



Department of Economic and Community Development



LEGISLATIVE SUMMARY 2013

Dannel P. Malloy
Governor

Catherine H. Smith
Commissioner

LEGEND

AAC	“An Act Concerning...”
CAA	“Connecticut Airport Authority”
CHFA	the “Connecticut Housing Finance Authority”
CII	“Connecticut Innovations, Inc.”
Commissioner	Unless otherwise defined, is the Commissioner of DECD
CRDA	“Capitol Region Development Authority”
CTSB	“Connecticut Transportation Strategy Board”
DECD	the “Department of Economic and Community Development”
Department	“DECD”
DEEP	the “Department of Energy and Environmental Protection”
DOT	the “Department of Transportation”
DPH	the “Department of Public Health”
DSS	the “Department of Social Services”
DRS	the “Department of Revenue Services”
HB	“House Act”
JSS	“June Special Session”
LLC	“limited liability company”
MAA	the “Manufacturing Assistance Act”
MME	“Manufacturing Machinery and Equipment”
OHE	the “Office of Higher Education”
OPM	the “Office of Policy and Management”
ORBD	the “Office of Brownfield Remediation and Development”
OWC	the “Office of Workforce Competitiveness”
PA	“Public Act”
SA	“Special Act”
SB	“Senate Act”
SSS	“September Special Session”

Sources of Information

The following summaries have been compiled from the Office of Legislative Research and Office of Fiscal Analysis and tailored specifically for the Department of Economic and Community Development. Only Public Acts affecting, or of interest to, the Department are included in this summary.

Acknowledgements

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AN ACT INTEGRATING MUNICIPALITIES INTO THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT ELECTRONIC BUSINESS PORTAL

SUMMARY: This act specifies the features the Department of Economic and Community Development must include in any electronic business portal it establishes. At a minimum, the portal must:

1. include specific branding that mirrors a statewide branding program directed by the governor's office,
2. be aligned with the nonprofit Connecticut Economic Resource Center's online business assistance information programs, and
3. allow municipalities to promote local resources.

The act requires each municipality to provide and maintain its own content.

EFFECTIVE DATE: October 1, 2013

AN ACT CONCERNING MINOR AND TECHNICAL CHANGES TO ECONOMIC DEVELOPMENT STATUTES

SUMMARY: This act makes many technical changes in the economic development statutes. Specifically, it conforms existing law to the 2012 economic development reorganizations, corrects internal statutory references and grammatical errors, and repeals obsolete statutes.

EFFECTIVE DATE: Upon passage

AN ACT CONCERNING TECHNICAL AND OTHER CHANGES TO THE LABOR DEPARTMENT STATUTES

SUMMARY: This act makes several changes to the Individual Development Account (IDA) program and the Incumbent Worker Training Program. It also repeals the tax credit for hiring people receiving benefits from the temporary family assistance program.

The act makes numerous minor and technical changes in the Labor Department statutes, including repealing several obsolete provisions.

EFFECTIVE DATE: Upon passage

§§ 1 & 2 – IDA PROGRAM

The IDA program helps low-income people build assets. The Department of Labor (DOL) oversees the program, which is administered at the local level by participating community-based organizations.

The act allows IDA participants to use money saved in IDAs for a variety of specified purposes, instead of limiting it to one, as under prior law. The purposes include (1) obtaining education or job training, (2) purchasing a home, (3) starting a business or joining an existing one, (4) buying a car for work, (5) making a lease deposit, or (6) paying for a child's education or job training. By law, the state contributes a maximum of \$2 for every \$1 a participant contributes up to a limit of \$1,000 per calendar year with a \$3,000 maximum per participant. The act eliminates the \$1,000 annual limit.

The act requires that state matching IDA funds forfeited by an IDA account holder be kept in the local reserve fund for a new account holder to use, instead of being returned to DOL's IDA reserve fund by December 31 of each year. It also requires that state matching IDA funds be returned to the IDA reserve fund if they remain unused after five years for any reason, rather than just because the IDA participant stopped making contributions.

§ 16 – INCUMBENT WORKER TRAINING PROGRAM

The act renames the former Twenty-First Century Skill Training program as the Incumbent Worker Training Program and requires that 50% of funds appropriated for the latter program be used for companies that have not received this funding in the previous three years.

By law, and unchanged by the act, the program's purposes are to (1) sustain high-growth occupation and economically vital industries and (2) assist workers in obtaining skills to start or move up their career ladders. By law, "incumbent workers" mean individuals who are employed in this state, but who need additional skills, training, or education to upgrade their employment.

The act requires the labor commissioner to (1) allocate funds for the program on a regional basis and (2) prescribe the program's application form. By law, DOL, in collaboration with the state's regional workforce development boards, administers the incumbent worker program. The act permits the labor commissioner to designate an entity to administer the program in each region (presumably the regional boards).

OTHER CHANGES

The act also makes numerous other changes. It:

1. repeals the tax credit for hiring people receiving benefits from the temporary family assistance program (§ 22);
2. repeals the law creating the Advisory Council on Displaced Homemakers (§ 3);
3. adds the insurance and consumer protection commissioners to the Joint Enforcement Commission on Employee Misclassification and requires it to report every two years instead of annually (§ 8);
4. removes an obsolete provision on employers' requiring an employee to work on his or her Sabbath day (see BACKGROUND) (§ 17);

5. requires DOL to share unemployment information with (a) nonpublic entities that it contracts with to administer the unemployment system and (b) third parties if the individual or employer to whom the information pertains provides written, informed consent (§ 18);
6. repeals the law prohibiting the state from awarding contracts to persons or firms that state DOL lists as having violated the National Labor Relations Act or been found in contempt of court over failure to remedy violations at least three times over a five year period (§ 22);
7. repeals (a) the Fair Wage Board statute, (b) the prohibition against retaliating against an employee for serving on a wage board, and (c) related references to the wage board (§§ 9, 13, 14, 15 & 22); and
8. removes several reporting requirements, including: (a) employer reporting on the impact of the Family Medical Leave Act; (b) a list of employers disqualified from bidding on state projects because of National Labor Relations Act violations or having been found in contempt of court over failure to remedy violations; and (c) federal Workforce Investment Act funding received for young adult programs for teenage parents and those at risk of dropping out of school (§§ 4 & 22).

Public Act# 13-162

HB# 5358

AN ACT PROHIBITING STATE CONTRACTS WITH ENTITIES MAKING CERTAIN INVESTMENTS IN IRAN

SUMMARY: This act prohibits state and quasi-public agencies from entering into, renewing, or amending a large state contract with any “entity” that (1) fails to certify that it has not directly invested \$20 million or more in Iran’s energy sector or (2) certifies that it has made, renewed, or increased such an investment. The prohibition applies to investments made on and after October 1, 2013 and to prior investments increased or renewed on and after that date.

Under the act, an “entity” is any corporation, general partnership, limited partnership, limited liability partnership, joint venture, nonprofit organization, or other business organization whose principal place of business is outside the U. S., except U. S. subsidiaries of foreign corporations. A large state contract is one valued at more than \$500,000 in a calendar or fiscal year for building construction, procurement, or service contracts; leases; or licensing agreements. Iran’s energy sector, as defined by federal law, includes activities to develop petroleum or natural gas resources or nuclear power in Iran.

The act does not apply to any contract of the state treasurer in her role as trustee of the Connecticut retirement plans and trust funds. By law, the treasurer must divest and not invest further in any Iranian-issued security or investment. She may divest, or decide against future investments of, state funds in any company doing business in Iran after various considerations.

Lastly, the act requires the secretary of the state to notify the U. S. attorney general of the act’s requirements within 30 days of its passage, as required by federal law.

EFFECTIVE DATE: October 1, 2013, except that the provision requiring notification by the secretary of the state is effective upon passage.

CERTIFICATION REQUIREMENT

Bidders and proposers that are covered by the act must submit the certification before submitting a bid or proposal for a large state contract. The certification must be sworn as true to the entity's best knowledge and belief, subject to the penalties for false statement. Agencies must include notice of these requirements in bid specifications or requests for proposals (RFP) for such contracts.

The act exempts from the penalty for false statement affiants who make a good faith effort to verify whether they have made a prohibited investment. It specifies that a good faith effort includes determining that the entity does not appear on a list, published by the California Department of General Services, of people who have made prohibited investments.

BACKGROUND - Federal Law - The 2010 federal Comprehensive Iran Sanctions, Accountability, and Divestment Act (P. L. 111-195) allows state and local governments to divest or prohibit the investment of assets in certain entities that do business with or invest in Iran's energy sector. The state or local government must (1) determine, using credible information available to the public, that an entity has done business with or invested in Iran's energy sector and (2) give such an entity 90 days' written notice before divesting or prohibiting the investment of assets.

Public Act# 13-210

SB# 1006

AN ACT CONCERNING GOVERNMENT ADMINISTRATION

SUMMARY: This act requires (1) the governor to proclaim the following months and day of each year to honor Americans of different ancestry and (2) suitable exercises to be held in the State Capitol and elsewhere as the governor designates:

1. March as Irish-American Month,
2. October as Italian-American Month,
3. November as Native American Month, and
4. June 24 as French Canadian-American Day.

The act also establishes (1) the ballroom polka as the state polka and (2) Beautiful Connecticut Waltz, composed by Joseph Leggo, as the second state song. It specifies that Powered Flight Day is in honor of the first powered flight by Gustave Whitehead, rather than the Wright Brothers.

The act requires the legislature to commemorate the 14th anniversary of the Connecticut-Taiwan sister state relationship. Suitable exercises must be held in the State Capitol and elsewhere as the legislature may designate. The act allows the economic and community development commissioner to designate a day, week, or month for celebrating ethnic, cultural, or heritage groups, upon the application of such groups. In practice, such days, weeks, or months are proclaimed by the governor in his role as the chief executive.

Additionally, the act allows state employees in the unclassified service to compete in promotional examinations for positions in the classified service without having previous permanent status in the classified service. However, this change was repealed by PA 13-247, thus leaving existing law unchanged. Under existing law, unclassified employees can compete for classified positions if they possess the minimum qualifications the administrative services commissioner establishes, but they

must have previous permanent status in the classified service to compete in promotional examinations for the positions.

Lastly, the act makes technical changes.

EFFECTIVE DATE: Upon passage

Public Act# 13-225

SB# 434

AN ACT CONCERNING THE DEPARTMENT OF ADMINISTRATIVE SERVICES AND E-GOVERNMENT, EXTENSIONS OF EXISTING CONTRACTS, A STATE AMERICANS WITH DISABILITIES ACT COORDINATOR ADVISORY COMMITTEE AND SETTLEMENTS BY THE CLAIMS COMMISSIONER

SUMMARY: This act makes several unrelated changes concerning government administration. It:

1. eliminates a requirement that the administrative fee associated with e-government services be deposited in the General Fund;
2. allows the Department of Administrative Services (DAS) commissioner to extend certain goods and services contracts without competitive bidding or quotations;
3. revises the charge and increases the size of the committee established to encourage employment by the state of people with disabilities; and
4. increases, from \$7,500 to \$20,000, the threshold under which the claims commissioner can administratively settle claims against the state.

Additionally, the act eliminates the Committee on Career Entry and Mobility and repeals a statute that authorizes state agencies or institutions to enter into a hospital laundry services co-operative (§§ 3, 4, and 9). Both of these are obsolete.

EFFECTIVE DATE: July 1, 2013, except that the provision concerning the administrative fee is effective upon passage

§ 1 – E-GOVERNMENT ADMINISTRATIVE FEE

The law allows the Office of Policy and Management secretary, regardless of other state laws, to authorize state agencies to contract with private and nonprofit entities to facilitate the public's electronic utilization of government programs and services. The entities may charge an administrative fee, as approved by the Finance Advisory Committee. The act eliminates a requirement that this fee be deposited in the General Fund, thus allowing the entities to keep the fee.

§ 2 – GOODS AND SERVICES CONTRACT EXTENSIONS

With certain exceptions, the law prohibits state agencies from extending contracts (1) for supplies, materials, equipment, or contractual services and (2) subject to competitive bidding requirements, without complying with those requirements. It requires agencies not using competitive bidding to solicit at least three competitive quotations in addition to the contractor's quotation. The act specifies that this requirement does not apply to situations where the contractor is a sole source provider.

Additionally, the act allows the DAS commissioner to extend, for up to one year and without competitive bids or quotations, a contract for supplies, materials, equipment, or contractual services if he certifies in writing that failing to extend the contract would compromise an agency's systems or operations continuity.

§ 5 – COMMITTEE TO ADVISE AMERICANS WITH DISABILITIES ACT (ADA) STATE COORDINATOR

Prior law established an eight-member committee to encourage the state to employ people with disabilities. The committee had to advise state agencies regarding adaptation of employment examinations and alternative hiring processes for, and reasonable accommodation of, such individuals. It also had to review state agencies' (1) career mobility programs, (2) programs of accommodation and entry level training of people with disabilities, and (3) employment practices with respect to such individuals.

The act eliminates the above requirements and instead requires that the committee, upon the state ADA coordinator's request, advise him regarding (1) employment by the state of people with disabilities and (2) how the state can fulfill its other ADA obligations, including its obligations as a provider of public services and a place of accommodation.

Additionally, the act (1) increases the committee's size by adding representatives from the Department of Construction Services and the Commission of Human Rights and Opportunities and (2) potentially further increases its size by allowing each represented entity to have more than one representative. The act also requires that the ADA coordinator, rather than the DAS commissioner, (1) appoint committee members and (2) chair the committee (or appoint a designee to do so). The DAS commissioner currently serves as the state's ADA coordinator.

§§ 6-8 – CLAIMS AGAINST THE STATE

By law, claims against the state must be filed with the claims commissioner. Under prior law, the commissioner had to either (1) deny or dismiss the claim, (2) order a payment of up to \$7,500, (3) recommend to the legislature a payment that exceeds \$7,500, or (4) authorize the claimant to sue the state. A person filing a claim exceeding \$7,500 could request legislative review if the claims commissioner dismissed the claim or ordered a payment of \$7,500 or less.

The act increases each of these thresholds to \$20,000. It thus (1) allows the commissioner to order a payment of up to \$20,000, (2) requires him to forward a recommended payment to the legislature for approval only if it exceeds \$20,000, and (3) prohibits claimants from requesting legislative review unless (a) the claim exceeds \$20,000 and (b) the commissioner dismisses it or orders a payment of \$20,000 or less.

Additionally, the act makes a similar change regarding claims for damages because of any official act or omission by the public health or developmental services commissioners, their staffs, or certain other officials. Under prior law, such claims could be brought as civil actions against the commissioners in their official capacities if the damages exceeded \$7,500. Claims of \$7,500 or less had to be presented to the claims commissioner. The act increases both thresholds to \$20,000, thus requiring that damages exceed \$20,000 in order to be brought as a civil action.

AN ACT CONCERNING THE DEPARTMENT OF ADMINISTRATIVE SERVICES AND THE DISPOSITION OF SURPLUS STATE PROPERTY, SHORT TERM EMERGENCY LEASES, THE DEFINITION OF EXECUTIVE SESSION AND DUPLICATIVE STATEMENTS OF FINANCIAL INTEREST

SUMMARY: This act modifies the process for disposing of surplus state property. Among other things, it:

1. requires state agencies to give the Office of Policy and Management (OPM) secretary and affected municipality at least six months' notice of property that is expected to become surplus;
2. requires various commissioners, within 30 days of receiving notice from OPM, to advise the secretary of the property's potential use for their agencies' purposes;
3. requires the secretary, if the property is declared surplus, to hold a public hearing in the affected municipality at the municipality's request;
4. gives the affected municipality a one-time opportunity to acquire the property through procedures other than a sale, but removes the municipality's ability to match later offers made by other parties;
5. requires that notice of available property also be given to the Connecticut Economic Resource Center and the applicable regional planning organization;
6. requires that municipalities receive more frequent updates on a property's status; and
7. modifies a separate process for disposing of certain surplus Department of Correction (DOC) property.

Additionally, the act allows the Department of Administrative Services (DAS) to enter into leases of up to one year in certain emergency situations without OPM or State Properties Review Board (SPRB) approval. It also extends to state agencies a Freedom of Information Act (FOIA) provision that allows political subdivisions to hold executive sessions to discuss real estate transactions or site selections.

The act eliminates a requirement that SPRB members and nonclerical employees in DAS's unit that acquires, leases, and sells real property file a statement of financial interest with SPRB or DAS as appropriate. It maintains the requirement that these members and employees file such a statement with the Office of State Ethics (§ 8).

Lastly, the act makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2013, except that the DOC, FOIA, and leasing provisions are effective upon passage.

§§ 1, 2, & 9 – SURPLUS PROPERTY DISPOSITION

Notice of Surplus Property

The act requires state agencies, departments, and institutions (agencies) to give the OPM secretary written notice at least six months before they anticipate that they will no longer need land, or an improvement to or interest in land (property), in their custody and control. Under

prior law, agencies did not notify OPM of available property until they determined it was no longer needed. The act also requires the agency to notify the municipality in which the property is located when it notifies OPM.

Under prior law, upon receiving notice of surplus property, the OPM secretary had to arrange for custody and control of the property to be transferred to DAS, along with adequate funding for personnel and other operating expenses required to maintain the property. The act instead gives the secretary discretion to decide whether to (1) transfer the property to DAS or (2) require the agency to maintain custody and control. It also specifies that the funding includes, at the secretary's discretion, any available funds for maintenance purposes, rather than adequate funding.

By law, the OPM secretary must notify all state agencies of the available property. Previously, an agency that was interested in the property, upon receiving this notice, had 90 days to submit to the secretary a plan for its use. The act shortens this period to 30 days.

Use by Other State Agencies

Under prior law, the Department of Economic and Community Development (DECD) had the right of first refusal for available state property and had to be given custody and control of a property if the department:

1. determined that the property could be (a) used for an emergency shelter or a transitional living facility for homeless people or (b) used or exchanged for property that could be used for the construction, rehabilitation, or renovation of housing for low- or moderate-income individuals or families;
2. submitted to OPM a preliminary plan for the property within 90 days after receiving notification of the property's availability; and
3. submitted to OPM a comprehensive plan for the property within six months after the 90-day period ends.

The act eliminates this right of first refusal. It instead requires the commissioners of the following agencies to notify the OPM secretary in writing, no later than 30 days after receiving notice from the secretary, if the land, improvement, or interest serves the following needs:

1. DECD, whether, in addition to the above possible uses, it can be used or adapted for economic development or exchanged for property that can be used for economic development;
2. the Department of Transportation (DOT), transportation purposes;
3. the Department of Energy and Environmental Protection, open space purposes or to otherwise support the department's mission;
4. the Department of Agriculture, farming or agricultural purposes;
5. the Department of Veterans' Affairs, veterans' housing;
6. the departments of Children and Families and Developmental Services, to support their missions; and
7. DAS, to house state agencies or be leased.

The act does not require the secretary to give these possible uses preference over plans submitted by other agencies. By law, if one or more agencies submit a plan for the property, the secretary must determine whether to transfer the property to one of those agencies or treat it as surplus.

Conveyance to Affected Municipality

Under prior law, if a property were determined to be surplus, the state had to first offer to sell it to the municipality in which it is located, subject to conditions of sale acceptable to the state. The act instead requires that the state offer to convey the property to the municipality (e. g., sell, lease, exchange, or enter into agreements concerning it).

Under the act, the OPM secretary must, at the request of the municipality in which the property is located, first hold an informational public meeting in that municipality. The meeting must describe the property and the disposition process, allow public comment, and inform the public of its right to submit written comments to the secretary, including comments on the land's natural or recreational resources.

The act requires the secretary, after the meeting, to notify the DAS commissioner of his determination on whether the property may be treated as surplus. If the secretary determines that it is surplus, the commissioner must offer to convey the property to the municipality.

Under the act, the municipality has 120 days from receiving this notification to accept the conveyance, but the DAS commissioner can extend this period by up to 60 days. To accept the property, the municipality must (1) by a vote of its legislative body, accept the conveyance and (2) deliver a resolution of the action, verified by the municipal clerk, to the commissioner. If the municipality does not act within the specified time period, it is deemed to have declined the conveyance.

Under prior law, if the municipality declined to purchase surplus property, it retained the right to purchase it later by matching the terms of a proposed sale to another entity, so long as those terms were different from those offered to the municipality. The act eliminates this right by specifying that the municipality waives all rights to purchase the property if it declines or is deemed to decline the conveyance.

Sale to Other Entities

Under prior law, the DAS commissioner could sell, exchange, lease, or enter into agreements concerning surplus property after notifying (1) the municipality where it is located, (2) the state legislators who represent the municipality, and (3) potential incentive housing developers who have registered with DECD. The act requires the commissioner to also notify the (1) regional planning organization of the region where the property is located and (2) Connecticut Economic Resource Center. By law, regional planning organizations include regional councils of government, regional councils of elected officials, and regional planning agencies.

The act also requires that municipalities and their state legislators receive more frequent updates on a property's status. Under prior law, if a proposed agreement for a surplus property was not (1) submitted to SPRB within three years of notifying the municipality and its state legislators or (2) approved by SPRB within five years of this notice, the municipality and its legislators had to be re-notified of its availability. The act shortens these periods to one year and two years, respectively.

Legislative Approval

By law, the DAS commissioner must submit sales of surplus state property to the legislature's Finance and Government Administration and Elections committees. The committees have 30 days from receipt of an agreement to approve or disapprove it; the agreement is deemed approved if the committees do not act within this time. The act allows the committees to notify the DAS commissioner, in writing, that they waive their right to convene a meeting concerning the sale.

Surplus DOC Property

The act modifies a separate process for disposing of surplus community correctional center properties. Under the separate process, if the community correctional center administrator declares that a community correctional center is surplus, the property must first be offered, for no cost, to either the municipality or its redevelopment agency. Under prior law, (1) the state treasurer had to (a) offer to transfer the property and (b) administer the transfer if the municipality or redevelopment agency accepted it and (2) if the transfer were declined, the property had to be auctioned to the highest bidder.

The act instead requires that (1) the DAS commissioner, rather than the treasurer, offer the property and administer the transfer if it is accepted and (2) the property be sold according to regular procedure if the transfer is declined, rather than auctioned to the highest bidder.

By law, state-owned residential dwelling units and the land on which they are situated that were used by the abandoned correctional center's administration personnel cannot be included in the transfer to the municipality or redevelopment agency. Under prior law, this residential property could be sold by the state to the highest bidder if the community correctional center administrator certified to the state treasurer that it was no longer needed. The act (1) requires that the certification instead be made to the DAS commissioner and (2) eliminates the requirement that the sale be to the highest bidder.

§ 6 – EMERGENCY LEASES

By law, most proposed leases by state agencies must be (1) included in the State Facilities Plan, which the OPM secretary develops, and (2) approved by SPRB. The act allows DAS to enter into leases of up to one year, without OPM or SPRB approval, if the governor declares that (1) an emergency exists because a state facility has been damaged, destroyed, or otherwise rendered unusable; (2) the emergency would adversely affect public safety or the proper conduct of essential state government operations; and (3) the state has an immediate need to acquire alternative space.

§ 7 – FOIA

Previously under FOIA, political subdivisions could meet in executive session to discuss the selection of a site or the lease, sale, or purchase of real estate if publicity surrounding the selection or transaction were likely to cause a price increase. The act instead specifies that an executive session is permitted when the publicity would adversely impact the price of the site, lease, sale, purchase, or construction (e. g., an increased price if the agency is the buyer or a decreased price if the agency is the seller). Additionally, it extends to state agencies the ability to meet in executive session for these reasons.

Under prior law and the act, the provision applies until all of the property has been acquired or all proceedings or transactions have been terminated or abandoned.

BACKGROUND - *Related Act* - PA 13-277 changes the way DOT disposes of property it no longer needs for highway purposes.

Public Act# 13-274

HB# 6362

AN ACT CONCERNING THE TRANSPARENCY AND ACCESSIBILITY OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES

SUMMARY: PA 12-92 required that, on and after July 1, 2013, state agency regulations be available to the public on the secretary of the state's and regulating agency's Internet websites, rather than published in the *Connecticut Law Journal*. It established the same requirement for notices of proposed regulations and their accompanying documents.

This act modifies several of the provisions in PA 12-92. It delays, from July 1, 2013 until a date no later than October 1, 2014, a requirement that online regulations posted by the secretary of the state be the "official version" of the regulations of state agencies for "all purposes, including all legal and administrative proceedings." It requires the Commission on Official Legal Publications (COLP) to continue publishing regulations in the *Connecticut Law Journal* until this time.

