Department of Economic and Community Development

Connecticut
still revolutionary

Catherine H. Smith
Commissioner

M E M O R A N D U M

Date: October 1, 2012

To: Gian-Carl Casa, Undersecretary for Legislative Affairs, OPM
Liz Donohue, Policy Director, Office of the Governor

From: Catherine Smith, Commissioner
Department of Economic and Community Development

Re: **DECD Legislative Proposals for the 2013 Legislative Session**

Please find enclosed, for your review a copy of the Department of Economic and Community Development's 2013 Legislative Proposals.

My staff and I have carefully analyzed the enclosed proposals and feel that these initiatives, if passed by the General Assembly, will allow the Department to better ensure the quality and delivery of services to the public. The proposals we are submitting by priority are as follows:

1. An Act Making MAA Funds Available for Small Business Express Program
2. An Act Concerning the Fund for Bioscience Innovation for Connecticut Innovations – *DECD/CI Proposal*
3. An Act Concerning Grant Clarification
4. An Act Concerning Technical Revisions to Brownfields - *language being drafted*
5. An Act Concerning Caps on State Financial Assistance and Increase Approval Cap on URA Projects
6. An Act Concerning Changes to the State Economic Strategic Plan
7. An Act Concerning Changes to the Annual Report for the Department of Economic & Community Development
8. An Act Concerning Sales and Use Tax Relief
9. An Act Repealing the Annual Threshold Report and High Performance Work Organizations
10. An Act Concerning Permits for Filming on Department of Transportation Property
11. An Act Reducing Regulatory Burdens Regarding Involuntary Displacement
12. An Act Concerning Consolidation of Certain Bond Funds
13. An Act Creating an Office of Global Business Growth in the Department of Economic and Community Development – *language being drafted*
14. An Act Concerning Changes to Connecticut Innovations Statutes – *CI Proposal*

In addition DECD supports two pieces of legislation proposed by CHFA. The two measures are:

1. An Act Concerning Increasing the Housing Tax Credit Contribution (HTCC) Program
2. An Act Concerning Increasing CHFA Uninsured Mortgage Cap

Should you have any questions or require additional information please feel free to contact me at (860) 270-8182. I look forward to working with you on this agenda.

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency Department of Economic and Community Development	**Agency Priority** (See instructions)
Contact Person Jim Watson	**Telephone** 860-270-8182
Email Address jim.watson@ct.gov	
Title of Proposal Making MAA Funds Available for Small Business Express Program	**Statutory Reference** **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information)
The new Small Business Express Program is one of the most in-demand economic development programs ever administered by the department. This legislative change allows the $60 million authorized for small business development in the 2011 Jobs Bill to be used for the Small Business Express Program.

Reason for Proposal (Include significant policy and programmatic impacts)
This legislative change allows the $20 million for 2011 and the $40 million authorized for small business development in 2012 through the 2011 Jobs Bill to be used for the Small Business Express Program. Without access to this funding, we will have to start turning businesses away immediately.

Significant Fiscal Impacts

Municipal:

Federal:

State:

Subsection (a) of section 32-235 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate one billion fifteen million three hundred thousand dollars, provided one hundred forty million dollars of said authorization shall be effective July 1, 2011, and twenty million dollars of said authorization shall be made available for small business development and the Small Business Express Program under section 32-7g of the 2012 supplement to the general statutes, as amended and the provisions of sections 32-220 to 32-234, inclusive, shall not apply to such funds. Two hundred eighty million dollars of said authorization shall be effective July 1, 2012, and forty million dollars of said authorization shall be made available for small business development and the Small Business Express Program under section 32-7g of the 2012 supplement to the general statutes, as amended and the provisions of sections 32-220 to 32-234, inclusive, shall not apply to such funds. Any amount of said authorizations that are required to be made available for small business development but are not exhausted for such purpose by the first day of the fiscal year subsequent to the fiscal year in which such amount was made available shall be used for the purposes described in subsection (b) of this section. For purposes of this subsection, a "small business" is one employing not more than fifty employees.

Agency Legislative Proposal
2013 Session

Document Name(e.g. OPM1015Budget.doc; OTG1015Policy.doc):

(If submitting an electronically, please label with date, agency, and title of proposal – 092611_SDE_TechRevisions)

State Agency: Connecticut Innovations
Liaison: Claire Leonardi Phone: 860-258-7872 E-mail: Claire.Leonardi@ctinnovations.com
Agency Analyst/Drafter of Proposal: Lori Granato

Title of Proposal **AA ESTABLISHING A FUND FOR BIO SCIENCE INNOVATION**
Statutory Reference
Please attach a copy of fully drafted bill(required for review)

PROPOSAL BACKGROUND

- **Reason for Proposal**

Please consider the following, if applicable:

(1) Have there been changes in federal/state/local laws and regulations that make this legislation necessary?
(2) Has this proposal or something similar been implemented in other states? If yes, what is the outcome(s)?
(3) Have certain constituencies called for this action?
(4) What would happen if this was not enacted in law this session?

Fund for Bioscience Innovation

Promoting better health outcomes and lower costs through investment in innovation.

Opportunity: Lead the nation in the creation of a new model for healthcare through investment in emerging healthcare areas including personalized medicine. The goals are to improve outcomes, lower costs and support job growth in Connecticut's bioscience sector. The fund will invest to promote innovation in such areas as key components of biomedical, pharmaceutical, connected health /Big Data (the intersection of data, science and health), diagnostics and medical devices. Investment will require collaboration among two or more parties in the state.

The fund will also capitalize on Connecticut's unique array of strengths including Connecticut-based researchers; health insurers; providers; companies supporting healthcare research and development; as well as the State's ongoing investment in stem cell research and its major new investment in The Jackson Laboratory, and in Bioscience CT, at the UConn Health Center.

Proposal

Fund size: $200 million over 10 years (allocated - $10 million yrs. 1 and 2; $15 million yrs. 3 and 4; $25 million yrs. 5 and 10)

Management: Managed and administered by CI
Structure: Separate Fund with advisory board (building upon the Fund that was created for Jackson Labs that is managed by CI)
Advisory Board: Appointed by Governor and Legislative Leadership representing diverse, leading interests across the spectrum of healthcare including industry, providers, insurers, universities, entrepreneurs, non-profit research institutions and consumers.
Types of financial assistance: loans, equity, and grants (Grants will require collaboration between researchers and/or researchers and businesses/non-profits to foster translational research. Portfolio allocation TBD with a maximum percentage placed on grants.)
Will fund: Research, infrastructure, proof of concept/relevance, open innovation
Eligible recipients: universities and colleges, non-profits, early stage businesses
Decision-making: culling of opportunities by CI; vetted by peer review process; final decision by Advisory Board
Returns on investment: royalties, equity or interest returns, jobs, scientific advancement, improved outcomes, lower costs
Management/Administrative cost: Annually 2% of amount allocated for investment (cover - peer review, out-of-pocket costs, allocated staff and administration) **Connecticut presence required**

Justification

Today, it is well known that the status quo in healthcare delivery is unsustainable. The costs are a tremendous burden on companies, consumers, government entities and taxpayers. Despite this high cost, the U.S. health outcomes are sub-par and disparities abound. In the U.S., we spend more than $8,000 per capita on care, among the highest in the world, while our outcomes rank 37th. A focus on advancement of personalized medicine in connection with innovation and more effective implementation of underutilized and disconnected tools provides an opportunity to change this set of facts.

In Connecticut, we share the nation's healthcare cost, disparities and outcomes problems. In addition, bioscience industry employment has a large impact on our economy. Employment in this sector has declined by 14% from 2001 through 2010 compared to a 7% increase in the U.S. over the same time period. This is largely due to declines in the pharmaceutical industry but we also experienced a decline (-9%) in the important growth segment of Research, Testing and Medical Labs compared to a gain of 23% nationally.

In 2011, as part of the Jobs Act, Connecticut invested in Bioscience CT. The Fund for Bioscience Innovation provides long term support to build on this core investment. Consistent with CI's investment-driven economic development focus and practices, CI will seek private sector capital to leverage the State investment as well as a long term return.

We have the opportunity to reverse the downward trend in Connecticut bioscience jobs and take a leadership role in thought, practice and business development. Innovation will contribute to enhanced quality of life and will lower costs of doing business and promote a healthier population.

- **Origin of Proposal __X_ New Proposal ___Resubmission**

If this is a resubmission, please share:

(1) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?

(2) Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?

(3) Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?

(4) What was the last action taken during the past legislative session?

PROPOSAL IMPACT

- **Agencies Affected** (please list for each affected agency)

Agency Name:
Agency Contact (name, title, phone):
Date Contacted:

Approve of Proposal___ YES___NO ___Talks Ongoing

Summary of Affected Agency's Comments

Will there need to be further negotiation?___ YES ___NO

- **Fiscal Impact**(please include the proposal section that causes the fiscal impactand the anticipated impact)

Municipal (please include any municipal mandate that can be found within legislation)

NONE

State
NONE

Federal
NONE

Additional notes on fiscal impact

- **Policy and Programmatic Impacts**(Please specify the proposal section associated with the impact)

Insert fully drafted bill here

Section 1. (NEW) This act and the provisions of Public Act No. 11-2, as amended by this act, shall be known and may be cited together as the ”Bioscience Innovation Act".

Sec. 2. (NEW) It is found and declared that there exists in the state and the nation a significant need for innovation in the provision of healthcare that will improve the coordination, quality and efficiency of healthcare and lower healthcare costs; that the state has a unique array of strengths that can be deployed to advance these goals, including Connecticut-based researchers and research institutions, health insurers, providers, companies engaged in healthcare, pharmaceutical, medical device and other biomedical research and development and university-based medical and bioscience research; that the state is already making investments in stem cell research through the Stem Cell Research Fund and in a major bioscience research facility on the campus of the University of Connecticut Health Center engaged in research on stem cells, DNA (deoxyribonucleic acid), systems genomics and genome-based medicine through the Connecticut Bioscience Collaboration Fund; that Connecticut is therefore well-positioned to be a leader in these fields, translating research and development into services, therapeutics, diagnostics or devices that will lead to improvements in the health and well-being of Connecticut residents and lower individual and government costs and other burdens; that such activities will also create high quality jobs and other economic benefits; that there is a shortage of private sector investment capital available to stimulate and fund such research development, infrastructure support and commercialization; that there is therefore a need for further state investment in and support of such activities, which would also be expected to stimulate needed private investment, leveraging and multiplying the effect of state investment and the attendant benefits; and therefore the necessity in the public interest for the public benefit and good for the provisions of this act is hereby declared as a matter of legislative determination.

Sec. 3. (NEW) As used in this act and Public Act No. 11-2, as amended by this act, the following terms shall have the following meanings unless the context clearly indicates another meaning and intent:

(1) "Administrative costs" means the costs paid or incurred by the

administrator of the Connecticut Bioscience Innovation Fund, including peer review costs, professional fees and other out-of-pocket costs, and allocated staff and administrative costs of the administrator fairly attributed to the administration and operation of the Connecticut Bioscience Innovation Fund.

(2) “Administrator” means the corporation, in its capacity as administrator of the Connecticut Bioscience Innovation Fund pursuant to this act.

(3) "Advisory committee" means the Bioscience Innovation Advisory Committee established by section 4 of this act.

(4) “Board” means the board of directors of Connecticut Innovations, Incorporated.

(5) “Corporation” means Connecticut Innovations, Incorporated created under section 32-35 of the general statutes.

(6) "Eligible costs" means the costs of translational research, which may include facilities costs, costs of necessary furniture, fixtures and equipment, costs of materials and supplies, compensation costs, costs related to proof of concept or relevance and peer review, and any other costs with respect to translational research that the advisory committee determines to be eligible for financial assistance within the purposes of this act.

(7) "Eligible recipient" means a duly accredited college or university, a non-profit corporation, or a for-profit business with fewer than _____ employees and less than $_____ in annual revenues, in each case with facilities and operations in the state of Connecticut.

(8) "Financial assistance" means any and all forms of grants, loans, extensions of credit, guarantees, equity investments or other forms of financing.

(9) “Internal Revenue Code” means the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time.

