



General Assembly

February Session, 2006

**Raised Bill No. 530**

LCO No. 2615



Referred to Committee on **COMMERCE**

Introduced by:  
(CE)

**AN ACT ESTABLISHING GROW CONNECTICUT, INCORPORATED  
AND THE OFFICE OF ECONOMIC DEVELOPMENT POLICY IN THE  
OFFICE OF THE GOVERNOR.**

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

1 Section 1. (NEW) (*Effective July 1, 2006*) As used in sections 2 to 5,  
2 inclusive, of this act, "corporation" means Grow Connecticut,  
3 Incorporated, as created in section 2 of this act.

4 Sec. 2. (NEW) (*Effective July 1, 2006*) (a) There is hereby created a  
5 body politic and corporate to be known as the "Grow Connecticut,  
6 Incorporated". Such corporation is constituted a public instrumentality  
7 and political subdivision of the state and the exercise by the  
8 corporation of the powers conferred in sections 2 to 5, inclusive, of this  
9 act shall be deemed and held to be the performance of an essential  
10 public and governmental function. Grow Connecticut, Incorporated  
11 shall not be construed to be a department, institution or agency of the  
12 state.

13 (b) The corporation shall be governed by a board of directors. The  
14 board of directors shall consist of the following members: The

15 Governor, the Director of Development of the Office of Economic  
16 Development Policy, established pursuant to section 6 of this act, and  
17 the Secretary of the Office of Policy and Management, or their  
18 designees; one member appointed by the Governor who shall be a  
19 professional economic developer at a local or regional level, and shall  
20 be selected from a list submitted by the Connecticut Economic  
21 Development Association; six members from the private sector, two of  
22 whom shall be appointed by the Governor, one by the president pro  
23 tempore of the Senate, one by the speaker of the House of  
24 Representatives, one by the minority leader of the Senate and one by  
25 the minority leader of the House of Representatives. The  
26 cochairpersons of the joint standing committee of the General  
27 Assembly having cognizance of matters relating to commerce shall be  
28 nonvoting members of the board. In making appointments to the  
29 board, the appointing authority shall, to the extent feasible, assure  
30 broad geographical representation as well as representation from the  
31 major sectors of economic base industries in the state and shall appoint  
32 executives with a knowledge of the problems of large and small  
33 businesses, local economic development and the transfer of research  
34 and development from the laboratory to the market place.

35 (c) The Governor shall serve as chairperson of the board of  
36 directors. The board of directors shall biennially elect one of its  
37 members from the private sector as vice-chairperson. The board of  
38 directors shall meet at least four times annually, upon the call of the  
39 chairperson or at the request of the vice-chairperson or a majority of  
40 the membership. The board of directors may take official action by a  
41 majority vote of the members present at any meeting at which a  
42 quorum is present. A majority of the total number of current voting  
43 directors shall constitute a quorum. Members of the board of directors  
44 shall serve without compensation, but may be reimbursed for all  
45 necessary expenses incurred in the performance of their duties, as  
46 determined by the board of directors of the corporations.

47 (d) Each director of the corporation before entering upon his duties

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48 shall take and subscribe the oath or affirmation required by article  
49 eleventh, section 1, of the State Constitution. A record of each such  
50 oath or affirmation shall be filed in the office of the Secretary of the  
51 State. The board of directors of the corporation shall adopt written  
52 procedures, in accordance with the provisions of section 1-121 of the  
53 general statutes, for: (1) Adopting an annual budget and plan of  
54 operations, including a requirement of board approval before the  
55 budget or plan may take effect; (2) hiring, dismissing, promoting and  
56 compensating employees of the corporation including an affirmative  
57 action policy and a requirement of board approval before a position  
58 may be created or a vacancy filled; (3) purchasing, leasing or acquiring  
59 real and personal property and personal services, including a  
60 requirement of board approval for any nonbudgeted expenditure in  
61 excess of five thousand dollars; (4) contracting for financial, legal and  
62 other professional services, including a requirement that the  
63 corporation solicit proposals at least once every three years for each  
64 such service which it uses; (5) awarding loans, grants and other  
65 financial assistance, including eligibility criteria, the application  
66 process and the role played by the corporation's staff and board of  
67 directors, including deadlines for the approval or disapproval of  
68 applications for such assistance by the corporation on and after July 1,  
69 2006; and (6) the use of surplus funds to the extent authorized under  
70 sections 2 to 5, inclusive, of this act, or any other provisions of the  
71 general statutes.

