



**Substitute House Bill No. 6525**

**Public Act No. 11-140**

**AN ACT CONCERNING THE CONTINUANCE OF THE MAJORITY LEADERS' JOB GROWTH ROUNDTABLE.**

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

Section 1. Section 10a-19i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in subsections (a) to [(f)] (e), inclusive, of this section:

(1) "Green technology" means technology that (A) promotes clean energy, renewable energy or energy efficiency, (B) reduces greenhouse gases or carbon emissions, or (C) involves the invention, design and application of chemical products and processes to eliminate the use and generation of hazardous substances;

[(2) "Job relating to green technology" means a job in which green technology is employed and may include the occupation codes identified as green jobs by the United States Bureau of Labor Statistics and those codes identified by the Labor Department and the Department of Economic and Community Development for such purposes;]

[(3)] (2) "Life science" means the study of genes, cells, tissues and chemical and physical structures of living organisms and biomedical

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engineering and the manufacture of medical devices; and

[(4)] (3) "Health information technology" means the creation, execution or implementation of electronic data systems that record or transmit medical or health information.

(b) There is established a Connecticut green technology, life science and health information technology loan [forgiveness] reimbursement program to be administered by the Department of Higher Education.

(c) A Connecticut resident who graduated on or after May 1, 2010, from an institution of higher education in this state with a bachelor degree in a field relating to green technology, life science or health information technology and who has been employed in this state for at least two years after graduation [in] by a [job relating to] business in the field of green technology, life science or health information technology and whose [expected family contribution, as determined by the federal Free Application for Federal Student Aid for the most recent full academic year does not exceed thirty-five] federal adjusted gross income for the year prior to the initial reimbursement year does not exceed one hundred fifty thousand dollars shall be eligible for reimbursement of federal or state educational loans up to a maximum of two thousand five hundred dollars per year or five per cent of the amount of such loans per year, whichever is less, for up to four years.

(d) A Connecticut resident who graduated on or after May 1, 2010, from an institution of higher education in this state with an associate degree relating to green technology, life science or health information technology and who has been employed in this state for at least two years after graduation [in] by a [job relating to] business in the field of green technology, life science or health information technology and whose [expected family contribution, as determined by the federal Free Application for Federal Student Aid for the most recent full academic year does not exceed thirty-five] federal adjusted gross

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income for the year prior to the initial reimbursement year does not exceed one hundred fifty thousand dollars shall be eligible for reimbursement of federal or state educational loans up to a maximum of two thousand five hundred dollars per year or five per cent of the amount of such loans per year, whichever is less, for up to two years.

[(e) A Connecticut resident who receives a certificate relating to green technology, life science or health information technology from an institution of higher education in this state shall be eligible for a grant equal to the cost of the training certificate not to exceed a maximum of two hundred fifty dollars, provided such resident (1) is unemployed, has received notice of termination of employment or is employed with a gross annual family income that does not exceed forty thousand dollars, (2) is eighteen years of age or older, (3) graduated from high school before July 1, 2008, and (4) has not been enrolled as a full-time student at an institution of higher education before July 1, 2010.]

[(f)] (e) Notwithstanding the provisions of subsections (c) and (d) of this section, the total combined dollar value of loan reimbursements available under this and any other provision of the general statutes shall not exceed five thousand dollars per recipient of an associate degree and ten thousand dollars per recipient of a bachelor degree.

[(g)] (f) The Board of Governors of Higher Education may adopt regulations, in accordance with the provisions of chapter 54, to carry out the provisions of subsections (a) to [(f)] (e), inclusive, of this section.

Sec. 2. Subsection (g) of section 38a-88a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(g) Any taxpayer allowed a credit under subsection (b) of this

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section may assign such credit to another person, provided such person may claim such credit only with respect to a calendar year for which the assigning taxpayer would have been eligible to claim such credit. The fund manager shall include in the report filed with the Commissioner of Revenue Services in accordance with subdivision (1) of subsection (b) of this section information requested by the commissioner regarding such assignments including the current holders of credits as of the end of the preceding calendar year. Any taxpayer allowed a credit under subsection (c) of this section may transfer such credit to an affiliate of such taxpayer.

Sec. 3. (NEW) (*Effective from passage*) On or before July 1, 2011, the Commissioners of Administrative Services and Transportation shall conduct a joint study, within available appropriations, regarding the costs associated with converting or replacing up to twenty-five per cent of the state auto fleet, which is to include Department of Transportation vehicles, to either electric, alternative fuels or natural gas. Such study shall include, but not be limited to, the time frames for conversion and potential cost savings and potential environmental benefits that could result from conversion of existing fleet. Said commissioners shall report, in accordance with the provisions of section 11-4a of the general statutes, findings and report recommendations to the Governor and to the joint standing committees of the General Assembly having cognizance of matters relating to commerce, transportation, the environment and energy and technology, on or before February 1, 2012.

