



General Assembly

January Session, 2023

**Raised Bill No. 1243**

LCO No. 6623



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

***AN ACT AUTHORIZING BONDS OF THE STATE FOR BUSINESS AND INDUSTRIAL DEVELOPMENT CORPORATIONS TO PROVIDE ASSISTANCE TO CERTAIN MINORITY-OWNED AND WOMEN-OWNED SMALL BUSINESSES.***

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

1 Section 1. (*Effective July 1, 2023*) (a) For the purposes described in  
2 subsection (b) of this section, the State Bond Commission shall have the  
3 power from time to time to authorize the issuance of bonds of the state  
4 in one or more series and in principal amounts not exceeding in the  
5 aggregate fifteen million dollars.

6 (b) (1) The proceeds of the sale of such bonds, to the extent of the  
7 amount stated in subsection (a) of this section, shall be used by the  
8 Department of Economic and Community Development for the purpose  
9 of providing grants-in-aid to business and industrial development  
10 corporations, as defined in section 36a-626 of the general statutes, whose  
11 primary purposes are to (A) provide financing assistance and  
12 management assistance to minority-owned and women-owned small  
13 businesses that serve or seek to serve underserved or minority

14 communities, (B) provide education and training to such businesses and  
15 communities, and (C) work collaboratively with similar organizations  
16 and with lenders to foster economic development and growth in such  
17 communities. Any business and industrial development corporation  
18 that receives a grant-in-aid under this section may use up to ten per cent  
19 in the aggregate of the amount of such grant-in-aid for operational costs  
20 and to fund a loan loss reserve fund.

21 (2) Any applicant for a license under section 36a-628 of the general  
22 statutes that meets the provisions of subdivisions (2) to (4), inclusive, of  
23 said section to the Banking Commissioner's satisfaction shall be eligible  
24 to receive a grant-in-aid under this section. No such applicant or no  
25 business and industrial development corporation shall receive more  
26 than five million dollars in the aggregate under this section.

27 (c) All provisions of section 3-20 of the general statutes, or the exercise  
28 of any right or power granted thereby, that are not inconsistent with the  
29 provisions of this section are hereby adopted and shall apply to all  
30 bonds authorized by the State Bond Commission pursuant to this  
31 section. Temporary notes in anticipation of the money to be derived  
32 from the sale of any such bonds so authorized may be issued in  
33 accordance with section 3-20 of the general statutes and from time to  
34 time renewed. Such bonds shall mature at such time or times not  
35 exceeding twenty years from their respective dates as may be provided  
36 in or pursuant to the resolution or resolutions of the State Bond  
37 Commission authorizing such bonds. None of such bonds shall be  
38 authorized except upon a finding by the State Bond Commission that  
39 there has been filed with it a request for such authorization that is signed  
40 by or on behalf of the Secretary of the Office of Policy and Management  
41 and states such terms and conditions as said commission, in its  
42 discretion, may require. Such bonds issued pursuant to this section shall  
43 be general obligations of the state and the full faith and credit of the state  
44 of Connecticut are pledged for the payment of the principal of and  
45 interest on such bonds as the same become due, and accordingly and as  
46 part of the contract of the state with the holders of such bonds,  
47 appropriation of all amounts necessary for punctual payment of such

48 principal and interest is hereby made, and the State Treasurer shall pay  
49 such principal and interest as the same become due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2023</i>	New section

**Statement of Purpose:**

To authorize bonds of the state for business and industrial development corporations to provide assistance to minority-owned and women-owned small businesses serving or seeking to serve underserved or minority communities.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*