72 (e) The president of the corporation shall be appointed by and serve  
73 at the pleasure of its board of directors. The board of directors shall  
74 establish and adjust the compensation of the president. The president  
75 shall be the chief administrative and operational officer of the board of  
76 directors and of the corporation and shall direct and supervise the  
77 administrative affairs of the board of directors. The president shall  
78 keep a record of the proceedings of the board of directors and be  
79 custodian of all books, documents and papers filed with the board of  
80 directors, the minutes of the board of directors and the official seal of  
81 the corporation. Notwithstanding the provisions of the general

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82 statutes, the president shall serve as a member of the board of directors  
83 of Connecticut Innovations, Incorporated and the Connecticut  
84 Development Authority. The board of directors may delegate to its  
85 president those powers and responsibilities it deems appropriate,  
86 except the power of appointment of a president.

87 (g) A vacancy shall be filled for the remainder of the unexpired term  
88 in the same manner as the initial appointment except that they shall  
89 not be required to be selected from a list submitted by the Connecticut  
90 Economic Development Association as provided in subsection (b) of  
91 this section. Members appointed by the Governor, the president pro  
92 tempore of the Senate and the speaker of the House of Representatives  
93 shall be appointed for terms of four years. Any member may be  
94 appointed for another term. Members may be removed by the  
95 Governor, the president pro tempore of the Senate or the speaker of  
96 the House of Representatives, respectively, for cause. Any member  
97 absent from three consecutive meetings shall be removed from  
98 membership.

99 Sec. 3. (NEW) (*Effective July 1, 2006*) (a) (1) Grow Connecticut,  
100 Incorporated shall be the principal economic development  
101 organization for the state and the lead agency in (A) the establishment  
102 of a unified approach for international trade and foreign direct  
103 investment, (B) the marketing of the state as a pro-business location for  
104 potential new investment, and (C) the retention and expansion of  
105 existing businesses and the creation of new businesses.

106 (2) The corporation shall develop and implement specific programs  
107 or strategies that address the creation, expansion and retention of  
108 Connecticut business, the development of import and export trade and  
109 the recruitment of world wide business. The corporation shall  
110 establish, implement and manage policies, strategies and programs  
111 that promote business formation, expansion, recruitment and retention  
112 through aggressive marketing and international development and  
113 export assistance, collectively leading to an increase in jobs and jobs

114 with higher wages for all geographic regions, communities and  
 115 residents of the state. In developing the policies, strategies and  
 116 programs under this section, the corporation shall identify gaps in the  
 117 development and delivery of policies, strategies and programs and  
 118 shall seek to avoid duplication by coordinating and collaborating with  
 119 local governments, community and regional economic development  
 120 organizations and other economic and workforce development  
 121 entities, both public and private.

122 (3) The board of directors shall facilitate strategic planning of  
 123 economic development and financing and coordination of service  
 124 delivery by establishing linkages with appropriate local and regional  
 125 economic development agencies.

126 (b) The corporation shall have the following powers:

127 (1) To develop and implement specific programs or strategies that  
 128 address the (A) creation, expansion and retention of Connecticut  
 129 businesses, and (B) development of import and export trade and the  
 130 recruitment of world wide business as provided in subsection (a) of  
 131 this section;

132 (2) To have perpetual succession as a body corporate and to adopt  
 133 bylaws, policies and procedures for the regulation of its affairs and  
 134 conduct of its businesses as provided in section 2 of this act;

135 (3) To solicit, receive and accept aid, grants or contributions from  
 136 any source of money, property or labor or other things of value, to be  
 137 held, used and applied to carry out the purposes of sections 2 to 5,  
 138 inclusive, of this act, subject to the conditions upon which such grants  
 139 and contributions may be made, including, but not limited to, gifts or  
 140 grants from any department or agency of the United States or the state;

141 (4) To invest in, acquire, lease, purchase, own, manage, hold and  
 142 dispose of real property and lease, convey or deal in or enter into  
 143 agreements with respect to such property on any terms necessary or