Sec. 4. (NEW) (*Effective July 1, 2011, and applicable to income years commencing on or after January 1, 2011*) (a) For the purposes of this section, (1) "manufacturing reinvestment account" means a trust created or organized by a manufacturer and held by a Connecticut bank for the benefit of such manufacturer, to which the manufacturer may make cash contributions not to exceed the amount set forth in

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subsection (c) of this section for any income year. Moneys in a manufacturing reinvestment account shall not be invested in life insurance contracts or comingled with other property, and (2) "manufacturer" means any business entity subject to tax pursuant to chapter 208 or 229 of the general statutes that is engaged in the business of manufacturing, as defined in subdivision (72) of section 12-81 of the general statutes.

(b) The Department of Economic and Community Development shall establish criteria and guidelines to select not more than fifty manufacturers that may establish a reinvestment account pursuant to subsection (c) of this section. Such criteria shall include, but not be limited to, a requirement that any such manufacturer shall have not more than fifty employees. The department shall, based on the criteria established pursuant to this subsection, establish an ongoing list of selected manufacturers.

(c) Any manufacturer may establish an interest-bearing manufacturing reinvestment account, provided (1) contributions in any income year shall not exceed the lesser of (A) fifty thousand dollars, or (B) such manufacturer's domestic gross receipts, (2) moneys may be held in such account for not more than five years, (3) distributions from such account shall be used by such manufacturer to purchase machinery, equipment or manufacturing facilities, as defined in subdivision (72) of section 12-81 of the general statutes, or for workforce training, development or expansion, and (4) disbursements shall be subject to tax at a rate of three and one-half per cent regardless of corporate or business structure.

(d) Any money remaining in a manufacturer's reinvestment account at the end of the five-year period or any interest earned that results in the account balance exceeding the amounts established pursuant to subdivision (1) of subsection (c) in any given year shall be returned to the manufacturer who shall pay the full rate of tax on such amount

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under chapter 208 of the general statutes, provided such payment shall be deemed to be a timely payment if such tax is remitted to the Commissioner of Revenue Services not later than sixty days after the date of such return.

Sec. 5. Subdivision (1) of subsection (a) of section 12-217 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011, and applicable to income years commencing on or after January 1, 2012*):

(a) (1) In arriving at net income as defined in section 12-213, whether or not the taxpayer is taxable under the federal corporation net income tax, there shall be deducted from gross income, (A) all items deductible under the Internal Revenue Code effective and in force on the last day of the income year except (i) any taxes imposed under the provisions of this chapter which are paid or accrued in the income year and in the income year commencing January 1, 1989, and thereafter, any taxes in any state of the United States or any political subdivision of such state, or the District of Columbia, imposed on or measured by the income or profits of a corporation which are paid or accrued in the income year, (ii) deductions for depreciation, which shall be allowed as provided in subsection (b) of this section, (iii) deductions for qualified domestic production activities income, as provided in Section 199 of the Internal Revenue Code, and (iv) in the case of any captive real estate investment trust, the deduction for dividends paid provided under Section 857(b)(2) of the Internal Revenue Code, and (B) additionally, in the case of a regulated investment company, the sum of (i) the exempt-interest dividends, as defined in the Internal Revenue Code, and (ii) expenses, bond premium, and interest related to tax-exempt income that are disallowed as deductions under the Internal Revenue Code, and (C) in the case of a taxpayer maintaining an international banking facility as defined in the laws of the United States or the regulations of the Board of Governors of the Federal Reserve System, as either may

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be amended from time to time, the gross income attributable to the international banking facility, provided, no expense or loss attributable to the international banking facility shall be a deduction under any provision of this section, and (D) additionally, in the case of all taxpayers, all dividends as defined in the Internal Revenue Code effective and in force on the last day of the income year not otherwise deducted from gross income, including dividends received from a DISC or former DISC as defined in Section 992 of the Internal Revenue Code and dividends deemed to have been distributed by a DISC or former DISC as provided in Section 995 of said Internal Revenue Code, other than thirty per cent of dividends received from a domestic corporation in which the taxpayer owns less than twenty per cent of the total voting power and value of the stock of such corporation, and (E) additionally, in the case of all taxpayers, the value of any capital gain realized from the sale of any land, or interest in land, to the state, any political subdivision of the state, or to any nonprofit land conservation organization where such land is to be permanently preserved as protected open space or to a water company, as defined in section 25-32a, where such land is to be permanently preserved as protected open space or as Class I or Class II water company land, and (F) in the case of manufacturers, the amount of any contribution to a manufacturing reinvestment account established pursuant to section 5 of this act in the taxable year that such contribution is made.

