



General Assembly

February Session, 2006

Raised Bill No. 89

LCO No. 1100

01100_____CE_

Referred to Committee on Commerce

Introduced by:
(CE)

AN ACT CONCERNING A BUSINESS EMPLOYMENT INCENTIVE PROGRAM TO GENERATE RESOURCES AND OPPORTUNITIES IN THE WORKPLACE (GROW).

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

- 1 Section 1. (NEW) (*Effective July 1, 2006*) (a) As used in this section:
- 2 (1) "Commissioner" means the Commissioner of Economic and
3 Community Development; and
- 4 (2) "Distressed municipality" has the same meaning as provided in
5 section 32-9p of the general statutes.
- 6 (b) The Commissioner of Economic and Community Development
7 shall establish a business employment incentive program to generate
8 resources and opportunities in the workplace. The program shall be
9 known as "Grow Connecticut". The commissioner may award grants to
10 any business (1) that relocates to Connecticut from another state or
11 expands within Connecticut, (2) that hires at least ten new, full-time
12 employees in a distressed municipality, or at least twenty-five new,
13 full-time employees in any other municipality, and (3) for which the
14 commissioner's commitment of such grants is a material factor in the

15 decision of the business to relocate to Connecticut or expand within
16 the state.

17 (c) A business may apply for an eligibility certificate for such grants
18 by submitting an application to the commissioner, on forms provided
19 by the commissioner and including the following information: (1) The
20 types of jobs that the business will create, a schedule for hiring the new
21 employees and the number of jobs to be created, which shall be
22 itemized by each salary range, (2) any other state, federal or municipal
23 funds received by the business, (3) the compensation provided to the
24 officers and executives of the business, (4) the financial statements of
25 the business during the three preceding fiscal years, of the business, (5)
26 a summary of the labor and environmental record of the business,
27 including any violations of state, federal or municipal law during the
28 five preceding fiscal years of the business, (6) the names of any other
29 states seeking the retention or relocation of the business, (7) a
30 statement of how the eligibility certificate will affect the decision of the
31 business to relocate to or expand within the state, (8) how the grants
32 would affect other businesses in the state, (9) a certification that the
33 business offers health insurance to all of its full-time employees
34 eligible under the rules and policies of the business, and (10) any other
35 information required by the commissioner. The business shall include
36 an application fee of five hundred dollars with such application.

37 (d) The commissioner shall issue an eligibility certificate to each
38 applicant that the commissioner determines is eligible under this
39 section.

40 (e) The commissioner shall award a grant to a business that has been
41 issued an eligibility certificate under this section for the first calendar
42 year that the business certifies to the commissioner that the business
43 has (1) hired the minimum number of new, full-time employees
44 specified in subsection (b) of this section, and (2) withheld an amount
45 from each such employee's wages that is substantially equivalent to
46 the state income tax that is reasonably estimated to be due from the

47 employee with respect to such wages during the preceding calendar
48 year pursuant to chapter 229 of the general statutes. The amount of
49 each such grant shall be not less than ten per cent nor more than fifty
50 per cent of the total amount of such withholding for all such
51 employees during such calendar year. The commissioner shall award a
52 grant to such business in such amount for each of the nine successive
53 calendar years for which the business certifies to the commissioner that
54 it has (A) retained such minimum number of new, full-time
55 employees, and (B) has not reduced employment at other locations in
56 the state by a number more than ten per cent of the number of such
57 new, full-time employees. The commissioner may revoke the eligibility
58 certificate for the business at any time if it determines that the business
59 has not complied with the provisions of this section or such certificate.

60 (f) The commissioner shall establish criteria for determining the
61 percentage amount of each such grant under subsection (e) of this
62 section, based on the number of new, full-time employees hired by
63 applicants for such grants.

64 (g) Not later than February 1, 2009, the commissioner shall submit a
65 report to the joint standing committee of the General Assembly having
66 cognizance of matters relating to economic development, in
67 accordance with the provisions of section 11-4a of the general statutes,
68 on the business employment incentive program. Said report shall
69 include, but not be limited to, (1) an analysis of the effectiveness of the
70 program and the impact of the program on state revenues, (2) the
71 number and type of businesses that have applied under the program,
72 (3) the total amount of application fees received by the commissioner,
73 and (4) the total amount of grants provided under the program.

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

Statement of Purpose:

To grow the state's economy by attracting out-of-state businesses to the state and retaining businesses not in 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.]