(10) "Return on investment" means any and all forms of principal or interest payments, guarantee fees, returns on equity investments, royalties, options, warrants, debentures and all other forms of remuneration to the administrator in return for any financial assistance offered or provided, and consistent with the

purposes of this act shall be deemed to include job creation, scientific advancement, improved healthcare outcomes and lowered healthcare costs.

(11) "Translational research" means basic, applied and translational research that focuses on medical care, health, bioscience, biomedical engineering, pharmaceuticals, medical devices, diagnostics, health information management, personalized medicine and other related disciplines that is reasonably likely to lead to an improvement in or development of services, therapeutics, diagnostics or devices that is commercializable and that are designed to advance the coordination, quality or efficiency of healthcare and lower healthcare costs, and which promise, directly or indirectly, to lead to jobs growth in Connecticut in these or related fields.

Sec. 4. Section 1 of Public Act 11-2 is hereby repealed and the following is substituted in new thereof:

[(a) For purposes of this section:

(1) "Corporation" means Connecticut Innovations, Incorporated;

(2) "Board" means the board of directors of Connecticut Innovations, Incorporated;

(3) "Internal Revenue Code" means the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time.**]**

[(b)**]**(a) There is established within Connecticut Innovations, Incorporated the Connecticut Bioscience Collaboration program. Said program shall support the establishment of a bioscience cluster anchored by a research laboratory housed at The University of Connecticut Health Center as provided in this subsection.

(1) The corporation shall work in collaboration with an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code to develop, construct and equip a structure for use as a research laboratory and office building operation. The board may provide loans to such organization for the purpose of developing, constructing and equipping such structure. The board shall review and approve loan terms and conditions, and may require matching funds from private or nonstate entities. The board may allow payment on such loans to be deferred, and may forgive all or part of such loans, based upon the

board's assessment of such organization's fulfillment of the loan terms and conditions.

(2) The corporation may, at the direction of the board, provide an annual operations, research and development grant to such organization for annual operating expenses and bioscience medical research, including research on stem cells, DNA (deoxyribonucleic acid), systems genomics and genome-based medicine.

(3) The corporation may, at the direction of the board, enter into venture agreements with such organization, upon such terms and conditions as would benefit the state, such organization and other private sector entities involved in the bioscience cluster.

[(c)](b) (1) There is hereby created a "Connecticut Bioscience Collaboration Fund". Said fund shall be held and administered by Connecticut Innovations, Incorporated separate and apart from all other funds and accounts of the corporation. Amounts authorized by the State Bond Commission in accordance with section 2 of [this act]Public Act 11-2 shall be paid to the corporation for deposit into the Connecticut Bioscience Collaboration Fund.

(2) Any funds or revenues of the corporation derived from investment income or loan repayments received by the corporation in connection with the Connecticut Bioscience Collaboration program shall be held, administered and invested by the corporation or deposited with and invested by any institution as may be designated by the corporation at its sole discretion and paid as the corporation shall direct. All moneys in such accounts shall be used and applied to carry out the purposes of said program. The corporation may make payments from such accounts to the Connecticut Bioscience Collaboration Fund for use in accordance with subdivision (3) of this subsection.

(3) The moneys in the Connecticut Bioscience Collaboration Fund shall be used to carry out the purposes of the Connecticut Bioscience Collaboration program, as enumerated in subsection (b) of this section, and for the repayment of state bonds in such amounts as may be required by the State Bond Commission pursuant to section 2 of this act.

[(d)](c) (1) The board shall establish an application process, with guidelines and terms for grants and loans awarded under the Connecticut Bioscience

Collaboration program. The board shall review and approve each such application.

(2) Not later than April 15, 2012, and quarterly thereafter, the board shall provide a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce and higher education. Such report shall contain available information on the status and progress of the operations and funding of the Connecticut Bioscience Collaboration program.

(3) The Chief Executive Officer of the corporation shall prepare for each fiscal year an operating and capital budget for the Connecticut Bioscience Collaboration program. Not later than ninety days prior to the start of the fiscal year, the Chief Executive Officer shall submit the budget to the board. The board shall submit a copy of such annual budget, in accordance with the provisions of section 11-4a of the general statutes, to the Governor, the Secretary of the Office of Policy and Management, and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce and higher education.

Sec. 5. (NEW) (a) There is established a Bioscience Innovation Advisory Committee. The advisory committee shall have ____ members who shall be appointed as follows: ___ by the Governor, **[credentials]**; one each by the president pro tempore of the Senate and the speaker of the House of Representatives, **[credentials]**; one each by the majority leaders of the Senate and House of Representatives, **[credentials]**; one by the minority leader of the Senate **[credentials]**; and one by the minority leader of the house of Representatives, **[credentials]**. The _____ and _____ shall serve *ex officio* and shall have all of the powers and privileges of a member of the advisory committee. Each *ex officio* member may designate his deputy or any member of his staff to represent him at meetings of the advisory committee with full power to act and vote in his behalf.

(b) The chairperson of the advisory committee shall be appointed by the Governor, with the advice and consent of both houses of the General Assembly. The chairperson shall call the first meeting of the advisory committee, which shall be held no later than _____, 2013.

(c) Members of the advisory committee shall receive no compensation for the performance of their duties but may be reimbursed for necessary expenses incurred in such performance.

(d) Notwithstanding the provisions of any other law, it shall not constitute a conflict of interest for a trustee, director, partner, officer, manager, shareholder, proprietor, counsel or employee of an eligible recipient, or any individual with a financial interest in an eligible recipient, to serve as a member of the advisory committee, except that no member of the advisory committee shall participate in the affairs of the advisory committee with respect to the review, consideration, approval or disapproval of any application filed by or on behalf of any eligible recipient as to which such member has any such relationship or financial interest, or with whom such member engages in any business, employment, transaction or professional activity.

(e) Members of the advisory committee shall be deemed public officials for purposes of the code of ethics for public officials in chapter 10 of the general statutes, and shall be deemed public officials of the state, and not of the corporation, for purposes of sections 1-125, 1-141 and 5-141d of the general statutes.

Sec. 6. (a) There is established a "Connecticut Bioscience Innovation Fund", to be governed by the Bioscience Innovation Advisory Committee and held, administered, invested and disbursed by the administrator pursuant to this act. The fund may receive and contain the proceeds of bonds provided for in section 8 of this act upon approval of the State Bond Commission, any other moneys required or permitted by law to be deposited in the fund, and any moneys received from any public or private contributions, gifts, grants, donations, bequests or devises to the fund.

(b) Money in the Connecticut Bioscience Innovation Fund may be used to provide financial assistance to eligible recipients and make other expenditures in furtherance of the purposes of this act as may be approved by the advisory committee pursuant to subsection (c) of this section, pay, or reimburse the administrator for the prior payment of, administrative costs, and for the repayment of state bonds in such amounts as may be required by the State Bond Commission pursuant to section 8 of this act.

(c) All financial assistance from the Connecticut Bioscience Innovation Fund,

and all other expenditures from the fund except administrative costs reimbursed to the corporation pursuant to and within the limits of subsection (k) of this section 6 of this act and amounts required for the repayment of state bonds, shall be subject to the approval of the advisory committee, which approval may be specific to the financial assistance to be provided or the expenditure to be made, or by way of approval by the advisory committee of either (i) budgeted expenditures with such permitted variations as the advisory committee may authorize at the time of budget approval, or (ii) a financial assistance program to be administered by staff of the administrator within limits and subject to eligibility requirements and other conditions established by the advisory committee at the time of program approval.

(d) Connecticut Innovations, Incorporated shall be the administrator of the Connecticut Bioscience Innovation Fund and shall provide necessary staff, office space, office systems and administrative support for the operation of the fund in accordance with the act. In acting as administrator of the fund, the administrator shall have and may exercise all of the powers of the corporation set forth in section 32-39 of the general statutes, as amended by Public Act 12-1 (June 12 Special Session).

(e) The moneys in the Connecticut Bioscience Innovation Fund shall be trust funds held exclusively for the purposes provided for in this act.

(f) Returns on investments received by the administrator as a result of financial assistance provided from the Connecticut Bioscience Innovation Fund, or attributable to the investment of or any other activities of the fund, shall be deposited and held for the use and benefit of the fund. Moneys in or received for the account of the fund shall be held, administered and invested by the administrator or deposited with and invested by any institution as may be designated by the administrator at its sole discretion and paid as the administrator shall direct. The administrator may make payments from such accounts for use in accordance with the provisions of this act.

(g) The advisory committee shall establish an application and approval process, with guidelines and terms for financial assistance awarded from the Connecticut Bioscience Innovation Fund. Such guidelines and terms shall include appropriate limitations on the total amount of financial assistance to be awarded in the form of grants, requirements with respect to eligibility for grants designed

to encourage and support collaborative ventures between researchers or research institutions and other eligible recipients in pursuit of translational research, guidelines with respect to jobs creation objectives and requirements, Connecticut presence requirements, peer review requirements, a process for eligibility review and a satisfactory strength of application review by administrative staff before an application is presented to the advisory committee for consideration and possible action, return on investment parameters and objectives, and such other guidelines and terms as the advisory committee determines to be necessary and appropriate in furtherance of the objectives of this act.

(h) Not later than ----------, and quarterly thereafter, the advisory committee shall provide a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce, public health and higher education. Such report shall contain available information on the status and progress of the operations and funding of the Connecticut Bioscience Innovation Fund and with respect to the types, amounts and recipients of financial assistance awarded and any returns on investment.

(i) The administrator shall prepare for each fiscal year a plan of operations and an operating and capital budget for the operations of the Connecticut Bioscience Innovation Fund. Not later than ninety days prior to the start of the fiscal year, the administrator shall submit the plan and budget to the advisory committee for its review and approval. The advisory committee shall submit a copy of such annual plan and budget, in accordance with the provisions of section 11-4a of the general statutes, to the Governor, the Secretary of the Office of Policy and Management, and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce public health and higher education.

(k) Administrative costs shall be paid or reimbursed to the administrator from the Connecticut Bioscience Innovation Fund; provided, however, that the total of such administrative costs in any fiscal year shall not exceed two percent of the total amount of the allotted funding for the fiscal year pursuant to section 8 of this act. Nothing in this act shall require the administrator to risk or expend its own funds in connection with the administration of the Connecticut Bioscience Innovation Fund.

Sec. 7 Section 2 of Public Act 11-2 is repealed and the following is substituted in lieu thereof:

(a) The State Bond Commission shall authorize the issuance of bonds of the state, in accordance with the provisions of section 3-20 of the general statutes, in principal amounts not exceeding in the aggregate two hundred ninety million six hundred eighty-five thousand dollars for the Connecticut Bioscience Collaboration program established pursuant to section 1 of [this act]Public Act 11-2. The amount authorized for the issuance and sale of bonds in accordance with this section shall not exceed the amount authorized in each fiscal year in the following amounts, provided, to the extent the board of directors of Connecticut Innovations, Incorporated does not provide for the use of all or a portion of such amount in a fiscal year, such amount not provided for shall be carried forward and added to the authorized amount for the next succeeding fiscal year, and provided further, the costs of issuance and capitalized interest, if any, may be added to the capped amount in each fiscal year, and each of the authorized amounts shall be effective on July first of the fiscal year indicated as follows:

Fiscal Year Ending June 30	Amount
2012	$ 34,162,000
2013	85,113,000
2014	59,728,000
2015	19,669,000
2016	21,425,000
2017	21,108,000
2018	15,820,000
2019	12,525,000
2020	10,565,000
2021	10,570,000
Total	$ 290,685,000

(b) The State Bond Commission shall approve a memorandum of understanding between the board of directors of Connecticut Innovations, Incorporated and the state, acting by and through the Secretary of the Office of Policy and Management and the Treasurer, providing for the issuance of said bonds for the purposes of the Connecticut Bioscience Collaboration program,

including provisions regarding the extent to which federal, private or other moneys then available or thereafter to be made available for costs should be added to the proceeds of the bonds authorized pursuant to this section for such project or program. The memorandum of understanding shall be deemed to satisfy the provisions of section 3-20 of the general statutes and the exercise of any right or power granted thereby which is not inconsistent with the provisions of this section.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20, and from time to time renewed. All bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the Treasurer shall pay such principal and interest as the same become due.