Sec. 6. Subsection (a) of section 36a-250 of the general statutes is amended by adding subdivision (42) as follows (*Effective July 1, 2011*):

(NEW) (42) Act as trustee or custodian of a manufacturing reinvestment account established pursuant to section 4 of this act.

Sec. 7. Section 36a-251a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The commissioner shall submit an annual report to the joint

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standing committee of the General Assembly having cognizance of matters relating to banks no later than January first. The report shall summarize the commissioner's actions taken pursuant to section 36a-70, 36a-139a or subdivisions [(40) and] (41) and (42) of subsection (a) of section 36a-250.

Sec. 8. Subsection (a) of section 8-244 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is created a body politic and corporate to be known as the "Connecticut Housing Finance Authority". Said authority is constituted a public instrumentality and political subdivision of this state and the exercise by the authority of the powers conferred by this chapter shall be deemed and held to be the performance of an essential public and governmental function. The Connecticut Housing Finance Authority shall not be construed to be a department, institution or agency of the state. The board of directors of the authority shall consist of fifteen members as follows: (1) The Commissioner of Economic and Community Development, the Secretary of the Office of Policy and Management, the Banking Commissioner and the State Treasurer, ex officio, with the right to vote, (2) seven members to be appointed by the Governor, and (3) four members appointed as follows: One by the president pro tempore of the Senate, one by the speaker of the House of Representatives, one by the minority leader of the Senate and one by the minority leader of the House of Representatives. The member initially appointed by the speaker of the House of Representatives shall serve a term of five years; the member initially appointed by the president pro tempore of the Senate shall serve a term of four years. The members initially appointed by the Senate minority leader shall serve a term of three years. The member initially appointed by the minority leader of the House of Representatives shall serve a term of two years. Thereafter, each member appointed by a member of the

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General Assembly shall serve a term of five years. The members appointed by the Governor and the members of the General Assembly shall be appointed in accordance with section 4-9b and among them be experienced in all aspects of housing, including housing design, development, finance, management and state and municipal finance, and at least one of whom shall be selected from among the officers or employees of the state. At least one shall have experience in the provision of housing to very low, low and moderate income families. On or before July first, annually, the Governor shall appoint a member for a term of five years from said July first to succeed the member whose term expires and until such member's successor has been appointed, except that in 1974 and 1995 and quinquennially thereafter, the Governor shall appoint two members. The chairperson of the board shall be [appointed by the Governor, with the advice and consent of both houses of the General Assembly] the Commissioner of Economic and Community Development. The board shall annually elect one of its appointed members as vice-chairperson of the board. Members shall receive no compensation for the performance of their duties hereunder but shall be reimbursed for necessary expenses incurred in the performance thereof. The Governor or appointing member of the General Assembly, as the case may be, shall fill any vacancy for the unexpired term. A member of the board shall be eligible for reappointment. Any member of the board may be removed by the Governor or appointing member of the General Assembly, as the case may be, for misfeasance, malfeasance or wilful neglect of duty. Each member of the board before entering upon such member's duties shall take and subscribe the oath of affirmation required by article XI, section 1, of the State Constitution. A record of each such oath shall be filed in the office of the Secretary of the State. Each ex-officio member may designate such member's deputy or any member of such member's staff to represent such member at meetings of the board with full power to act and vote on such member's behalf.

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Sec. 9. (*Effective from passage*) (a) There is established a task force to study business and industry barriers in the state. The purpose of such task force shall include, but not be limited to, an examination of issues regarding (1) the establishment of links between state and international companies and institutions of higher education and cultivating the next generation of business innovation leaders in this state; (2) the provision of incentives through international competitions for such business innovation leaders to come to this state and, for such business innovation leaders already located in this state, to remain and contribute to innovation and technology growth in this state; (3) the development of a global business plan, including, but not limited to, holding international competitions in which prizes, stipends and first-year investments are awarded to international business and industry workers who relocate to and establish their businesses in this state; (4) the offering of fellowships to top entrepreneurs who spend one year developing a new firm in this state; (5) energy-related job growth, economic development, workforce development, research and development and information sharing by and among manufacturers and institutions of higher education; (6) the number of first time noncriminal violations in which a fine or penalty was assessed to a business by the Department of Environmental Protection and for which the violating business has taken full remedial measures and to explore if these penalties could be waived as a result of the remediation, as well as business penalty waiver programs for noncriminal violations of environmental laws or regulations in other states; and (7) the use of social media and other new technologies to encourage socially-useful, community-based projects to compete for a stipend, corporate support and funding.