The act names the electronic regulations compilation the "eRegulations System" and requires (1) agencies, and not the secretary, to post to the system notices of proposed regulations and regulation-related documents and (2) the secretary to post the final regulations. It eliminates requirements for agencies to post regulations and regulation-related documents (e. g., notice of a proposed action) on their own websites.

The act generally eliminates provisions that require a regulation to be submitted in hard copy at various stages of the regulation adoption process. However, it requires the secretary, by January 1, 2014, to develop and implement a plan to maintain at her office a paper copy of all regulations posted on the eRegulations System.

The act revises the requirements for selecting the Regulation Review Committee's co-chairpersons to conform law to current practice. It also requires that several manuals published by the Department of Social Services (DSS) be posted on the eRegulations System. Lastly, it repeals requirements, which were due to take effect on July 1, 2013, that agencies (1) post all manuals and guidance documents online and (2) post on their websites policies that are implemented before being adopted in regulation form (§ 12, effective upon passage).

The act also makes numerous technical and conforming changes.

EFFECTIVE DATE: Various, see below

§§ 1-4 & 8 – EREGULATIONS SYSTEM

§§ 1-2 & 8 – *Official Version of State Agency Regulations*

PA 12-92 required the secretary of the state, beginning July 1, 2013, to post online a compilation of all effective state agency regulations, including emergency regulations, adopted on and after October 27, 1970. It (1) required that the compilation be easily accessible to, and searchable by, the public and (2) designated it as the “official version” of the regulations of state agencies for “all purposes, including all legal and administrative proceedings.”

The act delays the date on which the electronic regulations compilation (which the act names the “eRegulations System”) becomes the official version until the time that the secretary certifies, in writing, that the system is technologically sufficient for this purpose. Under the act, this certification must be (1) made by the secretary by October 1, 2014 and (2) published on the secretary’s website and in the *Connecticut Law Journal*.

The act retains PA 12-92’s requirement that, beginning July 1, 2013, the secretary post existing regulations online, but it specifies that these regulations are unofficial until she makes the above certification. However, it retains a requirement that regulations noticed on and after July 1, 2013 be posted online in order to be enforceable.

By law, certain regulations that are incorporated by reference into another regulation may be omitted from publication (1) in the *Connecticut Law Journal*, until July 1, 2013, and (2) on the eRegulations System on and after July 1, 2013. Under prior law, in both instances, a notice had to be published (in the journal or on the system, as appropriate) that identified an omitted regulation, its subject matter, and information on where one could learn more about the regulation. The act delays, from July 1, 2013 until October 1, 2014, the requirement that this notice be published on the eRegulations System, thus eliminating its publication for this 15-month period.

The act requires COLP, within available appropriations, to provide any assistance requested by the secretary in the creation of the eRegulations System. This assistance includes providing the secretary with all effective regulations for posting online.

EFFECTIVE DATE: July 1, 2013

§ 1 – Publication in the Connecticut Law Journal

Under prior law, COLP’s publication of regulations in the *Connecticut Law Journal* was scheduled to cease on July 1, 2013. The act requires that, until the secretary certifies that the eRegulations System is ready to be the official version, (1) the secretary forward an electronic copy of each certified regulation to COLP and (2) COLP continue publishing regulations in the journal. Additionally, the act designates the COLP-published regulations as the official version until this time.

Under provisions in prior law that were repealed, effective July 1, 2013, by PA 12-92, COLP had to follow several requirements when publishing regulations. For example, it had to publish (1) in the *Connecticut Law Journal*, a monthly update of approved regulations and (2) a semiannual compilation of all adopted state agency regulations. A regulation or notice of a regulation’s adoption also had to appear in the journal to be enforceable.

The act does not specify requirements for COLP’s publication of regulations on and after July 1, 2013, and it eliminates COLP’s ability to omit certain regulations from publication on and after

this date (see above). Additionally, even though COLP must publish the official version of the regulations, they do not have to appear in the *Connecticut Law Journal* to be enforceable if they are noticed on and after July 1, 2013. Conversely, although under the act the eRegulations System is not the official version until certified by the secretary of the state, regulations noticed on and after July 1, 2013 must be posted on the eRegulations System in order to be enforceable (see above).

EFFECTIVE DATE: July 1, 2013

§ 3 – Notices of Proposed Regulations

Under PA 12-92, agencies had to, beginning July 1, 2013, (1) post on their websites notices of proposed regulations and regulation-related documents and (2) submit these notices and documents to the secretary of the state for posting on the online compilation. The act eliminates these requirements and instead requires agencies to post these notices and, on and after October 1, 2014, the regulation-related documents, on the eRegulations System. It thus delays, from July 1, 2013 until October 1, 2014, the requirement that the regulation-related documents be posted online.

By law, an agency may propose, without prior notice, (1) technical amendments to regulations when necessary to conform to certain changes (e. g., a change to the agency's name) or (2) a repeal of a regulation if the authorizing statute is repealed. The act requires the agency to post any such proposed technical amendments or repeals on the eRegulations System, rather than its own website.

By law, any agency that fails to post notice of intent to adopt required regulations by the applicable deadline must explain its reasons in an electronic statement to the governor, legislative committee of cognizance, and Regulation Review Committee. The act requires that, on and after October 1, 2014, the agency also post this statement on the eRegulations System.

EFFECTIVE DATE: July 1, 2013 and applicable to regulations noticed on and after that date.

§ 4 – Official Regulation-Making Record

The law requires agencies to create an official regulation-making record that includes, among other things, the notice of intent to adopt regulations, written analyses upon which the regulation is based, submissions and comments received by the agency, and official documents related to the regulation.

The act requires agencies to post this record on the eRegulations System, rather than maintain it as prior law required. It prohibits posting of audio recordings of hearings on the system unless the secretary of the state confirms that posting them would not violate any state or federal law regarding accessibility for people with disabilities. The act requires agencies to maintain audio recordings that are not posted on the eRegulations System and make them available to the public upon request.

EFFECTIVE DATE: October 1, 2014 and applicable to regulations noticed on and after that date.

§ 1 – Hyperlink on Agency Websites

The act requires each state agency and quasi-public agency with regulatory authority to post on its website a conspicuous link to the eRegulations System and, if practicable, a link to the specific regulatory provisions that concern the agency or quasi-public agency's particular programs.

EFFECTIVE DATE: July 1, 2013

§§ 5-7 – REGULATION ADOPTION

By law, proposed regulations must be approved by the attorney general for legal sufficiency before being submitted to the Regulation Review Committee for approval. The act specifies that this requirement also applies to proposed regulations that are resubmitted to the committee. It also requires that (1) proposed regulations be submitted electronically to the attorney general and (2) the attorney general's approval be provided to the agency electronically and submitted by the agency electronically to the Regulation Review Committee. Under prior law, the attorney general's approval was indicated on the original of the proposed regulation, which was then submitted to the committee. The act retains existing law's requirement that the agency submit the original of the proposed regulation to the committee.

By law, once the committee approves a regulation, the agency must submit it to the secretary of the state. Effective July 1, 2013, the law requires agencies to submit one certified and one electronic copy of an approved regulation to the secretary along with a statement from the agency head certifying that the electronic version is a true and accurate copy of the approved regulation. The act instead requires that, for regulations noticed on and after October 1, 2014, (1) agencies submit only a certified electronic copy to the secretary and (2) the agency head's statement be filed electronically.

EFFECTIVE DATE: July 1, 2014 and applicable to regulations noticed on and after that date, except that the provision on filing with the secretary is effective October 1, 2014 and applicable to regulations noticed on and after that date.

§ 6 – Regulation Review Committee Co-Chairpersons

The act conforms law to current practice by revising the procedures for selecting the co-chairpersons of the Regulation Review Committee. It requires that (1) the committee's co-chairpersons be from different political parties; (2) the House chair and Senate chair alternate between political parties in successive terms; and (3) the co-chairpersons be appointed by either the Senate president pro tempore or minority leader, or the House speaker or minority leader, as appropriate. Prior law required the committee to elect its House and Senate co-chairpersons.

EFFECTIVE DATE: July 1, 2014

Public Act# 13-279

SB# 1006

AN ACT REQUIRING STATE AGENCIES TO CITE SPECIFIC STATUTORY AND REGULATORY AUTHORITY FOR THEIR ACTIONS

SUMMARY: This act requires all state agencies taking certain regulatory actions under the Uniform Administrative Procedure Act (UAPA) to cite the legal authority for the action. The agencies must do this when rendering final decisions or taking actions against a license under that act. In either case, an agency must identify the statutes or its regulations supporting the decision or authorizing the action.

Under the act, an agency must also provide this information to a person or business affected by other specified regulatory actions if these parties request it. These actions include those involving (1) applications, permits, or requests for permits, licenses, approvals, or other permissions to conduct business or (2) the use of private property. The act specifies no deadline by which the agencies must respond to the request or consequences for failing to do so.

EFFECTIVE DATE: October 1, 2013

UAPA DECISIONS AND ACTIONS

The act requires state agencies to cite the legal authority for decisions they render under the UAPA. It specifically requires them to do so when rendering a proposed final decision, which by law they must do in writing, specifying the reasons for the decision and separate findings of fact and conclusions on each issue of fact or law upon which the decision rests. Under the act, the findings and conclusions must include the specific provisions of the law or the agency's regulations upon which the agency based its findings. By law, agencies must render proposed final decisions instead of adverse final decisions when a majority of the agency members who must render the final decision have not heard the matter or read the record. In these situations, the agency must allow the affected parties to file exceptions and present briefs and oral arguments to the agency's decision makers (CGS § 4-179).

Existing law also requires agencies to specify their findings of fact and conclusions of law supporting a decision in contested cases (CGS § 4-180). Under the act, the conclusions of law must also specify the provisions of the law or the agency's regulations on which the agency based its decision.

Lastly, the act requires agencies to provide this information when revoking, suspending, annulling, or withdrawing a license. By law, they must notify a licensee before they start a process that could potentially result in one of these outcomes. In doing so, they must notify the licensee by mail about the facts or the conduct that warrants the agency's intended action (CGS § 4-182).

ACTIONS AFFECTING BUSINESS ACTIVITIES OR PROPERTY USES

The act requires state agencies to specify the legal authority for an action that could affect a business activity or the use of private property when the affected party requests this information. Agencies must do this when:

1. acting on an individual's or business's application, petition, or request for a permit, license, approval, or other permission to conduct business or use private property;
2. restricting or imposing conditions on any business activity or use of private property; or
3. bringing an enforcement action, issuing a cease and desist order, or otherwise requesting the affected party to modify or stop any business activity or use of private property.

In these situations, the agency must specify the provisions of the law, its regulations, or the general permit that authorize its actions.

Public Act# 13-292

HB# 6492

AN ACT CONCERNING THE CONFIDENTIALITY OF EMPLOYEES SUPPLYING INFORMATION TO THE AUDITORS OF PUBLIC ACCOUNTS

SUMMARY: This act exempts from disclosure under the Freedom of Information Act (FOIA) the portion of (1) any audit or report prepared by the Auditors of Public Accounts that concerns the identity of an employee who provides information regarding (a) alleged fraud or (b) weaknesses in an agency's control structure that may lead to fraud and (2) any document that may reveal the identity of such an employee.

By law, the identity of an employee who files a formal whistleblower complaint with the auditors is exempt from FOIA, but, under prior law, the exemption did not extend to employees who provided information to them in other situations (e. g., answering questions during the course of a routine audit).

EFFECTIVE DATE: October 1, 2013

Public Act# 13-294

HB# 6515

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING MAXIMIZING ALTERNATIVE REVENUE

SUMMARY: This act requires the Office of Policy and Management (OPM), within available resources, to (1) develop a system for tracking the state's federal and alternative grant funding and (2) work with state agencies to maximize federal revenue. The OPM secretary must identify the agencies that should designate a federal and alternative funding liaison to OPM. These liaisons must ensure OPM has access to any grant application information needed to track grant funding.

The act also requires OPM to report, by November 15, 2014 and annually thereafter, on its efforts to maximize alternative revenues to the Finance, Revenue and Bonding and Appropriations committees. OPM must also annually submit this report to the Program Review and Investigations Committee and post it on OPM's website.

EFFECTIVE DATE: July 1, 2013

Public Act# 13-299

HB# 6363

AN ACT STREAMLINING STATE GOVERNMENT AND INCREASING EFFECTIVENESS

SUMMARY: This act eliminates 32 state boards and commissions and designates a successor agency for, or transfers the duties of, three of them. It establishes the Connecticut Commuter Rail Council to replace the Metro North New Haven Rail Commuter Council, which the act eliminates. The act also eliminates the Gaming Policy Board and transfers its functions and responsibilities to the Department of Consumer Protection (DCP).

Additionally, the act makes minor changes to several other entities (e. g., revising their membership or reporting requirements). Lastly, it makes technical changes and repeals obsolete language.

EFFECTIVE DATE: July 1, 2013

REPEALED BOARDS AND COMMISSIONS - Table 1 lists 27 of the 32 boards and commissions that the act repeals (note: R refers to the act's repealer sections, which are sections 95 and 96). The remaining five are described later in this analysis. Please note that the Connecticut Public Transportation Commission was reinstated by §§ 68-74 of PA 13-277.

Table 1: Repealed Boards and Commissions

§	Title	Description
1-2, 25, R*	Lower Fairfield County Convention Center Authority	Established in 1990 to stimulate new spending in Connecticut and attract and service large conventions, tradeshows, exhibitions, and conferences (PA 90-320).
3, 4, R	Committee on Career Entry and Mobility	Established in 1977 to determine how career counseling can best be provided and training opportunities best be met and made available within allotted funds (PA 77-250).
5, R	Connecticut Progress Council	Established in 1993 to develop a long-range vision for the state and define benchmarks to measure progress to achieve the vision (PA 93-262).
7	William Benton Museum Of Art Advisory Committee	Established in 1987 to advise on state art museum policies (PA 87-188); the act allows the UConn Board of Trustees to establish a new committee for similar advisory purposes.
9	Computer-Assisted Mass Appraisal Systems Advisory Board	Established in 1988 to assist in adopting standards for certifying a computer system for municipalities to use for property tax revaluation. The standards had to be adopted by December 1, 1988 (PA 88-348).
10-13, 15, 39, R	Connecticut Public Transportation Commission Note: the commission was reinstated by §§ 68-74 of PA 13-277.	Established in 1983 as a successor to the Connecticut Public Transportation Authority to advise and assist the Department of Transportation (DOT) commissioner, governor, and Transportation Committee regarding planning, development, and maintenance of public transportation services (PA 83-487).
16-17, R	Statewide Community Antenna Television Advisory Council	Established in 2007 to assist local cable TV advisory councils and disseminate information to them related to customers' interests (PA 07-253). The act also eliminates the \$200 annual fee that cable companies were required to pay the council.
18, R	HealthFirst Connecticut Authority	Established in 2007 to evaluate the state's sustainable health care policy and make recommendations for cost containment, improved health care quality, and financing and affordability and report by December 1, 2008 (PA 07-185).
20	Small Business Air Pollution Compliance Advisory Panel	Established in 1993 to advise the Department of Energy and Environmental Protection on the effectiveness of the small business stationary source technical and environmental compliance program (PA 93-428). The program was created to

		help small businesses comply with the federal Clean Air Act, which requires states to establish this panel (42 USC 7661f).
22, R	Adult Literacy Leadership Board	Established in 2008 to review and advise the Connecticut Employment and Training Commission on workforce investment and adult literacy programs and services. The board had to develop a strategic plan for an adult literacy system by July 1, 2009 and terminated as a standing committee of the commission on July 1, 2012. (PA 08-163).
23, R	Quinebaug and Shetucket Rivers National Heritage Corridor Advisory Council	Established in 1995 to submit the Cultural Heritage and Corridor Management Plan to the governor by January 1, 1996 (PA 95-250).
23, 30	River Protection Advisory Committee	Established in 1991 to assist the environmental protection commissioner in developing a river protection program (PA 91-394).
37, 38, R	Child Day Care Council	Established in 1967 to make recommendations to the (1) Department of Public Health on the regulations for child day care centers, group day care homes, and family day care homes and (2) Department of Social Services (DSS) on grant management and planning and development of child day care services. It also provides advice on the state's child care plan (PA 696).
43, 44, R	Housing Advisory Committee	Established in 1987 to advise the legislature, governor, and agencies on housing matters; monitor housing-related activities of the regional planning agencies; and promote coordination of housing matters among state agencies (PAs 87-550 and 96-68).
R	Commission On Innovation and Productivity	Established in 1993 to recommend innovations for cost-effectiveness and efficiency in state government (PA 93-351).
R	Student Financial Aid Information Council	Established in 1994 to develop procedures to improve student financial aid policy, increase resources and public awareness, and coordinate delivery of financial aid (PA 94-180).
R	Advisory Committee For The Center For Real Estate and Urban Economic Studies at UConn School Of Business Administration	Established in 1965 to advise the center (PA 621).
R	Southwest Corridor Action Council	Established in 1998 to advise DOT and report on the progress of implementing the transportation plan for the southwest corridor (PA 98-119).
R	Nurturing Families Network (NFN) Advisory Commission	Established in 1997 to monitor the statewide implementation of the NFN, a voluntary program that generally provides information and assistance to first-time parents through home visits and connections among parents, volunteers, and the community (PA 97-288).
R	Waiver Application	Established in 1995 to assist DSS in its Medicaid waiver

	Development Council	application (PA 95-257).
R	Residential Water-Saving Advisory Board	Established in 1989 to advise the public health commissioner on water conservation (PA 89-266).
R	Bi-State Farmington River Commission	Established in 1990 to make recommendations for towns being considered for designation under the federal Wild and Scenic Rivers Act (PA 90-341).
R	Risk Assessment Board	Established in 2006 to develop and use a scale using various factors to determine a sex offender's likelihood of reoffending, which was due October 1, 2007 (PA 06-187).
R	Connecticut War Veterans Memorial Register of Remembrance Commission	Established in 1991 to develop a plan to create the Memorial Register of Remembrance for Connecticut War Veterans (SA 91-22).
R	Connecticut Equestrian Center Corporation	Established in 1996 to attract and service large equestrian events and related trade shows, exhibitions, and activities (SA 96-14).
R	Committee to Review and Assess Pathways to Baccalaureate Degrees in Early Childhood Education	Established in 2005 to assess pathways to baccalaureate degrees in early childhood education and child development to promote the professionalization of the early childhood education workforce. The committee's report was due January 1, 2006 (PA 05-245).
R	Task Force to Develop Recommendations for Establishing an Administrative Hearings Division	Established in 2009 to develop recommendations for establishing an administrative hearings division within the Commission on Human Rights and Opportunities. The task force report was due February 1, 2010 (PA 09-7, Sept. Special Session).

*R: Repealer, §§ 95 and 96 of the act

§§ 6, 8 & 21 – GEOSPATIAL INFORMATION SYSTEMS COUNCIL

The act eliminates the Geospatial Information Systems Council and makes the Office of Policy and Management (OPM) its successor agency for purposes of coordinating geospatial information system capacity for towns, regional planning agencies, and state agencies. The act eliminates requirements that this capacity be (1) coordinated within available appropriations and (2) uniform. It requires the OPM secretary to submit, by January 1, 2014, the annual report to the Planning and Development Committee that the council previously provided.

The act also modifies several of the system's requirements. Under the act, OPM must (1) establish policies for collecting, managing, and distributing geospatial information and (2) set standards for acquiring, managing, and reporting this information and for acquiring, creating, or using applications employing the information by any executive branch agency. The act eliminates prior law's requirements that the system include provisions for (1) promoting a forum in which geospatial information could be centralized and distributed and (2) creating, maintaining, and disseminating geographic information or imagery used to precisely identify, or create maps or information profiles in graphic or electronic form about, certain locations or areas.

The act requires that the system be for the purpose of (1) facilitating communication and coordination regarding the use of geospatial information system technology, (2) eliminating duplicative use of the technology, and (3) expanding its use within the state. It eliminates prior law's requirement that the system be for the purpose of guiding or assisting state and municipal officials in land use planning; transportation; economic development; public service delivery; environmental, cultural, and natural resources management; and other areas, as necessary.

§ 24 – CONNECTICUT INTERNATIONAL TRADE COUNCIL

The act eliminates the council and makes the Department of Economic and Community Development (DECD) its successor agency. The council was established in 1994 to advise the DECD commissioner and the legislature's Commerce Committee on the state's infrastructure and programs for promoting the growth of import and export businesses (PA 94-237).

§§ 26 & 27 – SPECIAL CONTAMINATED PROPERTY REMEDIATION AND INSURANCE FUND ADVISORY BOARD

The act eliminates this seven-member advisory board, established in 1995 to annually advise and review the fund's progress. It transfers the board's duties to the 13-member Brownfields Working Group, which was established in 2010 to examine how (1) Connecticut brownfields are being cleaned up and developed and (2) permits and liability issues affect these activities. The act also makes the working group permanent by eliminating a final reporting deadline and instead requiring annual reports beginning January 15, 2014.

The act does not affect the fund, which is used for, among other things, removing and mitigating spills and making loans to municipalities, firms, and individuals for certain environmental assessments and investigations.

§§ 35 & 36 – CITIZENS ADVISORY COUNCIL FOR HOUSING MATTERS

The act renames the Citizens Advisory Council for Housing Matters the Advisory Council to the Superior Court Housing Session. It reduces the council's size from 36 members to 12 by reducing, from nine to three, the number of members from each of the four groups that comprise the board's membership. These groups are residents of the judicial districts of (1) Hartford or New Britain; (2) New Haven, Waterbury, or Ansonia-Milford; (3) Fairfield or Stamford-Norwalk; or (4) Danbury, Litchfield, Middlesex, New London, Tolland, or Windham.

By law, the governor appoints board members to four-year terms, but the act specifies that (1) members' terms last for four years beginning July 1 in the year of their appointment and (2) the governor fills any vacant position for the unexpired portion of the term.

§ 40 – BOARD OF TRUSTEES OF THE DEPARTMENT OF VETERANS AFFAIRS

By law, veterans must comprise a majority of the Board of Trustees of the Department of Veterans Affairs. A veteran is a person honorably discharged or released under honorable conditions from active service in the armed forces. Under prior law, the board had to include veterans from World War II, the Korean War, and the Vietnam War. The act instead requires that the board include veterans of armed conflicts authorized by the president. It thus eliminates the requirement that veterans of the three conflicts listed above be represented.

§ 44 – MOBILE MANUFACTURED HOME ADVISORY COUNCIL

The act reduces the council's membership, from 15 to 14, to reflect the elimination of a representative from the Housing Advisory Committee, which the act repeals.

Related Act - PA 13-240 also eliminates the Student Financial Aid Advisory Council.

Public Act# 13-304

SB# 430

AN ACT CONCERNING THE STATE FLEET AND MILEAGE, FUEL AND EMISSION STANDARDS, THE CERTIFICATION OF MINORITY BUSINESS ENTERPRISES AND PREFERENCE FOR A BOND GUARANTY PROGRAM

SUMMARY: This act makes various changes to the state's small and minority business set-aside program (also called the supplier diversity program). It adds to the requirements that contractors must meet in order to participate in the program by requiring that (1) a business be "independent" in order to be certified as a small contractor (also called a small business enterprise (SBE)) and (2) a certified minority business enterprise's (MBE) owners possess managerial and technical competence and experience directly related to the enterprise's principal business activities.

The act increases certain performance targets that set-aside contractors must meet. Under prior law, state agencies had to require a contractor or subcontractor awarded a set-aside contract to perform at least 15% of the work with its own forces. They also had to require that at least 25% of the work under such a contract be performed by SBEs or MBEs. The act doubles both of these percentages (to 30% and 50%, respectively).

The act allows the Department of Administrative Services (DAS), which administers the set-aside program, to adopt regulations to implement its requirements. It also expands existing law's enforcement provisions by allowing DAS to levy a fine against prospective or certified SBEs and MBEs and revoke or deny their certifications for certain violations.

Lastly, the act requires (1) DAS to give each prequalified contractor and substantial subcontractor written notice of the Department of Economic and Community Development's (DECD) bond guaranty program and (2) DECD to give priority in the program to prequalified contractors and substantial subcontractors. The DECD guaranty program, which is administered by the Hartford Economic Development Corporation, assists minority contractors with the bonding requirements of public works projects. A prequalified contractor or substantial subcontractor is one that has received a prequalification certificate from DAS; such a certificate is required in order to bid on most state public works contracts that cost more than \$500,000 (or, for substantial subcontractors, subcontracts that cost more than \$500,000).