(d) Subject to the amount of limitations of the capping provisions in subsection (a) of this section, the principal amount of the bonds authorized under this section shall be deemed to be an appropriation and allocation of such amount, and such approval of such request shall be deemed the allotment by the Governor of such capital outlays within the meaning of section 4-85 of the general statutes.

Sec. 8. (NEW) (a) The State Bond Commission shall authorize the issuance of bonds of the state, in accordance with the provisions of section 3-20 of the general statutes, in principal amounts not exceeding in the aggregate two hundred million dollars for the Connecticut Bioscience Innovation Fund established pursuant to this act. The amount authorized for the issuance and sale of bonds in accordance with this section shall not exceed the amount authorized in each fiscal year in the following amounts, provided, to the extent the advisory committee does not provide for the use of all or a portion of such amount in a fiscal year, such amount not provided for shall be carried forward and added to

the authorized amount for the next succeeding fiscal year, and provided further, the costs of issuance and capitalized interest, if any, may be added to the capped amount in each fiscal year, and each of the authorized amounts shall be effective on July first of the fiscal year indicated as follows:

Fiscal Year Ending June	Amount
2013	$ 10,000,000
2014	10,000,000
2015	15,000,000
2016	15,000,000
2017	25,000,000
2018	25,000,000
2019	25,000,000
2020	25,000,000
2021	25,000,000
2022	25,000,000
Total	$ 200,000,000

(b)The State Bond Commission shall approve a memorandum of understanding between the administrator and the state, acting by and through the Secretary of the Office of Policy and Management and the Treasurer, providing for the issuance of said bonds for the purposes of the Connecticut Bioscience Innovation Fund, including provisions regarding the extent to which federal, private or other moneys then available or thereafter to be made available for costs should be added to the proceeds of the bonds authorized pursuant to this section for such project or program. The memorandum of understanding shall be deemed to satisfy the provisions of section 3-20 of the general statutes and the exercise of any right or power granted thereby which is not inconsistent with the provisions of this section.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized the State Bond Commission pursuant to this section. Temporary notes in anticipation of

the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20, and from time to time renewed. All bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the Treasurer shall pay such principal and interest as the same become due.

(d) Subject to the amount of limitations of the capping provisions in subsection (a) of this section, the principal amount of the bonds authorized under this section shall be deemed to be an appropriation and allocation of such amount, and such approval of such request shall be deemed the allotment by the Governor of such capital outlays within the meaning of section 4-85 of the general statutes.

Sec. 9. This act shall take effect from passage.

2483415v1

STATE OF CONNECTICUT

AGENCY LEGISLATIVE PROPOSAL

2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency Department of Economic and Community Development	**Agency Priority** (See instructions)
Contact Person Jim Watson	**Telephone** 860-270-8182
Email Address jim.watson@ct.gov	
Title of Proposal Grant Clarification	**Statutory Reference** **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information)

Clarifies that grants do not require collateral as a condition of receiving state assistance.

Reason for Proposal (Include significant policy and programmatic impacts)

Clarifies that grants do not require collateral as a condition of receiving state assistance. However grant recipients will still be subject to all residency requirements. The proposal is responsive to the negotiation discussions we have had with First Five and other recipients of DECD financial assistance. Grants typically are free and clear sources of fundings so applicants are unaware of the conditions and DECD is often required to negotiate at length on this topic. Since grants are virtually always awarded with loans which require collateral and also include clawbacks, the entire package contains the necessary security the State needs. Furthermore, we believe the original drafting of the MAA language which we propose amending anticipated that grants be excluded from the collateral requirement.

Significant Fiscal Impacts - NONE

Municipal:

Federal:

State:

Subsection (a) of section 32-701 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The terms and conditions of any agreement for state assistance under any program of the general statutes to a business entity operated for profit administered by the Department of Economic and Community Development, Connecticut Development Authority and Connecticut Innovations, Incorporated, shall include provisions for (1) specific goals for the creation and retention of full-time and part-time jobs and for periodic reports by the recipient on progress in achieving such goals if the primary purpose of the state assistance is job creation or retention, and (2) a requirement that an applicant for any type of state assistance, except **(A)** grants, and **(B)** loans of a term of less than one year, provide the agency with appropriate security for such financial assistance, including, but not limited to, a letter of credit, a lien on real property or a security interest in goods, equipment, inventory or other property of any kind and that the recipient of such state assistance will remain in substantial material compliance with state and federal law.

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency Department of Economic & Community Development	**Agency Priority** (See instructions)
Contact Person Jim Watson	**Telephone** 860-270-8182
Email Address jim.watson@ct.gov	
Title of Proposal An Act Concerning Technical Revisions to Brownfields	**Statutory Reference** **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information)

Reason for Proposal (Include significant policy and programmatic impacts)

Significant Fiscal Impacts

Municipal:

Federal:

State:

Insert Fully Drafted Bill Here

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency DECD	**Agency Priority** (See instructions)
Contact Person Jim Watson Peter Lent	**Telephone** 860-270-8182
Email Address jim.watson@ct.gov	
Title of Proposal AAC Caps on State Financial Assistance and Increase Approval Cap on URA Projects	**Statutory Reference** (CGS Sec 32-462) **Proposal Type** [X] New [ ] Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information)

- Propose amending MAA to increase the $10 million cap on state financial assistance for any one project during a two year period of time. Currently, the statutes limit state financial assistance to $10 million unless approved by the legislature). Also propose to increase the approval cap of URA tax credits by the Commissioner from $20 million to $40 million per project without legislative approval. In both cases, we would suggest that the Commissioner act with the Governor's concent.
- Current First Five legislation eliminates the approval for First Five projects with the Governor's concurrence of deal structure and size.

Reason for Proposal (Include significant policy and programmatic impacts)

- As we are able to start attracting larger companies to come to the state or grow within the state, the constraints of $10 million of financial assistance and $20 million on URA credits will become a large constraint. Having to obtain approval from the legislature would often require a delay of many months (until there is a session) which would make Connecticut much less competitive in its programs
- We believe the proposed caps would cover many more potential firms and would allow the Commissioner (with approval from the Governor) the ability to attract and retain critical companies to and in the state.

Significant Fiscal Impacts None

Municipal:

Federal:

State:

Sec. 32-462. Limitation on the amount of financial assistance which may be awarded without specific approval by the General Assembly. Exception. (a) As used in this section:

(1) "Agency" means the Department of Economic and Community Development, the Connecticut Development Authority or Connecticut Innovations, Incorporated.

(2) "Financial assistance" means grants, loans, loan guarantees, contracts of insurance, investments, or combinations thereof, which are provided from the proceeds of bonds, notes or other obligations of the state or an agency which constitute a debt or liability of the state or which are secured by a special capital reserve fund payable from amounts appropriated or deemed appropriated from the General Fund.

(3) "Applicant" means any eligible applicant seeking financial assistance from an agency for a business project. The term "applicant" shall not include any political subdivision of the state.

(4) "Business project" means a business proposal undertaken by one or more applicants, but does not include housing unless undertaken in combination with another unrelated type of business.

(5) "Biotechnology business project" means any commercial project to be used or occupied by any person to conduct laboratory activity relating to, or the research, development or manufacture of, biologically active molecules or devices that apply to, affect or analyze biological processes.

[(b) (1) No agency or agencies may award more than a total of Twenty million dollars of financial assistance during any two-year period to an applicant or for a business project unless such financial assistance is specifically authorized by an act of the General Assembly which has been enacted before, on or after July 1, 1994. (2) The provisions of

subdivision (1) of this subsection shall not apply to any awards funded or to be funded by bonds authorized to be issued by the State Bond Commission before July 1, 1994.]

[(c)] (b) Notwithstanding the provisions of subsection (b) of this section, no agency or agencies may award more than twenty million dollars of financial assistance for a biotechnology business project during any two-year period unless such financial assistance is specifically authorized by an act of the General Assembly which has been enacted before, on or after July 1, 2001.

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency Department of Economic & Community Development	**Agency Priority** (See instructions)
Contact Person Jim Watson	**Telephone** 860-270-8182
Email Address jim.watson@ct.gov	
Title of Proposal An Act Concerning Changes to the State Economic Strategic Plan	**Statutory Reference** **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information)
Revise requirements of the DECD Strategic Plan

Reason for Proposal (Include significant policy and programmatic impacts)
The 2011 Strategic Plan was 542 pages long this proposal will streamline the report and make it more customer friendly, clear and focused.

Significant Fiscal Impacts NONE

Municipal:

Federal:

State:

From 2012 Supplement

Sec. 32-1o. State economic strategic plan. (a) On or before [July 1, 2009] January 1, 2014, and every [five] four years thereafter, the Commissioner of Economic and Community Development, within available appropriations, shall prepare an economic strategic plan for the state in consultation with [the Secretary of the Office of Policy and Management, the Commissioners of Energy and Environmental Protection and Transportation, the Labor Commissioner, the chairperson of the Culture and Tourism Advisory Committee, the executive directors of the Connecticut Housing Finance Authority, the Connecticut Development Authority, Connecticut Innovations, Incorporated, and the Connecticut Health and Educational Facilities Authority, or their respective designees, and] any [other] agencies the Commissioner of Economic and Community Development deems appropriate.

(b) In developing the plan, the Commissioner of Economic and Community Development shall:

(1) Ensure that the plan is consistent with (A) the text and locational guide map of the state plan of conservation and development adopted pursuant to chapter 297, and (B) the state's consolidated plan for housing and community development prepared pursuant to section 8-37t;

[(2) Consult regional councils of governments, regional planning organizations, regional economic development agencies, interested state and local officials, entities involved in economic and community development, stakeholders and business, economic, labor, community and housing organizations;

(3) Consider (A) regional economic, community and housing development plans, and (B) applicable state and local workforce investment strategies;]

[(4)] (2) Assess and evaluate the economic development challenges and opportunities of the state and against the economic development competitiveness of other states and regions; and

[(5)] (3) [Host regional forums to] Provide opportunities for public input [involvement in the planning process].

(c) The strategic plan required under this section shall include, but not be limited to, the following:

(1) A review and evaluation of the economy of the state[. Such review and evaluation shall include, but not be limited to, a sectoral analysis, housing market and

housing affordability analysis, labor market and labor quality analysis, demographic analysis and historic trend analysis and projections];

(2) A review and analysis of factors, issues and forces that impact or impede economic development and responsible growth in Connecticut and its constituent regions[. Such factors, issues or forces shall include, but not be limited to, transportation, including, but not limited to, commuter transit, rail and barge freight, technology transfer, brownfield remediation and development, health care delivery and costs, early education, primary education, secondary and postsecondary education systems and student performance, business regulation, labor force quality and sustainability, social services costs and delivery systems, affordable and workforce housing cost and availability, land use policy, emergency preparedness, taxation, availability of capital and energy costs and supply];

[(3) Identification and analysis of economic clusters that are growing or declining within the state;]

[(4)] (3) An analysis of targeted industry sectors in the state that (A) identifies those industry sectors that are of current or future importance to the growth of the state's economy and to its global competitive position, (B) identifies what those industry sectors need for continued growth, and (C) identifies those industry sectors' current and potential impediments to growth;

[(5) A review and evaluation of the economic development structure in the state, including, but not limited to, (A) a review and analysis of the past and current economic, community and housing development structures, budgets and policies, efforts and responsibilities of its constituent parts in Connecticut, and (B) an analysis of the performance of the current economic, community and housing development structure, and its individual constituent parts, in meeting its statutory obligations, responsibilities and mandates and their impact on economic development and responsible growth in Connecticut;]

[(6)] (4) Establishment and articulation of a vision for Connecticut that identifies where the state should be in [five, ten, fifteen and twenty years] the future;

[(7)] (5) Establishment of clear and measurable goals and objectives for the state and regions, to meet the short and long-term goals established under this section and provide clear steps and strategies to achieve said goals and objectives by priority [, including, but not limited to, the following: (A) The promotion of economic development and opportunity, (B) the fostering of effective transportation access and choice including the use of airports and ports for economic development, (C) enhancement and protection of the environment, (D) maximization of the effective development and use of the workforce consistent with applicable state or local workforce investment strategy, (E) promotion of the use of technology in economic development, including access to high-speed telecommunications, and (F) the balance of resources through sound management of physical development];

[(8) Prioritization of goals and objectives established under this section;]

[(9)] (6) Establishment of relevant measures that clearly identify and quantify (A) whether a goal and objective is being met at the state, regional, local and private sector

level, and (B) cause and effect relationships, and provide a clear and replicable measurement methodology;

[(10)] (7) Recommendations on how the state can best achieve goals under the strategic plan and provide cost estimates for implementation of the plan and the projected return on investment for those areas[;].