(b) The task force shall consist of the following members:

- (1) Two appointed by the speaker of the House of Representatives;
- (2) Two appointed by the president pro tempore of the Senate;

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(3) One appointed by the majority leader of the House of Representatives;

(4) One appointed by the majority leader of the Senate;

(5) One appointed by the minority leader of the House of Representatives;

(6) One appointed by the minority leader of the Senate;

(7) The chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to higher education and commerce; and

(8) Three persons appointed by the Governor.

(c) Any member of the task force appointed under subdivision (1), (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member of the General Assembly.

(d) All appointments to the task force shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

(e) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the task force from among the members of the task force. Such chairpersons shall schedule the first meeting of the task force, which shall be held not later than sixty days after the effective date of this section.

(f) The administrative staff of the joint standing committees of the General Assembly having cognizance of matters relating to commerce and higher education and employment advancement shall serve as administrative staff of the task force.

(g) Not later than February 1, 2012, the task force shall submit a

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report on its findings and recommendations to the Governor and to the standing committees of the General Assembly having cognizance of matters relating to commerce and higher education and employment advancement, in accordance with the provisions of section 11-4a of the general statutes. The task force shall terminate on the date that it submits such report or February 1, 2012, or whichever is later.

Sec. 10. Subsection (a) of section 32-9cc of the general statutes is amended by adding subdivision (8) as follows (*Effective from passage*):

(NEW) (8) May enter into cooperative agreements with qualified implementing agencies and may, where appropriate, make grants to these organizations for the purpose of designing, implementing and supervising brownfield assessment and cleanups, or making further subgrants, provided each subgrant is in compliance with the terms and conditions of the original grant.

Sec. 11. Section 32-717 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Commissioner of Economic and Community Development [the chairperson of Connecticut Innovations, Incorporated, the president of The University of Connecticut and the chairperson of the Connecticut Development Authority, or their respective designees, shall prepare] may, within available appropriations, [and in consultation with the Connecticut Competitiveness Council, the Commissioner of Education, the Commissioner of Higher Education, the chancellor of the community-technical college system, the director of the Office of Workforce Competitiveness and any other agencies and leading technology-focused organizations deemed appropriate by the Commissioner of Economic and Community Development, recommendations for an implementation plan and budget to] establish an Innovation Network. [that will include the following: (1) The creation of endowed chairs and the hiring of leading academic

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professionals in targeted fields based on core competencies to work at universities, state colleges and community colleges, in collaboration with other technology initiatives; (2)]

(1) Activities of such network may include, but not be limited to, (A) convening the leaders of organizations that promote technology-based economic development in the state; (B) creating a system for networking entrepreneurs and others who seek assistance from one part of the network to engage the whole network; (C) benchmarking the best programs that promote innovation in economic development; (D) developing a state-wide innovation database; (E) performing periodic program reviews and recommending program changes to benefit the state's innovation competitiveness; (F) investigating issued patents; and (G) pursuing other initiatives the commissioner deems appropriate to maintain the state's innovative competitiveness.

(2) The network may review and comment on such areas to include, but not be limited to, (A) the focused and aggressive solicitation of and leveraged partnership with federal research funds; [(3)] (B) increased corporate-sponsored research; [(4)] (C) the establishment of at least one innovation accelerator, linked to universities and involving corporations and start-up enterprises focused on advanced technology; [and leveraging the efforts underway by the Connecticut Center for Advanced Technology in the Hartford area; (5)] (D) the strengthening of technology transfer and entrepreneurship activities at universities in the state; [(6)] (E) incentives and financial support for collaborative research between universities and industry or federally sponsored technology centers; [(7)] (E) the creation of linkages to angel networks; and [(8)] (G) the creation of linkages to incubators in Connecticut. [Said plan shall also include provisions for the utilization of existing resources, including, but not limited to, Connecticut Innovations, Incorporated, the Connecticut Development Authority, The University of Connecticut and the Office of Workforce Competitiveness.]

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(b) [Not later than January 1, 2006, the Commissioner of Economic and Community Development, in consultation with the chairperson of] The program established pursuant to subsection (a) of this section may include provisions for the use of existing resources, including, but not limited to, Connecticut Innovations, Incorporated, [the president of] The University of Connecticut, the Labor Department, the Connecticut State University System, any other higher education institution, any federally funded centers of excellence and [the chairperson of] the Connecticut Development Authority [, shall develop an implementation plan for the Innovation Network, within available resources, and submit said plan and budget to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to economic development, education and labor, in accordance with the provisions of section 11-4a] and any other resources identified by the commissioner.

(c) Up to five hundred thousand dollars appropriated to the Department of Economic and Community Development in section 1 of public act 11-6, for the Innovation Challenge Grant Program, shall be used for the purpose of establishing the Innovation Network program pursuant to subsection (a) of this section. Such funds shall be nonlapsing.