EFFECTIVE DATE: July 1, 2013

Public Act# 13-2

SB# 801

AN ACT MAKING MANUFACTURING ASSISTANCE ACT FUNDS AVAILABLE FOR THE SMALL BUSINESS EXPRESS PROGRAM

SUMMARY: This act authorizes an additional \$60 million in general obligation bonds for the Small Business Express Program (Express), increasing its total bond authorization to \$160 million. It does this by tapping portions of the bonds previously authorized for different purposes under the Manufacturing Assistance Act program (MAA). It specifically (1) reallocates to Express the \$40 million authorized in FY 13 for small business development under MAA and (2) requires \$20 million of the bonds authorized for general MAA purposes to be deposited in Express' account. The Department of Economic and Community Development, which administers the Express program, provides loans from this account.

EFFECTIVE DATE: Upon passage

BACKGROUND - *MAA and Express*

MAA and Express differ in several ways. Enacted in 1990, MAA provides grants, loans, loan guarantees, credit extensions, and other types of financing to small and large businesses, nonprofit corporations, municipalities, and regional planning organizations for a range of projects, including developing facilities, acquiring new machines and equipment, diversifying local and regional economies, and supporting research and development.

The amount of funds available for these projects depends on their location. Generally, projects located in the 17 municipalities with enterprise zones qualify for funding for up to 90% of project costs, while those located in other municipalities qualify for funding covering up to 50% of the costs. Funding levels are higher when municipalities collaborate on a project.

Created in 2011, Express provides matching grants and deferrable or forgivable loans under a streamlined application process to Connecticut-based businesses with fewer than 100 employees and that meet other criteria. Grant and loan amounts range from \$10,000 to \$300,000. Eligible businesses can use the funds to acquire machinery and equipment, construct facilities or make leasehold improvements, cover moving expenses, or meet working capital needs (CGS § 32-7g).

Public Act# 13-19

SB# 619

AN ACT CONCERNING THE COMMISSION ON CONNECTICUT'S FUTURE

SUMMARY: This act reactivates a dormant economic development advisory commission, changes its name, expands its membership, and broadens its charge to include policies encouraging defense contractors and subcontractors to engage in environmentally sustainable and civilian product manufacturing.

It requires the reactivated commission to prepare a report addressing several issues, including some the dormant commission addressed in its 1993 five-year economic renewal plan. Under the act, the commission must address workforce development and defense diversification or conversion issues in the report, which the commission must submit to the governor and Commerce Committee by December 1, 2014.

The reactivated commission must perform the same advisory and analytical duties its predecessor had to perform under prior law, including preparing and reviewing short- and long-term defense

conversion strategies. In devising these strategies, the act requires the commission to emphasize environmentally sustainable and civilian product manufacturing.

EFFECTIVE DATE: Upon passage

REACTIVATED COMMISSION

The act reactivates the Connecticut Commission on Business Opportunity, Defense Diversification and Industrial Policy and renames it the Commission on Connecticut's Future. In doing so, it expands and changes its membership.

The previous commission consisted of:

1. the labor, education, higher education, and economic and community development commissioners;
2. the chairpersons and ranking members of the Commerce Committee;
3. the presidents of the AFL-CIO, Connecticut Business and Industry Association, and Connecticut Academy of Science and Engineering; and
4. representatives of different business sectors appointed by legislative leaders.

The act adds two representatives of manufacturing unions, who must be recommended by the AFL-CIO president and appointed by the governor. It also changes two legislative appointments. It requires the House majority leader to appoint a representative of a peace organization instead of a representative of a large service-related industry. And it requires the Senate minority leader to appoint a representative of an environmental organization instead of a representative of a small service-related business. Table 1 shows the new commission's composition.

Table 1: Composition of Commission on Connecticut's Future

<i>Ex Officio Members</i>	<i>Appointed Members by Appointing Authority</i>
Commerce Committee chairpersons and ranking members, or their designees, and commissioners, or their designees, of: <ol style="list-style-type: none"> 1. Economic and Community Development 2. Education 3. Higher Education 4. Labor Presidents, or their designees, of: <ol style="list-style-type: none"> 1. Connecticut Academy of Science and Engineering 2. Connecticut Business and Industry Association 3. Connecticut AFL-CIO 	Governor: <ol style="list-style-type: none"> 1. Two members representing manufacturing unions recommended by Connecticut AFL-CIO president Senate president pro tempore <ol style="list-style-type: none"> 1. Representative of large manufacturing concern 2. Representative of a financial institution House Speaker: <ol style="list-style-type: none"> 1. Representative of a large business heavily dependent on prime defense contracts or subcontracts 2. Representative of a small business heavily dependent on prime defense contracts or subcontracts House Majority Leader:

	<p>1. Representative of a peace organization</p> <p>Senate Minority Leader:</p> <p>1. Representative of an environmental organization</p> <p>House Minority Leader:</p> <p>1. Representative of an educational institution</p>
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All of the non ex officio members serve two-year terms, starting July 1, 2013. The terms of the appointed members of the dormant commission expire June 30, 2013.

The commission's chairperson, whom the governor continues to appoint from among the commission's members, must call the commission's first meeting by October 1, 2013. Subsequent meetings are held at the chairperson's discretion.

Like its predecessor, the commission exists within the Department of Economic and Community Development (DECD) for administrative purposes.

REPORT

The act requires the reactivated commission to prepare a report addressing most of the same issues its predecessor addressed in its 1993 plan. Like the plan, the report must lay out a strategy for restoring the manufacturing sector and stimulating its growth, with the goal of increasing the number of manufacturing jobs within five years after the commission completes the report. It must also propose strategies for retaining or expanding the state's economic base and coordinate its economic development policies with public and private sector capital investment.

The act does not require the report to address the need for regional approaches to economic development, as prior law required the plan to do. But it requires it to include strategies for:

1. aligning the state's educational institutions with the state's manufacturing base and
2. diversifying or converting defense-related industries to other nonmilitary products, emphasizing environmentally sustainable and civilian product manufacturing.

The commission must submit the report to the governor and Commerce Committee by December 1, 2014.

OTHER DUTIES

The act transfers the former commission's duties to the reactivated one, requiring it to:

1. advise the legislature and DECD about defense conversion, industrial policy, and the state's business climate;
2. evaluate legislation related to the state's economy, particularly as they affect manufacturers and defense-related businesses;
3. provide a forum for business issues; and
4. stimulate and review public and private assistance to improve the state's economy.

Prior law required the commission to prepare and review strategies being implemented to help defense-dependent businesses convert from making defense to nondefense products. The act requires it to prepare and review strategies that emphasize environmentally sustainable and civilian product manufacturing. Prior law also required the commission to foster opportunities for public-private partnerships. The act requires it do so in a way that encourages the public to participate.

BACKGROUND - *Commission's 1993 Report*

The Commission on Business Opportunity, Defense Diversification and Industrial Policy submitted its five-year strategy to the governor and legislature in January 1993. The strategy consisted of four short-term recommendations for stemming the loss of jobs and talent and six long-term recommendations for preparing the state for future growth.

The short-term recommendations focused on promoting entrepreneurship and exporting; broadening the state's economic base, focusing particularly on ways to diversify its defense sector; and supporting job training and retraining. The long-term recommendations focused on improving the state's business climate, promoting educational innovation, supporting and encouraging research and development and technology transfer, reforming tax and regulatory policies, improving the network for delivering economic development services, and stimulating community economic development.

Public Act# 13-45

HB# 6466

AN ACT CLARIFYING COLLATERAL REQUIREMENTS FOR APPLICANTS FOR FINANCIAL ASSISTANCE FROM THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT AND CONNECTICUT INNOVATIONS, INCORPORATED

SUMMARY: By law, most businesses that apply for financial assistance from the Department of Economic and Community Development and Connecticut Innovations, Inc. must provide these agencies with collateral, such as a letter of credit; a lien on real property; or a security interest in equipment, inventory, or other property.

This act exempts economic development grant applicants from providing collateral, regardless of the grant's term. Prior law exempted only applicants for grants whose term was for less than one year. Loans for less than one year and equity investments are exempt from the collateral requirement under existing law.

EFFECTIVE DATE: Upon passage

Public Act# 13-56

SB# 1004

AN ACT ENCOURAGING THE EXPORTATION OF STATE PRODUCTS AND SERVICES THROUGH THE SMALL BUSINESS EXPRESS PROGRAM

SUMMARY: This act allows, rather than requires, the Department of Economic and Community Development (DECD) commissioner, when approving applications for Small Business Express Program loans and grants, to give priority to economic base industries in the fields of precision

manufacturing, business services, green and sustainable technology, and bioscience and information technology. It additionally allows her to give priority to businesses seeking to export their products or services to foreign markets. By law, unchanged by the act, the commissioner must give priority to applications from small businesses creating jobs.

EFFECTIVE DATE: October 1, 2013

BACKGROUND

Small Business Express Program - The Small Business Express Program encourages job creation and growth by providing loans and grants to state-based small businesses.

Economic Base Industries - Economic base industries are those the commissioner determines will materially contribute to the state's economy by (1) creating or retaining jobs; (2) exporting, encouraging innovation in, or adding value to products or services; or (3) otherwise supporting or enhancing existing activities important to the state economy (CGS § 32-222 (d)).

Public Act# 13-63

SB# 927

AN ACT CONCERNING THE DEFINITION OF NEW EMPLOYEE IN THE UNEMPLOYED ARMED FORCES MEMBER SUBSIDIZED TRAINING AND EMPLOYMENT PROGRAM

SUMMARY: This act expands eligibility for the state's Unemployed Armed Forces Subsidized Training and Employment Program to include all unemployed, honorably discharged U. S. Armed Forces members (Army, Navy, Marines, Coast Guard, Air Force, reserves, and state National Guards performing federal duty) who served for at least 90 days. Eligibility under prior law required the 90 service days to have been in a combat zone in Afghanistan or Iraq. As under prior law, the act's 90-day requirement does not apply if the veteran was separated from service due to a service-related disability rated by the Veterans' Administration.

The Unemployed Armed Forces Subsidized Training and Employment Program offers wage subsidies and training grants to certain employers that hire eligible unemployed veterans. It is administered by the state Department of Labor.

EFFECTIVE DATE: Upon passage

Public Act# 13-115

HB# 6467

AN ACT CONCERNING APPLICATIONS FOR FINANCIAL AID FROM CONNECTICUT INNOVATIONS, INCORPORATED

SUMMARY: This act sets conditions under which Connecticut Innovations, Inc.'s (CII) governing board may delegate to CII staff the board's duty to approve or deny applications for loans, loan guarantees, equity investments, and other forms of economic development assistance. The board may delegate this duty for applications requesting no more than \$150,000 in assistance if:

1. the staff processed the application according to CII's written procedures and

2. the total amount of financial assistance that the applicant is requesting and has received during the preceding 12 months does not exceed \$150,000.

Under prior law, CII's 17-member board or one of its committees had to approve or deny each application recommended by CII's chief executive officer (CEO). By law, staff must submit all applications, together with application fees, to the CEO. Further, CII must process them according to its written procedures.

EFFECTIVE DATE: July 1, 2013

Public Act# 13-117

SB# 387

AN ACT INCREASING THE MINIMUM FAIR WAGE

SUMMARY: This act increases the hourly minimum wage from its current \$ 8.25 to \$ 8.70 on January 1, 2014 and from \$ 8.70 to \$ 9.00 on January 1, 2015. It increases the "tip credit" in each of those years to keep the employer's share of (1) hotel and wait staff's wages at its current \$5.69 and (2) bartenders' wages at its current \$ 7. 34.

The law, unchanged by the act, allows learners, beginners, and people under age 18 to be paid 85% of the minimum wage for the first 200 hours of their employment. In effect, the act's minimum wage increases raise this wage from its current \$ 7.01 to \$ 7.39 in 2014 and \$ 7.65 in 2015.

EFFECTIVE DATE: July 1, 2013

Public Act# 13-231

SB# 1015

AN ACT CONCERNING THE NEW ENGLAND NATIONAL SCENIC TRAIL AND ESTABLISHING A CONNECTICUT ANTIQUES TRAIL

SUMMARY: This act requires the Department of Energy and Environmental Protection (DEEP) to preserve and maintain Connecticut's portion of the New England National Scenic Trail. It authorizes (1) DEEP to acquire land for the trail, including rights-of-way and easements and (2) other agencies to transfer land to DEEP. It specifies that the primary trail use is as a foot path, but that other uses may be permitted if they do not substantially interfere with this purpose. It gives immunity from liability to a person who grants a trail right-of-way across his or her property, except for willful or wanton misconduct.

The act also requires the Department of Economic and Community Development (DECD), within available appropriations, to establish a Connecticut antiques trail to identify and market Connecticut sites where antiques are sold. DECD must develop criteria to identify and include in the trail major antique dealers, communities with a high concentration of antique dealers, and auction houses with annual sales over \$1 million. DECD must also promote the trail through signs, notices, and an internet website.

EFFECTIVE DATE: Upon passage for the New England National Scenic Trail provisions and October 1, 2013 for the antiques trail provisions.

NEW ENGLAND NATIONAL SCENIC TRAIL

Preservation of Trail as State Policy

The act declares as state policy that the Connecticut portion of the New England National Scenic Trail be preserved in its natural character, as proposed in the federal Omnibus Public Land Management Act of 2009 (P. L. 111-11).

Acquisition of Land

The act specifically authorizes DEEP to acquire land by purchase, gift, or otherwise, including rights-of-way and easements, to establish, protect, and maintain the Connecticut portion of the trail after considering recommendations of the National Park Service's 2006 Metacomet Monadnock Mattabesett Trail System National Scenic Trail Feasibility Study and Environmental Assessment.

Transfer of Land from Other Agencies

The act allows any department or agency of the state or its political subdivisions to (1) transfer to DEEP land or rights in land on terms and conditions that may be agreed upon or (2) enter into agreements with the DEEP commissioner to establish and protect the trail.

Uses of Trail and Land

As ordered in federal law, the act requires the New England National Scenic Trail to be held, developed, and administered primarily as a footpath. But other trail and land uses may be permitted if they do not substantially interfere with the primary trail use. The act does not limit (1) the public's right to travel over existing public roads that become part of the trail or (2) DEEP's ability to perform necessary work for forest fire protection and insect, pest, and disease control.

Maintenance Agreements

The act authorizes the DEEP commissioner to enter into agreements with federal agencies or private organizations to maintain the trail.

Liability of Grantor of Right-of-Way

Under the act, no grantor of a trail right-of-way across his or her land, or a successor in title, is liable to any trail user for injuries suffered on the right-of-way unless the injuries are caused by the grantor's willful or wanton misconduct.

Use of Funds

The act authorizes DEEP to use any available department funds and any available funds from the U. S. Land and Water Conservation Fund or other federal assistance programs to carry out its provisions.

BACKGROUND - *New England National Scenic Trail*

The trail is a continuous trail extending approximately 220 miles from the New Hampshire-Massachusetts border, through Massachusetts and Connecticut, to Long Island Sound in Guilford, Connecticut. The trail is comprised primarily of the Mattabesett, Metacomet, and Monadnock trails. Pursuant to federal law, the United States cannot acquire land or interest in land for the trail without a landowner's consent (P. L. 111-11, § 5202).

AN ACT CONCERNING THE INTEREST PAID BY THE STATE ON OVERPAYMENTS OF TAXES, VARIOUS CHANGES TO TAX CREDIT PROGRAMS AVAILABLE UNDER THE INSURANCE PREMIUMS TAX AND THE CORPORATION BUSINESS TAX, EXEMPTIONS FROM THE PETROLEUM PRODUCTS GROSS RECEIPTS TAX, AND A STUDY OF THE STRUCTURE OF THE PERSONAL INCOME TAX

SUMMARY: This act makes various changes to laws concerning state tax administration. Among other things, it (1) reduces the period during which the state must pay interest on overpayments of gift, estate, and gross earnings taxes; (2) extends a credit against the petroleum products gross earnings tax to the first sale of petroleum products sold to a purchaser who then incorporates them into paint, coating, or adhesive material for use or sale outside Connecticut; (3) requires captive insurance companies to pay premium taxes on assumed reinsurance premiums by March 1 annually, rather than in March; and (4) permits insurance companies and HMOs to transfer to their affiliates an insurance premium tax credit that, under existing law, may not be transferred or assigned.

The act also makes various changes to business tax credit programs, including (1) extending, from 15 to 25 years, the maximum period for carrying forward the credit for donating land for educational purposes; (2) allowing taxpayers to whom film infrastructure tax credits were assigned to carry them forward for up to three years; (3) allowing the economic and community development commissioner to limit the period for claiming the three-year job expansion tax credits and imposing an aggregate credit cap for the years they may be claimed; and (4) repealing certain obsolete or rarely used tax credit programs.

Lastly, the act requires the Department of Revenue Services (DRS) commissioner to study the state's income tax structure and how its rates and credits affect different taxpayers.

EFFECTIVE DATE: Various, see below.

§§ 1-2 & 5-6 – PERIOD FOR PAYING INTEREST ON TAX OVERPAYMENTS

By law, the state pays 0.66% per month or part of a month in interest to taxpayers when they overpay the gift tax; estate tax; or gross earnings taxes on railroad companies, cable and satellite television and video service providers, utility companies, and petroleum products distributors. Under prior law, the period for paying interest on:

1. gift tax overpayments began on the tax return's due date or the date the tax was paid, whichever was later;
2. gross earnings taxes overpayments was the period between the (a) later of the taxes' due date or the date they were overpaid and (b) date of the revenue services commissioner's notice that refunds were due (excluding refunds due to intentional overpayments); and

3. estate tax overpayments depended on the day a decedent died. For those who died before July 1, 2009, the state paid interest starting nine months after the transferor's death or the payment date, whichever was later. For those dying on or after that date, the period began six months after the transferor's death or the payment date, whichever was later.

The act shortens the period for paying interest on overpayments of gift and gross earnings taxes, depending on whether the overpayment was made pursuant to a tax return or amended tax return. For tax returns, the period for paying interest begins 91 days after the later of the (1) deadline for filing the return or (2) date the return was filed. For amended tax returns, the period begins 91 days after the amended tax returned was filed. For gift tax returns, the deadline for filing the return is determined regardless of any filing extension.

Although the act prescribes the same shortened periods for paying interest on estate tax overpayments, it retains the existing provisions requiring the period to begin nine months or six months after the transferor's death or the payment date. Consequently, it is unclear how the two periods combine to establish a new period for paying interest.

EFFECTIVE DATE: July 1, 2013, and applicable to refunds issued on or after that date.

§ 7 – ORDER FOR CLAIMING INSURANCE PREMIUM TAX CREDITS

The act establishes the order in which insurers must claim multiple credits in a calendar year. The order depends on whether the insurer can carry a credit backwards or forwards. The insurer must:

1. first apply the credits that it can carry backward to a preceding year, in the order in which they expire and, if more than one credit expires at the same time, in the order that gives the insurer the maximum benefit;
2. then apply credits it can neither carry backward or forward in the order that gives the insurer the maximum benefit; and
3. finally, apply the credits it can carry forward, in the order in which they expire and, if more than one credit expires at the same time, in the order that gives the insurer the maximum benefit.

A similar order applies under existing law to businesses eligible to claim more than one corporation business tax credit (CGS § 12-217aa).

The act specifies that insurers cannot claim an insurance premium credit more than once.

EFFECTIVE DATE: Upon passage and applicable to calendar years beginning on and after January 1, 2013.

§ 10 – CARRY FORWARD FOR FILM INFRASTRUCTURE INVESTMENT TAX CREDIT

By law, parties investing in qualified film infrastructure projects qualify for tax credits, which they can claim over four years or assign (i. e., sell or transfer) to other taxpayers (i. e., assignees). Prior law required assignees to claim the tax credit only for the income year in which eligible expenditures were made for the infrastructure project. The act instead allows assignees

to claim the credits during the year in which the expenditures were made or in the three immediately succeeding income years.

EFFECTIVE DATE: Upon passage

§ 11 – JOB EXPANSION TAX (JET) CREDIT

The act allows the Department of Economic and Community Development (DECD) commissioner to reduce the time during which businesses may claim the JET credit for hiring certain types of employees from three years to one year.

By law, businesses qualify for the credit based on employee criteria. The credit equals \$500 per month for each new employee who lives in Connecticut (i. e., new employee) or \$900 per month if the employee either:

1. is (a) receiving unemployment compensation benefits or has not had a full-time job since exhausting them, (b) receiving vocational rehabilitation services from the Department of Rehabilitation Services, (c) receiving employment services from the Department of Mental Health and Addiction Services, or (d) participating in employment opportunities and day services operated or funded by the Department of Developmental Services (i. e., qualifying employee) or
2. is a current armed forces member or one who was honorably discharged or released under honorable conditions from active service in the armed forces (i. e., veteran employee).

Under prior law, businesses could claim the credit in the year the employee was hired and the next two income years. Beginning January 1, 2014, the act requires the commissioner to base her decision on whether to approve second- or third-year credits for new employees on whether doing so is consistent with the state's economic development priorities. She must continue basing her decision on whether to approve second- or third-year credits for qualifying and veteran employees on the current eligibility criteria.

The act also changes the cap on the JET credits. Prior law imposed an aggregate \$20-million-per-year cap on these credits and those issued under three earlier job creation programs, which JET replaced. The act changes the cap from \$20 million per year to \$40 million over the JET program's duration. (However, it does not make conforming changes to the caps in the three other programs' statutes.)

By law, a business qualifies for the JET credit for jobs it creates between January 1, 2012 and January 1, 2014. Because JET is a three-year credit, the commissioner must apply the cap to the year she awards them and the subsequent two years during which businesses may claim them, including 2014 and 2015.

EFFECTIVE DATE: July 1, 2013

§§ 13-14 & 18 – REPEALED TAX CREDIT PROGRAMS

The act repeals the:

1. \$125 per month tax credit for employers hiring Temporary Family Assistance program recipients for at least 30 hours per week (CGS § 12-217y),
2. 25% tax credit for research and development grants businesses make to colleges and universities in Connecticut exceeding the three-year average of prior grants (CGS § 12-217l),
3. \$1,500 per worker credit available to electricity suppliers who hire workers displaced by electrical industry restructuring (CGS § 12-217bb), and
4. \$1,500 credit for hiring workers whose (a) jobs were eliminated because of business restructuring in which at least 10 employees were terminated and (b) new salary is at least 75% of their previous wages or salaries (CGS § 12-217hh).

Under prior law, all of these credits applied against the corporation business income tax. The credit for hiring workers displaced by business restructuring also applied to the insurance premium and utility company taxes.

The act also makes conforming technical changes to laws referring to tax credit programs it repeals.

EFFECTIVE DATE: July 1, 2013

§ 15 – CAPTIVE INSURANCE COMPANY PREMIUM TAX PAYMENTS

The act requires captive insurance companies to pay premium taxes on assumed reinsurance premiums by March 1 annually, rather than in March. Under existing law, unchanged by the act, captive insurers must pay premium taxes on direct-written premiums by March 1 annually.

EFFECTIVE DATE: July 1, 2013

§ 16 – ESTIMATED INSURANCE PREMIUM TAX OVERPAYMENTS

The act allows domestic insurers who have timely filed their tax returns to (1) apply tax overpayments to the following year's estimated tax or (2) receive a refund as existing law provides.

By law, these insurers must pay their estimated insurance premium taxes in four installments during the calendar year according to the schedule the law specifies. If a company overpays an installment, the law requires the excess to be credited against the next installment. But, if the amount paid for the year exceeds the amount of tax due for that year, under prior law, the insurer had to receive a refund.

Under the act, the insurer can elect to apply the excess taxes to its estimated taxes for the following year instead of receiving a refund. If the insurer elects to do this, the state must apply the excess to the first installment due in the next income year and to any subsequent installments in the order they are due. The act also eliminates the DRS commissioner's authority to adopt regulations concerning how excess estimated insurance premium tax payments are credited from one year to the next.

EFFECTIVE DATE: July 1, 2013, and applicable to estimated tax payments for calendar years starting on or after January 1, 2014.

