

---

---

## **OLR Bill Analysis**

### **sHB 5244**

#### ***AN ACT CONCERNING THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT'S RECOMMENDATIONS REGARDING THE AGENCY FINANCIAL ASSISTANCE CAP AND EMPLOYMENT PROMISSORY NOTES.***

#### **SUMMARY**

This bill increases, from \$10 to \$25 million, the cap on financial assistance that the Department of Economic and Community Development or Connecticut Innovations Inc. can award for a business project over a two-year period without legislative approval. Correspondingly, the bill eliminates current law's separate \$20 million cap for biotechnology business projects.

Additionally, the bill creates an exception to Connecticut's employment promissory note ban to allow employers (those with more than 25 employees) to require, as a condition of employment, an employee to sign a promissory note to fully or partially repay any fee related to the federal H-1B visa (see BACKGROUND) the employer paid on the employee's behalf. Under existing law, an employment promissory note is an agreement where an employee must pay his or her employer a sum of money if the employee leaves before a specified time period.

EFFECTIVE DATE: July 1, 2026, and applicable to income and tax years beginning on and after January 1, 2026, except that the provision on the promissory note ban takes effect upon passage.

#### **BACKGROUND**

##### ***H-1B Visa Fees***

The H-1B visa allows U.S. employers to temporarily hire foreign workers for positions requiring specialized knowledge and at least a bachelor's degree. The worker's initial stay is up to three years or, for certain Department of Defense employees, five years. Visas may be

extended in some circumstances, and visa holders may eventually become citizens through the green card process. H-1B visa holders typically work in high tech fields, including advanced manufacturing and bioscience.

In 2025, the Trump administration generally imposed an additional \$100,000 petition fee as a condition of eligibility for an H-1B visa. (This fee is in addition to the application and other fees.)

***Related Bill***

sHB 5003, § 4, reported favorably by the Labor and Public Employees Committee, expands the employment promissory note ban to cover all employers, not just those with more than 25 employees.

**COMMITTEE ACTION**

Commerce Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/17/2026)