



General Assembly

January Session, 2007

**Committee Bill No. 5177**

LCO No. 5570

\*05570HB05177PD\_\*

Referred to Committee on Planning and Development

Introduced by:  
(PD)

***AN ACT CONCERNING THE DESIGNATION OF NUTMEG ZONES.***

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

1 Section 1. (NEW) (*Effective October 1, 2007*) (a) Any municipality that  
2 is eligible for small town economic assistance under section 4-66g of  
3 the general statutes may designate, by ordinance adopted by its  
4 legislative body, a nutmeg zone within the municipality. Such  
5 ordinance shall identify a specific geographic area as such zone and  
6 shall establish criteria and goals for economic activity in the zone.

7 (b) Upon designation of a nutmeg zone under subsection (a) of this  
8 section, the municipality may apply to the Commissioner of Economic  
9 and Community Development for state approval of the designation.  
10 The municipality seeking the approval of the commissioner for  
11 designation of an area of the municipality as a nutmeg zone shall file  
12 with the commissioner a preliminary application. Not later than sixty  
13 days after receipt of such a preliminary application, the commissioner  
14 shall indicate to the municipality, in writing, any recommendations for  
15 improving the municipality's application. On or before July 1, 2008,  
16 and annually thereafter, the commissioner shall conduct a lottery to  
17 select ten nutmeg zones in the state.

18 (c) The amount of property taxes due under chapter 203 of the  
19 general statutes for a facility that is acquired, constructed, substantially  
20 renovated or expanded in a nutmeg zone, on or after the effective date  
21 of this section, shall be reduced by ten per cent in each of the ten full  
22 assessment years following the assessment year in which the  
23 acquisition, construction, renovation or expansion of the facility is  
24 completed. The state, acting by and in the discretion of the  
25 Commissioner of Economic and Community Development, shall enter  
26 into a contract with the municipality in which the nutmeg zone is  
27 located to provide a grant to the municipality in an amount equal to  
28 ten per cent of the amount that would have been due for property  
29 taxes except for the provisions of this section. Such grant shall be made  
30 annually for the ten assessment years that the taxes due for the facility  
31 are reduced.

32 (d) The Commissioner of Economic and Community Development  
33 shall adopt regulations, in accordance with chapter 54 of the general  
34 statutes, to implement this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2007	New section

**Statement of Purpose:**

To promote local economic development by providing grants to municipalities in which nutmeg zones are located.

*[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.]*

Co-Sponsors: REP. FRITZ, 90th Dist.; REP. GIANNAROS, 21st Dist.

H.B. 5177