



General Assembly

**Substitute Bill No. 1386**

January Session, 2007

\* SB01386PD 032207 \*

**AN ACT CONCERNING COMMUNITY ECONOMIC DEVELOPMENT.**

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

1 Section 1. (NEW) (*Effective October 1, 2007*) (a) As used in this  
2 section, "small business" means any business (1) which has been doing  
3 business under the same ownership and management and has  
4 maintained its principal place of business in the state for a period of at  
5 least one year immediately prior to the date of application for  
6 certification under this section, (2) which had gross revenues not  
7 exceeding ten million dollars in the most recently completed fiscal  
8 year, and (3) at least fifty-one per cent of the ownership is held by a  
9 person or persons who exercise operational authority over the daily  
10 affairs of the business and have the power to direct the management  
11 and policies and receive the beneficial interests of the business, except  
12 that a nonprofit corporation shall be construed to be a small business if  
13 such nonprofit corporation meets the requirements of subdivisions (1)  
14 and (2) of this subsection.

15 (b) The Commissioner of Economic and Community Development  
16 shall establish a program of small business financial assistance. The  
17 purpose of the program shall be to provide loans and loan guarantees  
18 to small businesses to be used for (1) building and land purchases, (2)  
19 building construction, renovation or rehabilitation, (3) purchase of  
20 manufacturing equipment, and (4) daily operations, including

21 administrative and payroll costs, advertising expenses and energy  
22 costs and supplies. Any small business receiving a loan under this  
23 section shall be entitled to the same benefits, subject to the same  
24 conditions, under the general statutes for which businesses located in  
25 an enterprise zone qualify.

26 (c) The Commissioner of Economic and Community Development  
27 shall adopt regulations, in accordance with the provisions of chapter  
28 54 of the general statutes, to implement the provisions of this section.  
29 Such regulations shall include, but not be limited to, provisions for (1)  
30 an accelerated application process for such program, and (2) loan  
31 procedures, repayment terms, security requirements, default and  
32 remedy provisions and such other conditions and terms, not  
33 inconsistent with the provisions of this section, as the commissioner  
34 deems appropriate.

35 (d) The Commissioner of Economic and Community Development  
36 shall administer the program established under this section or may  
37 enter into a contract with the Community Economic Development  
38 Fund or a nonprofit corporation operating on a regional level to  
39 administer such program.

40 Sec. 2. (NEW) (*Effective from passage*) (a) The Commissioner of  
41 Economic and Community Development shall establish a program to  
42 promote entrepreneurial potential in youth between fourteen to  
43 eighteen years of age. The program shall provide for business  
44 mentoring and shall encourage access to business networks and  
45 training workshops and fairs for eligible youth.

46 (b) The commissioner shall develop a public information campaign  
47 to make youth, high schools and businesses aware of the program  
48 established under this section.

49 Sec. 3. (NEW) (*Effective October 1, 2007*) As used in this section and  
50 sections 4 and 5 of this act:

51 (1) "Artistic or cultural organization" means a nonprofit

52 organization in the state (A) which is exempt from taxation pursuant  
53 to Section 501(c)(3) of the Internal Revenue Code of 1986, as from time  
54 to time amended, the primary purpose of which is to provide artistic  
55 or cultural exhibitions, presentations or performances for viewing or  
56 attendance by the general public, not including an organization, the  
57 primary purpose of which is (1) instructional, or (2) to receive  
58 contributions for and provide funding to arts organizations, and (B)  
59 has an annual budget that is less than one hundred thousand dollars;  
60 and

61 (2) "Commission" means the Connecticut Commission on Culture  
62 and Tourism, established in section 10-392 of the general statutes.

63 Sec. 4. (NEW) (*Effective October 1, 2007*) There is established an  
64 account to be known as the "artistic and cultural organization account"  
65 which shall be a separate, nonlapsing account within the General  
66 Fund. Moneys in the account shall be expended by the Connecticut  
67 Commission on Culture and Tourism, established in section 10-392 of  
68 the general statutes for the purposes of grants established in section 5  
69 of this act.

70 Sec. 5. (NEW) (*Effective October 1, 2007*) (a) Annually, on or before  
71 December fifteenth, an artistic or cultural organization may apply to  
72 the Connecticut Commission on Culture and Tourism for a state grant.  
73 The organization shall include in its application a copy of its Internal  
74 Revenue Service return of organization exempt from income tax form,  
75 or any replacement form adopted by the Internal Revenue Service.  
76 Grants may be used for expenses incurred for annual events such as  
77 family days, artist's days or final performances.

78 (b) The Connecticut Commission on Culture and Tourism may  
79 adopt regulations, in accordance with the provisions of chapter 54 of  
80 the general statutes, to implement the provisions of this section. The  
81 regulation shall include criteria for eligible events.

82 Sec. 6. (*Effective July 1, 2007*) (a) For the purposes described in  
83 subsection (b) of this section, the State Bond Commission shall have

84 the power, from time to time, to authorize the issuance of bonds of the  
85 state in one or more series and in principal amounts.

86 (b) The proceeds of the sale of said bonds, to the extent of the  
87 amount stated in subsection (a) of this section, shall be used by the  
88 Department of Economic and Community Development for the  
89 purpose of a grant to the city of Hartford to plan and contract for the  
90 relocation of public service facilities underground in the area of Blue  
91 Hills Avenue in said city.

92 (c) All provisions of section 3-20 of the general statutes, or the  
93 exercise of any right or power granted thereby, which are not  
94 inconsistent with the provisions of this section are hereby adopted and  
95 shall apply to all bonds authorized by the State Bond Commission  
96 pursuant to this section, and temporary notes in anticipation of the  
97 money to be derived from the sale of any such bonds so authorized  
98 may be issued in accordance with said section 3-20 and from time to  
99 time renewed. Such bonds shall mature at such time or times not  
100 exceeding twenty years from their respective dates as may be provided  
101 in or pursuant to the resolution or resolutions of the State Bond  
102 Commission authorizing such bonds. None of said bonds shall be  
103 authorized except upon a finding by the State Bond Commission that  
104 there has been filed with it a request for such authorization which is  
105 signed by or on behalf of the Secretary of the Office of Policy and  
106 Management and states such terms and conditions as said commission,  
107 in its discretion, may require. Said bonds issued pursuant to this  
108 section shall be general obligations of the state and the full faith and  
109 credit of the state of Connecticut are pledged for the payment of the  
110 principal of and interest on said bonds as the same become due, and  
111 accordingly and as part of the contract of the state with the holders of  
112 said bonds, appropriation of all amounts necessary for punctual  
113 payment of such principal and interest is hereby made, and the State  
114 Treasurer shall pay such principal and interest as the same become  
115 due.

116 Sec. 7. (*Effective July 1, 2007*) Funds are appropriated to the Office of

117 Policy and Management, from the General Fund, for the fiscal year  
118 ending June 30, 2008, for a grant to the Northeast Neighborhood  
119 Revitalization Zone Committee for facade and other streetscape  
120 improvements in the northeast neighborhood revitalization zone in the  
121 city of Hartford.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>October 1, 2007</i>	New section
Sec. 4	<i>October 1, 2007</i>	New section
Sec. 5	<i>October 1, 2007</i>	New section
Sec. 6	<i>July 1, 2007</i>	New section
Sec. 7	<i>July 1, 2007</i>	New section

**PD**      *Joint Favorable Subst.*