Sec. 12. Subsection (c) of section 32-11a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(c) The board of directors of the authority shall consist of the Commissioner of Economic and Community Development, the State Treasurer and the Secretary of the Office of Policy and Management, each serving ex officio, four members appointed by the Governor who shall be experienced in the field of financial lending or the development of commerce, trade and business and four members appointed as follows: One by the president pro tempore of the Senate,

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one by the minority leader of the Senate, one by the speaker of the House of Representatives and one by the minority leader of the House of Representatives. Each ex-officio member may designate a deputy or any member of the agency staff to represent the member at meetings of the authority with full powers to act and vote on the member's behalf. The chairperson of the board shall be [appointed by the Governor, with the advice and consent of both houses of the General Assembly] the Commissioner of Economic and Community Development. The board shall annually elect one of its members as vice chairperson. Each member appointed by the Governor shall serve at the pleasure of the Governor but no longer than the term of office of the Governor or until the member's successor is appointed and qualified, whichever is longer. Each member appointed by a member of the General Assembly shall serve in accordance with the provisions of section 4-1a. Members shall receive no compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties under the authority legislation, as defined in subsection (hh) of section 32-23d. The Governor shall fill any vacancy for the unexpired term of a member appointed by the Governor. The appropriate legislative appointing authority shall fill any vacancy for the unexpired term of a member appointed by such authority. A member of the board shall be eligible for reappointment. Any member of the board may be removed by the Governor for misfeasance, malfeasance or wilful neglect of duty. Each member of the authority before entering upon his or her duties shall take and subscribe the oath or affirmation required by article XI, section 1, of the State Constitution. A record of each such oath shall be filed in the office of the Secretary of the State. Meetings of the board shall be held at such times as shall be specified in the bylaws adopted by the board and at such other time or times as the chairperson deems necessary. The board is empowered to adopt bylaws and regulations for putting into effect the provisions of said chapters and sections. Not later than November first, annually, the authority shall submit a report to the Commissioner of Economic and

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Community Development, the Auditors of Public Accounts and the joint standing committees of the General Assembly having cognizance of matters relating to the Department of Economic and Community Development, appropriations and capital bonding, which shall include the following information with respect to new and outstanding financial assistance provided by the authority during the twelve-month period ending on June thirtieth next preceding the date of the report for each financial assistance program administered by the authority: (1) A list of the names, addresses and locations of all recipients of such assistance, (2) for each recipient: (A) The business activities, (B) the Standard Industrial Classification Manual codes, (C) the gross revenues during the recipient's most recent fiscal year if the recipient is an organization that makes such information public in the normal course of business, or, if the recipient does not make such information public in the normal course of business, the gross revenue information shall be provided for a recipient separately, using a system in which no recipient is listed by name but each is given a separate identity in a manner consistent with the provisions of subsection (a) of section 32-244, (D) the number of employees at the time of application, (E) whether the recipient is a minority or woman-owned business, (F) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance, job creation or retention requirements, and anticipated wage rates, and (G) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, (3) the economic benefit criteria used in determining which applications have been approved or disapproved, and (4) for each recipient of assistance on or after July 1, 1991, a comparison between the number of jobs to be created, the number of jobs to be retained and the average wage rates for each such category of jobs, as projected in the recipient's application, versus the actual number of jobs created, the actual number of jobs retained and the average wage rates for each such category. The Governor and the chairpersons and ranking members of the joint standing committees of

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the General Assembly having cognizance of matters relating to the Department of Economic and Community Development, appropriations and capital bonding may, after a request to the Connecticut Development Authority by any of said persons, examine, in confidence, the detailed data, including the specific revenue data for each recipient not listed by name, submitted pursuant to subparagraph (C) of subdivision (2) of this subsection. The chairpersons and ranking members of said committees may disclose such data to the members of said committees, who shall also keep such data confidential. The report shall also indicate the actual number of full-time jobs and the actual number of part-time jobs in each such category and the benefit levels for each such subcategory. In addition, the report shall state (A) for each final application approved during the twelve-month period covered by the report, (i) the date that the final application was received by the authority, and (ii) the date of such approval; (B) for each final application withdrawn during the twelve-month period covered by the report, (i) the municipality in which the applicant is located, (ii) the Standard Industrial Classification Manual code for the applicant, (iii) the date that the final application was received by the authority, and (iv) the date of such withdrawal; (C) for each final application disapproved during the twelve-month period covered by the report, (i) the municipality in which the applicant is located, (ii) the Standard Industrial Classification Manual code for the applicant, (iii) the date that the final application was received by the authority, and (iv) the date of such disapproval; and (D) for each final application on which no action has been taken by the applicant or the agency in the twelve-month period covered by the report and for which no report has been submitted under this subsection, (i) the municipality in which the applicant is located, (ii) the Standard Industrial Classification Manual code for the applicant, and (iii) the date that the final application was received by the authority. The November first report shall include a summary of the activities of the authority, including all activities to assist small businesses and minority business enterprises,