[(11) A review and evaluation of the operation and efficacy of the urban jobs program established pursuant to sections 32-9i to 32-9*l*, inclusive, enterprise zones established pursuant to section 32-70, railroad depot zones established pursuant to section 32-75a, qualified manufacturing plants designated pursuant to section 32-75c, entertainment districts established pursuant to section 32-76 and enterprise corridor zones established pursuant to section 32-80. The review and evaluation of enterprise zones shall include an analysis of enterprise zones that have been expanded to include an area in a contiguous municipality or in which there are base or plant closures;

(12) An assessment of program performance with regard to the development, research and economic assistance matching grant program established pursuant to section 32-345; and

(13) Any other responsible growth information that the commissioner deems appropriate.]

(d) On or before [July 1, 2009] January 1, 2014, and every [five] four years thereafter, the Commissioner of Economic and Community Development shall submit an economic development strategic plan [for the state to the Governor for approval. The Governor shall review and approve or disapprove such plan not more than sixty days after submission. The plan shall be effective upon approval by the Governor or sixty days after the date of submission.

(e) Upon approval, the commissioner shall submit the economic development strategic plan] to the joint standing committees of the General Assembly having cognizance of matters relating to commerce, planning and development, appropriations and the budgets of state agencies and finance, revenue and bonding. Not later than thirty days after such submission, the commissioner shall post the plan on the web site of the Department of Economic and Community Development.

[(f) The commissioner from time to time, may revise and update the strategic plan upon approval of the Governor. The commissioner shall post any such revisions on the web site of the Department of Economic and Community Development.]

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency Department of Economic & Community Development	**Agency Priority** (See instructions)
Contact Person Jim Watson	**Telephone**
Email Address jim.watson@ct.gov	
Title of Proposal An Act Concerning Changes to the Annual Report for the DECD	**Statutory Reference** **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information) Revise the DECD Annual Report

Reason for Proposal (Include significant policy and programmatic impacts) The 2010/2011 Annual Report was 382 pages long this proposal will streamline the report and make it more customer friendly. It currently requires DECD to report on many items that are not part of its purview. The proposal will provide useful information which will be presented in a more accessible fashion. As staffing at DECD has declined, reporting is taking longer and longer, taking staff away from programs. The new report will provide critical information on DECD's programs, but will leave more general information about the economy to other State reporting agencies.

Significant Fiscal Impacts NONE

Municipal:

Federal:

State:

Insert Fully Drafted Bill Here

Sec. 32-1m. Annual report re activities of Department of Economic and Community Development. [(a)] Not later than February 1, 2006, and annually thereafter, the Commissioner of Economic and Community Development shall submit a report to the Governor and the General Assembly, in accordance with the provisions of section 11-4a. Not later than thirty days after submission of the report to the Governor and the General Assembly, said commissioner shall post the report on the Department of Economic and Community Development's web site. Said report shall include, but not be limited to, the following information with regard to the activities of the Department of Economic and Community Development during the preceding state fiscal year:

[(1) A brief description and assessment of the state's economy during such year, utilizing the most recent and reasonably available data, and including:

(A) Connecticut employment by industry;

(B) Connecticut and national average unemployment;

(C) Connecticut gross state product, by industry;

(D) Connecticut productivity, by industry, compared to the national average;

(E) Connecticut manufacturing activity;

(F) Identification of economic and competitive conditions affecting Connecticut's industry sectors, problems resulting from these conditions and state efforts to address the problems;

(G) A brief summary of Connecticut's competitiveness as a place for business, which shall include, but not be limited to, an evaluation of (i) how the programs and policies of state government affect the state economy and state business environment, (ii) the ability of the state to retain and attract businesses, (iii) the steps taken by other states to improve the competitiveness of such states as places for business, and (iv) programs and policies the state could implement to improve the competitiveness of the state in order to encourage economic growth; and

(H) Any other economic information that the commissioner deems appropriate.

(2) A statement of the department's economic and community development objectives,

measures of program success and standards for granting financial and nonfinancial assistance under programs administered by the department.]
[(3)] (1) An analysis of the economic development portfolio of the department, including:

(A) A list of the names, addresses and locations of all recipients of the department's assistance;

(B) The following information concerning each recipient of such assistance: (i) Business activities, (ii) standard industrial classification codes or North American industrial classification codes, (iii) [number of full-time jobs and part-time jobs at the time of application, (iv) number of actual full-time jobs and actual part-time jobs during the preceding state fiscal year, (v)] whether the recipient is a minority or woman-owned business, [(vi)] (iv) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance, job creation or retention requirements [and anticipated wage rates], [(vii)] (v) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, [(viii) the extent to which employees of the recipient participate in health benefit plans offered by such recipient, (ix) the extent to which the recipient offers unique economic, social, cultural or aesthetic attributes to the municipality in which the recipient is located or to the state,] and [(x)] (vi) the amount of state investment;

(C) A portfolio analysis, including (i) an analysis of the wages paid by recipients of financial assistance, (ii) the average portfolio wage, median portfolio wage, highest and lowest portfolio wage, and (iii) portfolio wage data by industry [, and (iv) portfolio wage data by municipality];

(D) An investment analysis, including (i) total portfolio value, (ii) total investment by industry, (iii) portfolio dollar per job average, and (iv) portfolio leverage ratio[, and (v) percentage of financial assistance which was provided to high performance work organizations in the preceding state fiscal year]; and

(E) An overview of the major job creation and retention programs administered by the department, as well as an analysis of [the] their estimated economic [effects of] impact on the [department's economic development investments on the] state's economy [, including (i) contribution to gross state product for the total economic development portfolio and for any investment activity occurring in the preceding state fiscal year, (ii) direct and indirect employment created by the investments for the total portfolio and for any investment activity occurring in the preceding state fiscal year, (iii) productivity of recipients of financial assistance as a result of the department's investment occurring in the preceding state fiscal year, (iv) directly or indirectly increased property values in the municipalities in which the recipients of assistance are located, and (v) personal income].
[(4)] (2) An analysis of the community development portfolio of the department, including:

(A) A list of the names, addresses and locations of all recipients of the department's assistance;

(B) The following information concerning each recipient of such assistance: (i) Amount of state investment, (ii) a summary of the terms and conditions for the department's assistance, including the type and amount of state financial assistance, and (iii) the amount of investments from private and other nonstate sources that have been

leveraged by such assistance;

(C) An investment analysis, including (i) total active portfolio value, (ii) total investments made in the preceding state fiscal year, and (iii) [total portfolio by municipality, (iv) total investments made in the preceding state fiscal year categorized by municipality, (v)] total portfolio leverage ratio [, and (vi) leverage ratio of the total investments made in the preceding state fiscal year]; and

(D) An analysis of the estimated economic effects of the department's economic development investments on the state's economy, including (i) contribution to gross state product for the total portfolio [and for any investment activity occurring in the preceding state fiscal year, (ii) direct and indirect employment created by the investments for the total portfolio and for any investment activity occurring in the preceding state fiscal year, (iii) productivity of recipients of financial assistance as a result of the department's investment occurring in the preceding state fiscal year, (iv)] (ii) directly or indirectly increased property values in the municipalities in which the recipients are located, and [(v)] (iii) personal income.

[(5) A summary of the department's economic and community development marketing efforts in the preceding state fiscal year, a summary of the department's business recruitment strategies and activities in such year, and a summary of the department's efforts to assist small businesses and minority business enterprises in such year.]

[(6)] (3) A summary of the department's international trade efforts in the preceding state fiscal year, and, to the extent possible, a summary of foreign direct investment that occurred in the state in such year.

[(7) Identification of existing economic clusters, the formation of new economic clusters, the measures taken by the commissioner during the preceding state fiscal year to encourage the growth of economic clusters and the amount of bond funds expended by the department during the previous fiscal year on each economic cluster.]

[(8)] (4) [(A)] A summary of the department's brownfield-related efforts and activities in the past fiscal year, as well as those of the permit ombudsman. [within the Office of Brownfield Remediation and Development established pursuant to subsections (a) to (f), inclusive, of section 32-9cc in the preceding state fiscal year, except for activity under the Special Contaminated Property Remediation and Insurance Fund program. Such efforts shall include, but not be limited to, (i) total portfolio investment in brownfield remediation projects, (ii) total investment in brownfield remediation projects in the preceding state fiscal year, (iii) total number of brownfield remediation projects, (iv) total number of brownfield remediation projects in the preceding state fiscal year, (v) total of reclaimed and remediated acreage, (vi) total of reclaimed and remediated acreage in the preceding state fiscal year, (vii) leverage ratio for the total portfolio investment in brownfield remediation projects, and (viii) leverage ratio for the total portfolio investment in brownfield remediation projects in the preceding state fiscal year. Such summary shall include a list of such brownfield remediation projects and, for each such project, the name of the developer and the location by street address and municipality and a tracking of all funds administered through or by said office;

(B) A summary of the department's efforts with regard to the Special Contaminated Property Remediation and Insurance Fund, including, but not limited to, (i) the number of applications received in the preceding state fiscal year, (ii) the number and amounts of

loans made in such year, (iii) the names of the applicants for such loans, (iv) the average time period between submission of application and the decision to grant or deny the loan, (v) a list of the applications approved and the applications denied and the reasons for such denials, and (vi) for each project, the location by street address and municipality; and

(C) A summary of the department's efforts with regard to the dry cleaning grant program, established pursuant to section 12-263m, including, but not limited to, (i) information as to the number of applications received, (ii) the number and amounts of grants made since the inception of the program, (iii) the names of the applicants, (iv) the time period between submission of application and the decision to grant or deny the loan, (v) which applications were approved and which applications were denied and the reasons for any denials, and (vi) a recommendation as to whether the surcharge and grant program established pursuant to section 12-263m should continue.

(9) The following information concerning enterprise zones designated under section 32-70:

(A) A statement of the current goals for enterprise zones;

(B) A statement of the current performance standards to measure the progress of municipalities that have enterprise zones in attaining the goals for such zones;

(C) A report from each municipality that has an enterprise zone, which evaluates the progress of the municipality in meeting the performance standards established under section 32-70a; and

(D) An assessment of the performance of each enterprise zone based on information collected under subparagraph (C) of this subdivision.

(10) With regard to the grant program designated pursuant to sections 32-324a to 32-324e, inclusive, an assessment of program performance.

(11) With regard to the fuel diversification program designated pursuant to section 32-324g, an assessment of program performance.

(12)] (5) With regard to the department's housing-development-related functions and activities:

[(A) A brief description and assessment of the state's housing market during the preceding state fiscal year, utilizing the most recent and reasonably available data, and including, but not limited to, (i) a brief description of the significant characteristics of such market, including supply, demand and condition and cost of housing, and (ii) any other information that the commissioner deems appropriate;]

[(B)] (A) A comprehensive assessment of current and future needs for rental assistance under section 8-119kk for housing projects for the elderly and disabled, in consultation with the Connecticut Housing Finance Authority;

[(C)] (B) An analysis of the progress of the public and private sectors toward meeting housing needs in the state, using building permit data from the United States Census Bureau and demolition data from Connecticut municipalities[;].

[(D) A list of municipalities that meet the affordable housing criteria set forth in subsection (k) of section 8-30g, pursuant to regulations that the Commissioner of Economic and Community Development shall adopt pursuant to the provisions of chapter 54. For the purpose of determining the percentage required by subsection (k) of said section 8-30g, the commissioner shall use as the denominator the number of dwelling units in the municipality, as reported in the most recent United States decennial census; and

(E) A statement of the department's housing development objectives, measures of program success and standards for granting financial and nonfinancial assistance under programs administered by said commissioner.