144 incidental to the carrying out of these purposes; provided, all such  
145 acquisitions of real property for the corporation's own use with  
146 amounts appropriated by the state to the corporation or with the  
147 proceeds of bonds supported by the full faith and credit of the state  
148 shall be subject to the approval of the Secretary of the Office of Policy  
149 and Management and the provisions of section 4b-23 of the 2006  
150 supplement to the general statutes;

151 (5) To employ such assistants, agents and other employees as may  
152 be necessary or desirable; establish all necessary or appropriate  
153 personnel practices and policies, including those relating to hiring,  
154 promotion, compensation, retirement and collective bargaining, which  
155 need not be in accordance with chapter 68 of the general statutes, and  
156 the corporation shall not be an employer, as defined in subsection (a)  
157 of section 5-270 of the 2006 supplement to the general statutes; and  
158 engage consultants, attorneys and appraisers as may be necessary or  
159 desirable to carry out its purposes in accordance with sections 2 to 5,  
160 inclusive, of this act;

161 (6) To make and enter into all contracts and agreements necessary or  
162 incidental to the performance of its duties and the execution of its  
163 powers under sections 2 to 5, inclusive, of this act;

164 (7) To sue and be sued, plead and be impleaded, adopt a seal and  
165 alter the same at pleasure;

166 (8) With the approval of the State Treasurer, to invest any funds not  
167 needed for immediate use or disbursement, including any funds held  
168 in reserve, in obligations issued or guaranteed by the United States of  
169 America or the state of Connecticut and in other obligations which are  
170 legal investments for retirement funds in this state;

171 (9) To procure insurance against any loss in connection with its  
172 property and other assets in such amounts and from such insurers as it  
173 deems desirable;

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174 (10) To the extent permitted under its contract with other persons, to  
175 consent to any termination, modification, forgiveness or other change  
176 of any term of any contractual right, payment, royalty, contract or  
177 agreement of any kind to which the corporation is a party;

178 (11) To acquire, lease, purchase, own, manage, hold and dispose of  
179 personal property and lease, convey or deal in or enter into agreements  
180 with respect to such property on any terms necessary or incidental to  
181 the carrying out of these purposes;

182 (12) In connection with any application for assistance under sections  
183 2 to 5, inclusive, of this act, or commitments therefor, to make and  
184 collect such fees as the corporation shall determine to be reasonable;

185 (13) To account for and audit funds of the corporation and funds of  
186 any recipients of financial aid from the corporation;

187 (14) To maintain an inventory of data and information concerning  
188 state and federal programs which are related to the purposes of  
189 sections 2 to 5, inclusive, of this act and to serve as a clearinghouse and  
190 referral service for such data and information;

191 (15) To promote and encourage the coordination of public and  
192 private resources and activities within the state in order to implement  
193 the provisions of sections 2 to 5, inclusive, of this act; and

194 (16) To do all acts and things necessary and convenient to carry out  
195 the purposes of sections 2 to 5, inclusive, of this act.

196 Sec. 4. (NEW) (Effective July 1, 2006) (a) The corporation continually  
197 shall assess the economic development competitiveness of the state  
198 against the economic development competitiveness of other business  
199 locations. Such assessment shall include an evaluation of economic  
200 development strengths and weaknesses of the state. Information from  
201 the assessment shall be incorporated into a long-term economic  
202 development strategic plan adopted in accordance with the provisions  
203 of this section.

204 (b) (1) On or before June 30, 2007, and at least once every three years  
205 thereafter, the board of directors of the corporation shall establish a  
206 select committee to prepare and amend and adopt a long-term  
207 strategic plan for economic development for the state. The  
208 membership of the committee shall be representative of the main  
209 economic interests of the state and shall include public officials,  
210 community leaders, private individuals, business leaders, labor  
211 groups, minorities and others who can contribute to and benefit from  
212 improved economic development in the state. Meetings of the  
213 committee shall be open to the public.

214 (2) In developing the plan the committee shall: (A) Consider local  
215 and economic development district plans and ensure, to the maximum  
216 extent practicable, that the state plan is consistent with the local and  
217 economic development district plans, (B) identify any inconsistencies  
218 between the state plan and local and economic development district  
219 plans and provide a justification for such inconsistencies, and (C)  
220 evaluate the economic diversity of the state and its regions and their  
221 associated industrial clusters and develop policies and programs to  
222 further their development and retention. The strategic plan shall  
223 identify business sectors in the state that are of current or future  
224 importance to the growth of the state's economy and to its global  
225 competitive position and shall focus on strategies that promote the use  
226 of technology-based business development that results in business  
227 formation, expansion, recruitment and retention.

