



Senate

General Assembly

File No. 502

January Session, 2011

Senate Bill No. 737

Senate, April 13, 2011

The Committee on Planning and Development reported through SEN. CASSANO of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

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, 2011*) (a) As used in this
2 section:

3 (1) "Small business" means a business entity, including its affiliates,
4 that (A) is independently owned and operated, and (B) employs fewer
5 than fifty full-time employees or has gross annual sales of less than
6 five million dollars; and

7 (2) "Targeted investment community" means a municipality that
8 contains an enterprise zone designated pursuant to section 32-70 of the
9 general statutes.

10 (b) The Commissioner of Economic and Community Development
11 shall study ways in which to encourage the growth of small businesses
12 located in targeted investment communities. Such study shall include
13 the feasibility of offering to such small businesses (1) financial

- 14 incentives to hire residents of targeted investment communities, and
- 15 (2) a program of entrepreneurial training.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	New section

PD *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which requires the Department of Economic and Community Development to study ways to encourage small business growth in target investment municipalities, results in no fiscal impact.

The Department of Economic and Community Development currently has programs for encouraging the growth of small businesses in targeted investment communities, including but not limited to the Enterprise Zone program, the Connecticut Credit Consortium, and the Small Business Incubator program.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**SB 737*****AN ACT CONCERNING COMMUNITY ECONOMIC DEVELOPMENT.*****SUMMARY:**

This bill requires the economic and community development commissioner to study ways to encourage small business growth in the 17 towns with enterprise zones (i.e., targeted investment communities). The study must include the feasibility of offering small businesses (1) financial incentives to hire residents from these communities and (2) an entrepreneurial training program.

Under the bill, a small business is an independently owned and operated business with 50 or fewer full-time employees and less than \$5 million in gross annual sales.

EFFECTIVE DATE: October 1, 2011

BACKGROUND***Targeted Investment Communities***

The law designates the 17 towns with enterprise zones as targeted investment communities, a designation that qualifies projects in them for economic development financing and tax incentives. The towns with enterprise zones are: Bridgeport, Bristol, East Hartford, Groton, Hamden, Hartford, Meriden, Middletown, New Britain, New Haven, New London, Norwalk, Norwich, Southington, Stamford, Waterbury, and Windham.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 20 Nay 0 (03/25/2011)