(13)] (6) A presentation of the state-funded housing development portfolio of the department, including:

(A) A list of the names, addresses and locations of all recipients of such assistance; and

(B) For each such recipient, (i) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance, (ii) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, and (iii) [the number of new units to be created and the number of units to be preserved at the time of the application, and (iv)] the number of actual new units created and number of units preserved.

[(14)] (7) An analysis of the state-funded housing development portfolio of the department, including:

(A) An investment analysis, including the (i) total active portfolio value, (ii) total investment made in the preceding state fiscal year, (iii) portfolio dollar per new unit created, (iv) estimated dollars per new unit created for projects receiving an assistance award in the preceding state fiscal year, (v) portfolio dollars per unit preserved, (vi) estimated dollar per unit preserved for projects receiving an assistance award in the preceding state fiscal year, and (vii) portfolio leverage ratio[, and (viii) leverage ratio for housing development investments made in the preceding state fiscal year;] and

(B) A production and preservation analysis, including (i) the total number of units created[, itemized by municipality,] for the total portfolio and projects receiving an assistance award in the preceding state fiscal year, (ii) the total number of elderly units created for the total portfolio and for projects receiving an assistance award in the preceding state fiscal year, (iii) the total number of family units created for the total portfolio and for projects receiving an assistance award in the preceding state fiscal year, (iv) the total number of units preserved[, itemized by municipality,] for the total portfolio and projects receiving an assistance award in the preceding state fiscal year, (v) the total number of elderly units preserved for the total portfolio and for projects receiving an assistance award in the preceding state fiscal year, (vi) the total number of family units preserved for the total portfolio and for projects receiving an assistance award in the preceding state fiscal year, [(vii) an analysis by income group of households served by the department's housing construction, substantial rehabilitation, purchase and rental assistance programs, for each housing development, if applicable, and for each program, including number of households served under each program by race and data for all households,] and [(viii)] (vii) a summary of the department's efforts in promoting fair housing choice and racial and economic integration [, including data on

the racial composition of the occupants and persons on the waiting list of each housing project that is assisted under any housing program established by the general statutes or a special act or that is supervised by the department, provided no information shall be required to be disclosed by any occupant or person on a waiting list for the preparation of such summary.] As used in this subparagraph, "elderly units" means dwelling units for which occupancy is restricted by age, and "family units" means dwelling units for which occupancy is not restricted by age.

[(15)] (8) An economic impact analysis of the department's housing development efforts and activities, including, but not limited to:

(A) The contribution of such efforts and activities to the gross state product; and

[(B) The direct and indirect employment created by the investments for the total housing development portfolio and for any investment activity for such portfolio occurring in the preceding state fiscal year; and

(C)] (B) Personal income in the state.

[(16) With regard to the Housing Trust Fund and Housing Trust Fund program, as those terms are defined in section 8-336m:

(A) Activities for the prior fiscal year of the Housing Trust Fund and the Housing Trust Fund program; and

(B) The efforts of the department to obtain private support for the Housing Trust Fund and the Housing Trust Fund program.

(17) With regard to the department's energy conservation loan program:

(A) The number of loans or deferred loans made during the preceding fiscal year under each component of such program and the total amount of the loans or deferred loans made during such fiscal year under each such component;

(B) A description of each step of the loan or deferred loan application and review process;

(C) The location of each loan or deferred loan application intake site for such program;

(D) The average time period for the processing of loan or deferred loan applications during such fiscal year; and

(E) The total administrative expenses of such program for such fiscal year.

(18) An assessment of the performance of the Connecticut qualified biodiesel producer incentive account grant program established pursuant to sections 32-324a to 32-324e, inclusive.

(19) An assessment of the performance of the fuel diversification grant program established pursuant to section 32-324g.

(20)] (9) A summary of the total social and economic impact of the department's efforts

and activities in the areas of economic, community and housing development, and an assessment of the department's performance in terms of meeting its stated goals and objectives.

[(21) With regard to the Connecticut Credit Consortium established pursuant to section 32-9yy, a summary of the activity of such program, including, but not limited to, the number of loans and lines of credit applied for and approved, the size of the businesses, the amount of the loans or lines of credit, and the amount repaid to date.

(22) With regard to the office of the permit ombudsman, established pursuant to section 32-726:

(A) The names of applicants for expedited review;

(B) The date of request for expedited review;

(C) The basis upon which the applicant claimed eligibility for expedited review;

(D) State agencies that participated in the permit review process;

(E) The dates on which the permit was granted or denied via the expedited review process or the date the applicant was determined not to be eligible for expedited review; and

(F) If applicable, the reason the applicant was determined not to be eligible for the expedited review process.

[(23)] (10) With regard to the Small Business Express program established pursuant to section 32-7g, data on (A) the number of small businesses that applied to the Small Business Express program, (B) the number of small businesses that received assistance under said program and the general categories of such businesses, (C) the amounts and types of assistance provided, (D) the total number of jobs on the date of application and the number proposed to be created or retained, and (E) the most recent employment figures of the small businesses receiving assistance.

[(24)] (11) With regard to airport development zones established pursuant to section 32-75d, a summary of the economic and cost benefits of each zone and, in consultation with the Connecticut Airport Authority, any recommended revisions to any such zones.

(b) Any annual report that is required from the department by any provision of the general statutes shall be incorporated into the annual report provided pursuant to subsection (a) of this section.]

(12) An overview of the department’s activities related to tourism, the arts and historic preservation.

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency Department of Economic & Community Development	**Agency Priority** (See instructions)
Contact Person Jim Watson	**Telephone** 860-270-8182
Email Address jim.watson@ct.gov	
Title of Proposal Sales and Use Tax Relief	**Statutory Reference** **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information)
Under current law, Connecticut Innovations (formerly CDA) can provide sales and use tax exemptions for economic development projects. This legislative change gives DECD the ability to provide these benefits as well, which is appropriate given the department's lead role in negotiating financial incentive packages with companies, several of which contain a provision to provide such exemptions). The change will obviate the need for CI board approval and expedite DECD's ability to provide this financial benefit for its business customers. We do not expect any increase in number or quantity of exemptions offered, just a simplification of processing.

Reason for Proposal (Include significant policy and programmatic impacts)
Will speed the processing of the exemptions.

Significant Fiscal Impacts : None

Municipal:

Federal:

State:

(NEW) Sales of and the storage, use or other consumption of any tangible personal property or services acquired for incorporation into or used and consumed in connection with the development, construction, rehabilitation, renovation or repair of a project which has been approved by the Commissioner of Economic and Community Development for sales and use tax relief in accordance with policies adopted by the Commissioner, shall, subject to any limitations or conditions of such approval, be exempt from sales and use taxes imposed by chapter 219 of the general statutes. The Commissioner is authorized to deliver a certificate, in such form as the Commissioner may prescribe, to the effect that the sale of such tangible personal property or services is exempt from sales and use taxes imposed by chapter 219 of the general statutes, which certificate may be used in the purchase of such tangible personal property or services and on which certificate each seller of such tangible personal property and services may rely.

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency Department of Economic & Community Development	**Agency Priority** (See instructions) Medium
Contact Person Jim Watson / Dave Raccio	**Telephone** 860-270-8182
Email Address jim.watson@ct.gov	
Title of Proposal An Act Repealing the Annual Threshold Report and High Performance Work Organizations	**Statutory Reference** 32-450 through 32-457 32-475 through 32-480 **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency Connecticut Innovations (and CDA)	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments Requires CI Approval	**Contact Date**

Summary of Proposal (Include background information)
This proposal would repeal two statutory reports that are obsolete and no longer needed due to inclusion in DECD's annual report. Additionally, due to today's ever changing economy, most businesses are already adhering to all of the requirements of these two provisions in order to stay competitive in the global economy.

Reason for Proposal (Include significant policy and programmatic impacts)
DECD believes due to current reporting requirements these two forms just add extra burden to an already lengthy process. This will allow DECD to streamline applications and provide funding in a shorter timeframe.

Significant Fiscal Impacts

Municipal: None

Federal: None

State: None

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

Section 1. Section 32-450 through 32-457 of the 2012 general statutes is repealed (*Effective Upon Passage*):

[*Sec. 32-450. Definitions.* *As used in sections 32-450 to 32-457, inclusive:*

(1) "Awarding authority" means the Commissioner of Economic and Community Development, the board of directors of the Connecticut Development Authority and the board of directors of Connecticut Innovations, Incorporated.

(2) "Economic development financial assistance" means any grant, loan or loan guarantee, or combination thereof, or any tax credits approved pursuant to section 32-9t, provided to a business for the purpose of economic development.

(3) "Employee representatives" means representatives of any certified or recognized bargaining agents for employees of a business.

(4) "Threshold project" means (A) a project for which a business operating in the state and having twenty-five or more full-time employees in the state submits a request to an awarding authority for economic development financial assistance in the form of (i) a grant in the amount of two hundred fifty thousand dollars or more or (ii) a combination of a grant and a loan or loan guarantee, totaling two hundred fifty thousand dollars or more, or (B) a project for which a business operating in the state and having one hundred or more full-time employees in the state submits a request to an awarding authority for economic development financial assistance in the form of (i) a loan or a loan guarantee, in the amount of one million dollars or more, or (ii) a combination of a loan and a loan guarantee, totaling one million dollars or more.

Sec. 32-451. Public policy objectives for threshold projects. *Each awarding authority shall (1) develop a written statement articulating the public policy objectives for threshold projects under each economic development financial assistance program administered by the authority and (2) inform each business seeking such financial assistance of such public policy objectives at the time that the business initially requests the assistance. Such public policy objectives may include, but shall not be limited to, retaining existing businesses in the state; retaining existing jobs in the state; expanding the level of economic activity by existing businesses in the state; expanding employment opportunities with existing businesses in the state; attracting new jobs to the state; providing jobs for underemployed persons, laid-off workers and public assistance*

recipients; increasing, enhancing and updating the capacity of businesses in the state; increasing, enhancing and updating employee skills and employee training in the state; increasing state and municipal tax revenues from increased economic activity and increased employment; and providing other benefits to the state, local community, citizens and employers.

Sec. 32-452. Information required for threshold projects. *(a) Each business seeking economic development financial assistance for a threshold project shall submit the following prior to any decision by the awarding authority regarding such assistance:*

(1) A statement explaining how the business will use the financial assistance to further the public policy objectives developed under section 32-451 for the program under which assistance is sought, including but not limited to, the number of jobs to be retained, the number of jobs to be created and the wage and benefit levels of such jobs. Such statement shall not be a contractual or otherwise binding obligation of the business, provided no provision of this subdivision shall be deemed to prohibit the awarding authority from imposing any lawful conditions on the award of economic development financial assistance;

(2) A statement regarding the municipality in which the project will be located, indicating (A) whether the business has consulted with such municipality concerning the business's request for financial assistance and the public policy objectives which the request is intended to serve and, if not, (i) the reasons why and (ii) whether the business intends to so consult, (B) whether the municipality supports such request, (C) whether the municipality has made any commitments to the business and, if so, the nature of such commitments and a description of the manner in which the commitments relate to the business's plan for using the economic development financial assistance to further the public policy objectives of the awarding authority, and (D) whether the business has made any commitments to the municipality which relate to the request and, if so, a description of the relationship between the assistance sought and such commitments. If the business has consulted with the municipality concerning the request, the business shall provide a copy of the portion of the statement described in subparagraphs (B), (C) and (D) of this subdivision to the chief elected official of the municipality; and

(3) If there are employee representatives of the business and (A) the business has not consulted with such employee representatives concerning the request for financial assistance and the public policy objectives which the request is intended to serve, a statement to that effect that also indicates (i) the reasons for not consulting with the employee representatives and (ii) whether the business intends to so consult, or (B) the business has consulted with the employee representatives of the business concerning the request and such objectives, a statement prepared jointly by the business and the employee representatives or separate statements by the business and the employee representatives, indicating (i) whether the employee representatives support the application, (ii) whether the employee representatives have made any commitments to the business and, if so, the nature of such commitments and a description of the manner in which the commitments relate to the business's plan for using the economic development financial assistance to further the public policy objectives of the awarding authority, (iii) whether the business has made any commitments to the employee representatives which relate to the request and, if so, a description of the relationship between the assistance sought and such commitments, and (iv) whether the business has developed a plan for on-going cooperation between the business and its employees through a labor-management committee or any other mechanism, for the purpose of

promoting such public policy objectives.