228 (3) The strategic plan required under this section shall contain the  
229 following:

230 (A) An analysis of economic and community development problems  
231 and opportunities and shall include relevant material or suggestions  
232 from other government-sponsored or supported plans;

233 (B) Background and history of the economic development in the  
234 state, including the background and history of the economy,  
235 geography, population, labor force, resources and the environment;



236 (C) An analysis of community participation in the planning efforts  
237 for the strategy;

238 (D) Goals and objectives for (i) taking advantage of the  
239 opportunities in the state, and (ii) solving the economic development  
240 problems of the state;

241 (E) A plan of action, including suggested projects to implement the  
242 goals and objectives set forth in subparagraph (D) of this subdivision;  
243 and

244 (F) Outcome-based performance measures to determine if such  
245 goals and objectives have been met.

246 (c) The strategic plan shall not be effective until approved by the  
247 board of directors. Upon such approval, the corporation shall submit  
248 the strategic plan to the Governor and the joint standing committee of  
249 the General Assembly having cognizance of matters relating to  
250 commerce. The corporation shall annually submit to the Governor and  
251 said joint standing committee, after approval of the board of directors,  
252 a progress report on the plan, including any updates to the strategic  
253 plan. The strategic plan and each progress report shall not be  
254 submitted until approved by the board of directors.

255 Sec. 5. (NEW) (*Effective July 1, 2006*) Notwithstanding the provisions  
256 of the general statutes, on and after adoption of the long-term  
257 economic development strategic plan prepared pursuant to section 4 of  
258 this act, Connecticut Innovations, Incorporated and the Connecticut  
259 Development Authority shall be subsidiaries of Grow Connecticut,  
260 Incorporated and shall implement their authority under the general  
261 statutes and any special act consistent with such long-term economic  
262 development strategic plan strategy. On or before July 1, 2007, and  
263 annually thereafter, Connecticut Innovations, Incorporated and the  
264 Connecticut Development Authority shall prepare a financial  
265 investment plan and submit such plan to the board of directors of  
266 Grow Connecticut, Incorporated for review and approval.

267       Sec. 6. (NEW) (*Effective July 1, 2006*) There shall be an Office of  
268 Economic Development Policy which shall be in the office of the  
269 Governor. The head of the Office of Economic Development Policy  
270 shall be the Director of Development. The director shall, in conjunction  
271 with heads of other state agencies, ensure that policies and programs,  
272 identified in the long-term economic development strategic plan  
273 adopted under section 4 of this act, and other policies and programs  
274 otherwise impacting economic growth in the state are consistently  
275 implemented by all state agencies, support economic growth and  
276 further the goals established in such plan.

277       Sec. 7. (*Effective July 1, 2006*) Grow Connecticut, Incorporated,  
278 established pursuant to section 2 of this act, in consultation with the  
279 Connecticut Development Authority, the Connecticut Housing Finance  
280 Authority, Connecticut Innovations, Incorporated and the Department  
281 of Economic and Community Development shall conduct a study of  
282 revisions to the general statutes and special acts necessary to  
283 implement the provisions of sections 2 to 5, inclusive, of this act. Such  
284 study shall be submitted to the joint standing committee of the General  
285 Assembly having cognizance of matters relating to commerce, in  
286 accordance with section 11-4a of the general statutes, on or before  
287 January 7, 2007.

288       Sec. 8. Section 16a-27 of the 2006 supplement to the general statutes  
289 is repealed and the following is substituted in lieu thereof (*Effective July*  
290 *1, 2006*):

291       (a) The secretary, after consultation with all appropriate state,  
292 regional and local agencies and other appropriate persons, shall prior  
293 to March 1, 2009, complete a revision of the existing plan and enlarge it  
294 to include, but not be limited to, policies relating to transportation,  
295 energy and air. Any revision made after May 15, 1991, shall identify  
296 the major transportation proposals, including proposals for mass  
297 transit, contained in the master transportation plan prepared pursuant  
298 to section 13b-15. Any revision made after July 1, 1995, shall take into

299 consideration the conservation and development of greenways that  
300 have been designated by municipalities and shall recommend that  
301 state agencies coordinate their efforts to support the development of a  
302 state-wide greenways system. The Commissioner of Environmental  
303 Protection shall identify state-owned land for inclusion in the plan as  
304 potential components of a state greenways system.