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as defined in section 4a-60g, a complete operating and financial statement and recommendations for legislation to promote the purposes of the authority. The authority shall furnish such additional reports upon the written request of any such committee at such times and containing such information as the committee may request. The accounts of the authority shall be subject to annual audit by the state Auditors of Public Accounts. The authority may cause an audit of its books and accounts to be made at least once each fiscal year by certified public accountants. The powers of the authority shall be vested in and exercised by not less than six of the members of the board of directors then in office. Such number of members shall constitute a quorum and the affirmative vote of a majority of the members present at a meeting of the board shall be necessary for any action taken by the authority. No vacancy in the membership of the board shall impair the right to exercise all the rights and perform all the duties of the authority. Any action taken by the board under the provisions of said chapters and sections may be authorized by resolution at any regular or special meeting, and each such resolution shall take effect immediately and need not be published or posted. The authority shall be exempt from the provisions of section 4-9a.

Sec. 13. Subdivision (59) of section 12-81 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage and applicable to assessment years commencing on or after October 1, 2011*):

(59) (a) Any manufacturing facility, as defined in section 32-9p, as amended by this act, acquired, constructed, substantially renovated or expanded on or after July 1, 1978, in a distressed municipality, as defined in said section or in a targeted investment community, as defined in section 32-222, or in an enterprise zone designated pursuant to section 32-70 and for which an eligibility certificate has been issued by the Department of Economic and Community Development, and

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any manufacturing plant designated by the Commissioner of Economic and Community Development under subsection (a) of section 32-75c as follows: To the extent of eighty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the manufacturing facility is completed, except that a manufacturing facility having a [standard industrial classification code of 2833 or 2834] North American Industrial Classification Code of 325411 or 325412 and having at least one thousand full-time employees, as defined in subsection (f) of section 32-9j, as amended by this act, shall be eligible to have the assessment period extended for five additional years upon approval of the commissioner, in accordance with all applicable regulations, provided such full-time employees have not been relocated from another facility in the state operated by the same eligible applicant;

(b) Any service facility, as defined in section 32-9p, as amended by this act, acquired, constructed, substantially renovated or expanded on or after July 1, 1996, and for which an eligibility certificate has been issued by the Department of Economic and Community Development, as follows: (i) In the case of an investment of twenty million dollars or more but not more than thirty-nine million dollars in the service facility, to the extent of forty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed; (ii) in the case of an investment of more than thirty-nine million dollars but not more than fifty-nine million dollars in the service facility, to the extent of fifty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed; (iii) in the case of an investment of more than fifty-nine million dollars but not more than seventy-nine million

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dollars in the service facility, to the extent of sixty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed; (iv) in the case of an investment of more than seventy-nine million dollars but not more than ninety million dollars in the service facility, to the extent of seventy per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed; or (v) in the case of an investment of more than ninety million dollars in the service facility, to the extent of eighty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed, except that any financial institution, as defined in subsection (b) of section 32-236, having at least four thousand qualified employees, as determined in accordance with an agreement pursuant to subsection (c) of section 32-236, shall be eligible to have the assessment period extended for five additional years upon approval of the commissioner, in accordance with all applicable regulations, provided such full-time employees have not been relocated from another facility in the state operated by the same eligible applicant. In no event shall the definition of qualified employee be more favorable to the employer than the definition provided in section 32-236;

(c) The completion date of a manufacturing facility, manufacturing plant or a service facility will be determined by the Department of Economic and Community Development taking into account the issuance of occupancy certificates and such other factors as it deems relevant. In the case of a manufacturing facility, manufacturing plant or a service facility which consists of a constructed, renovated or expanded portion of an existing plant, the assessed valuation of the

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facility or manufacturing plant is the difference between the assessed valuation of the plant prior to its being improved and the assessed valuation of the plant upon completion of the improvements. In the case of a manufacturing facility, manufacturing plant or a service facility which consists of an acquired portion of an existing plant, the assessed valuation of the facility or manufacturing plant is the assessed valuation of the portion acquired. This exemption shall be applicable during each such assessment year regardless of any change in the ownership or occupancy of the facility or manufacturing plant. If during any such assessment year, however, any facility for which an eligibility certificate has been issued ceases to qualify as a manufacturing facility, manufacturing plant or a service facility, the entitlement to the exemption allowed by this subdivision shall terminate for the assessment year following the date on which the qualification ceases, and there shall not be a pro rata application of the exemption. Any person who desires to claim the exemption provided in this subdivision shall file annually with the assessor or board of assessors in the distressed municipality, targeted investment community or enterprise zone designated pursuant to section 32-70 in which the manufacturing facility or service facility is located, on or before the first day of November, written application claiming such exemption on a form prescribed by the Secretary of the Office of Policy and Management. Failure to file such application in this manner and form within the time limit prescribed shall constitute a waiver of the right to such exemption for such assessment year, unless an extension of time is allowed pursuant to section 12-81k, and upon payment of the required fee for late filing;