(b) If there are no employee representatives of a business seeking economic development financial assistance for a threshold project, the business and its employees may submit either a joint statement or separate statements to the awarding authority, containing the information described in subparagraph (B) of subdivision (3) of subsection (a) of this section with regard to employees of the business.

Sec. 32-453. Additional criteria for award of financial assistance. *(a) In addition to the criteria specified under the provisions of the general statutes authorizing each economic development financial assistance program, the awarding authority shall consider the following criteria in evaluating each request for financial assistance for a threshold project under each such program:*

(1) The extent to which the request addresses the stated public policy objectives developed under section 32-451 for the program;

(2) The probability that the projected benefits to the state, local community and employees will be achieved; and

(3) The extent to which the business's project planning has included community and employee participation.

(b) After approving a request for financial assistance for a threshold project, the awarding authority and the business shall sign a statement (1) identifying the public policy objectives which the project will address and the extent to which the project will further such objectives, including but not limited to, the number of jobs to be retained, the number of jobs to be created and the wage and benefit levels of such jobs, and (2) reciting that the business understands that it is receiving economic development financial assistance because of the expectation that the assistance will be used to produce such benefits. Such statement shall not be contractually binding on the business, provided the appointing authority may, in a separate document, require any contractual commitments that it deems appropriate. The authority shall provide a copy of such statement to the chief elected official of the municipality in which the project will be located and any employee representatives of the business.

Sec. 32-454. Reports. *(a) Each awarding authority shall require each recipient of economic development financial assistance for a threshold project to report annually to the authority on its progress toward achieving the public policy objectives which they have agreed to under subsection (b) of section 32-453. The awarding authority shall provide a copy of such report (1) to the chief elected official of the municipality in which the project will be located, upon the request of such official, and (2) to any employee representatives of the business, upon the request of such representatives.*

(b) Upon submitting each biannual report required under subsection (c) of section 32-11a or section 32-47a, each awarding authority under said provisions shall transmit a report on each threshold project (1) to the chief elected official of each municipality in which the project is located, upon the request of such official, and (2) to any employee representatives of the business, upon the request of such representatives. Each report shall include a notice indicating that (A) the information in the report is also being submitted to the joint standing committees of the General Assembly having cognizance of matters relating to the Department of Economic and Community Development,

appropriations and capital bonding, and (B) comments, including comments on employee and community participation in implementing the project, may be submitted to such committees.

Sec. 32-455. Contracts. *The awarding authority shall include provisions in the contract with a recipient of economic development financial assistance for a threshold project that (1) require the recipient to use the assistance only for the purposes approved by the authority and (2) establish remedies in the event that the recipient does not use such assistance for such purposes. Such remedies may include, but shall not be limited to, liquidated damages. In the event the recipient breaches the contract by spending such financial assistance in a manner which violates the contract, the awarding authority shall seek enforcement of such remedies and provide no further financial assistance to the recipient until the breach is resolved.*

Sec. 32-456. Logs of pending requests for assistance. *Each awarding authority shall maintain a log containing a list of all pending requests for economic development financial assistance for threshold projects. The log shall be organized by the municipalities affected by such requests and, for each such request, shall set forth the name of the business requesting such financial assistance, a brief statement of the purpose of the application and a means for members of the public to obtain additional information concerning the request. The information contained in the log shall be made available, on request, to members of the public, subject to the provisions of section 32-457.*

Sec. 32-457. Confidential or proprietary information or trade secrets. *Notwithstanding any provision of sections 32-450 to 32-457, inclusive, (1) no business seeking economic development financial assistance for a threshold project shall be required to disclose confidential or proprietary information or trade secrets to a municipality, the employees of the business or any other person, except to the extent required by the awarding authority as a condition of receipt of such assistance, (2) no awarding authority shall be required to disclose confidential or proprietary information or trade secrets and (3) no such business or awarding authority shall be required to disclose the existence of a request for financial assistance if the existence of such a request is itself confidential or proprietary information or a trade secret.*]

Section 2. Section 32-475 through 32-480 of the 2012 general statutes is repealed (Effective Upon Passage):

[*Sec. 32-475. Definition.* *As used in sections 32-475 to 32-480, inclusive: "High performance work organization" means a person, firm or corporation which establishes a work environment which enhances the ability of the person, firm or corporation to:*

(1) Demonstrate a commitment to continuous improvement of products and services and cost reductions for such products and services;

(2) Encourage decentralized decision-making, worker participation at all levels and greater reliance on front-line workers;

(3) Develop a worker-management relationship based on consideration of mutual interests and concerns;

(4) Adopt an organizational structure which includes flexible, cross-functional teams

responsible for training, customer service, operational problem-solving and product design and development;

(5) Cultivate an environment which permits managers to assume motivational and leadership functions, including, but not limited to, long-range planning, coaching and facilitation, rather than serving only as enforcers;

(6) Demonstrate a commitment to ongoing training of all workers, including front-line staff, and training to enable the company to meet ISO 9000 standards;

(7) Implement a flexible benefits program and innovative compensation schemes, such as profit-sharing, gain-sharing, skill-based pay or pay-for-performance systems;

(8) Demonstrate a commitment to a safe and healthful workplace;

(9) Solicit suggestions from customers and suppliers in designing and developing products and services;

(10) Demonstrate a commitment to delivering a greater variety of high quality products at a lower cost through manufacturing innovations such as concurrent engineering, flexible manufacturing and just-in-time production;

(11) Provide wages and benefits that meet or exceed industry averages; and

(12) Participate in a Connecticut career certificate program established by a local or regional board of education, regional vocational-technical school or regional education service center and approved by the Commissioner of Education and the Labor Commissioner.

Sec. 32-476. Commissioner of Economic and Community Development required to give priority to applicants establishing high performance work environments. *The Commissioner of Economic and Community Development shall give priority to applicants who have established a work environment consistent with the criteria set forth in section 32-475 in awarding financial assistance under the programs authorized pursuant to chapter 588l to the extent consistent with any state or regional economic development strategy.*

Sec. 32-477. Connecticut Development Authority required to give priority to certain applicants establishing high performance work environments. *The board of directors of the Connecticut Development Authority shall give priority to applicants who have established a work environment consistent with the criteria set forth in section 32-475 in awarding financial assistance under the programs authorized pursuant to chapter 588n, sections 32-14 to 32-23a, inclusive, 32-23v, 32-23x, 32-23gg to 32-23ll, inclusive, 32-23z, 32-23pp to 32-23ss, inclusive, and section 32-341 and the programs utilizing proceeds of self-sustaining revenue bonds and umbrella revenue bonds pursuant to chapter 579, to the extent consistent with any state or regional economic development strategy.*

Sec. 32-478. Connecticut Innovations, Incorporated required to give priority to certain applicants establishing high performance work environments. *The board of directors of Connecticut Innovations, Incorporated shall give priority to applicants who have established a work environment consistent with the criteria set forth in section 32-*

475 in awarding financial assistance under the program authorized pursuant to sections 32-344, 32-345 and 32-346, to the extent consistent with any state or regional economic development strategy.

Sec. 32-479. Development of goals, objectives and outcome measures. Annual reports. Not later than July 1, 1996, the Commissioner of Economic and Community Development, the Labor Commissioner, the Connecticut Development Authority and Connecticut Innovations, Incorporated shall jointly develop goals and objectives and quantifiable outcome measures related to the percentage of financial assistance which is being provided to high performance work organizations. The Labor Commissioner, the Connecticut Development Authority and Connecticut Innovations, Incorporated shall submit an annual report concerning such goals, objectives and measures to the joint standing committee of the General Assembly having cognizance of matters relating to labor and public employees and the joint standing committee having cognizance of matters relating to commerce.

Sec. 32-480. Encouragement of utilization of high performance work practices. The Department of Economic and Community Development, the Labor Department, the Connecticut Development Authority and Connecticut Innovations, Incorporated shall, when appropriate, encourage persons, firms and corporations which contact said departments or authorities for financial assistance to utilize high performance work practices in their business operations.]

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name
DOT FILM PERMITS

Agency	**Agency Priority** (See instructions)
Department of Economic & Community Development Office of Film, Television & Digital Media	
Contact Person Mark Dixon	**Telephone** 860-270-8218
Email Address mark.dixon@ct.gov	
Title of Proposal An Act Concerning Permits for Filming on Department of Transportation Property	**Statutory Reference** **Proposal Type** ☐ New ☒ Resubmittal* (See below)

*If resubmittal: What happened? What was last action this past legislative session?

This proposal is based on 102411_DOT_Film Permits -2012 Session. The lead agency that drafted the 2012 proposal was The ConnDOT office of Communications & The Office of Legal Services. The Agency Analyst and Drafters of the proposal were Kevin Nursick and Helen Bartek. The proposal became-H.B. No 5163 Session Year 2012 – The last action was: 2/16/2012 Referred to Joint Committee on Transportation.

ATTACH COPY OF FULLY DRAFTED BILL (Required for review)

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency Department of Transportation	**Agency Contact (Name and Title)** Pam Sucato Legislative Liaison
Attach Summary of Agency Comments	**Contact Date** Talks ongoing

Summary of Proposal (Include background information)

To allow ConnDOT working in conjunction with the DECD's Office of Film, Television & Digital Media to design and implement a permitting system for film companies that seek to film on ConnDOT property or state highway right-of-way, rather than relying on existing statutes that historically convey an interest in real property, requiring additional approvals, from the State Properties Review Board (SPRB). In order to expeditiously and efficiently grant permission to film on state property, DECD and the DOT will implement an efficient Film permit to replace the License agreement currently in use referred to as the DOT Master Filming Agreement.

Reason for Proposal (Include significant policy and programmatic impacts)
Service delivery improvement

The state established a program, pursuant to CGS 12-217jj, which seeks to encourage the production of digital media and motion pictures in the State of Connecticut in order to enhance quality of life and economic vitality by supporting the film and digital media industry and related job creation. In order to expeditiously and efficiently grant permission to film companies that seek to film on Department of Transportation (DOT) property or state highway right-of –way, DECD and Conn DOT seek to implement a permitting system for filming rather than reliance on existing statutes that historically are used to convey an interest in real property, requiring additional approvals from the State Properties Review Board (SPRB). Film Companies require flexible scheduling and prompt approval of their requests, which is not possible with the current process and review. A permitting system, as opposed to the current license agreement process, will be more efficient and will attract the film industry to the state. State resources will be conserved as agreement preparation and processing will be eliminated.

All protections to the state will be built into the permit, with insurance requirements being set on a case- by- case basis, by DOT in consultation with the State's Director of Insurance and Risk Management(DAS-Insurance and Risk Management Board) based on the complexity of the filming request.

Significant Fiscal Impacts

Municipal:

Federal:

State: Department of Transportation
Liaison: Pam Sucato
Phone: 860-594-3013
Email: Pamela.sucato@ct.gov

An Act Concerning Permits for Filming on Department of Transportation Property

(NEW) The Commissioner of Transportation may issue a filming permit, on a form required by The Commissioner, to any person seeking to film upon the state highway right-of-way or state real property under the custody and control of the Department of Transportation. The Department of Transportation will work with The Department of Economic & Community Development to design and implement a film permit. Such permit shall specify the insurance coverage that the permittee shall be required to obtain, as determined by the Commissioner in consultation with the state's Director of Insurance and Risk management, with the state named as the additional insured. No liability shall accrue to the state or any agency or employee of the state for any injuries or damages to any person or property that may result, either directly or indirectly, from the filming activities of the permittee on state real property or state right-of way.

