



General Assembly

Amendment

February Session, 2006

LCO No. 4928

SB0000104928SD0

Offered by:
SEN. LEBEAU, 3rd Dist.

To: Subst. Senate Bill No. 1

File No. 526

Cal. No. 392

"AN ACT CONCERNING JOBS FOR THE 21ST CENTURY."

1 Strike lines 1 to 653, inclusive, and insert the following in lieu
2 thereof:

3 "Section 1. (NEW) (*Effective January 1, 2007*) (a) As used in this
4 section:

5 (1) "Commissioner" means the Commissioner of Economic and
6 Community Development; and

7 (2) "Economic cluster" means (A) an industry group that is linked
8 together through customer, supplier or other relationships and
9 recognized by the commissioner, or (B) health care establishments, as
10 defined in Sector 62, or manufacturing establishments, as defined in
11 Sectors 31 to 33, inclusive, in the North American Industrial
12 Classification System, United States Manual, United States Office of
13 Management and Budget, 1997 edition.

14 (b) Within available appropriations, the Commissioner of Economic

15 and Community Development shall establish a business employment
16 incentive program under which said commissioner may approve
17 verified workplace investment rebates for any business (1) that
18 relocates to Connecticut from another state or expands within
19 Connecticut, (2) that is in an economic cluster, (3) that hires and
20 retains, for at least one year, five or more new, full-time employees
21 who are subject to the tax imposed by chapter 229 of the general
22 statutes, resulting in a net increase, for at least one year, of five or more
23 full-time employees for the business in Connecticut, and (4) for which
24 the commitment of said rebates is a material factor in the decision of
25 the business to relocate to Connecticut or expand within the state. Any
26 such rebate approved by the Commissioner of Economic and
27 Community Development shall be paid by the Commissioner of
28 Revenue Services.

29 (c) The amount of verified workplace investment rebates that may
30 be paid to an eligible business under this section shall be not less than
31 ten per cent or more than eighty per cent of the total amount withheld
32 by the business from the wages of each such new full-time employee of
33 the business pursuant to chapter 229 of the general statutes. Such
34 rebates may be paid for ten years after the business applies to the
35 Commissioner of Economic and Community Development for a
36 written commitment under subsection (d) of this section, subject to
37 verification under subsection (f) of this section. The Commissioner of
38 Economic and Community Development shall establish criteria for
39 determining such percentage amount based on the number of new,
40 full-time employees hired by such businesses.

41 (d) A business may apply to the Commissioner of Economic and
42 Community Development for a written commitment for verified
43 workplace investment rebates by submitting an application to the
44 commissioner, the form and substance of which shall be determined by
45 the commissioner. The business shall provide at least the following
46 information in the application: (1) The types of jobs that the business
47 will create, the schedule for hiring new employees and the number of
48 jobs to be created, by each salary range, (2) any other state, federal or

49 municipal funds received by the business, (3) the compensation
50 provided to (A) the chief executive officer of the business, regardless of
51 whether the corporate headquarters of the business are located in
52 Connecticut or outside the state, and (B) the chief executive officer of
53 the division of the business that is located in Connecticut, if the
54 corporate headquarters of the business are located outside the state
55 and such information is available to the public, (4) the financial
56 statements of the business for the three preceding fiscal years of the
57 business or, if the business has been in existence for less than three
58 fiscal years, financial statements of the business for the entire period of
59 its existence, (5) a summary of the labor and environmental record of
60 the business, including any violations of state, federal or municipal law
61 during the five preceding fiscal years of the business, (6) the names of
62 any other states seeking the retention or relocation of the business, (7)
63 a statement of how the written commitment will affect the decision of
64 the business to relocate to or expand within the state, (8) a market
65 analysis of the industry in Connecticut in which the business is or
66 would be operating, to the extent available, (9) whether the business
67 offers health insurance to all of its full-time employees, and (10) any
68 other information required by the Commissioner of Economic and
69 Community Development. The business shall include an application
70 fee of five hundred dollars with such application. All information
71 contained in the application shall be confidential, except the
72 commissioner may disclose such information in accordance with the
73 Freedom of Information Act under chapter 14 of the general statutes if
74 the commissioner issues a written commitment to the applicant under
75 subsection (e) of this section.

76 (e) The Commissioner of Economic and Community Development
77 may issue a written commitment to any applicant that the
78 commissioner determines has qualified for verified workplace
79 investment rebates under subsections (a) to (d), inclusive, of this
80 section. In assessing an application for a written commitment, the
81 commissioner shall consider, among other factors, the information
82 provided by the business pursuant to subdivisions (1) to (10),

83 inclusive, of subsection (d) of this section. A business that receives a
84 written commitment may be paid such rebates for each twelve-month
85 period during the period beginning on the date of the business's
86 application for such commitment and ending ten years after said date,
87 subject to verification under subsection (f) of this section of the new
88 jobs created and retained by the business. A written commitment shall
89 specify the percentage that will be applied in calculating the portion of
90 the state income tax withholding paid by the business for new
91 employees that will be rebated to the business.

92 (f) A business that has received a written commitment may apply to
93 the Commissioner of Economic and Community Development for
94 disbursement of a rebate for a twelve-month period by (1) certifying
95 that it has (A) hired the minimum number of new, full-time employees
96 specified in subsection (b) of this section and retained such employees
97 for the twelve-month period covered by the application, and (B)
98 withheld an amount from each such employee's wages that is
99 substantially equivalent to the state income tax that is reasonably
100 estimated to be due from the employee with respect to such wages
101 pursuant to chapter 229 of the general statutes during such period and
102 paid such amount to the Commissioner of Revenue Services, and (2)
103 documenting the amount of such withholding and payment. The
104 Commissioner of Economic and Community Development may
105 approve an application for disbursement of such rebate upon verifying
106 the information certified in the application. If the commissioner
107 approves an application, the commissioner shall (A) determine the
108 amount of the rebate payable to the business, and (B) notify the
109 Commissioner of Revenue Services of the name and address of the
110 business and such amount. Upon receipt of such notice, the
111 Commissioner of Revenue Services shall, no later than the last day of
112 the twelfth month after the month during which the business files its
113 annual reconciliation of withholding, on a form prescribed by the
114 Commissioner of Revenue Services, notify the State Comptroller of the
115 amount of the verified workplace investment rebate, and the State
116 Comptroller shall draw an order on the State Treasurer in said amount

117 for payment to the applicant from the revenues of the General Fund.

118 (g) The Commissioner of Economic and Community Development
119 may revoke a written commitment for a business at any time if said
120 commissioner determines that the business has not complied with the
121 provisions of this section or such commitment.

122 (h) The commissioner shall issue not more than ten million dollars
123 in grants in any fiscal year.

124 (i) Not later than February 1, 2009, the Commissioner of Economic
125 and Community Development shall submit a report to the joint
126 standing committee of the General Assembly having cognizance of
127 matters relating to economic development, in accordance with the
128 provisions of section 11-4a of the general statutes, on the business
129 employment incentive program. Said report shall include, but not be
130 limited to, (1) an analysis of the effectiveness of the program and the
131 impact of the program on state revenues, (2) the number and types of
132 businesses that have applied under the program and the names of the
133 businesses issued written commitments under subsection (e) of this
134 section, (3) the number of new, full-time jobs created under the
135 program, (4) the total amount of application fees received by the
136 Commissioner of Economic and Community Development, and (5) the
137 total amount of verified workplace investment rebates paid under the
138 program."