Sec. 14. Section 12-81u of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011, and applicable to assessment years commencing on or after October 1, 2011*):

Any municipality may, by vote of its legislative body or, in a

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municipality where the legislative body is a town meeting, by vote of the board of selectmen, abate up to one hundred per cent of the property taxes due for any tax year with respect to real or personal property of any communications establishment [included in major group 48, in the Standard Industrial Classification Manual, United States Office of Management and Budget, 1987 edition] with a North American Industrial Classification code of 515111, 515112, 515120, 515210, 517110 or 517410.

Sec. 15. Section 32-9j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

For the purposes of sections 32-9i to 32-9l, inclusive, the following terms shall have the following meanings unless the context indicates another meaning and intent:

(a) "Eligible municipality" means any municipality in the state which is a distressed municipality as defined in subsection (b) of section 32-9p, as amended by this act, and any other municipality in the state which has a population of not less than ten thousand and which has a rate of unemployment which exceeds one hundred ten per cent of the state's average rate of unemployment, as determined by the Labor Department, for the calendar year preceding the determination of eligibility, provided no such other municipality with an unemployment rate of less than six per cent shall be eligible. Eligible municipalities shall be designated by the Department of Economic and Community Development.

(b) "Eligible business facility" means (1) a business facility located in an eligible municipality and for which a certificate of eligibility or commitment letter has been issued by the department prior to March 1, 1991; or (2) a business facility for which a certificate of eligibility has been issued by the department and which is located in an enterprise zone designated pursuant to section 32-70. A business facility for

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which such a certificate is issued shall be deemed an eligible business facility only during the twenty-four-month period following the day on which the certificate of eligibility is issued. A business facility may not become an eligible business facility for the purposes of sections 32-9i to 32-9l, inclusive, unless it meets each of the following requirements: (A) It is a facility which does not primarily serve said eligible municipality in which it is located. A facility shall be deemed to meet this requirement if it is used primarily for the manufacturing, processing or assembling of raw materials or manufactured products, or for research or industrial warehousing, or any combination thereof or, if located in an enterprise zone designated pursuant to section 32-70, it is to be used by an establishment, an auxiliary or an operating unit of an establishment, [as such terms are defined in the Standard Industrial Classification Manual, in the categories of depository institutions, nondepository credit institutions, insurance carriers, holding or other investment offices, business services, health services, fishing, hunting and trapping, motor freight transportation and warehousing, water transportation, transportation by air, transportation services, security and commodity brokers, dealers, exchanges and services or engineering, accounting, research, management and related services from the Standard Industrial Classification Manual, which establishment, auxiliary or operating unit shows a strong performance in exporting goods and services, as defined by the commissioner through regulations adopted in accordance with the provisions of chapter 54] which is an economic base business as defined in subsection (d) of section 32-222 or has a North American Industrial Classification code of 114111 through 114210, 311111 through 339999 or 482111 through 484230, 488310, 488320, 488991, 493120, 493130, 493190, 511210, 512110, 512120, 512191, 522210, 522293, 522294, 522298, 522310, 522320, 522390, 523110, 523120, 523130, 523140, 523210, 523910, 524113, 524114, 524126, 524127, 524128, 524130, 524292, 541711, 541712, 551111, 551112, 551114, 561422, 611310, 611410, 611420, 611430, 611513, 611519, 611710 and 624410 or any

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business that is part of an economic cluster, as defined in subsection (e) of section 32-222, or any establishment or auxiliary or operating unit thereof, as defined in the North American Industrial Classification System Manual. A facility shall not be deemed to meet this requirement if (i) it is used primarily in making retail sales of goods or services to customers who personally visit such facility to obtain such goods or services, or (ii) it is used primarily as a hotel, apartment house or other place of business which furnishes dwelling space or accommodations to either residents or transients; (B) it is a facility which is newly constructed or has undergone major expansion or renovation as determined by the Commissioner of Economic and Community Development, and (C) it is a facility which will create in the eligible municipality in which it is located, as a direct result of such construction, expansion or renovation, not less than five new employment positions, or in the case of a facility located in an enterprise zone designated pursuant to section 32-70, not less than three new employment positions in the enterprise zone.

(c) "Commissioner" means the Commissioner of Economic and Community Development.