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name Involuntary Displacement Regulations

Agency DECD	**Agency Priority** (See instructions) Office of Housing and Community Development
Contact Person Nick Lundgren	**Telephone** 270-8190
Email Address nick.lundgren@ct.gov	
Title of Proposal An Act Reducing Regulatory Burdens Regarding Involuntary Displacement	**Statutory Reference** **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency	**Agency Contact (Name and Title)**
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information)
Clause (a) of CGS 8-37z requires that any involuntary displacement of persons and families residing in any single-family or multifamily dwelling resulting from any housing or community development or economic development project receiving state financial assistance under any program administered by DECD be reduced to the minimum level consistent with achieving the objectives of such program. Clause (b) of CGS 8-37z requires DECD to adopt regulations to carry out the purposes of this statute. This proposal would leave intact the substantive requirement to minimize involuntary displacement but would eliminate the obligation for the agency to adopt regulations for this purpose.

Reason for Proposal (Include significant policy and programmatic impacts)
DECD takes the requirements of CGS 8-37z seriously. DECD requires any funding applicant proposing a project that would result in any involuntary displacement to provide a plan to minimize and manage any such involuntary displacement. DECD carefully reviews such plans and ensures that the substantive objectives of the statute are achieved. DECD's policies are flexible and effective. To date, DECD has not prepared or promulgated regulations as required under clause (b) of CGS 8-37z. Such regulations are unnecessary and could be counterproductive to all parties. Preparing and promulgating regulations also diverts precious resources away from DECD's efforts to expand affordable housing opportunities and perform its other key programmatic functions.

Significant Fiscal Impacts

Municipal: None

Federal: None

State: None

Connecticut General Statutes 8-37z - Duties of Commissioner of Economic and Community Development re involuntary displacement of residents of single-family or multifamily dwellings. [~~Regulations~~]

(a) The Commissioner of Economic and Community Development shall ensure that the involuntary displacement of persons and families residing in any single-family or multifamily dwelling, which displacement occurs in connection with any housing or community development project or economic development project receiving state financial assistance under any program administered by the commissioner under the general statutes, is reduced to the minimum level consistent with achieving the objectives of such program. The commissioner shall require, as a condition of any contract for state financial assistance under the provisions of any such program, that the project for which such financial assistance is provided (1) will not cause the temporary or permanent displacement of persons and families residing in any single-family or multifamily dwelling or (2) will cause only the minimum level of such displacement which cannot be avoided due to the nature of the project. The commissioner shall ensure that all steps necessary to provide any relocation assistance available under chapter 135 to persons and families unavoidably displaced as a result of any state assisted housing or community development project or economic development project have been taken before granting final approval of any financial assistance for such project.

[~~(b) The Commissioner of Economic and Community Development shall adopt regulations, in accordance with the provisions of chapter 54, to carry out the purposes of this section.~~]

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name Bond Fund Consolidation

Agency DECD	**Agency Priority** (See instructions) Office of Housing and Community Development, DECD
Contact Person Nick Lundgren	**Telephone** 270-8190
Email Address nick.lundgren@ct.gov	
Title of Proposal An Act Concerning the Consolidation of Certain Bond Funds	**Statutory Reference** **Proposal Type** ☐ New ☒ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session? Not submitted in 2012	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency OPM	**Agency Contact (Name and Title)** Steven Kitowicz
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information)
There are several previously issued bond authorizations for various purposes that have minimal authority available. It would be advantageous to the department to clarify and consolidate these authorizations under the Affordable Housing Program and to use them effectively for the creation and preservation of affordable housing.

Reason for Proposal (Include significant policy and programmatic impacts)
Dating back to 1995, there have been various bond authorizations that are now difficult to access for development activity due to the variations in statutory language and program availability. As a result, attempts to cobble together these various authorizations have been unsuccessful.
This proposal would amend these old authorizations and make the funds available under the Affordable Housing Program (CGS 8-37pp).

Significant Fiscal Impacts

Municipal: None

Federal: None

State: None

Insert Fully Drafted Bill Here

Section 24 of Special Act No. 01-2 of the June Special Session is amended to read as follows:

Sec. 24. The proceeds of the sale of said bonds shall be used by the Department of Economic and Community Development for the purposes hereinafter stated:

Housing development and rehabilitation, including moderate cost housing, moderate rental, congregate and elderly housing, urban homesteading, community housing development corporations, housing purchase and rehabilitation, housing for the homeless, housing for low income persons, limited equity cooperatives and mutual housing projects, abatement of hazardous material including asbestos and lead-based paint in residential structures, emergency repair assistance for senior citizens, housing land bank and land trust, housing and community development, predevelopment grants and loans, reimbursement for state and federal surplus property, private rental investment mortgage and equity program, housing infrastructure, demolition, renovation or redevelopment of vacant buildings or related infrastructure, septic system repair loan program, acquisition and related rehabilitation including loan guarantees for private developers of rental housing for the elderly , projects under the program established in section 21 of public act 01-7 of the June special session (since codified under section 8-37pp of the general statutes), and participation in federal programs, and for up to $5,000,000 for grants-in-aid to the Connecticut Housing Finance Authority for an urban home ownership program, including administrative expenses associated with those programs eligible under the general statutes, not exceeding $10,000,000.

Section 9 of Public Act No.99-242 is amended to read as follows:

Sec. 9. The proceeds of the sale of said bonds shall be used by the Department of Economic and Community Development for the purposes hereinafter stated:

Housing development and rehabilitation, including moderate cost housing, moderate rental, congregate and elderly housing, urban homesteading, community housing development corporations, housing purchase and rehabilitation, housing for the homeless, housing for low income persons, limited equity cooperatives and mutual housing projects, abatement of hazardous material including asbestos and lead-based paint in residential structures, emergency repair assistance for senior citizens, housing land bank and land trust, housing and community development, predevelopment grants and loans, reimbursement for state and federal surplus property, private rental investment mortgage and equity program, housing infrastructure, septic system repair loan program, acquisition and related rehabilitation, loan guarantees for private developers of rental housing for the elderly, projects under the program established in section 21 of public act 01-7 of the June special session (since codified under section 8-37pp of the general statutes), and participation in federal programs, including administrative expenses associated with those programs eligible under the general statutes, not exceeding $5,000,000.

Section 28 of Public Act No.99-242 is amended to read as follows:

Sec. 28. The proceeds of the sale of said bonds shall be used by the Department of Economic and Community Development for the purposes hereinafter stated: Housing development and rehabilitation, including moderate cost housing, moderate rental, congregate and elderly housing, urban homesteading, community housing development corporations, housing purchase and rehabilitation, housing for the homeless, housing for low income persons, limited equity cooperatives and mutual housing projects, abatement of hazardous material including asbestos and lead-based paint in residential structures, emergency repair assistance for senior citizens, housing land bank and land trust, housing and community development, predevelopment grants and loans, reimbursement for state and federal surplus property, private rental investment mortgage and equity program, housing infrastructure, septic system repair loan program, acquisition and related rehabilitation, loan guarantees for private developers of rental housing for the elderly, projects under the program established in section 21 of public act 01-7 of the June special session (since codified under section 8-37pp of the general statutes), and participation in federal programs, including administrative expenses associated with those programs eligible under the general statutes, not exceeding $5,000,000.

Section 9 of Special Act No. 97-1 of the June 5 Special Session is amended to read as follows:

Sec. 9. The proceeds of the sale of said bonds shall be used by the Department of Economic and Community Development for the purposes hereinafter stated:

Housing development and rehabilitation, including moderate cost housing, moderate rental, congregate and elderly housing, urban homesteading, community housing development corporations, housing purchase and rehabilitation (no more than $10,000,000 of the total), housing for the homeless, housing for low income persons, limited equity cooperatives and mutual housing projects, removal and abatement of hazardous material including asbestos and lead-based paint in residential structures (no more than $2,500,000 of the total), emergency repair assistance for senior citizens, housing land bank and land trust, housing and community development, predevelopment grants and loans, reimbursement for state and federal surplus property, private rental investment mortgage and equity program, housing infrastructure, septic

system repair loan program, acquisition and related rehabilitation, projects under the program established in section 21 of public act 01-7 of the June special session (since codified under section 8-37pp of the general statutes), and participation in federal programs, including administrative expenses associated with those programs eligible under the general statutes, not exceeding $18,000,000.

Section 76 of Special Act No. 98-9 is amended to read as follows:

Sec 76. Section 28 of special act 97-1 of the June 5 special session is amended to read as follows:

Housing development and rehabilitation, including moderate cost housing, moderate rental, congregate and elderly housing, urban homesteading, community housing development corporations, housing purchase and rehabilitation (no more than $10,000,000 of the total), housing for the homeless, housing for low income persons, limited equity cooperatives and mutual housing projects, removal and abatement of hazardous material including asbestos and lead-based paint in residential structures (no more than $2,500,000 of the total), emergency repair assistance for senior citizens, housing land bank and land trust, housing and community development, predevelopment grants and loans, reimbursement for state and federal surplus property, private rental investment mortgage and equity program, housing infrastructure, septic system repair loan program, acquisition and related rehabilitation, projects under the program established in section 21 of public act 01-7 of the June special session (since codified under section 8-37pp of the general statutes), and participation in federal programs, including administrative expenses associated with those programs eligible under the general statutes, not exceeding $20,000,000.

Section 9 of Special Act No. 95-20 is amended to read as follows:

Sec. 9. The proceeds of the sale of said bonds shall be used by the Department of Housing for the purposes hereinafter stated: Housing development and rehabilitation, including moderate cost housing, moderate rental, congregate and elderly housing, urban homesteading, community housing development corporations, housing purchase and rehabilitation (no more than $10,000,000 of the total), housing for the homeless, housing for low income persons, limited equity cooperatives and mutual housing projects, removal and abatement of hazardous material including asbestos and lead-based paint in residential structures (at least $2,500,000 shall be used for lead-safe interim housing), emergency repair assistance for senior citizens, housing land bank and land trust, housing and community development, predevelopment grants and loans, reimbursement for state and federal surplus property, private rental investment mortgage and equity program, housing infrastructure, septic system repair loan program, acquisition and related rehabilitation , projects under the program established in section 21 of public act 01-7 of the June special session (since codified under section 8-37pp of the general statutes), and participation in federal programs, including administrative expenses associated with those programs eligible under the general statutes, not exceeding $45,000,000.

STATE OF CONNECTICUT
AGENCY LEGISLATIVE PROPOSAL
2013 SESSION

Document Name (e.g., OPM101.doc; OPM102.doc)

Agency Department of Economic & Community Development	**Agency Priority** (See instructions)
Contact Person	**Telephone**
Email Address	
Title of Proposal Global Business Growth Office	**Statutory Reference** **Proposal Type** ☒ New ☐ Resubmittal* (See below)
*If resubmittal: What happened? What was last action this past legislative session?	
ATTACH COPY OF FULLY DRAFTED BILL (Required for review)	

APPROVAL OF OTHER AFFECTED AGENCY (Attach additional approvals if necessary)	
Agency DECD	**Agency Contact (Name and Title)** Jim Watson
Attach Summary of Agency Comments	**Contact Date**

Summary of Proposal (Include background information) Create an Office of Global Business Growth in DECD

Reason for Proposal (Include significant policy and programmatic impacts) The State of Connecticut has lagged other states in the creation of relationships with key countries and companies in these countries. Many states have significantly increased exports and imports by developing offices around the world, sending staff to trade fairs around the world and by leveraging consulting firms in targeted companies. DECD had only one person working on international efforts at the start of 2012. We believe we need to bolster this staff in Connecticut and consider adding resources in other parts of the world. We are nearly complete in developing a comprehensive strategy that will identify exactly what resources are needed world wide and that strategic plan will inform our final submission for budgetary purposes. This request is to establish the Office to administer this plan in DECD

Significant Fiscal Impacts TBD

Municipal:

Federal:

State:

Insert Fully Drafted Bill Here

Agency Legislative Proposal
2013 Session

Document Name(e.g. OPM1015Budget.doc; OTG1015Policy.doc):

(If submitting an electronically, please label with date, agency, and title of proposal – 092611_SDE_TechRevisions)

State Agency: Connecticut Innovations
Liaison: Tony Roberto Phone: 860-258-7876 E-mail: Antonio.roberto@ctcda.com
Agency Analyst/Drafter of Proposal: Tony Roberto

Title of Proposal **AAC changes to CI statutes**
Statutory Reference
Section 173 of PA 12-01 (section 32-40)
Please attach a copy of fully drafted bill(required for review)

PROPOSAL BACKGROUND

- **Reason for Proposal**

Please consider the following, if applicable:

(5) Have there been changes in federal/state/local laws and regulations that make this legislation necessary?
(6) Has thisproposal or something similar been implemented in other states? If yes, what is the outcome(s)?
(7) Have certain constituencies called for this action?
(8) What would happen if this was not enacted in law this session?
(9)

Under current statutes, the Board of Directors of CII or a constituted committee, Eli Whitney and the CI Loan committees must approve loans and equity investments of ANY amount. This proposal to allow staff approval for transactions under $300,000 would help to expedite the number of transactions for loans and loan guarantees. In addition, with the implementation of the Innovation Ecosystem and earlier stage equity investments required for CI managed accelerators, low dollar amount equity transactions have increased dramatically. Investment staffs currently wait until a monthly board meeting to approve and subsequently fund a transaction. This change will reduce the workload of the board approval committees to a more manageable level and enable members to focus on larger, material transactions. It would also allow CII the ability and flexibility to create new programs for small businesses in CT. Current investment standards WILL BE kept in place.

