to, liquidated damages and the

13 repayment of any financial assistance provided.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

CE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill has no fiscal impact by requiring the Department of Economic and Community Development (DECD), and any state agency authorized to award state financial assistance, to include in these agreements remedies applicable to recipients that willfully fail to comply with state or federal laws, regulations, rules, or executive orders. DECD has the expertise to accommodate this provision without additional resources.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis

sHB 6661

AN ACT REQUIRING THE INCLUSION OF CERTAIN REMEDIES IN FINANCIAL ASSISTANCE AGREEMENTS.

SUMMARY

This bill requires the Department of Economic and Community Development, and any state agency authorized to award “financial assistance,” to include in a financial assistance agreement’s terms and conditions remedies for recipients that willfully fail to comply with applicable state or federal laws, regulations, rules, or executive orders (e.g., labor laws). These remedies may include liquidated damages and repayment of financial assistance.

Under the bill, “financial assistance” is grants, loans, loan guarantees, contracts of insurance, investments, or combinations of them, provided from the proceeds of bonds, notes, or other obligations of the state or an agency that constitute a state debt or liability secured by a special capital reserve fund payable from the General Fund.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute

Yea 16 Nay 8 (03/14/2023)