§ 17 – TRANSFERABILITY OF INSURANCE PREMIUM TAX CREDITS

The law allows insurers and HMOs to apply tax credits against their insurance premium tax liability. Some tax credit programs require the entity that earns the credit to claim it, while others allow entities to transfer or assign the credits they earn to other taxpayers. The act allows insurers and HMOs to transfer credits to an affiliate that they would otherwise have to claim themselves (e. g., electronic data processing equipment property tax, historic homes rehabilitation, housing program contribution, and Neighborhood Assistance Act tax credits).

Existing law allows insurance companies and HMOs to transfer specific tax credits to other taxpayers (e. g., urban and industrial site reinvestment, film production, film infrastructure, digital animation, historic preservation, and insurance reinvestment fund tax credits). The transfers are generally subject to restrictions, including limits on the (1) number of times a particular credit may be transferred and (2) tax period for which a transferee may claim the credit. These restrictions apply to any tax credit transferred by an insurance company or HMO to its affiliate.

Although the act allows insurers and HMOs to transfer a credit to an affiliate, it prohibits the revenue services commissioner from allowing the affiliate to claim the transferred credit unless certain conditions are met. The insurer or HMO and affiliate must file any information the commissioner requires by the due date of the tax return on which the insurer or HMO would have taken the credit if it had not transferred it to the affiliate.

EFFECTIVE DATE: July 1, 2015, and applicable to calendar years beginning on or after January 1, 2015.

Public Act# 13-246

HB# 5718

AN ACT CONCERNING MUNICIPAL AUTHORITY TO PROVIDE TAX ABATEMENTS TO ENCOURAGE RESIDENTIAL DEVELOPMENT AND ESTABLISHING THE RENTSCHLER FIELD IMPROVEMENT DISTRICT IN THE TOWN OF EAST HARTFORD

SUMMARY: This act expands a municipality's authority to fix or defer property tax assessments on certain development projects. The law allows municipalities to fix the tax assessment for a range of real estate development projects and bases the period for doing so on the value of the improvements. Under prior law, the fixed assessment was (1) 100% for up to seven years for projects over \$3 million; (2) 100% for up to two years for projects over \$500,000; and (3) up to 50% for up to three years for projects over \$25,000. The act decreases, from \$25,000 to \$10,000, the minimum cost of projects eligible for the three year fixed assessment.

The act also expands the uses for which municipalities may fix assessments to include mixed-use developments, which are developments that contain, in addition to at least one residential unit, commercial, public, institutional, retail, office, or industrial uses. By law, municipalities may also provide fixed assessments for the following uses: office; retail; permanent or transient residences; manufacturing; warehouse, storage, or distribution; recreational; transportation; information technology; and multilevel parking for mass transit systems.

Other statutes allow municipalities to defer an increased property tax assessment on property located in a designated rehabilitation area if the property is being rehabilitated or constructed for certain uses. Under prior law, the rehabilitation area could include all or part of a municipality, that is deteriorated, deteriorating, substandard, or detrimental to the safety, health, welfare, or general economic well-being of the community. The act specifies that only one or more properties in a rehabilitation area need to meet these criteria to be considered a rehabilitation area.

The act also authorizes voters and nonresident property owners in East Hartford to establish a special taxing district in the area around Rentschler Field. The district's powers, organizational structure, and processes are generally similar to special taxing districts operating under the statutes (statutory districts).

EFFECTIVE DATE: October 1, 2013, except the provisions authorizing creation of the Rentschler Field Improvement District are effective July 1, 2013.

RENTSCHLER FIELD IMPROVEMENT DISTRICT

The act provides a procedure through which voters and nonresident property owners in a specified section of East Hartford may form a special taxing district ("Rentschler Field Improvement District") to provide services and finance infrastructure improvements there.

District Purposes

The act allows the district to provide services, such as fire protection; road, tree, and infrastructure maintenance; and community water systems. It also allows it to finance infrastructure improvements, such as utility improvements and connections; bulkhead repairs, dredging, construction, and environmental remediation; and flood or erosion control systems. The district can pay for the improvements directly or give grants to others to provide them.

Establishing the District

The act delineates the district's geographic boundaries (approximately 136 acres). The district comes into existence only if voters approve its formation. The process for doing so is largely the same as the one for establishing statutory districts. Once established, the district assumes all the powers of statutory districts, such as assessing and collecting property taxes and issuing bonds.

Directors and Officers

After being established, the district must hold an organizational meeting at which district voters must fix the annual meeting dates and elect four directors. The East Hartford mayor may appoint one additional director for the district. At least three directors must be Connecticut residents. Voters must also elect a president, vice-president, clerk, and treasurer from among the district's directors. These officers serve only until the first annual meeting, at which time the voters must elect new officers.

Voters and Quorum

Under the act, voters are people (1) living in the district; (2) liable to it for at least \$1,000 in property assessments (certain tax-exempt entities are also eligible); or (3) owning or having an interest in real property located in it, such as banks holding mortgages. Fifteen district voters or a majority of those owning interests in real property in the district are a quorum for transacting general business, as long as the property owners present represent at least 50% of the total property assessments in the district.

District Bonds

The district must enter into an interlocal agreement with East Hartford before it can issue bonds. Once it has done so, the act allows it to issue up to \$100 million in bonds to finance improvements and to secure them by (1) the district's full faith and credit; (2) district fees, revenues, or benefit assessments; or (3) a combination of the two. While the bonds are outstanding, the district's powers may not be impaired in any way to adversely affect the bondholders' interests. Bonds are not considered debts of the state or of East Hartford and can be issued without their consent.

Taxing Power

The act gives the district the power to levy assessments and taxes on land and buildings benefiting from the district's improvements, but only after holding at least two public hearings in the town; giving notice to the East Hartford mayor and town council; and advertising in at least two newspapers circulating in town. The district has the same powers as statutory districts and East Hartford with respect to delinquent assessments and taxes. Delinquent charges bear interest at the same rate as delinquent property taxes (1. 5% per month or part of a month or 18% per year) and constitute a lien on the property against which they were levied. Such liens take precedence over all other liens or encumbrances, except a lien for taxes owed to East Hartford, and may be continued, recorded, and released like property tax liens.

The act also specifies that when East Hartford makes improvements that benefit the district, whether they are in or outside the district, all district properties are deemed to benefit, and therefore may be assessed for the improvements' costs.

Relationship to Town and the State

The act exempts the district's revenues and real and personal property from state and municipal taxes. District bond principal and interest are exempt from state taxes other than the estate and gift, franchise, and excise taxes. But the state and East Hartford can still levy taxes on the incomes and properties of the people and businesses living or operating in the district. Additionally, the district and East Hartford may agree to share real and personal property tax revenue in the same manner as municipalities.

Tax Increment Financing (TIF)

The law establishes a TIF program, administered by Connecticut Innovations, Inc., through which businesses and municipalities may obtain financing for large-scale development projects. The program uses incremental hotel, sales, admissions, and dues tax revenue to repay bonds issued for projects that create jobs or stimulate significant business activity.

By law, shopping center projects financed with TIF bonds can dedicate no more than 30% of incremental sales taxes directly associated with the project to paying the principal and interest on the bonds. The act exempts shopping center projects in the district from this restriction, thus allowing them to be treated as any other project. By law, the incremental tax revenue dedicated to a TIF project cannot exceed the incremental tax revenue the project is estimated to generate.

Limit on State Financial Assistance

The law limits state financial assistance to \$10 million within a two-year period, per business project or applicant, unless the legislature specifically authorizes otherwise. The act exempts development projects in the district from this limitation if they are funded with the TIF bonds described above.

Termination

The requirements for terminating the district are the same as those for statutory districts. If the voters agree to terminate the district, it cannot dissolve until it pays off its debt and East Hartford agrees to (1) accept its remaining assets or (2) assume that debt.

If East Hartford chooses, it may, by vote of its town council, merge the district into the town if the district (1) does not issue any bonds within four years after the act's passage or (2) after all bonds are paid off. In that case, district property must be distributed to the town.

Public Act# 13-265

SB# 1079

AN ACT INCREASING THE MANUFACTURING APPRENTICESHIP TAX CREDIT

SUMMARY: This act increases the corporation business tax credit for hiring manufacturing trades apprentices and raises the annual cap on the amount of credits businesses can claim per apprentice. It increases the credit from \$4.00 to \$6.00 per hour and raises the cap from \$4,800 or 50% of the actual apprentice wages, whichever is less, to \$7,500 per hour or 50% of such wages, whichever is less.

By law, unchanged by the act, the period for claiming the credit depends on whether the apprenticeship is for two or four years. The period is the first year for a two-year apprenticeship program and three years for a four-year program. Such programs must be certified by the labor commissioner and registered with the Connecticut State Apprenticeship Council.

EFFECTIVE DATE: July 1, 2015 and applicable to income years beginning on or after January 1, 2015.

Public Act# 13-266

SB# 1131

AN ACT CONCERNING CHANGES TO THE CONNECTICUT HISTORIC HOME TAX CREDIT

SUMMARY: This act expands the business tax credit for rehabilitating historic homes by:

1. making the credit available statewide, not just in statutorily designated areas;

2. reducing, from more than \$25,000 to more than \$15,000, the minimum amount of money that must be spent rehabilitating a historic home; and
3. increasing, from \$30,000 to \$50,000 per unit, the maximum amount of credit businesses can claim when contributing funds to nonprofit corporations rehabilitating historic homes.

By law, unchanged by the act, the credit's total value equals 30% of the eligible rehabilitation costs.

People and nonprofit organizations rehabilitating historic homes must apply to the Department of Economic and Community Development (DECD) for a credit voucher, which they can exchange with businesses contributing funds toward the rehabilitation. The homes must have four or fewer units, one of which must be the owner's principal residence. DECD can award no more than \$3 million per year in credits.

The act also makes technical changes, including updating the statutes to conform with the 2011 elimination of the Connecticut Commission on Culture and Tourism and the transfer of its powers, duties, and offices to DECD. The transfer included the state historic preservation office and its role in certifying rehabilitated historic homes for the tax credits.

EFFECTIVE DATE: July 1, 2015, and applicable to income years beginning on or after January 1, 2015.

ELIMINATED LOCATION REQUIREMENT

The act eliminates the requirement limiting the credits to historic homes in targeted areas, thus making the credits available statewide for otherwise eligible historic homes. Prior law limited the credits to homes in:

1. census tracts in which at least 70% of the families have an income that is 80% or less of the statewide median;
2. chronically economically distressed areas the state designates, with federal approval; and
3. urban and regional centers identified in the State Plan of Conservation and Development Policies Plan.

Historic homes, regardless of location, must continue to meet the law's other requirements. Specifically, they (1) may have no more than four units, one of which must be the owner's principal residence for at least five years after the rehabilitation is completed and (2) must be listed on the National or State Register of Historic Places or located in a district listed in either register. With respect to the latter, DECD must determine that the home contributes to the district's historic character.

REDUCED MINIMUM EXPENDITURE REQUIREMENT

The act reduces, from more than \$25,000 to more than \$15,000, the minimum amount that must be spent on rehabilitating a historic home to qualify for a tax credit voucher. By law, and unchanged by the act, the party rehabilitating the home cannot count the following expenditures toward the minimum expenditure requirement:

1. the owner's personal labor;
2. site improvements unrelated to making the home accessible to people with disabilities;
3. new additions that are not needed to comply with the state building and fire safety codes;
4. outbuildings that do not contribute to the home's historic significance; and
5. architectural, legal, and financing fees and other non-construction costs.

INCREASED PER UNIT CREDIT AMOUNT

The act increases, from \$30,000 to \$50,000 per unit, the maximum amount of credit available to businesses that contribute to historic home rehabilitation projects undertaken by nonprofit organizations. Such organizations qualify for credit vouchers they can exchange for business contributions if (1) they possess title or prospective title to the home, (2) their mission includes housing development, and (3) the DECD commissioner approved their articles of incorporation.

The maximum per unit credit for individuals rehabilitating historic homes remains \$30,000.

Public Act# 13-277

SB# 975

AN ACT CONCERNING REVISIONS TO THE TRANSPORTATION STATUTES AND THE DESIGNATION OF ROADS AND BRIDGES IN HONOR OR IN MEMORY OF PERSONS AND ORGANIZATIONS

§ 4 – FILMING PERMIT

The act authorizes the commissioner to issue a filming permit, on a form he requires, to anyone seeking to film on (1) a state highway right-of-way or (2) property in DOT's custody or control. Under the act, filming includes creating photographs, moving images, and footage and sound recordings for commercial, entertainment, or advertising purposes. The DOT commissioner must develop the permit in consultation with the economic and community development commissioner.

The permit must specify the insurance coverage required of the permittee, as determined by the DOT commissioner in consultation with the state's insurance and risk management director, with the state named as an additional insured. Under the act, the state, its agencies, and employees are not liable for injuries or damages to any person or property resulting from the permittees filming on state property or a highway right-of-way.

EFFECTIVE DATE: October 1, 2013

§ 15 – CONNECTICUT AIRPORT AUTHORITY AND STATE BUILDING CODE

The act applies to the Connecticut Airport Authority the law concerning construction of state buildings and the state building and fire safety codes. This law requires, among other things, the state building inspector to issue a building permit and certificate of occupancy for new construction and additions to most state buildings over statutorily set "threshold" limits (see BACKGROUND). Neither a building permit nor certificate of occupancy is needed for a newly built or altered state building below these thresholds.

Under the law, state agencies must apply to the state building inspector before beginning work on buildings over the threshold limit, and comply with the state building and fire safety codes. The

state building inspector (1) must review agency plans and specifications for the building, structure, or addition to verify compliance with the State Building Code and (2) may inspect the buildings and order a state agency to comply with the code. He may ask the state fire marshal to review agency plans to verify compliance with the fire safety code.

EFFECTIVE DATE: Upon passage

§§ 58-61 – PAYMENTS TO VARIOUS TOWNS BY THE CONNECTICUT AIRPORT AUTHORITY (CAA)

The act designates CAA's activities as "essential governmental functions," exempting it from paying state, municipal or special district taxes. But it requires CAA to pay specific "amounts representing property tax" to four towns in which CAA property (i. e., Bradley International Airport) is located.

Under the act, except as noted below and for assessment years starting on October 1, 2012, the CAA must pay to:

1. Windsor Locks: \$3,319,685. 85,
2. Suffield: \$693,909. 43,
3. East Granby: \$657,991. 08, and
4. Windsor: \$6,925. 43.

Any improvements made to real property on or after October 1, 2012 are considered included in the above annual payments, regardless of any law or special act.

But the act, notwithstanding the above provision, requires that each of the four towns receive a payment for FY 14 equal to the amount it received in FY 13.

The act eliminates a prior law that required the DOT commissioner to pay, from the Bradley International Airport Enterprise Fund to the state comptroller, a percentage of the property taxes that would have been paid to the above four towns as reimbursement for loss of taxes on state property.

The law exempts from taxation land, buildings, and easements belonging to, or held in trust, for the state at Bradley and other state-owned airports (i. e., Brainard, Danielson, Groton-New London, Waterbury-Oxford, and Windham airports). The act similarly exempts airports belonging to or held in trust for CAA, including those airports noted above, and any other airport CAA owns, manages, or operates in the future.

EFFECTIVE DATE: July 1, 2013, and applicable to assessment years beginning on and after October 1, 2012.

Public Act# 13-308

HB# 6651

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE STATE OF CONNECTICUT BROWNFIELD WORKING GROUP AND CONCERNING BROWNFIELD LIABILITY RELIEF, NOTIFICATION REQUIREMENTS FOR CERTAIN CONTAMINATED PROPERTIES AND THE USE OF NOTICE OF ACTIVITY AND USE LIMITATIONS

SUMMARY: This act makes various changes to the programs for assessing and remediating contaminated property administered by Department of Economic and Community Development (DECD) and the Department of Energy and Environmental Protection (DEEP).

The act consolidates and reorganizes the laws governing DECD brownfield cleanup programs, making many programmatic and technical changes. It consolidates all DECD brownfield funds into a separate nonlapsing account and specifies the types of funds that must be deposited in the account. The programmatic changes include authorizing brownfield loans for reducing blight, narrowing the eligibility criteria for liability relief, and exempting private developers receiving financial assistance under the brownfield grant and loan programs from the statutory penalties for (1) relocating out of Connecticut within 10 years after receiving assistance and (2) failing to create or retain the number of jobs stipulated in the assistance agreements.

The act expands the requirements for notifying DEEP and other parties about different types of environmental hazards and provides new tools for addressing them. It creates a new program providing liability relief to municipal entities investigating and remediating such hazards and allows property owners to execute and record in local land records a notice of activity and use restrictions (NAULs), a legal tool used to minimize exposure to contamination by controlling the kind of activity that can occur on contaminated property. The act sets conditions under which the DEEP commissioner must shorten his deadline for deciding whether he will audit a remediated site and requires him to evaluate DEEP's methods for assessing the risks environmental hazards pose.

The act also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2013, unless otherwise stated.

§§ 3-6, 8, 27, & 37 – CONSOLIDATED BROWNFIELD REMEDIATION AND DEVELOPMENT ACCOUNT

The act eliminates two separate, nonlapsing accounts for funding brownfield projects and transfers their balances to a new, nonlapsing account it creates for depositing all brownfield funds. The eliminated accounts are the (1) Connecticut Brownfield Remediation account, which the legislature created in 2006 to fund the original Municipal Brownfield Pilot Program the legislature also created that year, and (2) Brownfield Remediation and Development account, which the legislature created in 2007 to fund the brownfield grant and loan program the legislature also created that year.

The new account is also called the Brownfield Remediation and Development account, and the funds that must be deposited in the account include those that had to be deposited in the original 2007 account. The funds are:

1. Urban Action bonds issued for economic development programs and earmarked by the governor and State Bond Commission for the account;
2. principal and interest payments on loans made under the loan program and the DECD's Special Contaminated Property Remediation and Insurance Fund, which provide loans for assessing and demolishing contaminated property;
3. principal and interest payments of loans made with grant proceeds;
4. money the attorney general recovers from the parties that polluted properties cleaned up under a state remediation program;

5. proceeds from any state bonds issued specifically for the loan and grant program and, if the Office of Policy and Management (OPM) secretary approves, any federal or private dollars provided for a project assisted under these programs;
6. interest or other income the fund's investments earn; and
7. other funds that, by law, must be deposited in the account.

The act makes several programmatic changes affecting the disposition of funds generated under the grant and loan programs, requiring that they be deposited in the consolidated account. It (1) requires grant and loan recipients to reimburse the state when they receive cleanup funds from other sources and (2) directs these funds to be deposited into the account. It also requires the proceeds generated from any activity conducted under the programs to be deposited in the fund, including the principal and interest a borrower must immediately repay if he or she sells the remediated property before the period for repaying the loan ends.

The act allows the commissioner to use the account for the same purposes as the grant and loan programs' account under prior law. She can use the account to provide financial assistance through the separate grant and loan programs and cover administrative costs.

But the act changes the basis for determining the amount of funds she may use to cover these costs. Under prior law, she could use up to 4% of any funds available for grants or loans to (1) cover the programs' staffing, marketing, and website development costs and (2) fund DECD's Office of Brownfield Remediation and Development's (OBRD) administrative costs. Prior law also allowed her to use up to 5% of a grant's proceeds, including proceeds a grant recipient lends, to cover reasonable administrative expenses. Under the act, she may use up to 5% of the account's funds to cover administrative costs.

The act allows the commissioner to use the account to fund activities outside the loan and grant programs. These activities include the steps property owners take to mitigate contamination they discover on their property.

The act eliminates the criteria the commissioner had used to determine the source for funding a brownfield project. Under prior law, she had to consider the project's feasibility and its environmental and public health benefits, spillover economic opportunities, and contribution to the municipal tax base. Besides eliminating these requirements, the act also eliminates the requirement that the commissioner obtain the OPM secretary's approval before tapping the grant and loan program account to fund a project.

Lastly, the act allows the commissioner to use any remaining bond proceeds for an inoperative program to fund brownfield grants and loans. The program is the Regional Infrastructure Grant Program, which the legislature created in 1993 to fund infrastructure projects benefiting regions.

§§ 1, 2, 4, 5, 19, & 20 – MUNICIPAL BROWNFIELD GRANT PROGRAM

Program Consolidation

The act consolidates DECD's brownfield grant programs, making technical and programmatic changes in the process. Under prior law, DECD ran two grant programs – (1) a program established in 2006 as a pilot to clean up and redevelop brownfields in towns meeting statutory criteria and (2) a combined grant and loan program established in 2007, which was initially open to

municipalities and private developers but subsequently changed to limit the grants to municipal entities. The act eliminates obsolete provisions and makes technical changes in the laws governing OBRD.

Eligibility

Recipients. The act expands the range of eligible recipients to include regional entities, specifically regional economic development commissions or corporations, regional councils of governments, regional councils of elected officials, and nonprofit economic development corporations formed to promote a region's economic development. Prior law limited eligibility to municipalities, municipal economic development agencies, nonprofit economic development corporations formed to promote a municipality's economic development, and for-profit entities that municipalities, the economic development agencies, or nonprofit corporations control.

Projects. The act narrows the range of eligible projects to those assessing the extent to which a property is contaminated (i. e., brownfield assessment projects) and cleaning up the contamination (i. e., brownfield remediation projects). Prior law allowed the grants to be used for any development project and its associated assessment and remediation costs. The act eliminates foreclosure as a type of brownfield project.

The act allows grant recipients to use up to 5% of the grant amount to cover a project's reasonable administrative costs.

Costs. The act limits a project's eligible costs to investigating, assessing, remediating, and developing brownfields, including:

1. investigating soil, groundwater, and infrastructure;
2. assessing, remediating, and abating contamination;
3. disposing of hazardous material or waste;
4. monitoring groundwater or natural attenuation measures;
5. imposing environmental land use restrictions, activity and use limitations, and other forms of institutional control;
6. retaining lawyers, planners, engineers, and environmental consultants; and
7. addressing building and structural issues, including demolition, asbestos abatement, polychlorinated biphenyls removal, contaminated wood or paint removal, or other remedial remedies.

The act eliminates some of the costs that prior law allowed, such as those incurred to foreclose on a property or purchase environmental insurance. It also eliminates the commissioner's authority to allow recipients to cover other expenses she determines are reasonable or necessary to start, implement, and complete a project.

Grant recipients can still lend the grant proceeds to brownfield redevelopers, as prior law allowed, but the act changes some of the requirements and conditions for doing so (see below).

Application Requirements

Content. Municipalities and other eligible grant recipients must still apply to the commissioner for grants, providing mostly the same information as before. At a minimum, the application must:

1. describe the project and provide its budget,
2. explain how the project's expected benefits promote the grant program's objectives, and
3. provide information about the applicant's financial and technical capacity to implement the project.

The act narrows one of the requirements imposed under prior law, conforming to the distinction the act makes between assessment and remediation projects. Under prior law, the application had to describe the property's condition, including the results of any environmental assessment on the property. Under the act, the application must include this description only if the grant will be used to remediate the property. The act requires that the description include the results of an environmental assessment if the applicant has or can obtain it.

The act eliminates the requirement that applicants identify parties liable for remediating the property.

Approval Criteria. Prior law specified the criteria the commissioner must use to approve, reject, or modify grant applications. The act retains these criteria and adds new ones. As under prior law, the commissioner must base her decision on:

1. the available funds;
2. the estimated assessment and remediation costs, if known;
3. the relative economic condition of the municipality where the brownfield is located;
4. the project's relative need for financial assistance;
5. the degree to which a grant is needed to start the project;
6. the project's public health and environmental benefits;
7. the project's relative benefits to the municipality, region, and state, including how much it will contribute to the municipality's tax base and retain or create jobs;
8. the timeframe during which the contamination occurred;
9. the applicant's relationship to the party that caused the contamination;
10. how long the brownfield has been abandoned;
11. the taxes owed on the property and projected revenue that may be restored to the community; and
12. any other criteria the commissioner establishes to fulfill the grant program's purpose.

The act also requires the commissioner to consider (1) whether the project will reduce blight among its potential benefits to the municipality, region, and state and (2) the relative need to assess the property for contamination within the municipality or region.

Application Cycle. The commissioner must continue awarding grants by requesting and approving applications at least once every year, but the act pushes back the request deadline from June 1, to October 1, annually. As under prior law, she can request and approve applications more frequently depending on the number of applicants and available funds.