- **Origin of Proposal** **__X_ New Proposal** **___Resubmission**

If this is a resubmission, please share:

(5) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?

(6) Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?

(7) Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?

(8) What was the last action taken during the past legislative session?

PROPOSAL IMPACT

- **Agencies Affected** (please list for each affected agency) Connecticut Innovations

Agency Name:
Agency Contact (name, title, phone):
Date Contacted:

Approve of Proposal___ YES___NO ___Talks Ongoing

Summary of Affected Agency's Comments

Will there need to be further negotiation?___ YES ___NO

- **Fiscal Impact** (please include the proposal section that causes the fiscal impact and the anticipated impact)

Municipal (please include any municipal mandate that can be found within legislation)

NONE

State
NONE

Federal
NONE

Additional notes on fiscal impact

- **Policy and Programmatic Impacts**(Please specify the proposal sectionassociated with the impact)

Insert fully drafted bill here

Sec. ___. Subsection (c) of section 32-40 of the general statutes, as amended by section 173 of public act 12-1 (June 12 special session), is repealed and the following is substituted in lieu thereof:

(c) Notwithstanding the provision of subsections (a) and (b) of this section, in the case of financial aid offered to an applicant on a programmatic basis, the board of the corporation may delegate to staff of the corporation the authority to approve such financial aid in amounts up to three hundred thousand dollars per applicant in accordance with a resolution or procedures adopted by the board, which resolution or procedures set forth requirements, limitations and conditions for such staff approval as determined by the board to be reasonable and appropriate in furtherance of the purposes of the corporation and consistent with such standards as are otherwise generally applicable to financial aid of the same type.

Agency Legislative Proposal - 2013 Session

Document Name (e.g. OPM1015Budget.doc; OTG1015Policy.doc):

(If submitting an electronically, please label with date, agency, and title of proposal – 092611_SDE_TechRevisions)

State Agency: Connecticut Housing Finance Authority
Liaison: Peg Fitzgerald Phone: 860-571-4339 E-mail: Peg.Fitzgerald@chfa.org
Lead agency division requesting this proposal:
Agency Analyst/Drafter of Proposal: Peg Fitzgerald

Title of Proposal Increasing the Housing Tax Credit Contribution (HTCC) Program
Statutory Reference **Section 8-395 (h) Tax Credits for Housing Programs**
Proposal Summary The proposal is to increase tax credits allowed to business firms from $10 million to $13 million under the HTCC program to support additional investment in affordable housing and include a $1 million set aside for Public Housing Authorities under the program.
Please attach a copy of fully drafted bill (required for review)

PROPOSAL BACKGROUND

- Reason for Proposal

  The Housing Tax Credit Contribution (HTCC) Program, administered by Connecticut Housing Finance Authority (CHFA), is a state tax credit program designed to foster investment in affordable housing. Since 2008, $50 million in tax credits have been awarded to non-profits which supported the creation of over 4,300 affordable housing units, leveraging approximately $788 million in total investment in housing in over 70 communities throughout the state. Funds have also been used to support workforce housing revolving loan fund, down payment assistance and other programs to support affordable housing.

  The dollar-for- dollar tax credits are purchased by a range of private corporations (e.g. utilities, insurance companies etc.) throughout the State to increase investment in affordable housing through the reduction of company state tax liabilities.

At present, CHFA allocates up to $10 million in HTCC funds on a competitive basis to non-profit corporations. The HTCC program is categorized into three segments with the following set-asides:

Workforce Housing - $1 million
Supportive Housing - $2 million
General Housing - $7 million

Typically, each year there are projects which are not funded due to the limit in the amount of credits available. Therefore, additional credits can be supported if the program is increased in size.

In addition to the $3 million increase in the program size, we are also proposing that a set aside of $1 million of the $3 million be added to the program to support public housing authorities investment in energy efficiency.

The DECD 2010 "An Assessment of Connecticut's Tax Credit and Abatement Programs" report recommendation was to continue the program because it accomplishes twin goals of creating more affordable housing in the state and stimulates economic growth and also recommended an increase to $20 million.

Last year, the Connecticut Housing Coalition had a proposal to increase the program which they withdrew after the Governor's housing budget was submitted. We would assume that the request would be submitted next Session. A $1 million set-side for Housing Authorities (non-profit arm) could be used for energy improvements in support of the Governor's $30 million bonding commitment for Public Housing Authorities.

If adopted this proposal will support the creation of additional much needed affordable housing in the State

Please consider the following, if applicable:

(10) Have there been changes in federal/state/local laws and regulations that make this legislation necessary?
(11) Has this proposal or something similar been implemented in other states? If yes, what is the outcome(s)?
(12) Have certain constituencies called for this action?
(13) What would happen if this was not enacted in law this session?

- **Origin of Proposal** **_x_ New Proposal** **___ Resubmission**

If this is a resubmission, please share:

(9) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?
(10) Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?
(11) Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?
(12) What was the last action taken during the past legislative session?

PROPOSAL IMPACT

- **Agencies Affected** (please list for each affected agency)

Agency Name: Connecticut Housing Finance Authority Agency Contact (name, title, phone): Peg Fitzgerald, Legislative Date Contacted: Approve of Proposal ___ YES ___NO ___Talks Ongoing
Summary of Affected Agency's Comments This proposal will allow CHFA to award additional funds to non-profits and other organizations with an interest in developing or supporting affordable housing development and homeownership in the State.
Will there need to be further negotiation? ___ YES ___NO

- **Fiscal Impact** (please include the proposal section that causes the fiscal impact and the anticipated impact)

Municipal (please include any municipal mandate that can be found within legislation)
State Potential reduction in state revenue offset by increased revenues through economic activity generated through housing development.
Federal
Additional notes on fiscal impact

- **Policy and Programmatic Impacts** (Please specify the proposal section associated with the impact)

Insert fully drafted bill here

Subsection (h) of section 8-395 of the general statutes is repealed and the following is substituted in lieu of thereof.

(h) In no event shall the total amount of all tax credits allowed to all business firms pursuant to the provisions of this section exceed [ten] thirteen million dollars in any one fiscal year, provided, each year until sixty days after the Connecticut Housing Finance Authority publishes the list of housing programs that will receive tax credit reservations, two million dollars of the total amount of all tax credits under this section shall be set aside for the Supportive Housing Pilots Initiative or the Next Steps Initiative established pursuant to section 17a-485c or any other supportive housing initiative, and one million dollars of the total amount of all tax credits under this section shall be set aside for workforce housing, as defined by the Connecticut Housing Finance Authority through written procedures adopted pursuant to subsection (k) of this section and one million dollars of the total amount shall be set aside for non profit Public Housing Authorities, as defined by the Connecticut Housing Finance Authority through written procedures adopted pursuant to subsection (k) of this section. Each year, sixty days after the Connecticut Housing Finance Authority publishes the list of housing programs that will receive tax credit reservations, any unused portions of such tax credits shall become available for any housing programs eligible for tax credits pursuant to this section.

Agency Legislative Proposal- 2013 Session

Document Name(e.g. OPM1015Budget.doc; OTG1015Policy.doc):

(If submitting an electronically, please label with date, agency, and title of proposal – 092611_SDE_TechRevisions)

State Agency: Connecticut Housing Finance Authority
Liaison: Peg Fitzgerald Phone: 860-571-4339 E-mail: peg.fitzgerald@chfa.org
Lead agency division requesting this proposal: CHFA
Agency Analyst/Drafter of Proposal:

Title of Proposal **AAC increasing CHFA uninsured mortgage cap**
Statutory Reference **Section 8-251 (a)**
Proposal Summary Section 8-251(a) states in part "in order to provide additional construction mortgages and permanent financing for housing in this state, [CHFA] is authorized to make commitments to purchase…. Mortgages….Provided the underlying mortgage loans….which are not directly or indirectly insured……shall not exceed one billion five hundred million dollars" ($1.5 Billion).The proposal is to increase that amount to two billion five hundred million dollars ($2.5 Billion).
Please attach a copy of fully drafted bill(required for review)

PROPOSAL BACKGROUND

- **Reason for Proposal**

Please consider the following, if applicable:

The current limit is expected to be reached in 2013.

The governor has highlighted housing as a priority of his administration and committed over $500 million of state funding to housing. CHFA's ability to purchase mortgages is a critical component of that effort. Uninsured mortgages, both single and multifamily, will be a major part of that financing as they have been in the past. CHFA has managed the underling risks in its portfolio of mortgages and its debt sufficient to achieve a AAA rating from S&P and a Aaa from Moodys, this despite the lowering of the ratings on both Federal Government and the State.

If this is not enacted CHFA's ability to support the governor's housing initiatives and to "provide additional construction mortgages and permanent financing for housing in this state" will be severely impeded.

- **Origin of Proposal** **__X__New Proposal** **___Resubmission**

If this is a resubmission, please share:

(13) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?

(14) Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?

(15) Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?

(16) What was the last action taken during the past legislative session?

PROPOSAL IMPACT

- **Agencies Affected** (please list for each affected agency)

Agency Name:
Agency Contact (name, title, phone):
Date Contacted:

Approve of Proposal___ YES___NO ___Talks Ongoing

Summary of Affected Agency's Comments

Will there need to be further negotiation?___ YES ___NO

- **Fiscal Impact** (please include the proposal section that causes the fiscal impactand the anticipated impact)

Municipal (please include any municipal mandate that can be found within legislation)

$0.00

State
$0.00

Federal
$0.00

Additional notes on fiscal impact

- **Policy and Programmatic Impacts** (Please specify the proposal section associated with the impact)

The proposal will enable CHFA to continue to provide additional construction mortgages and permanent financing for housing in this state and to support the governor's initiatives on housing.

Insert fully drafted bill here

Section 8-251 of the general statutes is repealed and the following is substituted in lieu of thereof:

(a) In order to provide additional construction and permanent financing for housing in this state, the authority is authorized to make commitments to purchase, and to purchase, service and sell mortgages and to make loans directly upon the security of any mortgage, and to make commitments to purchase, and to purchase and sell participation sale certificates representing interests in mortgages, provided the underlying mortgage loans shall have been made and shall be used solely to finance or refinance the construction, rehabilitation, purchase or leasing of housing in this state, and provided further the aggregate amount of permanent mortgages, mortgage-backed securities and participation sale certificates representing interests in mortgages purchased, and permanent loans made by the authority which are not directly or indirectly insured or guaranteed by any department, agency, instrumentality of the United States of America, or public corporation chartered by the Congress of the United States, including but not limited to the Federal Home Loan Mortgage Corporation, or which are not insured or guaranteed by any department, agency or instrumentality of the state, any insurance company licensed to do business in the state and authorized to underwrite mortgage insurance or by the authority shall not at any one time exceed [one billion five hundred million] two billion five hundred million dollars.