305 (b) Any revision made after August 20, 2003, shall take into account  
306 (1) economic and community development needs and patterns of  
307 commerce, and (2) linkages of affordable housing objectives and land  
308 use objectives with transportation systems.

309 (c) Any revision made after March 1, 2006, shall (1) take into  
310 consideration risks associated with natural hazards, including, but not  
311 limited to, flooding, high winds and wildfires; (2) identify the potential  
312 impacts of natural hazards on infrastructure and property; and (3)  
313 make recommendations for the siting of future infrastructure and  
314 property development to minimize the use of areas prone to natural  
315 hazards, including, but not limited to, flooding, high winds and  
316 wildfires.

317 (d) Any revision after July 1, 2005, shall describe the progress  
318 towards achievement of the goals and objectives established in the  
319 previously adopted state plan of conservation and development and  
320 shall identify (1) areas where it is prudent and feasible (A) to have  
321 compact, transit accessible, pedestrian-oriented mixed-use  
322 development patterns and land reuse, and (B) to promote such  
323 development patterns and land reuse, (2) priority funding areas  
324 designated under section 16a-35c, and (3) corridor management areas  
325 on either side of a limited access highway or a rail line. In designating  
326 corridor management areas, the secretary shall make  
327 recommendations that (A) promote land use and transportation  
328 options to reduce the growth of traffic congestion; (B) connect  
329 infrastructure and other development decisions; (C) promote  
330 development that minimizes the cost of new infrastructure facilities

331 and maximizes the use of existing infrastructure facilities; and (D)  
332 increase intermunicipal and regional cooperation.

333 (e) Any revision after July 1, 2006, shall be consistent with the long-  
334 term economic development strategic plan prepared pursuant to  
335 section 4 of this act.

336 [(e)] (f) Thereafter on or before March first in each revision year the  
337 secretary shall complete a revision of the plan of conservation and  
338 development.

339 Sec. 9. Section 1-120 of the general statutes is repealed and the  
340 following is substituted in lieu thereof (*Effective October 1, 2006*):

341 As used in sections 1-120 to 1-123, inclusive:

342 (1) "Quasi-public agency" means the Connecticut Development  
343 Authority, Connecticut Innovations, Incorporated, Connecticut Health  
344 and Educational Facilities Authority, Connecticut Higher Education  
345 Supplemental Loan Authority, Connecticut Housing Finance  
346 Authority, Connecticut Housing Authority, Connecticut Resources  
347 Recovery Authority, Connecticut Hazardous Waste Management  
348 Service, Capital City Economic Development Authority, [and]  
349 Connecticut Lottery Corporation and Grow Connecticut, Incorporated.

350 (2) "Procedure" means each statement, by a quasi-public agency, of  
351 general applicability, without regard to its designation, that  
352 implements, interprets or prescribes law or policy, or describes the  
353 organization or procedure of any such agency. The term includes the  
354 amendment or repeal of a prior regulation, but does not include,  
355 unless otherwise provided by any provision of the general statutes, (A)  
356 statements concerning only the internal management of any agency  
357 and not affecting procedures available to the public, and (B) intra-  
358 agency memoranda.

359 (3) "Proposed procedure" means a proposal by a quasi-public  
360 agency under the provisions of section 1-121 for a new procedure or

361 for a change in, addition to or repeal of an existing procedure.