As under prior law, the commissioner may award grants for up to \$4 million. But the act eliminates prior law's authorization for her to request or seek funding from other sources when a project's eligible costs exceed the \$4 million limit.

Grant Limits

Limits. The act allows the commissioner to make up to \$4 million in grants, regardless of a project's location. Under prior law, the grant could not exceed this amount or a specified percentage of the cost, whichever was less. The percentage varied depending on the project's scope of work or location. If the scope involved only project planning or site evaluation, the grant could cover up to 90% of the costs. If the scope involved other activities, the grant could cover up to 90% of the cost for projects in the state's 17 municipalities with enterprise zones (i. e. , targeted investment communities (TICs)) and (2) up to 50% of the cost for those in other municipalities. In all of these cases, prior law allowed grant recipients to make up the difference between the grant amount and the project's total cost with federal funds; private contributions; or noncash contributions, including a property's value.

The act also eliminates the provision allowing municipalities to cover the difference between the grant amount and the grant limit with funds from federal or other sources or noncash contributions, such as the property's value.

Terms and Conditions. As under prior law, the commissioner has general authority to set terms and conditions for making grants. She may impose terms and conditions that include assurances that the recipient will perform its duties in connection with the project and secure the grant with a letter of credit, lien on real or personal property, or other security. The act also allows her to impose terms requiring recipients to reimburse the state if they receive funds from other sources.

Selling Remediated Property

The act allows recipients to keep the sales proceeds when it remediates, redevelops, and sells the property. As under prior law, recipients may remediate and sell the property or lend the grant funds to a redeveloper for remediation. But prior law imposed different rules for handling the proceeds from a sales transaction. The rules varied depending on the funding source.

If DECD funded the grant under the 2006 grant program, the recipient kept 20% of the sales proceeds and remitted the balance (80%) to OBRD for deposit in the program's account. If it funded the grant under the 2007 program, the recipient had to remit to that program's account an amount equal to the grant, minus 20% to cover its administrative and development costs and, if applicable, lost tax revenue. (The recipient kept the difference between the amount remitted to the account and the sales price.)

Lending Grant Proceeds

Requirements. As mentioned above, recipients may continue lending grant proceeds to private redevelopers, presumably to fund the same types of eligible costs recipients could cover when they assess or remediate a project themselves. But the act changes the requirements for doing so. Under prior law, the recipient could lend the proceeds if the redeveloper co-applied for the grant, the co-applicants entered into an agreement, and the brownfield's future reuse was known. As under prior law, the act does not specify who qualifies as a redeveloper.

Under the act, co-applicants can apply for the grant first and enter into an agreement later, but within 90 days after receiving the grant. The agreement must be in writing and identify the property's post remediation use.

Prior law required the redeveloper to participate in a DEEP voluntary cleanup program. Under the act, a redeveloper can participate in DEEP's cleanup program or one of DECD's liability protection programs (i. e., The Abandoned Property Cleanup Program or the Liability Protection Program).

Repaying Loan Principal and Interest Payments. As under prior law, grant recipients must remit principal and interest payments to DECD, except for 20% of the principal. DECD must deposit the payments in the new consolidated account. As under prior law, recipients may require security for the loan by placing a state or municipal lien on the property.

Liability Protections

The act continues the liability protections prior law afforded to grant recipients under the prior programs and extends these protections to liability under the law banning persons and municipalities from polluting the state's waters or discharging treated or untreated waste into those waters (CGS § 22a-427). The protections apply to contamination that existed before recipients acquired or took control of the property. The contamination could have happened in the past or exist when the recipient acquires or takes control of the property.

As under prior law, recipients generally enjoy these protections if they (1) did not cause, contribute to, or exacerbate the contamination and (2) comply with DEEP reporting requirements for significant environmental hazards.

Disposing of Remediate Property

The act allows grant recipients to transfer property they remediate, specifies the conditions under which they may do so, and affords liability protection to the party acquiring the property (i. e., transferee).

Conditions for Transfer. The act sets conditions under which grant recipients may transfer remediated property and other parties may acquire it. Recipients may transfer property if:

1. DEEP approved the remediation or it was done under the Transfer Act, DEEP's voluntary remediation program, or DECD's liability protection programs and
2. the transferee is not liable to DEEP for causing or contributing to the contamination.

The act continues prior law's conditions for holding, possessing, maintaining, or acquiring title to a remediated property, including one remediated under the 2006 grant program. A party may not do these things if it:

1. owns, operates, or leases the property;
2. directly or indirectly contaminated it;
3. is otherwise liable to the DEEP commissioner for the contamination; or
4. is a successor to the liable party or directly or indirectly affiliated with or related to it.

As under prior law, any party that acquires title under these conditions must reimburse the state and the grant recipient for any costs they incurred to invest and remediate the property, plus 18% interest.

Liability Protections. The act mostly continues prior law's liability protections. It continues to protect transferees from liability from orders DEEP may issue regarding water and ground contamination and the cost of investigating and remediating the property. The act extends this protection to liability for violating the general prohibition against polluting the state's waters.

A transferee receives this protection only if it did not cause or contribute to the contamination and is not related to or affiliated with the party that did. The act expands the grounds under which the transferee receives the protection by including remediation specifically done under DEEP's voluntary cleanup program, the Transfer Act, or DECD's liability protection programs.

In addition, the transferee must continue to receive a covenant not to sue without having to pay the statutory fee. (A covenant is an agreement between DEEP and the transferee that protects it from liability to the state for contamination that occurred before the covenant was signed.)

The act continues to protect the grant recipient and the transferee from liability under the Transfer Act, but changes two requirements the property must meet to receive this protection. The Transfer Act allows a potentially contaminated property to be sold only after the owner indicates its environmental condition and, if the property is contaminated, a party agrees to clean it up.

Prior law required the property to be remediated under a DEEP remediation order or voluntary cleanup program. Under the act, the property also qualifies for protection if it was remediated under a DECD liability protection program.

The second change concerns the remediated property's use. Under prior law, the property qualified for the protection regardless of its post remediation use. Under the act, the property qualifies only if it will not be used as an "establishment," which is any use that generates hazardous waste, generally receives such waste generated at another location, conducts dry cleaning, strips furniture, or repairs auto bodies (CGS § 22a-134 (3)).

Transfer Act Exemption

The act (1) exempts for the Transfer Act any property grant recipients acquire under the grant program and (2) continues the prior law's exemption for property they acquired under the 2006 grant program.

EFFECTIVE DATE: July 1, 2013, except for a technical change that takes effect January 1, 2014.

§§ 4&6 – BROWNFIELD LOAN PROGRAM

Besides consolidating the municipal grant programs, the act separates the loan program from the consolidated grant program and revamps the loan program. In doing so, the act makes many technical and substantive changes.

Eligible Projects

Under the act, the loan program is available for the eligible costs of remediating contaminated property. The costs, which are the same for the grant program, include costs associated with

investigating and assessing a property's condition as well as those associated with remediating the site, including abating contamination, disposing of hazardous waste and material, implementing long-term and natural attenuation monitoring, and imposing environmental land use restrictions and other institutional controls. They do not include foreclosure costs, which prior law allowed.

Eligible Applicants

The act consolidates the criteria DECD must use to determine eligible applicants. As under prior law, the act recognizes three types of eligible applicants—potential brownfield purchasers, existing owners of manufacturing facilities (i. e., manufacturers), and all other existing property owners. Prior law extended manufacturers' eligibility for brownfield assistance beyond the loan program to any brownfield assistance program. The act (1) limits manufacturers' eligibility for brownfield assistance to the loan program, (2) revamps the criteria applicable only manufacturers, and (3) eliminates a criterion that applies to all existing property owners.

Manufacturers. Under prior law, manufacturers qualified for brownfield assistance if they could show that they:

1. did not cause hazardous substances or petroleum to be released on the property,
2. did not knowingly cause injury to human health or the environment by disposing of the substances or petroleum, and
3. were never found guilty of knowingly or willfully violating an environmental law.

In addition, the agency administering the assistance had to consider if a manufacture could pay for some or all of the cleanup cost. After the agency determined a manufacturer's eligibility, it could require the manufacturer to:

1. keep the property for up to 10 years,
2. reimburse the state if the manufacturer got cleanup funds from another source, and
3. continue employing Connecticut residents at the property for at least 10 years.

The act eliminates these criteria and requirements. Under the act, a manufacturer qualifies for a loan if it or any of its subsidiaries or affiliates:

1. are not liable for a DEEP cleanup order on the property,
2. are not responsible for the contamination,
3. are not affiliated with the party responsible for the contamination, and
4. have not been found guilty of knowingly or willfully violating any environmental law.

All Existing Owners. The act eliminates the requirement that manufacturers and other existing property owners show that:

1. the cost of investigating and remediating the property keeps them from retaining or adding jobs,
2. they cannot afford to investigate and remediate the property on their own, and
3. they are in good standing with DEEP's regulatory programs.

They and potential purchasers must show that they are not liable for the contamination and intend to reduce blight on the property or develop it for industrial, commercial, residential, or mix use purposes. Under prior law, potential purchasers had to show only that they were not liable for the contamination.

Eligible Projects and Performance Requirements

The act expands the range of projects eligible for brownfield assistance to include reducing blight. Potential purchasers and existing owners can still use the loans to redevelop brownfields for industrial, commercial, residential and mix use purposes.

The act repeals specific performance requirements prior law placed on redevelopment projects that existing owners and potential purchasers proposed. Under prior law, commercial, industrial, and mix use projects qualified for loans if they retained or added jobs during the loan's term, unless DECD and the state's other economic development agencies agreed otherwise. Residential projects qualified if they developed affordable housing for first-time homebuyers, recent college graduates, or current workers.

Eligible Costs

The act narrows the range of eligible costs that borrowers can incur with loan proceeds. Under prior law, they could use the proceeds for any purpose, including current and past costs incurred, to:

1. investigate, assess, or remediate a brownfield;
2. abate contamination or dispose of hazardous waste and material;
3. implement groundwater or natural attenuation monitoring;
4. hire and retain attorneys, planners, engineers, and environmental consultants; and
5. address building and structural issues, including demolishing structures, abating asbestos, removing polychlorinated biphenyls and other substances, and implementing other infrastructure remedial activities.

As explained above, the act limits eligible costs to those associated with these activities.

As with grant recipients, borrowers can no longer use the loan proceeds to acquire or foreclose on a property or purchase environmental insurance. Nor can the commissioner allow them to use the proceeds to cover other expenses she otherwise determines are reasonable or necessary to start, implement, and complete the project.

Application Requirements

Content. As under prior law, eligible applicants must apply to the commissioner for loans. At a minimum, the application must:

1. describe the project;
2. explain how the project's expected benefits promote the loan program's objectives;
3. provide information about the applicant's financial and technical capacity to implement the project;

4. provide its budget; and
5. describe the brownfield's condition, including the results of any environmental assessment the applicant has or can obtain.

The act eliminates the following application requirements:

1. a list of the people liable for remediating the property;
2. for loans over \$50,000, a redevelopment plan describing how the property will be reused, create jobs, and stimulate private investment; and
3. for residential developments, an agreement that the project will be affordable to first-time homebuyers, workers, and recent college graduates looking to remain in Connecticut.

Approval Requirements. As under prior law, the commissioner must approve applications based on the:

1. project's merit and viability;
2. economic and community development opportunity it presents;
3. degree to which the municipality supports it;
4. extent to which it contributes to the municipality's tax base; and
5. applicants' past experience, compliance history, and ability to pay.

The act eliminates the requirement that she also consider the number of jobs associated with the project.

Eligible Assistance

The act limits the types of loans the commissioner may provide under the program to direct loans, eliminating her authority to purchase interest in a loan made by Connecticut Innovations, Inc, the state's quasi-public development financing agency.

Loans

Limits. Under prior law, loan amounts were subject to the same limits as grants. The act eliminates the limit based on a project's location. Consequently, the commissioner can make loans of up to \$2 million per year, for up to two years, without reducing that amount if it exceeds the 90% cost limit for projects in TICs or 50% for those in the other municipalities. It also allows her to make loans up to the act's dollar limit for planning projects or evaluating their sites.

The act makes a conforming technical change, eliminating the provision allowing municipalities to cover the difference between the grant amount and the grant limit with funds from federal or other sources or noncash contributions, such as the property's fair market value.

The act's \$2 million per year cap applies only to assistance under the loan program. If a project needs additional funds, the act allows the commissioner to recommend funding under the other programs she administers. Prior law allowed her to recommend additional funding through the State Bond Commission.

As under prior law, the commissioner can set the loan repayment period for up to 20 years.

Terms and Conditions. As under prior law, the act gives the commissioner general and specific authority to set the loan terms and conditions. The general authority is the same for making grants. The act eliminates some of the specific requirements that had to be included in a loan's terms and conditions.

As under prior law, the commissioner may impose loan terms and conditions based on the criteria she uses to (1) determine an applicant's eligibility and (2) approve loans. But the act eliminates the requirement that the terms and conditions must include performance requirements and a commitment to maintain or retain jobs or provide a specified number of affordable housing units.

The act also eliminates the requirement that loan repayments coincide with the brownfield's restoration to a productive use or the completion of an expansion. But, if the borrower sells the property before repaying the loan, the act continues to require the borrower to repay it upon closing, unless the commissioner agrees otherwise. Alternatively, as allowed under prior law, the commissioner can carry the loan forward as an encumbrance to the purchaser under the same terms and conditions as the original loan.

For loans made to municipalities, economic development agencies, regional entities, and other organizations otherwise eligible for grants, the commissioner may, as under prior law, forgive principal and interest payments or delay such payments if she determines that doing so is in the state's best interest.

Remediation Requirements

Borrowers exempted from the Transfer Act must, under the act, enter a DEEP voluntary cleanup program or participate in a DECD liability protection program, as the DECD commissioner determines. Under prior law, all existing property owners had to enter a DEEP voluntary cleanup program, and brownfield purchasers had to comply with the Transfer Act or enter such a program if the loan exceeded \$30,000 or they intended to use the proceeds to conduct a Phase II environmental investigation. (i. e., one that uses chemical analyses to identify hazardous substances or petroleum hydrocarbons).

§§ 9 & 10 – DECD's LIABILITY PROTECTION PROGRAMS

Regulated Substance

The act adopts stricter criteria for determining whether a substance constitutes a regulated substance and applies them to DECD's Abandoned Brownfield Cleanup (ABC) and Liability Relief programs. Under prior law, a regulated substance was any element, compound, or material that alters the physical, chemical, biological, or other characteristics of air, water, soil, or sediment when mixed with the substance. Under the act, a regulated substance is petroleum, any flammable substance, any substance the federal government defines as "hazardous" or "extremely hazardous," or polychlorinated biphenyls in concentrations greater than 50 parts per million.

(Polychlorinated biphenyls are chemicals that were formerly used in hydraulic fluids, plasticizers, adhesives, fire retardants, way extenders, de-dusting agents, pesticide extenders, inks, lubricants, and cutting oils. They were also used in heat transfer systems and carbonless paper reproduction.)

The act extends these criteria to the ABC Program, which exempts developers from investigating and remediating contamination that emanated from a property before they acquired it and limits their liability to the state and third parties for anything they do to cause or contribute to the contamination or negligently or recklessly exacerbate it. The Liability Relief Program protects developers from liability to the state and third parties for remediating a property according to the law's requirements.

§ 26 – BROWNFIELD WORKING GROUP

The act adds three members to the Brownfield Working Group, increasing its membership from 13 to 16, and extends the group's reporting deadline by two years, from January 15, 2013, to January 15, 2015. By law, the group must report its findings and recommendations on the state's brownfield remediation and development programs to the governor and Commerce and Environment committees.

The act adds the public health commissioner to the group (or her designee) as an ex officio member and gives the Senate president pro tempore and the House speaker each an additional appointment. In doing so, it requires that at least one of the Senate president pro tempore's two appointments include a representative of the Connecticut Conference of Municipalities and at least one of the House speaker's appointments include a representative of an environmental organization.

EFFECTIVE DATE: Upon passage

Public Act# 13-184

HB# 6704

AN ACT CONCERNING EXPENDITURES AND REVENUE FOR THE BIENNIUM ENDING JUNE 30, 2015

SUMMARY: This act appropriates funds for state agencies and programs and estimates state revenues for FY 14 and FY 15. It carries forward unspent balances from prior years' appropriations and directs funds to be spent for specific programs and purposes, appropriates money for deficiencies in FY 13 appropriations, and transfers revenue from FY 13 to help balance the FY 14 and FY 15 budget. Among other things, the act:

1. extends the temporary (a) reduction in the state's share of retired teachers' health insurance costs and (b) increase in the share paid by the retired teachers' health insurance premium account,
2. requires the Department of Social Services (DSS) to discontinue the Medicaid program for low-income adults (LIA),
3. establishes within DSS the Medicaid Coverage for the Lowest Income Populations program, and
4. requires the budgetary reductions in FY 14 related to the discontinuance of the LIA program to be reflected as an appropriation reduction and thus not result in a spending cap adjustment for FY 14.

The act makes various state tax and revenue changes. Among other things, it:

1. requires the Department of Revenue Services (DRS) to establish a tax amnesty program that runs from September 16, 2013 to November 15, 2013;
2. extends, for two additional years, the temporary (a) cap on the maximum insurance premium tax liability that an insurer may offset through tax credits and (b) 20% corporation income tax surcharge;
3. extends the temporary tax on electric generation facilities for an additional three months, from July 1, 2013 to October 1, 2013;
4. starting June 1, 2015, exempts clothing and footwear costing less than \$50 from the sales and use tax;
5. changes the point at which the sales tax on cigarettes is collected and remitted to the state; and
6. authorizes DRS to require retailers who are delinquent in paying sales taxes to electronically remit the sales tax due on certain sales by the end of the second business day after the sale.

The act modifies several existing tax credit programs. It:

1. reduces the state earned income tax credit (EITC) against the personal income tax for the 2013 and 2014 tax years,
2. establishes a two-year moratorium on film and digital media production tax credits for motion pictures for FYs 14 and 15, and
3. allows the economic and community development commissioner to pay taxpayers holding urban and industrial sites reinvestment tax credits for their credit eligibility certificates using \$40 million in bond proceeds authorized under the act.

The act makes numerous other changes, including (1) allowing the Connecticut Lottery Corporation to offer Keno games, in addition to the state lottery; (2) modifying amounts transferred to and from the General Fund; (3) expanding the list of projects eligible for funding under the local capital improvement program (LoCIP); and (4) increasing the fees a “nominee of a mortgagee” must pay to town clerks when recording documents.

EFFECTIVE DATE: July 1, 2013, unless otherwise noted below.

§ 72 – INSURANCE PREMIUM TAX CREDIT LIMIT

The act extends, to 2013 and 2014, the temporary cap on the maximum insurance premium tax liability that an insurer may offset through tax credits. In doing so, it reimposes the insurance premium tax credit classification that applied in 2011.

The caps are part of a structure that, under existing law, (1) classifies insurance premium tax credits into three types for calendar years 2011 and 2012, (2) specifies the order in which an insurer must apply the three credit types to offset liability, and (3) establishes the maximum liability that an insurer can offset in those years by claiming one or more of these types of credits.

Under prior law, in 2011, (1) type one credits were film and digital media production, entertainment infrastructure, and digital animation tax credits; (2) type two credits were insurance reinvestment credits; and (3) type three credits were all other tax credits. In 2012, film and digital media production and entertainment infrastructure credits were moved from type one to type three.

The act applies the 2011 tax credit classification to calendar years 2013 and 2014. It also requires taxpayers with credits from several programs to claim them according to the schedule that applied in both 2011 and 2012 and which is shown in Table 10.

Table 10: Order and Reduction Schedule for Claiming Insurance Premium Tax Credits under the Act

<i>Credit Types Claimed</i>	<i>Order of Applying Credits</i>	<i>Maximum Reduction in Tax Liability</i>
Type 3	Not applicable	30%
Types 1& 3	1. Type 3	Type 3 = 30%
	2. Type 1	Sum of two types = 55%
Types 2 & 3	1. Type 3	Type 3 = 30%
	2. Type 2	Sum of two types = 70%
Types 1, 2, & 3	1. Type 3	Type 3 = 30%
	2. Type 1	Type 1 & 3 = 55%
	3. Type 2	Sum of all types = 70%
Type 1 & 2	1. Type 1	Type 1 = 55%
	2. Type 2	Sum of two types = 70%

EFFECTIVE DATE: Upon passage and applicable to calendar years starting on or after January 1, 2013.

§§ 73-74 – CORPORATION INCOME TAX SURCHARGE

The act extends the 20% corporation income tax surcharge for two additional years, to the 2014 and 2015 income years. Companies must calculate their surcharges based on their tax liability, excluding any credits. As under existing law, the surcharge for 2014 and 2015 applies to companies that have more than \$250 in corporation tax liability and either (1) have at least \$100 million in annual gross income in those years or (2) file combined or unitary returns, regardless of the amount of annual gross income.

EFFECTIVE DATE: Upon passage

§ 75 – FILM PRODUCTION TAX CREDIT MORATORIUM

With one exception, the act establishes a two-year moratorium on issuing film and digital media production tax credits for motion pictures for FYs 14 and 15. It does so by (1) barring the issuance of tax credit vouchers for motion pictures and (2) excluding motion pictures from the types of qualified productions eligible for the credits for those years. It creates an exception for FY 15 for a motion picture that conducts at least 25% of its principal photography days in a Connecticut facility that (1) receives at least \$25 million in private investment and (2) opens for business on or

after July 1, 2013. PA 13-247 (§ 129) later modified the moratorium by barring, for FYs 14 and 15, the issuance of tax credit vouchers for motion pictures that have not been designated as state-certified productions prior to July 1, 2013.

Other types of qualified productions continue to be eligible for tax credits during FYs 14 and 15, including documentaries; long-form, specials, mini-series, series, music videos, or interstitial television programming; relocated television productions; interactive television or games; videogames; commercials or infomercials; and any digital media format created primarily for public viewing or distribution.

EFFECTIVE DATE: July 1, 2013, and applicable to tax credits issued on or after that date.

§ 95 – URBAN AND INDUSTRIAL SITES REINVESTMENT TAX CREDITS

The act (1) allows the economic and community development commissioner to pay taxpayers holding urban and industrial sites reinvestment tax credits for their credit eligibility certificates and (2) authorizes up to \$40 million in bonds for this purpose, \$20 million of which is available on July 1, 2014.

By law, the eligibility certificates allow taxpayers to claim credits for investing in certain real estate projects significantly affecting the economy. The credit equals 100% of the invested amount, but must be claimed over 10 years according to a statutory schedule. The credits may be assigned to other taxpayers or carried forward for up to five years.

§ 96 – PROPERTY TAX ASSESSMENT OF APARTMENTS IN CAPITAL CITY ECONOMIC DEVELOPMENT DISTRICT

The act requires Hartford to assess all apartments with four or more units that the Capital Region Development Authority constructs or converts in the statutorily designated Capital City Economic Development District the same way it assesses residential property with three or fewer units throughout the city. In doing so, it lowers the assessments for these apartments.

Under existing law, Hartford sets different assessment ratios for different classes of property. The assessment ratio for apartment property (55% for the 2012 assessment year) proportionately increases each year until it reaches 70% by the 2015 assessment year. The assessment ratio for residential property (29.2% for the 2012 assessment year) increases by up to 5% each year depending on the growth in property tax revenue. By requiring apartments in the district to be assessed the same as residential property, the act lowers the assessment ratio for these apartments. The act's requirements apply to apartments in the district that receive a certificate of occupancy on or after July 1, 2013.

EFFECTIVE DATE: July 1, 2013, and applicable to assessment years starting on or after October 1, 2013.

Public Act# 13-233

SB# 840

AN ACT CONCERNING NEXT GENERATION CONNECTICUT

SUMMARY: This act authorizes \$1.551 billion in new bonds for “Next Generation Connecticut,” a capital improvement program under the UConn 2000 infrastructure program.

The act specifies the purposes of the Next Generation program and requires UConn to develop a comprehensive plan to guide the program's investments. It requires UConn to (1) develop the plan in consultation with various groups, including leaders in the science, technology, engineering, and math-related industries, and (2) annually report to the legislature, beginning January 1, 2016, on its progress towards achieving the plan's goals. It also requires UConn to assess its progress in meeting the Next Generation program's purposes by December 31, 2019 and December 31, 2024.

