



General Assembly

February Session, 2004

**Raised Bill No. 504**

LCO No. 1834

\*01834\_\_\_\_\_CE\_\*

Referred to Committee on Commerce

Introduced by:  
(CE)

**AN ACT REQUIRING INDEPENDENT FINANCIAL ANALYSIS FOR  
URBAN REINVESTMENT ACT PROJECTS THAT REQUIRE  
LEGISLATIVE OVERSIGHT.**

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

1 Section 1. Subsection (f) of section 32-9t of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective from*  
3 *passage*):

4 (f) (1) The commissioner shall determine whether the project in  
5 which the proposed investment is to be made is an eligible urban  
6 reinvestment project or an eligible industrial site investment project,  
7 whether the project is economically viable only with use of the urban  
8 and industrial site reinvestment program, the effects of the project on  
9 the municipality where the investment will be made, and whether the  
10 project would provide a net benefit to economic development and  
11 employment opportunities in the state and whether the project will  
12 conform to the state plan of conservation and development. The  
13 commissioner may require the applicant to submit such additional  
14 information as may be necessary to evaluate the application.

15       (2) In the case of a project that would result in the granting of a tax  
16 credit in excess of twenty million dollars in total for a single  
17 investment, the commissioner shall retain the services of an  
18 independent financial analyst who shall conduct an independent  
19 financial analysis of such project and prepare a certified report  
20 including, but not limited to, findings on the state and local revenue  
21 that would be generated as a result of the project and the economic  
22 feasibility of the project. The findings of such report shall be made a  
23 part of the revenue impact assessment and economic feasibility study  
24 prepared by the commissioner pursuant to subdivision (3) of this  
25 subsection.

26       [(2)] (3) The commissioner shall prepare a revenue impact  
27 assessment that estimates the state and local revenue that would be  
28 generated as a result of the project. The commissioner shall prepare an  
29 economic feasibility study relative to such project. The commissioner  
30 may retain any such persons as the commissioner deems appropriate  
31 to conduct such revenue impact assessment or economic feasibility  
32 study.

33       Sec. 2. Subsection (q) of section 32-9t of the general statutes is  
34 repealed and the following is substituted in lieu thereof (*Effective from*  
35 *passage*):

36       (q) Any tax credits approved under this section that would  
37 constitute in excess of twenty million dollars in total for a single  
38 investment shall be submitted by the Commissioner of Economic and  
39 Community Development to the joint standing committee of the  
40 General Assembly having cognizance of matters relating to finance  
41 prior to the issuance of a certificate of eligibility for such investment.  
42 Said commissioner shall make a recommendation to the president pro  
43 tempore of the Senate and to the speaker of the House of  
44 Representatives regarding approval or disapproval of such project not  
45 later than thirty days after receiving such submission and shall include  
46 a copy of any certified report prepared by an independent financial

47 analyst, pursuant to subdivision (2) of subsection (f) of this section, as  
48 part of said commissioner's recommendation. If such submission is not  
49 disapproved by the House of Representatives or the Senate, or both,  
50 within sixty days of the submission date, the commissioner may issue  
51 such certificate.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>

**Statement of Purpose:**

To require an independent financial analysis for urban reinvestment act projects that require legislative oversight.

*[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.]*