362 Sec. 10. Section 1-125 of the general statutes is repealed and the  
363 following is substituted in lieu thereof (*Effective October 1, 2006*):

364 The directors, officers and employees of the Connecticut  
365 Development Authority, Connecticut Innovations, Incorporated,  
366 Connecticut Higher Education Supplemental Loan Authority,  
367 Connecticut Housing Finance Authority, Connecticut Housing  
368 Authority, Connecticut Resources Recovery Authority, including ad  
369 hoc members of the Connecticut Resources Recovery Authority,  
370 Connecticut Health and Educational Facilities Authority, Capital City  
371 Economic Development Authority, [and] Connecticut Lottery  
372 Corporation and Grow Connecticut, Incorporated and any person  
373 executing the bonds or notes of the agency shall not be liable  
374 personally on such bonds or notes or be subject to any personal  
375 liability or accountability by reason of the issuance thereof, nor shall  
376 any director or employee of the agency, including ad hoc members of  
377 the Connecticut Resources Recovery Authority, be personally liable for  
378 damage or injury, not wanton, reckless, wilful or malicious, caused in  
379 the performance of his or her duties and within the scope of his or her  
380 employment or appointment as such director, officer or employee,  
381 including ad hoc members of the Connecticut Resources Recovery  
382 Authority. The agency shall protect, save harmless and indemnify its  
383 directors, officers or employees, including ad hoc members of the  
384 Connecticut Resources Recovery Authority, from financial loss and  
385 expense, including legal fees and costs, if any, arising out of any claim,  
386 demand, suit or judgment by reason of alleged negligence or alleged  
387 deprivation of any person's civil rights or any other act or omission  
388 resulting in damage or injury, if the director, officer or employee,  
389 including ad hoc members of the Connecticut Resources Recovery  
390 Authority, is found to have been acting in the discharge of his or her  
391 duties or within the scope of his or her employment and such act or  
392 omission is found not to have been wanton, reckless, wilful or  
393 malicious.

394 Sec. 11. Section 1-79 of the 2006 supplement to the general statutes is  
395 repealed and the following is substituted in lieu thereof (*Effective*  
396 *October 1, 2006*):

397 The following terms, when used in this part, shall have the  
398 following meanings unless the context otherwise requires:

399 (a) "Blind trust" means a trust established by a public official or state  
400 employee or member of his immediate family for the purpose of  
401 divestiture of all control and knowledge of assets.

402 (b) "Business with which he is associated" means any sole  
403 proprietorship, partnership, firm, corporation, trust or other entity  
404 through which business for profit or not for profit is conducted in  
405 which the public official or state employee or member of his  
406 immediate family is a director, officer, owner, limited or general  
407 partner, beneficiary of a trust or holder of stock constituting five per  
408 cent or more of the total outstanding stock of any class, provided, a  
409 public official or state employee, or member of his immediate family,  
410 shall not be deemed to be associated with a not for profit entity solely  
411 by virtue of the fact that the public official or state employee or  
412 member of his immediate family is an unpaid director or officer of the  
413 not for profit entity. "Officer" refers only to the president, executive or  
414 senior vice president or treasurer of such business.

415 (c) "Candidate for public office" means any individual who has filed  
416 a declaration of candidacy or a petition to appear on the ballot for  
417 election as a public official, or who has raised or expended money in  
418 furtherance of such candidacy, or who has been nominated for  
419 appointment to serve as a public official, but shall not include a  
420 candidate for the office of senator or representative in Congress.

421 (d) "Board" means the Citizen's Ethics Advisory Board established  
422 in section 1-80, as amended.

423 (e) "Gift" means anything of value, which is directly and personally

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424 received, unless consideration of equal or greater value is given in  
425 return. "Gift" shall not include:

426 (1) A political contribution otherwise reported as required by law or  
427 a donation or payment as described in subdivision (9) or (10) of  
428 subsection (b) of section 9-333b, as amended;

429 (2) Services provided by persons volunteering their time, if  
430 provided to aid or promote the success or defeat of any political party,  
431 any candidate or candidates for public office or the position of  
432 convention delegate or town committee member or any referendum  
433 question;

434 (3) A commercially reasonable loan made on terms not more  
435 favorable than loans made in the ordinary course of business;

436 (4) A gift received from (A) an individual's spouse, fiance or fiancée,  
437 (B) the parent, brother or sister of such spouse or such individual, or  
438 (C) the child of such individual or the spouse of such child;

439 (5) Goods or services (A) which are provided to the state (i) for use  
440 on state property, or (ii) to support an event or the participation by a  
441 public official or state employee at an event, and (B) which facilitate  
442 state action or functions. As used in this subdivision, "state property"  
443 means (i) property owned by the state, or (ii) property leased to an  
444 agency in the Executive or Judicial Department of the state;