Lastly, the act requires UConn to develop a strategic master plan that (1) encompasses all of its academic programs and (2) establishes strategic goals and objectives for the university and such programs. UConn must submit the plan, by July 1, 2015, to the Higher Education and Finance committees. The committees must hold a joint hearing on the plan within 30 days of receiving it.

EFFECTIVE DATE: July 1, 2013

NEXT GENERATION CONNECTICUT PURPOSES

The act specifies that the purposes of the construction, renovations, infrastructure, and equipment related to Next Generation Connecticut are to:

1. develop preeminence in UConn's research and innovation programs,
2. hire and support outstanding faculty,
3. train and educate graduates to meet the state's future workforce needs, and
4. initiate collaborative partnerships that lead to scientific and technological breakthroughs.

The act requires UConn to undergo an assessment of its progress in meeting these purposes by December 31, 2019 and December 31, 2024. UConn must select peers from nationally-ranked research universities, which must conduct the assessment with input from the chairpersons and ranking members of the Finance, Commerce, and Higher Education committees.

COMPREHENSIVE PLAN

The act requires UConn to develop a comprehensive plan to guide Next Generation Connecticut investments that identifies strategic growth areas based on the state's research, innovation, workforce, and economic development needs.

UConn must develop the plan in consultation with:

1. a UConn-selected industry advisory board that (a) represents the state's science, technology, engineering, and math-related industries and (b) includes chief science or technology officers from these industries;
2. a UConn-selected independent research and development advisory firm;
3. university academic leaders;
4. federal and private funding agencies; and
5. UConn-identified research and innovation benchmarks and an analysis of its progress in meeting the benchmarks compared with nationally-ranked research universities.

The act requires the industry advisory board, research and development advisory firm, and university leaders to seek input from the chairpersons and ranking members of the Finance, Commerce, and Higher Education committees before UConn completes the plan. UConn's board of trustees must review and approve the plan by July 1, 2014.

Reporting Requirement

By January 1, 2016, and annually thereafter, UConn must report to the Finance, Commerce, and Higher Education committees on its progress towards achieving the goals in the Next Generation Connecticut plan. The report must summarize UConn's research and economic development activities, including:

1. research proposals, awards, and expenditures;
2. student applications and enrollment;
3. bachelor's, master's, and doctorate degrees awarded;
4. industry partnerships, including joint and consortium projects and incubator support;
5. university and joint university-industry intellectual property activities, including the number of disclosures, patents, licenses, new businesses, and entrepreneurial activities established with university technologies; and
6. research and innovation benchmarks and an analysis of the university's progress in meeting them compared with nationally-ranked research universities.

PROJECT AUTHORIZATIONS

As Table 1 shows, the act (1) increases bond authorizations for existing UConn 2000 Phase III projects, (2) adds three new Phase III projects, and (3) expands an existing Phase III project for Stamford campus improvements to also include housing. These changes and additions total \$1.551 billion in new bond authorizations under the program.

Table 1: Phase III Project Authorizations (in millions)

<i>Project</i>	<i>Prior Authorization</i>	<i>New Authorization</i>	<i>Change</i>
Academic and Research Facilities (new)	\$0	\$450	\$450
Avery Point Renovation (new)	0	15	15
Deferred Maintenance/Code/ADA Renovation Lump Sum	215	805	590
Equipment, Library, Collections & Telecommunications	200	470	270
Hartford Relocation Acquisition/Renovation (new)	0	70	70
Parking Garage #3	15	78	63
Residential Life Facilities	90	162	72
Stamford Campus Improvements/ Housing (adds housing)	3	13	10
Deferred Maintenance/ Code/ ADA Renovation Sum - Health Center	50	61	11
TOTAL CHANGE			\$1,551

Phase III Project Dates

The act extends Phase III of the program by six years, from 2018 to 2024. It also extends, from 2018 to 2024 or until completion of the UConn 2000 infrastructure program, UConn's authority to plan, design, acquire, remodel, alter, repair, enlarge, or demolish any real asset or other project on its campuses.

Annual Bond Limits

To conform to the increased bond authorizations, the act (1) adjusts the annual bond limits for the UConn 2000 program from FY 14 through FY 18 and (2) adds new limits for FY 19 through FY 24 (see Table 2). By law, any difference between the amount actually issued in any year and the cap can be carried forward to any succeeding fiscal year. Financing transaction costs can be added to the caps.

Table 2: Annual Bond Limits for UConn 2000 (in millions)

<i>FY</i>	<i>Prior Limit</i>	<i>New Limit</i>	<i>Change</i>
2014	\$198. 0	\$204. 4	\$6. 4
2015	208. 5	315. 5	107. 0
2016	199. 5	312. 1	112. 6
2017	160. 9	266. 4	105. 5
2018	91. 0	269. 5	178. 5
2019	-	251. 0	251. 0
2020	-	269. 0	269. 0
2021	-	191. 5	191. 5
2022	-	144. 0	144. 0
2023	-	112. 0	112. 0
2024	-	73. 5	73. 5
TOTAL CHANGE			\$1,551

AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR HOUSING, HUMAN SERVICES AND PUBLIC HEALTH

SUMMARY: This act makes changes in laws governing state housing (§§ 1-69 & 155), human services (§§ 70-130 & 153-154), and public health programs (§§131-150 & 151-152).

Concerning housing, PA 12-1, June Special Session, established the Department of Housing (DOH) and made it the lead state agency responsible for all housing matters, including housing and neighborhood policy, development, redevelopment, preservation, maintenance, and improvement. The act completes DOH's establishment by transferring to it various housing-related responsibilities from the Department of Economic and Community Development (DECD), Office of Policy and Management (OPM), and Department of Social Services (DSS).

Concerning human services, the act makes changes in programs mostly administered by DSS and the Department of Children and Families (DCF). The major revisions include (1) creating a new, acuity-based Medicaid rate setting system for hospital care; (2) eliminating the ConnPACE and Charter Oak Health Plan programs; (3) requiring DCF, in conjunction with the State Department of Education (SDE) to take steps to improve the academic achievement of children and youth in DCF or Judicial Branch custody; and (4) enabling nursing homes to recover debt by changing how the law treats resident income and assets.

Concerning public health, the act makes changes affecting various health care facilities and professions regulated by the Department of Public Health (DPH), including physicians, surgeons, nurses, nurse-midwives, dentists, home health care agencies, assisted living services agencies, community health centers, nonprofit hospitals, and health care facilities' certificate of need applications.

It also makes changes affecting tattoo artists, DPH technical assistance fees for certain construction projects, the Connecticut Vaccine Program (CVP), neonatal intensive care unit transport services, cremation certificate fees, the Tobacco and Health Trust Fund, and the study of high school students' athletic injuries.

Finally, the act makes several technical and conforming changes.

EFFECTIVE DATE: July 1, 2013, unless otherwise specified.

§§ 1-69 & 155 – DEPARTMENT OF HOUSING

Under the act, the DOH commissioner generally assumes responsibility for programs concerning:

1. affordable housing development and financing,
2. individual and group housing,
3. rent subsidies,
4. eviction and foreclosure prevention,
5. shelter provision and transitional living, and
6. homeownership.

The act does not transfer (1) administration of the federal Low-Income Housing Tax Credit program or (2) compliance oversight for properties in the state housing portfolio, both of which remain with the Connecticut Housing Finance Authority (CHFA). Nor does the act transfer programs providing clinical services to certain populations (e. g., individuals with mental illness), which remain with DSS and the Department of Mental Health and Addiction Services (DMHAS), for example.

The act specifies that any DOH or DECD orders or regulations in force on January 1, 2013 remain so until amended, repealed, or superseded by law.

§§ 32-33, 43, 51 & 56-57 – Commissioner

By law, the DOH commissioner is responsible for developing policies and strategies to encourage housing provision in the state, including for very low-, low-, and moderate-income families. The

act adds the commissioner, or his or her designee, to the following entities, increasing their membership by one:

1. Building Accessibility Task Force,
2. CHFA's board of directors,
3. Capital Region Development Authority's (CRDA) board of directors, and
4. Interagency Council for Ending the Achievement Gap.

The act also adds the housing commissioner to the list of officials the OPM secretary must consult with to (1) develop recommendations for the state's priority funding areas for growth-related projects and (2) coordinate state and regional transportation planning with other state planning efforts.

EFFECTIVE DATE: July 1, 2013, except the provision adding the commissioner to CHFA's board of directors takes effect upon passage.

§ 1 – Deputy Commissioner

The act authorizes the commissioner to appoint a deputy commissioner, who is exempt from classified service. The appointee must be qualified by training and expertise and assume the commissioner's powers and duties if he or she is unable to perform them, or is disqualified from doing so.

§§ 22, 42, 54 - 55, 68 & 69 – Reporting Requirements

The act generally requires the DOH, rather than the DECD, commissioner to report annually to the governor and the General Assembly on the state's housing and community development activities during the preceding fiscal year. Under the act, the DOH commissioner must submit the report annually by March 31 and, no more than 30 days later, post it on the department's website.

As under prior law, the annual report must cover or include:

1. the department's housing development functions and activities,
2. the state-funded housing development portfolio,
3. an economic impact analysis of the department's housing development efforts and activities,
4. the Housing Trust Fund and Housing Trust Fund Program,
5. the Energy Conservation Loan Program,
6. a summary of the total social and economic impact of the department's community and housing development efforts and activities,
7. an assessment of the department's performance in meeting its stated goals and objectives,
8. the rental rebate program for the elderly and people with total and permanent disabilities, and
9. an analysis of the department's community development portfolio.

Existing law, unchanged by the act, requires DECD's annual report to also include an analysis of its community development portfolio (i. e., the last reporting requirement listed above) even though, by law, DOH has assumed responsibility for community development activities.

The act specifies that DOH's annual report to the governor and General Assembly must incorporate any other annual reporting requirements set by statute concerning housing or community development.

State-Assisted Housing Sustainability Fund Report (§ 22). The act requires DOH to report to the General Assembly by each March 31, rather than by February 1 as DECD had to do under prior law, on the State-Assisted Housing Sustainability Fund's operation during the previous calendar year. By law, the report must include an analysis of fund distribution and performance. It may include recommendations for modifying the program.

Rental Assistance Program (RAP) Report (§ 69). By January 1, 2014, and annually thereafter, the act requires the DOH commissioner to report to the Appropriations, Housing, Human Services, and Public Health committees on the number of departmental clients and of those, the number who have been RAP recipients. In submitting the report, the commissioner must consult with the commissioners of children and families, developmental services, mental health and addiction services, and social services. The report must (1) detail voucher utilization under the RAP program and (2) establish targets to ensure that the program's resources are allocated in accordance with legislative intent.

§ 16 – Interagency Council on Affordable Housing

By law, this council is responsible for advising and helping the DOH commissioner plan and implement the department (see BACKGROUND). The act expands its membership to 18 by adding the following four members: the (1) commissioners of education, developmental services, and aging and (2) president of the Connecticut chapter of the National Association of Housing and Redevelopment Officials (commonly known as CONN-NAHRO), or their designees.

§§ 2, 7-11, 13-15, 17-31, 34-35, 43-44, 67 & 150 – DECD Transfers

The act gives DOH authority over state housing and community development programs. Among other things, it transfers to DOH DECD's responsibilities with respect to:

1. working with and providing financial assistance to CHFA to achieve the state's housing and community development goals;
1. the state supplier diversity program (formerly called the set-aside program);
2. the affordable housing land use appeals procedure, including maintenance of the assisted housing inventory;
3. the state's consolidated plan for housing and community development;
4. the State-Assisted Housing Sustainability Fund;
5. congregate housing for the elderly;
6. independent living for low- and moderate-income individuals with disabilities;
7. rental assistance for elderly people residing in state-assisted rental housing (known as ERAP);
8. the community housing land bank and land trust program;
9. housing development zones;
10. the homeownership loan program;
11. grants-in-aid to municipalities financing low- and moderate-income rental housing;
12. the Energy Conservation Loan Fund;
13. condominium conversion compliance; and

14. the Common Interest Ownership Act.

The act transfers, from DECD to DOH, the authority to designate a federal HUD Section 202 or Section 236 elderly housing development to provide assisted living services to individuals otherwise eligible to receive these services under the Connecticut Homecare Program for Elders. It also authorizes DOH to designate more than one development.

The act requires DOH to consult with the newly established Department on Aging, rather than DSS as DECD previously did, in providing services to people with disabilities under the congregate housing program (see BACKGROUND).

The law requires DECD to give preference in its grant and loan programs to energy efficient projects. The act extends this requirement to DOH.

§§ 2, 36-42 & 55 – OPM Transfers

Various Programs. The act transfers, from OPM to DOH, responsibility for administering the (1) Main Street Investment Fund; (2) Housing for Economic Growth Program (i. e., incentive housing zone program); and (3) rental rebate program for the elderly and people with total and permanent disabilities.

OPM remains responsible for administering the Homeowners' Tax Relief Program for the elderly and people with disabilities (known as the Circuit Breaker Program).

Rental Rebate Program for the Elderly. The act limits rental rebate program eligibility by specifying that an individual who did not receive a rebate for calendar year 2011 is not eligible to apply for another rebate. An individual who received a calendar year 2011 grant continues to be eligible to apply. But if such an individual does not receive a rebate in any subsequent year, he or she is no longer eligible to apply.

Finally, the act gives the DOH commissioner 120 days, instead of 90 days as OPM had under prior law, to approve payments to municipalities, and forward them to the comptroller under the rental rebate program. By law, the comptroller must draw an order on the treasurer no later than 15 days after receiving the list of approved payments.

EFFECTIVE DATE: The provision (1) removing the rental rebate program from OPM's jurisdiction takes effect July 1, 2013 and applies to assessment years commencing on or after October 1, 2012 and (2) suspending rental rebate applications takes effect July 1, 2013 and applies to applications received on and after April 1, 2013.

§§ 2, 12, & 45-50 – DSS Transfers

The act transfers, from DSS to DOH, responsibility for administering:

1. the federal Housing Choice Voucher and Section 8 programs;
1. RAP, including the transitional and emergency rental assistance programs;
2. homelessness prevention programs, including emergency shelter services, transitional housing services, and on-site social services;
3. housing for individuals with AIDS;

4. the rent bank program;
5. the assessment and mediation program for certain families at risk of becoming homeless or in imminent danger of eviction or foreclosure; and
6. the security deposit guarantee program.

The act also transfers, from DSS to DOH, responsibility for administering (1) the homefinders program to help families who are homeless or in danger of eviction or foreclosure and (2) emergency rental assistance for families living in hotels and motels and eligible for the Temporary Family Assistance program. In administering these programs, DOH must consult with DSS. And DSS remains responsible for seeking relief, in accordance with state and federal law, from income garnishment orders when it is in the best interests of children and families.

Assisted Living Demonstration Project. The act requires DSS and CHFA to collaborate with DOH, rather than DECD, to operate a demonstration project to provide subsidized assisted living services to seniors residing in affordable housing. The act expands eligibility to seniors age 65 or older who are also eligible for DMHAS' home and community-based program for adults with severe and persistent psychiatric disabilities. Prior law limited eligibility to only those seniors who qualified for the Connecticut Homecare Program for elders.

Access to DSS Information. With certain exceptions, the law prohibits DSS from disclosing information about individuals who apply for or receive department assistance, or participate in a department program. The act requires DSS to disclose to the DOH commissioner's authorized representatives information necessary for verifying whether an applicant is a recipient of DSS cash assistance, and the amount of any assistance.

§§ 33 & 52 – Miscellaneous

The act removes the DECD commissioner as the chairperson of CHFA's board, instead requiring the governor to appoint the chairperson. It also authorizes CRDA to enter into memoranda of understanding as it deems appropriate to carry out its responsibilities.

§§ 155-157 – Repealers

The act repeals the following housing-related provisions:

1. the sale of rental property by a housing authority between October 1, and November 30, 2003 (CGS § 8-45b);
1. a pilot program requiring that certain multifamily housing projects be adaptable for use and occupancy by people with disabilities (CGS § 8-81a);
2. the Housing Advisory Committee (CGS § 8-385);
3. a homeowner loan program that terminated on June 1, 1991 (CGS §§ 8-415 to 8-419);
4. the Home Heating System Loan Fund, which the state treasurer terminated on July 15, 1985 (CGS § 16a-40k); and
5. a pilot project to provide affordable housing and support services to families with children who have ongoing healthcare service needs (CGS § 17a-54a).

AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION, ELIMINATION OF THE ACCUMULATED GAAP DEFICIT AND OTHER PURPOSES

SUMMARY: This act authorizes up to \$1.559 billion in state general obligation (GO) bonds for FY 14 and up to \$1.522 billion for FY 15 for state capital projects and grant programs, including school construction, water quality, and economic development projects; farmland and open space acquisition and preservation; improvements to state buildings and property; and grants to municipalities and nonprofit entities.

The act additionally authorizes (1) up to \$712.4 million in revenue bonds over the two years for Clean Water Fund loans and (2) up to \$706.9 million special tax obligation (STO) bonds in FY 14 and up to \$588.8 million in FY 15 for transportation projects, including \$120 million over the two years for the town-aid road grant program.

The act authorizes the treasurer to issue (1) up to \$750 million in bonds, notes, or other obligations to reduce the state's accumulated General Fund deficit, determined according to generally accepted accounting principles (GAAP), and (2) additional bonds or other debt to fund up to two years of interest payable or accrued on the bonds and issuance costs. It also commits the state to paying off the remaining GAAP deficit in annual increments over 13 years, beginning in FY 16, and authorizes actions to assure bondholders that the state will do so.

The act establishes the Connecticut Bioscience Innovation Fund (CBIF) to finance a wide range of commercially viable bioscience projects that will create jobs while lowering health care costs and improving the delivery of health care services. It capitalizes the fund by authorizing up to \$200 million in GO bonds over 10 years and allows the proceeds to be used for grants or loans to, or investments in, projects proposed by start-up or early stage businesses, colleges and universities, and nonprofit organizations (eligible recipients). It establishes a 13-member advisory committee to oversee the fund's operations and requires Connecticut Innovations, Inc. (CII), the state's quasi-public economic development agency, to administer the fund under the committee's supervision.

The act requires the transportation commissioner to establish a local transportation capital program to provide state funding, instead of specific available federal funding, to municipalities and local planning agencies to improve certain state or local roads or facilities. It also increases the amount of state grant money available to municipalities under the local bridge program, eliminates the program's loan component, and makes other changes to the program.

The act makes numerous changes to previous bond authorizations. Among other things, it (1) cancels or reduces \$22.5 million in GO bond authorizations for past years; (2) transfers, from the Department of Construction Services (DCS) to the Department of Administrative Services (DAS), responsibility for existing bond authorizations for school construction and various state capital projects; and (3) transfers, from the Office of Policy and Management (OPM) to the Department of Housing (DOH), responsibility for the Main Street Investment Fund program and a previous bond authorization for the incentive housing zone program.

Lastly, the act repeals laws requiring the use of unappropriated General Fund surpluses to (1) reduce the state's accumulated GAAP deficit and (2) redeem outstanding economic recovery notes

(ERNs) and economic recovery revenue bonds (ERBs), thus restoring a requirement that these surpluses be deposited in the Budget Reserve (“Rainy Day”) Fund at the end of each fiscal year.

EFFECTIVE DATE: July 1, 2013 for FY 14 bond authorizations and July 1, 2014 for FY 15 authorizations. Other sections are effective July 1, 2013 unless otherwise noted below.

§§ 1-38 & 55 – BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS AND GRANTS

The act authorizes up to \$695.7 million in GO bonds for FY 14 and up to \$649.8 million for FY 15 for the state capital projects, housing, and grant programs listed in Table 1. The bonds are subject to standard issuance procedures and have a maximum term of 20 years.

The act includes a standard provision requiring that, as a condition of bond authorizations for grants to private entities, each granting agency include repayment provisions in its grant contract in case the facility for which the grant is made ceases to be used for the grant purposes within 10 years of the entity receiving it. The required repayment is reduced by 10% for each full year that the facility is used for the grant purpose.

Table 1: GO Bond Authorizations for FY 14 and FY 15

§§	Agency	For	FY 14	FY 15
State Projects and Programs				
2(a), 21(a)	OPM	Design and implement the consolidation of higher education systems with the state's CORE system	\$5,000,000	\$5,000,000
		Development and implementation of CORE financial system databases associated with results-based accountability	5,000,000	0
		Design and implementation of the Criminal Justice Information Sharing System	7,900,000	5,500,000
		Information technology capital investment program	50,000,000	25,000,000
		Transit-oriented development predevelopment fund, provided the fund (1) is developed as a public-private partnership and (2) raises at least \$2 million from nonstate resources	1,000,000	0
2(b), 21(b)	Department of Veterans' Affairs	Alterations, renovations, and improvements to state buildings and grounds	750,000	750,000
2(c), 21(c)	DAS	Alterations and improvements (1) to comply with the Americans with Disabilities Act (ADA) or (2) for improved accessibility to state facilities	2,000,000	2,000,000
		Infrastructure repairs and improvements, including (1) fire, safety, and ADA compliance improvements and (2) improvements to state-owned buildings and grounds, including (a) energy conservation, off-site improvements, and preservation of unoccupied buildings and grounds and (b) office development, acquisition, renovations for additional parking, and security improvements at state-occupied buildings	25,000,000	25,000,000

		Development, including acquisition and equipment, of a new thermal facility, including extension of the distribution pipeline, for the capitol area district heating and cooling system in Hartford	29,000,000	0
		Removal or encapsulation of asbestos and hazardous materials in state-owned buildings	10,000,000	10,000,000
2(d), 21(d)	Department of Emergency Services and Public Protection (DESPP)	Design, construction, and equipment for a consolidated communications center at the Middletown headquarters building	4,000,000	0
		Replacement and upgrade of radio communication systems	19,500,000	45,000,000
		Alterations and improvements to buildings and grounds, including utilities, mechanical systems, and energy conservation	5,000,000	5,000,000
		Alterations, renovations, and improvements to the Forensic Science Laboratory in Meriden	1,500,000	0
2(e), 21(e)	Department of Motor Vehicles	Alterations, renovations, and improvements to buildings and grounds	1,703,000	1,697,000
2(f), 21(f)	Military Department	Alterations and improvements to buildings and grounds, including utilities, mechanical systems, and energy conservation	1,000,000	1,000,000
		State matching funds for anticipated federal reimbursable projects	2,000,000	2,000,000
		Renovations and improvements to the skylight and water and heating systems at the William A. O'Neill Armory in Hartford	3,150,000	0
2(g), 21(g)	Department of Energy and Environmental Protection (DEEP)	Dam repairs, including state-owned dams	6,000,000	5,000,000
		Energy efficiency and renewable energy projects in state-owned buildings	0	25,000,000
		Various flood control improvements, flood repair, erosion damage repairs, and municipal dam repairs	4,500,000	6,900,000
		Recreation and Natural Heritage Trust Program: recreation, open space, and resource management	10,000,000	10,000,000
2(h), 21(h)	Capitol Region Development Authority	Alterations, renovations, and improvements to the Connecticut Convention Center and Rentschler Field	4,122,000	3,727,500
		Alterations, renovations, and improvements at the XL Center	35,000,000	0
2(i), 21(i)	Department of Developmental Services (DDS)	(1) Fire, safety, and environmental improvements to regional facilities and intermediate care facilities for client and staff needs, including improvements in compliance with current codes and (2) site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning, and other interior and exterior building renovations and additions at all state-owned facilities	5,000,000	5,000,000
2(j),	Department of	Design and installation of sprinkler systems in direct	2,275,000	4,175,000

