



General Assembly

Substitute Bill No. 89

February Session, 2006

* SB00089CE_FIN031406 *

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

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 commissioner may
9 award grants to any business (1) that relocates to Connecticut from
10 another state or expands within Connecticut, (2) that is in an economic
11 cluster, (3) that hires at least five net new full-time employees in a
12 distressed municipality, or at least ten net new full-time employees in
13 any other municipality, and (4) for which the commissioner's
14 commitment of such grants is a material factor in the decision of the
15 business to relocate to Connecticut or expand within the state.
- 16 (c) A business may apply for an eligibility certificate for such grants
17 by submitting an application to the commissioner, on forms provided

18 by the commissioner and including the following information: (1) The
19 types of jobs that the business will create, a schedule for hiring the new
20 employees and the number of jobs to be created, which shall be
21 itemized by each salary range, (2) any other state, federal or municipal
22 funds received by the business, (3) the financial statements of the
23 business during the three preceding fiscal years, of the business, (4) a
24 summary of the labor and environmental record of the business,
25 including any violations of state, federal or municipal law during the
26 five preceding fiscal years of the business, (5) the names of any other
27 states seeking the retention or relocation of the business, (6) a
28 statement of how the eligibility certificate will affect the decision of the
29 business to relocate to or expand within the state, (7) a description of
30 how the grants would affect other businesses in the state, to the extent
31 feasible, (8) a certification that the business offers health insurance to
32 all of its full-time employees eligible under the rules and policies of the
33 business, and (9) any other information required by the commissioner.
34 The business shall include an application fee of five hundred dollars
35 with such application. Information submitted pursuant to this section
36 shall not be deemed to be a public record for the purposes of the
37 Freedom of Information Act, as defined in section 1-200 of the general
38 statutes, unless the commissioner issues an eligibility certificate under
39 subsection (d) of this section.

40 (d) The commissioner shall issue an eligibility certificate to each
41 applicant that the commissioner determines is eligible under this
42 section.

43 (e) The commissioner shall award a grant to a business that has been
44 issued an eligibility certificate under this section for the first calendar
45 year that the business certifies to the commissioner that the business
46 has (1) hired the minimum number of net new, full-time employees
47 specified in subsection (b) of this section, and (2) withheld an amount
48 from each such employee's wages that is substantially equivalent to
49 the state income tax that is reasonably estimated to be due from the
50 employee with respect to such wages during the preceding calendar
51 year pursuant to chapter 229 of the general statutes. The amount of

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

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

67 (g) The commissioner shall issue no more that the ten million
68 dollars in grants in any fiscal year.

69 (h) Not later than February 1, 2009, the commissioner shall submit a
70 report to the joint standing committee of the General Assembly having
71 cognizance of matters relating to economic development, in
72 accordance with the provisions of section 11-4a of the general statutes,
73 on the business employment incentive program. Said report shall
74 include, but not be limited to, (1) an analysis of the effectiveness of the
75 program and the impact of the program on state revenues, (2) the
76 number and type of businesses that have applied under the program,
77 (3) the total amount of application fees received by the commissioner,
78 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	July 1, 2006	New section

CE

Joint Favorable Subst. C/R

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