445 (6) A certificate, plaque or other ceremonial award costing less than  
446 one hundred dollars;

447 (7) A rebate, discount or promotional item available to the general  
448 public;

449 (8) Printed or recorded informational material germane to state  
450 action or functions;

451 (9) Food or beverage or both, costing less than fifty dollars in the

452 aggregate per recipient in a calendar year, and consumed on an  
453 occasion or occasions at which the person paying, directly or  
454 indirectly, for the food or beverage, or his representative, is in  
455 attendance;

456 (10) Food or beverage or both, costing less than fifty dollars per  
457 person and consumed at a publicly noticed legislative reception to  
458 which all members of the General Assembly are invited and which is  
459 hosted not more than once in any calendar year by a lobbyist or  
460 business organization. For the purposes of such limit, (A) a reception  
461 hosted by a lobbyist who is an individual shall be deemed to have also  
462 been hosted by the business organization which he owns or is  
463 employed by, and (B) a reception hosted by a business organization  
464 shall be deemed to have also been hosted by all owners and employees  
465 of the business organization who are lobbyists. In making the  
466 calculation for the purposes of such fifty-dollar limit, the donor shall  
467 divide the amount spent on food and beverage by the number of  
468 persons whom the donor reasonably expects to attend the reception;

469 (11) Food or beverage or both, costing less than fifty dollars per  
470 person and consumed at a publicly noticed reception to which all  
471 members of the General Assembly from a region of the state are  
472 invited and which is hosted not more than once in any calendar year  
473 by a lobbyist or business organization. For the purposes of such limit,  
474 (A) a reception hosted by a lobbyist who is an individual shall be  
475 deemed to have also been hosted by the business organization which  
476 he owns or is employed by, and (B) a reception hosted by a business  
477 organization shall be deemed to have also been hosted by all owners  
478 and employees of the business organization who are lobbyists. In  
479 making the calculation for the purposes of such fifty-dollar limit, the  
480 donor shall divide the amount spent on food and beverage by the  
481 number of persons whom the donor reasonably expects to attend the  
482 reception. As used in this subdivision, "region of the state" means the  
483 established geographic service area of the organization hosting the  
484 reception;



485 (12) A gift, including but not limited to, food or beverage or both,  
486 provided by an individual for the celebration of a major life event;

487 (13) Gifts costing less than one hundred dollars in the aggregate or  
488 food or beverage provided at a hospitality suite at a meeting or  
489 conference of an interstate legislative association, by a person who is  
490 not a registrant or is not doing business with the state of Connecticut;

491 (14) Admission to a charitable or civic event, including food and  
492 beverage provided at such event, but excluding lodging or travel  
493 expenses, at which a public official or state employee participates in  
494 his official capacity, provided such admission is provided by the  
495 primary sponsoring entity;

496 (15) Anything of value provided by an employer of (A) a public  
497 official, (B) a state employee, or (C) a spouse of a public official or state  
498 employee, to such official, employee or spouse, provided such benefits  
499 are customarily and ordinarily provided to others in similar  
500 circumstances; or

501 (16) Anything having a value of not more than ten dollars, provided  
502 the aggregate value of all things provided by a donor to a recipient  
503 under this subdivision in any calendar year shall not exceed fifty  
504 dollars.

505 (f) "Immediate family" means any spouse, children or dependent  
506 relatives who reside in the individual's household.

507 (g) "Individual" means a natural person.

508 (h) "Member of an advisory board" means any individual (1)  
509 appointed by a public official as an advisor or consultant or member of  
510 a committee, commission or council established to advise, recommend  
511 or consult with a public official or branch of government or committee  
512 thereof, (2) who receives no public funds other than per diem  
513 payments or reimbursement for his actual and necessary expenses  
514 incurred in the performance of his official duties, and (3) who has no

515 authority to expend any public funds or to exercise the power of the  
516 state.

517 (i) "Person" means an individual, sole proprietorship, trust,  
518 corporation, limited liability company, union, association, firm,  
519 partnership, committee, club or other organization or group of  
520 persons.

521 (j) "Political contribution" has the same meaning as in section 9-333b,  
522 as amended, except that for purposes of this part, the provisions of  
523 subsection (b) of that section shall not apply.