21(j)	Mental Health and Addiction Services	patient care buildings, including related fire safety improvements		
		(1) Fire, safety, and environmental improvements to regional facilities and intermediate care facilities for client and staff needs, including improvements in compliance with current codes and (2) site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning, and other interior and exterior building renovations and additions at all state-owned facilities	0	5,000,000
2(k), 21(k)	State Department of Education (SDE)	For the technical high school system: Alterations and improvements to buildings and grounds, including new and replacement equipment, tools and supplies necessary to update curricula, vehicles, and technology upgrades	28,000,000	15,500,000
2(l), 21(l)	Board of Regents for Higher Education (BOR)	All community colleges: New and replacement instruction, research, or laboratory equipment	9,000,000	5,000,000
		All community colleges: System technology initiative	5,000,000	5,000,000
		All community colleges: Alterations, and improvements to facilities, including fire, safety, energy conservation, code compliance and acquisition of property	2,000,000	5,000,000
		Quinebaug Community College: Parking and site improvements	2,189,622	0
		Quinebaug Community College: Heating, ventilating, and air conditioning system improvements	1,750,000	0
		Tunxis Community College: Feasibility study for acquiring property to create a premanufacturing workspace and relocate continuing education operations	250,000	0
		Middlesex Community College: New academic building planning, design, and construction	4,800,000	39,200,000
		Housatonic Community College: Parking garage improvements	0	3,907,258
		Housatonic Community College: Implementation of phase III of the master plan for renovations and additions to Lafayette Hall	0	40,467,047
2(m), 21(m)	Department of Correction	Renovations and improvements to existing state-owned buildings for inmate housing, programming and staff training space, additional inmate capacity, and for support facilities and off-site improvements	10,000,000	10,000,000
2(n), 21(n)	Department of Children and Families (DCF)	Alterations, renovations, and improvements to buildings and grounds	1,230,900	1,515,000
2(o), 21(o)	Judicial Department	Alterations, renovations, and improvements to buildings and grounds at state-owned and maintained facilities	7,500,000	7,500,000

		Development of a juvenile court in Meriden or Middletown	2,000,000	13,000,000
		Mechanical upgrades and code-required improvements at the superior courthouse in New Haven	1,000,000	8,500,000
		Security improvements at various state-owned and maintained facilities	1,000,000	1,000,000
Housing Projects				
9, 28	DOH	Housing development and rehabilitation, including improvements to various kinds of state-assisted affordable housing; earmarks (1) \$30 million to revitalize moderate rental housing units in the Connecticut Housing Finance Authority's state housing portfolio, (2) \$1 million to develop adult family homes, and (3) \$1 million for grants for accessibility modifications for those transitioning from institutions to homes under the Money Follows the Person program (a Department of Social Services program that moves people out of nursing homes or other institutional settings into less restrictive, community-based settings)	70,000,000	70,000,000
		Supportive housing initiatives	20,000,000	0
Grants				
13(a), 32(a), 55	OPM	Grants to private, nonprofit, tax-exempt health and human service organizations for alterations, renovations, improvements, additions, and new construction, including (1) health, safety, ADA compliance, and energy conservation improvements; (2) information technology systems; (3) technology for independence; and (4) vehicle purchases	20,000,000	20,000,000
		Grants to municipalities for infrastructure projects and programs, including planning, property acquisition, site preparation, construction, and off-site improvements	50,000,000	0
		Grants to municipalities for municipal purposes and projects*	56,429,907	56,429,907
13(b), 32(b)	Department of Agriculture	Farm Reinvestment program	500,000	500,000
13(c), 32(c)	DEEP	Grants to municipalities for open space acquisition and development for conservation or recreational purposes	10,000,000	10,000,000
		Grants to municipalities for improvements to incinerators and landfills, including bulky waste landfills	1,400,000	1,000,000
		Grants for identifying, investigating, containing, removing, or mitigating contaminated industrial sites in urban areas	5,000,000	5,000,000
		Grants to municipalities for providing potable water	0	1,000,000

		Program to establish energy microgrids to support critical municipal infrastructure	15,000,000	15,000,000
13(d), 32(d)	Department of Economic and Community Development (DECD)	Grants to nursing homes for alterations, renovations, and improvements for conversion to other uses in support of right-sizing	10,000,000	10,000,000
		Small Business Express program	50,000,000	50,000,000
		Brownfield remediation and redevelopment projects	20,000,000	10,000,000
13(e)	DOH	Grants to municipalities for the incentive housing zone program	2,000,000	0
13(f), 32(e)	Department of Public Health	Stem Cell Research Fund	10,000,000	10,000,000
13(g), 32(f)	Department of Transportation (DOT)	Grants for improvements to ports and marinas, including dredging and navigational direction	5,000,000	5,000,000
13(h), 32(g)	SDE	Grants for <i>Sheff</i> magnet school program start-up costs: Purchasing a building or portable classrooms, leasing space, and purchasing equipment, including computers and classroom furniture, provided that title to any such building that ceases to be used as an interdistrict magnet school may revert to the state as the education commissioner determines	17,000,000	7,500,000
		Grants to towns and tax-exempt organizations for facility improvements and minor capital repairs to school readiness programs and state-funded day care centers operated by towns and organizations	11,500,000	15,000,000
		Grants to targeted local and regional school districts for alterations, repairs, improvements, technology, and equipment in low-performing schools	0	10,000,000
		Grants to local or regional boards of education for capital costs related to enrollment expansion in the <i>Sheff</i> statewide interdistrict public school attendance program (i. e., Open Choice): Building renovations, classroom expansions, and equipment, including computers, laboratory equipment, and classroom furniture	750,000	0
13(i), 32(h)	State Library	Grants to public libraries not located in distressed municipalities for construction, renovations, expansions, energy conservation, and handicapped accessibility	5,000,000	5,000,000

* PA 13-247 (§ 128) lists the amount each municipality receives under this grant in FY 14 and FY 15 and requires them to use the funds for town-aid road program purposes, unless the OPM secretary approves their use for other purposes.

§§ 51-54 & 56-67 – BOND AUTHORIZATIONS FOR STATUTORY PROGRAMS AND GRANTS

The act increases bond authorization limits for various statutory grants and purposes and allocates new bonding for these purposes for FY 14 and FY 15, as shown in Table 3.

Table 3: Statutory Bond Authorizations for FY 14 and FY 15

§	Agency	Purpose/Fund	FY 14	FY 15
51	OPM	Urban Action (economic and community development project grants)	\$50,000,000	\$50,000,000
52	OPM	Small Town Economic Assistance Program (STEAP)	20,000,000	20,000,000
53	OPM	Capital Equipment Purchase Fund	40,000,000	35,000,000
54	OPM	Local Capital Improvement Program (LoCIP)	30,000,000	30,000,000
56	DECD	Housing Trust Fund	30,000,000	30,000,000
57	SDE	Charter school capital expenses	5,000,000	5,000,000
58	DCS (transfers to DAS)	School construction projects	510,300,000	469,900,000
59	SDE	School construction interest subsidy grants	1,000,000	4,300,000
63	DEEP	Farmland preservation	10,000,000	10,000,000
65	DEEP	Clean Water Fund grants	67,000,000	218,000,000
66	DEEP	Clean Water Fund loans (revenue bonds)	380,430,000	331,970,000
67	DECD	Manufacturing Assistance Act	100,000,000	0

§§ 70-73 – CONNECTICUT BIOSCIENCE INNOVATION FUND

The act establishes CBIF to finance projects to improve the delivery of health care services, lower health care costs, and directly or indirectly create bioscience jobs. The projects can involve improvements or developments in services, therapeutics, diagnostics, and devices in pharmaceuticals, bioscience, biomedical engineering, medical care, medical devices, medical diagnostics, personalized medicine, health information management, and other related disciplines.

Nonprofit corporations, accredited colleges and universities, and for-profit start-up or early-stage businesses can propose the projects. Early stage businesses are those that have been operating for no more than three years and are developing or testing a product or service that is not yet available for commercial release or available only in a limited manner, including clinical trials or market testing of prototypes.

The fund can provide grants, credit extensions, loans, loan guarantees, equity investments, or any other form of financial assistance. Eligible recipients can use this assistance to pay for facilities; necessary furniture, fixtures, and equipment; materials and supplies; peer reviews; proof of concept or relevance; compensation; and other costs the advisory committee approves (see below).

CII must manage the fund's assets; provide financial assistance to eligible recipients; and prepare the fund's annual plan, budget, and report. By law, unchanged by the act, CII provides different types of financial assistance, including equity investments, to businesses developing a wide range of technology-based products, techniques, and services. The act allows CII to continue providing this assistance without risking or spending its funds to administer CBIF.

Besides providing financial assistance to eligible recipients for the reasons described above, the fund must (1) repay the bonds in the amounts the bond commission requires and (2) cover CII's administrative costs.

EFFECTIVE DATE: Upon passage

Bond Authorizations

The act capitalizes the fund by authorizing up to \$200 million in state GO bonds over 10 years, as Table 4 shows. Any issuance costs and capitalized interest may be added to the annual authorizations. If the advisory committee does not use all or part of the maximum amount in a fiscal year, that amount is added to the following year's authorization.

Table 4: Annual Bond Authorization for CBIF

<i>FY</i>	<i>Amount (millions)</i>
13	\$10
14	10
15	15
16	15
17	25
18	25
19	25
20	25
21	25
22	25
TOTAL	200

Bond Commission Approval. The bond commission must authorize the total bond issuance. The act requires CII to enter into a memorandum of understanding (MOU) with the OPM secretary and state treasurer regarding the bond issuance, including the extent to which federal, private, and other available funds should be added to the bond proceeds. The bond commission must approve the MOU, which satisfies the standard approval requirements under the State General Obligation Bond Procedure Act. The act deems the principal amount of the authorized bonds to be an appropriation and allocation of the bond amounts. The bonds are subject to standard statutory conditions.

Managing the Fund's Assets

CII must manage the fund by holding, administering, investing, and disbursing its assets, as the act requires. It must put funds from the following sources in the fund:

1. money the law requires or permits to be deposited in the fund;

2. public or private contributions, gifts, grants, donations, bequests, or devises made to it;
3. principal and interest payments on loans CII makes with the fund's assets; and
4. returns on the fund's equity or other investments, including loan repayments, guarantee fees, royalties, options, warrants, debentures, and all forms of remunerations received in return for the fund's financial assistance.

Lastly, CII must carry forward any of the fund's year-end balance to the next fiscal year.

The act allows CII to deposit money the fund receives, or already has, in an institution it chooses. The institutions receiving these funds must invest or pay them as CII directs. CII may tap these deposits to make payments for the purposes the act authorizes.

The act specifies that the CBIF is not a General Fund account and is available only for the purposes the act authorizes.

Advisory Committee

Composition. The act establishes a 13-member advisory committee to oversee the fund. The committee consists of four members appointed by the governor; one appointed by each of the six top legislative leaders; the public health and economic and community development commissioners or their designees, who serve as ex-officio voting members; and CII's executive director, who serves as the committee's chairperson. The governor and the legislative leaders must make their appointments by July 1, 2013.

Qualifications. The appointing officials must appoint members who have skill, knowledge, and experience in health care delivery systems, medical devices, life science, insurance, or information technology-related businesses and sciences. These members serve the same term as the official who appoints them, but must hold their position until that official appoints a successor. Appointing officials fill any vacancies for the term's balance.

Compensation. The members receive no compensation for their service, but must be reimbursed for their actual and necessary expenses while performing their official duties.

Meetings. The chairperson must call the committee's first meeting by September 30, 2013, and the committee must meet at least quarterly thereafter and when the chairperson deems it is necessary. The committee may transact business or exercise its powers only when it has a quorum (i. e., seven members present). In these situations, the committee must decide matters by a majority vote of the attending members.

Conflict of Interest. The act specifies that it does not constitute a conflict of interest for committee members to be affiliated with an eligible recipient or hold a financial interest in that recipient, as long as they abstain from any deliberation, action, or vote specifically related to that recipient. The affiliation can be as a trustee, director, partner, officer, manager, shareholder, proprietor, counsel, or employee.

Approving Financial Assistance. The advisory committee must establish a process for receiving and approving financial assistance applications that includes guidelines and terms for receiving such assistance. The guidelines and terms must include:

1. provisions requiring that applicants operate in Connecticut or relocate all or part of their operations here as a condition of receiving the assistance,
2. limits on total grant and loan amounts,
3. grant and loan eligibility requirements that encourage and support collaboration among eligible recipients,
4. requirements for peer reviews,
5. a process for CII to screen applications for strength and eligibility before presenting them to the committee for its consideration,
6. objectives for returns on investments, and
7. any other guidelines and terms the committee determines are necessary and appropriate to further the fund's objectives.

Expenditure Control. The advisory committee must approve all CBIF expenditures except those made to CII to cover its administrative costs and the amounts required by the bond commission to repay the bonds issued to capitalize the fund. The committee must exercise expenditure control by approving expenditures for:

1. specific purposes;
2. budgeted amounts, with variations the committee authorizes when it approves the budget; or
3. financial assistance to eligible recipients, subject to any limits, eligibility requirements, or conditions the committee may impose.

CII's Fund Administration Duties

Besides managing CBIF's assets and providing financial assistance, CII must use the fund to cover the act's administrative requirements. Specifically, it must provide any staff, office space and systems, and administrative support needed to do so. In administering the fund, CII may use any of its statutory powers as the state's venture capital and technology innovation arm (e. g. , enter into agreements providing financial assistance for marketing new and innovative services based on the use of specific technologies, products, techniques, services, or processes).

Beginning January 1, 2014, CII must prepare an annual operations plan and operating and capital budgets for each fiscal year. It must submit these documents to the advisory committee for review and approval no later than 90 days before the fiscal year begins.

CII must recover its administrative costs from the fund's assets. These costs include peer reviews, professional fees, allocated staff costs, and other out-of-pocket costs CII attributes to operating and administering the fund. The act limits the total reimbursement for these costs to 5% of the fund's total annual allotment, as specified in the operating budget.

Reporting Requirement

By April 15, 2014, and annually thereafter, CII must report on the fund's activity to the advisory committee, providing any available information on (1) the fund's status; (2) its operational performance; (3) the type, amount, and recipients of the financial assistance it provided; and (4) any returns on the fund's investment. The committee must review the report and, upon approving it, submit it to the Appropriations; Commerce; Public Health; Higher Education; and Finance, Revenue and Bonding committees.

§§ 84-85, 94-95 & 104-134 – CANCELLATIONS AND REDUCTIONS

The act cancels or reduces \$22.5 million in GO bond authorizations, as listed in Table 5.

Table 5: Cancellations and Reductions in Prior Authorizations

§	Agency or Grantee	For	Prior Authorization	Amount Cancelled
85	DECD (transfers to DOH)	Housing development and rehabilitation	\$21,000,000	\$600,000
95	DECD (transfers to DOH)	Housing development and rehabilitation	25,000,000	494,817
105	DEEP	Grants and loans to municipalities for acquiring land for public parks, recreational and water quality improvements, water mains, and water pollution control facilities, including sewer projects	5,000,000	42,000
107	State Library	Grant to West Hartford to expand the West Hartford Main Library	500,000	500,000
108	DCF	Grant to private nonprofit mental health clinics for children for fire, safety, and environmental improvements	1,000,000	9,060
110	Connecticut Commission on Culture and Tourism (CCCT)	Renovations and restoration at state-owned historic museums	1,000,000	1,000,000
		Old New-Gate Prison improvements	50,000	50,000
112	SDE	Grant to Project Oceanology	500,000	500,000
113	State Library	Grant to Waterbury for improvements to Silas Bronson Library	1,000,000	1,000,000
114	DCF	Grants to private, nonprofit organizations, including the Boys and Girls Clubs of America, YMCAs, YWCAs, and community centers for construction and renovation of community youth centers for neighborhood recreation or education purposes.	4,702,000	19,193
116	DAS	Development and implementation of the Connecticut Education Network	4,100,000	4,100,000
		Planning and design of a data center	2,500,000	2,500,000
		Development and implementation of information technology systems to comply with the Health Insurance Portability and Accountability Act	6,310,500	6,310,500
117	CCCT	Prudence Crandall Museum, Carter House Visitor Center: Alterations, improvements, renovations	500,000	500,000
118	Connecticut State	Eastern: Facility alternations, renovations, and improvements	1,165,000	22,396

	University System	Eastern: Develop new parking garage	18,296,000	971,000
120	Department of Public Safety (now DESPP)	Grant to Montville to convert the old town hall to a police station	800,000	800,000
121	CCCT	Grant to restore and preserve historic structures and landmarks	300,000	100,000
122	DPH	Grant to purchase digital mobile mammography unit	500,000	500,000
123	SDE	Grant to Waterford Country School to construct a gymnasium	1,000,000	100,000
124	State Library	Grant to public libraries not located in distressed municipalities for construction, renovation, expansion, energy conservation, and handicapped accessibility	3,500,000	7,902
125	State Library	Grant to North Branford for renovations and additions to Edward Smith Library in Northford	439,025	439,025
126	DCF	Grant to Pathway-Senderos Teen Pregnancy Prevention Center in New Britain to acquire new facility	825,000	500,000
		Grant to Child Guidance Center of Southern Connecticut in Stamford for expansion	2,000,000	500,000
128	Department of Mental Retardation (now DDS)	Fire, safety, and environmental improvements to regional facilities for client and staff needs	5,000,000	44,590
130	CCCT	Grant to restore and preserve historic structures and landmarks	300,000	300,000
132	Community College System	Quinebaug Valley: East wing code improvements	980,367	555,710
134	DOT	Grants for improvements to ports and marinas, including dredging and navigational direction	6,000,000	1,250

EFFECTIVE DATE: July 1, 2013, except for the cancellations where responsibility for the authorizations is transferred from DECD to DOH, which are effective upon passage.

Public Act# 13-247

HB# 6706

AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015 CONCERNING GENERAL GOVERNMENT

Section 1. (Effective July 1, 2013) The following sums are appropriated from the GENERAL FUND for the annual periods indicated for the purposes described.

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

	2013-2014	2014-2015
Personal Services	7,901,060	8,229,087
Other Expenses	586,717	586,717
Equipment	1	1
Statewide Marketing	12,000,000	12,000,000
Small Business Incubator Program	387,093	387,093
Hartford Urban Arts Grant	359,776	359,776
New Britain Arts Council	71,956	71,956
Main Street Initiatives	162,450	162,450
Office of Military Affairs	430,833	430,834
Hydrogen/Fuel Cell Economy	175,000	175,000
CCAT-CT Manufacturing Supply Chain	732,256	732,256
Capitol Region Development Authority	6,620,145	6,170,145
Neighborhood Music School	50,000	50,000
Nutmeg Games	24,000	24,000
Discovery Museum	359,776	359,776
National Theatre for the Deaf	143,910	143,910
CONNSTEP	588,382	588,382
Development Research and Economic Assistance	137,902	137,902
CT Trust for Historic Preservation	199,876	199,876
Connecticut Science Center	599,073	599,073
CT Flagship Producing Theaters Grant	475,000	475,000
Women's Business Center	500,000	500,000
Performing Arts Centers	1,439,104	1,439,104
Performing Theaters Grant	452,857	452,857
Arts Commission	1,797,830	1,797,830
Greater Hartford Arts Council	89,943	89,943
Stepping Stones Museum for Children	42,079	42,079
Maritime Center Authority	504,949	504,949
Tourism Districts	1,435,772	1,435,772
Amistad Committee for the Freedom Trail	45,000	45,000
Amistad Vessel	359,776	359,776
New Haven Festival of Arts and Ideas	757,423	757,423

New Haven Arts Council	89,943	89,943
Beardsley Zoo	372,539	372,539
Mystic Aquarium	589,106	589,106
Quinebaug Tourism	39,457	39,457
Northwestern Tourism	39,457	39,457
Eastern Tourism	39,457	39,457
Central Tourism	39,457	39,457
Twain/Stowe Homes	90,890	90,890
Cultural Alliance of Fairfield County	89,943	89,943
Nonfunctional - Change to Accruals	25,848	50,013
AGENCY TOTAL	40,846,036	40,748,229

§§ 26-36 & 386 – E-REGULATIONS

- Delays, from July 1, 2013 up until October 1, 2014, a requirement that online regulations posted by the secretary of the state be the “official version” of the regulations of state agencies for “all purposes, including all legal and administrative proceedings.”
- Names the electronic regulations compilation as the “eRegulations System” and requires (a) agencies, and not the secretary, to post to the system notices of proposed regulations and regulation-related documents and (b) the secretary to post the final regulations.
- Eliminates requirements for agencies to post regulations and related documents on their own websites.
- Eliminates several provisions that require a regulation to be submitted in hard copy, but requires the secretary of the state, by January 1, 2014, to develop and implement a plan to maintain at her office a paper copy of all regulations posted on the eRegulations System.
- Revises the requirements for selecting the legislative Regulation Review Committee's co-chairpersons to conform the law to practice.
- Requires that several manuals published by the Department of Social Services be posted on the eRegulations System.
- Repeals requirements, due to take effect on July 1, 2013, that agencies (a) post all manuals and guidance documents online and (b) post on their websites policies that are implemented before being adopted in regulation form.
- Makes numerous technical and conforming changes.

EFFECTIVE DATE: Various; dates include July 1, 2013, July 1, 2014, and October 1, 2014

§ 71 – ECONOMIC DEVELOPMENT STRATEGIC PLAN

- Delays by one year the due date for the DECD commissioner to prepare her next economic development strategic plan for the state. Requires a report every four instead of every five years, starting by July 1, 2015. Under the current five-year schedule the next report is due by July 1, 2014.

EFFECTIVE DATE: July 1, 2013

§ 72 – BIOSCIENCE AND PHARMACEUTICAL BUSINESSES IN SOUTHEASTERN CONNECTICUT

- Requires Connecticut Innovations, Inc. to spend up to \$ 50,000 to develop a plan to facilitate the growth of bioscience and pharmaceutical businesses in southeastern Connecticut and submit it to the governor, DECD, and the Commerce Committee by January 1, 2014.

EFFECTIVE DATE: July 1, 2013

§ 73 – CARBON FOOTPRINT DATA STUDY

- Requires the DAS commissioner to consult with UConn and other agencies, study, and report to the Government Administration and Elections committee on the feasibility of including carbon footprint data as factors in awarding state contracts.

EFFECTIVE DATE: July 1, 2013

§ 88 – TECHNICAL FIX TO DEPARTMENT OF HOUSING IMPLEMENTER

- Makes a technical correction to HB 6705.

EFFECTIVE DATE: July 1, 2013

§ 104 –CCAT PASS THROUGH UCONN

The sum of \$250,000 appropriated in section 1 of this act to The University of Connecticut, for Operating Expenses, for each of the fiscal years ending June 30, 2014, and June 30, 2015, shall be made available during each of said fiscal years to support the Connecticut Center for Advanced Technology.

EFFECTIVE DATE: July 1, 2013

§ 129 – FILM PRODUCTION TAX CREDIT MORATORIUM

- Establishes a two-year moratorium on film production tax credits for FYs 14 and 15 for motion pictures that have not been designated as state-certified productions prior to July 1, 2013
- Creates an exception for a motion picture that conducts at least 25% of its principal photography days in a Connecticut facility that (1) receives at least \$ 25 million in private investment and (2) opens for business on or after July 1, 2013.

EFFECTIVE DATE: July 1, 2013, and applicable to tax credits issued on or after that date.

§ 131 – REGIONAL GREENHOUSE GAS INITIATIVE

- Connecticut participates in this initiative, in which electric generators buy allowances to emit carbon dioxide. The revenue from the allowance auctions goes into an account administered by DEEP and is used for energy efficiency and renewable energy programs. The budget temporarily redirects part of the auction revenue that would otherwise go to the Clean Energy Finance and Investment Authority (CEFIA) to the General Fund. This act allows DEEP, until July 1, 2015, to allocate any part of auction proceeds above the amounts budgeted by electric companies in their 2012 conservation plan to CEFIA.
- Allocation must be on a pro rata basis at the conclusion of an auction.

EFFECTIVE DATE: July 1, 2013

§ 132 – FIRST FIVE PLUS PROGRAM SUNSET EXTENSION

- Extends by two years, from June 30, 2013 to June 30, 2015, this program's sunset date and makes conforming technical changes

EFFECTIVE DATE: July 1, 2013

§ 134 – VETERAN-OWNED SMALL BUSINESS REGISTRY

- Requires DECD to establish and maintain a registry of small businesses owned and controlled by veterans and those with service-related disability.
- Requires DECD to annually report on the registry to the Veterans Committee.

EFFECTIVE DATE: Upon passage

§§ 232-233 – XL CIVIC CENTER MANAGEMENT

- Allows Capital Region Development Authority to manage XL Center.
- Gives state fire marshal original jurisdiction over center, exempting state or CRDA demolition and development from local ordinances.
- Designates center state-owned property for state insurance while CRDA owns or leases it.
- Allows CRDA to purchase utility services for it at state rates.

EFFECTIVE DATE: July 1, 2013

§ 239 – CONNECTICUT INNOVATIONS, INC. BOARD CHAIRPERSON

- Removes DECD commissioner as CII chairperson; requires governor to appoint chairperson from CII board members.

