



General Assembly

Substitute Bill No. 5712

February Session, 2006

* HB05712PD 031706 *

AN ACT AUTHORIZING THE ESTABLISHMENT OF NUTMEG ZONES.

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

1 Section 1. (NEW) (*Effective October 1, 2006*) (a) The Commissioner of
2 Economic and Community Development, upon request of a
3 municipality, shall designate a nutmeg zone pilot program in an area
4 of such municipality. To be eligible for the pilot program a
5 municipality shall have (1) a population of more than twenty-five
6 thousand but less than fifty thousand, (2) correctional facilities, and (3)
7 at least one million square feet used for growing bedding plants,
8 bounded by a portion of railroad tracks and a river. Any municipality
9 may apply for such pilot program notwithstanding the percentage of
10 families in the municipality with incomes at or below federal poverty
11 levels.

12 (b) The amount of property taxes due under chapter 203 of the
13 general statutes for a facility that is acquired, constructed, substantially
14 renovated or expanded in a nutmeg zone, on or after the effective date
15 of this section, shall be reduced by ten per cent in each of the five full
16 assessment years following the assessment year in which the
17 acquisition, construction, renovation or expansion of the facility is
18 completed. The state, acting by and in the discretion of the
19 Commissioner of Economic and Community Development, shall enter
20 into a contract with the municipality in which the nutmeg zone is

21 located to make payments in lieu of taxes to the municipality in an
22 amount equal to ten per cent of the amount that would have been due
23 except for the provisions of this section. Such payments shall be made
24 annually for the five assessment years that the taxes due for the facility
25 are reduced.

26 (c) Any municipality may request the commissioner to designate a
27 nutmeg zone in such municipality, provided the legislative body of the
28 municipality has adopted an ordinance that (1) identifies a specific
29 geographic area of the municipality as such zone, and (2) establishes
30 criteria for establishment of the zone. The provisions of subsection (b)
31 of this section shall apply to any such additional nutmeg zone
32 designated by the commissioner. Any municipality applying for the
33 designation shall not be required to meet the criteria of subsection (a)
34 of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	New section

PD *Joint Favorable Subst.*