524 (k) "Public official" means any state-wide elected officer, any  
525 member or member-elect of the General Assembly, any person  
526 appointed to any office of the legislative, judicial or executive branch  
527 of state government by the Governor or an appointee of the Governor,  
528 with or without the advice and consent of the General Assembly, any  
529 public member or representative of the teachers' unions or state  
530 employees' unions appointed to the Investment Advisory Council  
531 pursuant to subsection (a) of section 3-13b, any person appointed or  
532 elected by the General Assembly or by any member of either house  
533 thereof, and any member or director of a quasi-public agency, but shall  
534 not include a member of an advisory board, a judge of any court either  
535 elected or appointed or a senator or representative in Congress.

536 (l) "Quasi-public agency" means the Connecticut Development  
537 Authority, Connecticut Innovations, Incorporated, Connecticut Health  
538 and Education Facilities Authority, Connecticut Higher Education  
539 Supplemental Loan Authority, Connecticut Housing Finance  
540 Authority, Connecticut Housing Authority, Connecticut Resources  
541 Recovery Authority, Connecticut Hazardous Waste Management  
542 Service, Lower Fairfield County Convention Center Authority, Capital  
543 City Economic Development Authority, [and] Connecticut Lottery  
544 Corporation and Grow Connecticut, Incorporated.

545 (m) "State employee" means any employee in the executive,

546 legislative or judicial branch of state government, whether in the  
547 classified or unclassified service and whether full or part-time, and any  
548 employee of a quasi-public agency, but shall not include a judge of any  
549 court, either elected or appointed.

550 (n) "Trust" means a trust in which any public official or state  
551 employee or member of his immediate family has a present or future  
552 interest which exceeds ten per cent of the value of the trust or exceeds  
553 fifty thousand dollars, whichever is less, but shall not include blind  
554 trusts.

555 (o) "Business organization" means a sole proprietorship,  
556 corporation, limited liability company, association, firm or partnership,  
557 other than a client lobbyist, which is owned by, or employs, one or  
558 more individual lobbyists.

559 (p) "Client lobbyist" means a person on behalf of whom lobbying  
560 takes place and who makes expenditures for lobbying and in  
561 furtherance of lobbying.

562 (q) "Necessary expenses" means a public official's or state  
563 employee's expenses for an article, appearance or speech or for  
564 participation at an event, in his official capacity, which shall be limited  
565 to necessary travel expenses, lodging for the nights before, of and after  
566 the appearance, speech or event, meals and any related conference or  
567 seminar registration fees.

568 (r) "Lobbyist" and "registrant" shall be construed as defined in  
569 section 1-91, as amended.

570 (s) "Legal defense fund" means a fund established for the payment  
571 of legal expenses of a public official or state employee incurred as a  
572 result of defending himself or herself in an administrative, civil,  
573 criminal or constitutional proceeding concerning matters related to the  
574 official's or employee's service or employment with the state or a  
575 quasi-public agency.

576 Sec. 12. (Effective July 1, 2006) The sum of five hundred thirty-five  
 577 thousand dollars is appropriated to the Office of Policy and  
 578 Management, from the General Fund, for the fiscal year ending June  
 579 30, 2007, for the Office of Economic Development Policy established  
 580 pursuant to section 6 of this act, provided two hundred fifty thousand  
 581 dollars of such amount shall be used for a grant to Grow Connecticut,  
 582 Incorporated established pursuant to section 2 of this act for  
 583 preparation of the plan required under section 4 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<u>July 1, 2006</u>	New section
Sec. 2	<u>July 1, 2006</u>	New section
Sec. 3	<u>July 1, 2006</u>	New section
Sec. 4	<u>July 1, 2006</u>	New section
Sec. 5	<u>July 1, 2006</u>	New section
Sec. 6	<u>July 1, 2006</u>	New section
Sec. 7	<u>July 1, 2006</u>	New section
Sec. 8	<u>July 1, 2006</u>	16a-27
Sec. 9	<u>October 1, 2006</u>	1-120
Sec. 10	<u>October 1, 2006</u>	1-125
Sec. 11	<u>October 1, 2006</u>	1-79
Sec. 12	<u>July 1, 2006</u>	New section

**Statement of Purpose:**

To establish Grow Connecticut, Incorporated as the principal economic development organization of the state.

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