EFFECTIVE DATE: July 1, 2013

§§ 244-248 – CREATING THE CONNECTICUT ARTS COUNCIL

- Creates a 13-member council within DECD and authorizes it to establish a foundation to raise funds and receive gifts from private sources to encourage participation in, and promotion, development, acceptance, and appreciation of, artistic and cultural activities (§ 245).
- Allows the foundation to disburse funds and execute contracts to foster and promote the arts (§ 245).
- Allows the foundation to apply for and receive grants, so long as it cooperates with and avoids directly competing with other Connecticut arts organizations when doing so (§ 245).
- Beginning January 15, 2014, requires the council to annually notify DECD of the total amount of matching grants arts organizations are eligible to receive from the Connecticut Arts Endowment Fund (§ 248).

EFFECTIVE DATE: July 1, 2013, except that the provisions on DECD arts activities and matching grants are effective October 1, 2013.

§§ 249-254, 258-259, 261-319, 386, & 388 – REGIONAL PLANNING ORGANIZATIONS AND REGIONS

- Eliminates regional planning agencies and regional councils of elected officials after January 1, 2015, leaving regional councils of governments (COGs) as the only type of regional planning organization (RPO), and makes many conforming changes to reflect this change (§§ 250, 252, 254, 258-259, 261-319 & 388).
- Adds to the list of criteria the OPM secretary must consider in his analysis of state planning regions and requires him to report to the Planning and Development Committee on its status by October 1, 2013 (§ 249).
- Changes the funding formula for COGs and uses the regional performance incentive account (which the act renames the regional planning incentive account) as the funding source (§§ 251, 318-319, & 386).
- Modifies the regional performance incentive program to, among other things, require two or more municipalities that apply for program funds to do so through their RPO (§ 253)

EFFECTIVE DATE: Upon passage, except for the conforming changes which are effective January 1, 2015

§§ 255-256, 325, & 387 – COMMISSION FOR EDUCATIONAL TECHNOLOGY

- Changes the Commission for Educational Technology's membership (§ 255).

- Requires the Bureau of Enterprise Systems, in consultation with COGs, to recommend a two-year schedule for connecting each town and COG to the statewide high speed communications network (§ 256).
- Repeals laws requiring the commission to work with (1) DAS to develop technology standards for education-related programs and (2) SDE to develop a statewide plan for teacher and administrator competency in instructional technology (§§ 325 & 387).

EFFECTIVE DATE: Upon passage, except the repealer section is effective July 1, 2013.

§§ 331-375 & 389 STATE EMPLOYEES

- Comptroller, not DAS, issues employee statements on employee benefits (§ 331).
- Allows appointing authorities to designate their appointing powers; allows DAS to deem people who meet class requirements eligible for positions without taking an exam (§ 333).
- Limits elective officers and department heads to four non-classified executive assistants each. Eliminates provision allowing a classified employee who becomes personal secretary to an administrative head, undersecretary, or deputy (a non-classified position) to retain his or her classified status (§ 339).
- Requires DAS to evaluate, at least every five years, (1) classified and (2) unionized non-classified, positions to determine if they are in an appropriate compensation plan (§ 344).
- Deletes an obsolete provision requiring wage inequities in state service to be eliminated by July 1995. Requires (1) DAS to consider any further wage inequities identified during the five-year review classification compensation review process and (2) the legislature, at DAS's request with OPM approval, to appropriate sufficient funds to modify compensation plans accordingly (§ 346).
- Limits non-union state employees' appeals to the Employees' Review Board (ERB) for alleged discrimination to alleged "unlawful" discrimination. Prohibits these employees from appealing to the ERB for discrimination if they also file a complaint with CHRO. Prohibits these employees from filing an appeal with ERB over unhealthy working conditions if they also file a complaint with state or federal OSHA. Prohibits parties from waiving transcript fees. Allows parties to mutually agree to waive appeals process deadlines (§ 347).
- Puts additional limits on certain automatic compensation increases of non-union managerial employees (§ 348).
- Requires DAS approval for overtime pay to employees working for multiple agencies (§ 349).
- Shortens time limit for (1) a candidate list to remain effective, from six to three months, and (2) maximum extensions for a list to remain effective, from two to one year. Removes the extension limit on continuous recruitment lists (§ 352).
- Prohibits any agency other than DAS from giving civil service exams (§ 353).

- Allows DAS to charge a fee for taking a civil service exam. It can waive the fee if the applicant is financially unable to pay (§ 354).
- Changes the time in which someone can appeal his or her rejection from taking an exam, from 10 days from receiving notice of the rejection, to 12 days from the notice's mailing. Reduces time for a decision from 30 to 15 days (§ 357).
- Reduces the time in which someone can inspect their exam markings after failing an exam, from 30 days after receiving the results to 30 days after the results are issued. Reduces the time in which someone can appeal their exam results, from 30 to 10 days after inspecting the record (§ 358).
- Allows DAS to waive the need for any appointment or promotional exam if (1) a professional license, degree, or accreditation is a mandatory requirement; (2) the position is for a job classification (a) used by a single state agency, (b) is limited in number, and (c) and has few vacancies in the professional or managerial series; (3) the qualifications for a position in the managerial class are so specialized or unique that an examination for a generic job classification would not (a) produce a list of qualified candidates and (b) be cost effective; or (4) there are five or less applicants qualified to take a promotional exam. Establishes a procedure for hiring under these circumstances (§ 359).
- Allows appointing authorities to dismiss more than one employee every three months during the same position's working test period. Allows non-classified employees to take civil service exams regardless of their prior classified status (§ 360).
- Limits DAS' power to authorize provisional appointments (§ 363).
- Allows a former state employee who is rehired by the state less than one year later to reinstate his or her sick leave by repaying the amount he or she received for unused sick time. (§ 368).
- Requires long term leaves of absence to be renewed every two years (§ 369).
- Requires veterans returning to state service to be reinstated with at least the level of benefits required by the federal Uniformed Services Employment and Reemployment Rights Act (§ 371).
- Requires, rather than allows, the Executive Branch to negotiate with unionized CLC employees (§ 374).
- DESPP commissioner, rather than DAS, holds hearings on state police dismissals from DESPP (§ 375).
- Repeals obsolete provisions (§ 389).

EFFECTIVE DATE: July 1, 2013

§ 339 - EXECUTIVE ASSISTANT LANGUAGE

Subdivisions (10) and (11) of section 5-198 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):

(10) Executive assistants to each state elective officer and each department head, as defined in section 4-5, provided (A) each position of executive assistant shall have been created in accordance with section 5-214, and (B) in no event shall the Commissioner of Administrative Services or the Secretary of the Office of Policy and Management approve more than four executive assistants for a department head;

(11) One personal secretary to the administrative head and to each undersecretary or deputy to such head of each department or institution;

§ 378 – TRANSFER OF FUNDS FROM CONNECTICUT ENERGY FINANCE AND INVESTMENT AUTHORITY TO GENERAL FUND

- Reduces, from \$ 24.2 million to \$ 19.2 million, the amount transferred from the Clean Energy Finance and Investment Authority to the General Fund for FY 15.

EFFECTIVE DATE: Upon passage

§ 382 – QUALIFIED APPRENTICESHIP TRAINING PROGRAMS

- Requires the labor commissioner to establish a grant program for S corporations, limited liability companies, limited liability partnerships, or limited partnerships that employ apprentices in the manufacturing, construction, plastics, or plastics-related trades.
- Eligibility and grant amounts are the same as the tax credits for apprenticeship training in manufacturing, construction and plastics-related trades.
- Total grants under the program cannot exceed \$50,000

EFFECTIVE DATE: July 1, 2013 and applicable to tax years starting on or after January 1, 2013

§ 386 – REPEALER

The act repeals the following:

- Requirements that a state agency must post on its website (1) written manual or guidance documents and (2) policies and procedures implemented before regulations take effect (CGS §§ 4-60t and 4-173a).
- Grant-in-aids to regional agencies and the Voluntary Regional Consolidation Bonus Pool, which OPM currently administers (CGS § 4-124q).
- A transfer of \$5 million from the regional greenhouse gas account to the General Fund (§ 105 of HB 6704 of the current session).

AN ACT CONCERNING THE MIDDLESEX COUNTY REVITALIZATION COMMISSION

Section 1. Section 1 of special act 93-36 is amended to read as follows (*Effective from passage*):

(a) There shall be established the Middlesex County Revitalization Commission, consisting of (1) one member from each of the fifteen cities and towns in Middlesex county, who shall be a business executive or governmental officer and shall be appointed to the commission by the chief executive officer of the city or town, and (2) the vice-president of the Middlesex Chamber of Commerce. The commission shall elect a chairperson from its members. Each member shall have one vote on any matter before the commission except that the chairperson shall vote only in the event of a tie. Members shall be appointed for two-year terms beginning July 1, 1993, and biennially thereafter.

(b) The powers of the commission shall be vested in and exercised by not less than nine of the members of the commission then in office. Such number of members shall constitute a quorum and the affirmative vote of a majority of the members present at a meeting of the commission shall be necessary for any action taken by the commission. No vacancy in the membership of the commission shall impair the right to exercise all the rights and perform all the duties of the commission. The chief executive officer of the city or town shall fill any vacancy for the unexpired term of a member appointed by such chief executive officer of the city or town. A member of the commission shall be eligible for reappointment. Any member of the commission may be removed by the commission for misfeasance, malfeasance or willful neglect of duty. Meetings of the commission shall be held at such times as shall be specified in the bylaws adopted by the commission and at such other time or times as the chairperson deems necessary.

(c) The members of the commission shall adopt written procedures for: (1) Adopting an annual budget and plan of operations; (2) hiring, dismissing, promoting and compensating employees of the commission; (3) acquiring real and personal property and personal services; (4) contracting for financial, legal and other professional services; and (5) awarding loans, grants and other financial assistance, including eligibility criteria, the application process, the role played by the commission's staff and members and deadlines for the approval or disapproval of applications for such assistance by the commission on and after July 1, 2013.

(d) Notwithstanding any provision of the law to the contrary, it shall not constitute a conflict of interest for a trustee, director, partner, officer, stockholder, proprietor, counsel or employee of any person, or for any other individual having a financial interest in any person, to serve as a member of the commission, provided such trustee, director, partner, officer, stockholder, proprietor, counsel, employee or individual shall file with the commission a record of his or her capacity with or interest in such person and abstain from any deliberation, action and vote by the commission in specific respect to such person.

(e) The commission is empowered to adopt bylaws for putting into effect its purposes. The commission may cause an audit of its books and accounts to be made at least once each fiscal year by certified public accountants. Any action taken by the commission may be authorized by resolution at any regular or special meeting, and each such resolution shall take effect immediately and need not be published or posted.

Sec. 2. Section 2 of special act 93-36 is amended to read as follows (*Effective from passage*):

(a) It is hereby found and declared (1) that there is a continuing need in Middlesex County for: (A) Economic development and activity to provide and maintain employment and tax revenues, promote the export of products and services beyond county and state boundaries, encourage innovation in products and services and support or broaden the economic base of the county, the control, abatement and prevention of pollution to protect the public health and safety and the development and use of indigenous and renewable energy resources to assist industrial and commercial businesses in meeting their energy requirements; (B) the development of recreation facilities to promote tourism, to provide and maintain employment and tax revenues and to promote the public welfare; (C) the development of commercial and retail sales and services facilities in urban areas to provide and maintain construction, permanent employment and tax revenues, to improve conditions of deteriorated physical development, slow economic growth and eroded financial health of the public and private sectors in urban areas and to revitalize the economy of urban areas; (D) assistance to public service businesses providing transportation and utility services in the county; (E) development of the commercial fishing industry to provide and maintain employment and tax revenues; (F) the development of high-technology businesses and business incubators that assist high-technology businesses; (G) assistance to consortia consisting of businesses creating partnerships with higher education facilities; and (H) assistance to nonprofit and governmental entities in financing facilities providing health, educational, charitable, community, cultural, agricultural, consumer or other services benefiting the citizens of the county; (2) that the availability of financial assistance and suitable facilities are important inducements to industrial, commercial and nonprofit enterprises to remain or locate in the county and to provide economic development projects, recreation projects, urban projects, public service projects, commercial fishing projects, health care projects and nonprofit projects; (3) that there are significant barriers inhibiting access to financial institutions and the public capital markets to assist in financing economic development and other projects in the county; (4) that the exercise by the commission of the powers in this section shall promote economic development by increasing access to the public capital markets for the commission and eligible financial institutions; and (5) that therefore the necessity, in the public interest and for the public benefit and good, for the provisions of this section and sections 1, 3 and 4 of special act 93-36, as amended by this act, is hereby declared as a matter of legislative determination. The Middlesex County Revitalization Commission shall (i) coordinate efforts to revitalize the manufacturing, business and commercial districts of Middlesex county cities and towns, and (ii) assist such cities and towns in developing and implementing a self-reliant, ongoing economic revitalization campaign.

(b) In selecting locations for economic development activities, the commission shall consider: (1) The interest in, and commitment to, economic development and historic preservation by the private and public sectors of the community, (2) past and potential private investment in the economic development program of the community, (3) the community's organization for, and financial commitment to, the implementation of a long-term economic revitalization program, and (4) the regional effect of a community's economic development program on the economic planning and development goals of the commission.

(c) The commission may contract for the services of a coordinator for economic development programs. The coordinator shall: (1) Carry out the commission's responsibilities under any contracts between the commission and service providers; (2) coordinate the activities of the commission's programs, in consultation with the cities and towns of the county and state agencies

involved in the programs; (3) monitor the progress of economic development programs; (4) assist mayors and selectmen in the county in developing individual programs; and (5) perform such other duties which are necessary to further the economic development and cooperative planning activities of the commission.

Sec. 3. Section 3 of special act 93-36 is amended to read as follows (*Effective from passage*):

For the purposes of this section and sections 1, 2 and 4 of special act 93-36, as amended by this act, the following terms have the following meanings unless the context indicates another meaning and intent:

(1) "County" means Middlesex County, Connecticut.

(2) "State" means the state of Connecticut.

(3) "Municipality" means any town, city or borough in the state.

(4) "Project" means any facility, plant, works, system, building, structure, utility, fixture or other real property improvement located in the county, any machinery, equipment, furniture, fixture or other personal property to be located in the county and the land on which it is located or which is reasonably necessary in connection therewith, which is of a nature or which is to be used or occupied by any person for purposes that would constitute it as an economic development project, information technology project, public service project, urban project, recreation project, commercial fishing project, health care project, nonprofit project or remediation project, and any real property improvement reasonably related thereto.

(5) "Federal agency" means the United States, the President of the United States and any department of, or corporation, agency or instrumentality designated or established by, the United States.

(6) "Person" means any person, including an individual, firm, partnership, association, cooperative, limited liability company or corporation, public or private, for profit or nonprofit, organized or existing under the laws of this state or any other state, and, to the extent otherwise permitted by law, any municipality, district, including any special district having taxing powers, agency, authority, instrumentality, or other governmental entity or political subdivision in the state or any federal agency.

(7) "Purposes of the commission" means those powers set forth pursuant to this section and sections 1, 2 and 4 of special act 93-36, as amended by this act, including the promotion, planning and designing, developing, encouraging, assisting, acquiring, constructing, reconstructing, improving, maintaining and equipping and furnishing of a project, and assisting directly or indirectly in the financing of the cost thereof.

(8) "Economic development project" means any project that is to be used or occupied by any person for (A) manufacturing, industrial, research, office or product warehousing or distribution purposes, and which the commission determines will tend to maintain or provide gainful employment, maintain or increase the tax base of the economy, or maintain, expand or diversify industry in the county, or (B) controlling, abating, preventing or disposing of land, water, air or other environmental pollution, including, without limitation, thermal, radiation, sewage,

wastewater, solid waste, toxic waste, noise or particulate pollution, except a resources recovery facility, as defined in section 22a-219a of the general statutes, used for the principal purpose of processing municipal solid waste and which is not an expansion or addition to a resources recovery facility operating on July 1, 1990, or (C) the conservation of energy or the utilization of cogeneration technology or solar, wind, hydro, biomass or other renewable sources to produce energy for any industrial or commercial application, or (D) any other purpose that the commission determines will materially contribute to the economic base of the county by creating or retaining jobs, promoting the export of products or services beyond county and state boundaries, encouraging innovation in products or services, or otherwise contributing to, supporting or enhancing existing activities that are important to the economic base of the county.

(9) "Commission" means the Middlesex County Revitalization Commission or its successor as established and created under section 1 of special act 93-36, as amended by this act.

(10) "Recreation project" means any project that is to be primarily available for the use of the general public, including without limitation a stadium, sports complex, amusement park, museum, theater, civic, concert, cultural and exhibition center, center for the visual and performing arts, hotel, motel, resort, inn and other public lodging accommodation and that the commission determines will tend to (A) promote tourism, (B) provide a special enhancement of recreation facilities in the county, or (C) contribute to the business or industrial development of the county.

(11) "Public service project" means any project that is to be used or occupied by a common carrier or public utility to provide bus, truck, rail, limousine, water or air transportation services or water, sewer, gas, electricity or telephone utility services, and which the commission determines will tend to assist the common carrier or public utility in providing service to the general public in the county. A public service project may include ferry boats or railroad rolling stock, but may not include any other vehicle, aircraft or watercraft.

(12) "Urban project" means any project that is to be used or occupied by any person for commercial or retail sales or service purposes located wholly or partly within an urban municipality in the county and that the commission determines will tend (A) to maintain or provide gainful construction or permanent employment, maintain or expand the tax base of the economy or maintain, expand or diversify industry in the county, or (B) to otherwise revitalize the economy of any municipality that is a "distressed municipality", as defined in subsection (b) of section 32-9p of the general statutes.

(13) "Commercial fishing project" means any project that is to be used or occupied by any person for commercial fishing purposes or for support, maintenance, storage, production or manufacturing purposes reasonably related to commercial fishing activity, including, without limitation, commercial fishing vessels, docks, wharves, piers, land or floating processing facilities, transportation terminals, facilities for the maintenance, storage and construction of vessels and equipment, and fish storage and handling facilities.

(14) "Health care project" means any project that is to be used or occupied by any person for the providing of services in any residential care home, nursing home or rest home, as defined in subsection (c) of section 19a-490 of the general statutes, or for the providing of living space for physically handicapped persons or persons sixty years of age or older.

(15) "Nonprofit project" means any project that (A) is to be used or occupied by any person and is organized and operated not-for-profit but exclusively for health, educational, charitable, community, cultural, agricultural, consumer or other purposes benefiting the citizens of the county, or as an agricultural or hospital cooperative or service organization or as a chamber of commerce or trade or professional association, and (B) the commission determines satisfies a public need not adequately met by businesses operating for profit.

(16) "Information technology project" means any project (A) providing information technology intensive office or laboratory space, including, but not limited to, smart buildings, incubator facilities, or any project that is to be used or occupied by any person specializing in e-commerce technologies or other technologies using high-speed communications infrastructure, and (B) that the commission deems shall materially contribute to the economic base of the county by creating or retaining jobs, promoting the export of products or services beyond county borders, encouraging innovation in products or services, or otherwise contributing to, supporting or enhancing existing activities that are important to the economic base of the county.

(17) "Incubator facilities" has the same meaning as provided in subdivision (5) of section 32-34 of the general statutes.

(18) "Smart building" means a building that houses, for use by its tenants, an information or communications infrastructure capable of transmitting digital video, voice and data content over a high-speed wired, wireless or other communications intranet and provides the capability of delivering and receiving high-speed digital video, voice and data transmissions over the Internet.

(19) "Remediation project" means any project (A) involving the development, redevelopment or productive reuse of real property within the county that (i) has been subject to a spill, as defined in section 22a-452c of the general statutes, (ii) is an establishment, as defined in subdivision (3) of section 22a-134 of the general statutes, (iii) is a facility, as defined in 42 USC 9601(9), or (iv) is eligible to be treated as polluted real property for purposes of section 22a-133m of the general statutes or contaminated real property for purposes of section 22a-133aa or 22a-133bb of the general statutes, provided the development, redevelopment or productive reuse is undertaken pursuant to a remediation plan meeting all applicable standards and requirements of the Department of Energy and Environmental Protection, (B) that the commission determines shall add or support significant new economic activity or employment in the municipality in which such project is located or shall otherwise materially contribute to the economic base of the county or the municipality or shall provide a residential or mixed-use development pursuant to chapter 828 of the general statutes, and (C) for which assistance from the commission shall be needed to attract necessary private investment.

Sec. 4. Section 4 of special act 93-36 is amended to read as follows (*Effective from passage*):

To accomplish the purposes of the commission, as defined in subdivision (7) of section 3 of special act 93-36, as amended by this act, which are hereby determined to be public purposes for which public funds may be expended, and in addition to any other powers provided by law, the commission shall have power to: (1) Determine the location and character of any project to be financed under the provisions of this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act, provided any financial assistance shall be approved in accordance with written procedures prepared pursuant to subdivision (11) of this section; (2) purchase, receive by gift or otherwise, lease, exchange or otherwise acquire, and construct, reconstruct, improve,

maintain, equip and furnish one or more projects, including all real and personal property that the commission may deem necessary in connection therewith, and to enter into a contract with a person therefore upon such terms and conditions as the commission shall determine to be reasonable, including, but not limited to, reimbursement for the planning, designing, financing, construction, reconstruction, improvement, equipping, furnishing, operation and maintenance of the project and any claims arising therefrom and establishment and maintenance of reserve and insurance funds with respect to the financing of the project; (3) sell or lease to any person, all or any portion of a project, for such consideration and upon such terms as the commission may determine to be reasonable; (4) mortgage or otherwise encumber all or any portion of a project whenever it shall find such action to be in furtherance of the purposes of this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act; (5) enter into agreements with any person, including prospective mortgagees and mortgagors, for the purpose of planning, designing, constructing, acquiring, altering and financing projects, or for any other purpose in furtherance of any other power of the commission; (6) grant options to purchase or renew a lease for any of its projects on such terms as the commission may determine to be reasonable; (7) employ or retain attorneys, accountants and architectural, engineering and financial consultants and such other employees and agents to assist it in carrying out the purposes of this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act; (8) borrow money or accept gifts, grants or loans of funds, property or service from any source, public or private, and comply, subject to the provisions of this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act, with the terms and conditions thereof; (9) accept from a federal agency loans, grants or loan guarantees or otherwise participate in any loan, grant, loan guarantee or other financing or economic or project development program of a federal agency in furtherance of, and consistent with, the purposes of the commission, and enter into agreements with such agency respecting any such loans, grants, loan guarantees or federal agency programs; (10) in connection with any application for assistance under this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act, or commitments therefor, make and collect such fees and charges as the commission shall determine to be reasonable; (11) adopt procedures to carry out the provisions of this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act, which may give priority to applications for financial assistance based upon the extent the project will materially contribute to the economic base of the county by creating or retaining jobs, providing increased wages or benefits to employees, promoting the export of products or services beyond the boundaries of the county, encouraging innovation in products or services, and encouraging defense-dependent business to diversify to nondefense production; (12) adopt an official seal and alter the same at pleasure; (13) maintain an office at such place or places within the county as it may designate; (14) sue and be sued in its own name and plead and be impleaded, service of process in any action to be made by service upon the chairperson of the commission either in hand or by leaving a copy of the process at the office of the commission with some person having charge thereof; (15) employ such assistants, agents and other employees as may be necessary or desirable for its purposes; (16) contract for and engage appraisers of industrial machinery and equipment, consultants and property management services, and utilize the services of governmental agencies; (17) when it becomes necessary or feasible for the commission to safeguard itself from losses, acquire, purchase, manage and operate, hold and dispose of real and personal property, take assignments of rentals and leases and make and enter into all contracts, leases, agreements and arrangements necessary or incidental to the performance of its duties; (18) in order to further the purposes of this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act, or to assure the payment of the principal and interest on notes of the commission, purchase, acquire and take assignments of notes, mortgages and other forms of security and evidences of indebtedness, purchase, acquire, attach, seize, accept or take title to any project by conveyance or, by foreclosure, and sell, lease or rent any project for a use

specified in this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act; (19) adopt rules for the conduct of its business; (20) invest any funds not needed for immediate use or disbursement, including any funds held in reserve, in obligations issued or guaranteed by the United States of America or the state of Connecticut and in other obligations which are legal investments for savings banks in this state; and (21) do, or delegate, any and all things necessary or convenient to carry out the purposes and to exercise the powers given and granted in this section and sections 1 to 3, inclusive, of special act 93-36, as amended by this act.

Approved June 3, 2013