(d) "Department" means the Department of Economic and Community Development.

(e) "Eligibility period" means the twenty-four-month period following the day on which the certificate of eligibility is issued.

(f) "Full-time employee" means an employee who works a minimum of thirty-five hours per week.

Sec. 16. Section 32-9p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

As used in subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended

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by this act, and 32-23p, the following words and terms have the following meanings:

(a) "Area of high unemployment" means, as of the date of any final and official determination by the authority or the department to extend assistance under said sections, any municipality which is a distressed municipality as defined in subsection (b) of this section, and any other municipality in the state which in the calendar year preceding such determination had a rate of unemployment which exceeded one hundred ten per cent of the average rate of unemployment in the state for the same calendar year, as determined by the Labor Department, provided no such other municipality with an unemployment rate of less than six per cent shall be an area of high unemployment.

(b) "Distressed municipality" means, as of the date of the issuance of an eligibility certificate, any municipality in the state which, according to the United States Department of Housing and Urban Development meets the necessary number of quantitative physical and economic distress thresholds which are then applicable for eligibility for the urban development action grant program under the Housing and Community Development Act of 1977, as amended, or any town within which is located an unconsolidated city or borough which meets such distress thresholds. Any municipality which, at any time subsequent to July 1, 1978, has met such thresholds but which at any time thereafter fails to meet such thresholds, according to said department, shall be deemed to be a distressed municipality for a period of five years subsequent to the date of the determination that such municipality fails to meet such thresholds, unless such municipality elects to terminate its designation as a "distressed municipality", by vote of its legislative body, not later than September 1, 1985, or not later than three months after receiving notification from the commissioner that it no longer meets such thresholds, whichever is

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later. In the event a distressed municipality elects to terminate its designation, the municipality shall notify the commissioner and the Secretary of the Office of Policy and Management in writing within thirty days. In the event that the commissioner determines that amendatory federal legislation or administrative regulation has materially changed the distress thresholds thereby established, "distressed municipality" shall mean any municipality in the state which meets comparable thresholds of distress which are then applicable in the areas of high unemployment and poverty, aging housing stock and low or declining rates of growth in job creation, population and per capita income as established by the commissioner, consistent with the purposes of subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p, in regulations adopted in accordance with chapter 54. For purposes of sections 32-9p to 32-9s, inclusive, as amended by this act, "distressed municipality" shall also mean any municipality adversely impacted by a major plant closing, relocation or layoff, provided the eligibility of a municipality shall not exceed two years from the date of such closing, relocation or layoff. The Commissioner of Economic and Community Development shall adopt regulations, in accordance with the provisions of chapter 54, which define what constitutes a "major plant closing, relocation or layoff" for purposes of sections 32-9p to 32-9s, inclusive, as amended by this act. "Distressed municipality" shall also mean the portion of any municipality which is eligible for designation as an enterprise zone pursuant to subdivision (2) of subsection (b) of section 32-70.

(c) "Eligibility certificate" means a certificate issued by the department pursuant to section 32-9r, as amended by this act, evidencing its determination that a facility for which an application for assistance has been submitted qualifies as a manufacturing facility and is eligible for assistance under section 12-217e and subdivisions (59) and (60) of section 12-81, as amended by this act.

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(d) "Manufacturing facility" means any plant, building, other real property improvement, or part thereof, (1) which (A) is constructed or substantially renovated or expanded on or after July 1, 1978, in a distressed municipality, a targeted investment community as defined in section 32-222, or an enterprise zone designated pursuant to section 32-70, or (B) is acquired on or after July 1, 1978, in a distressed municipality, a targeted investment community as defined in section 32-222, or an enterprise zone designated pursuant to said section 32-70, by a business organization which is unrelated to and unaffiliated with the seller, after having been idle for at least one year prior to its acquisition and regardless of its previous use; (2) which is to be used for the manufacturing, processing or assembling of raw materials, parts or manufactured products, for research and development facilities directly related to manufacturing, for the significant servicing, overhauling or rebuilding of machinery and equipment for industrial use, or, except as provided in this subsection, for warehousing and distribution or, (A) if located in an enterprise zone designated pursuant to said section 32-70, which is to be used by an establishment, an auxiliary or an operating unit of an establishment, [as such terms are defined in the Standard Industrial Classification Manual, in the categories of depository institutions, nondepository credit institutions, insurance carriers, holding or other investment offices, business services, health services, fishing, hunting and trapping, motor freight transportation and warehousing, water transportation, transportation by air, transportation services, security and commodity brokers, dealers, exchanges and services, telemarketing or engineering, accounting, research, management and related services including, but not limited to, management consulting services from the Standard Industrial Classification Manual or in Sector 48, 49, 52, 54, 55, or 62, Subsector 114 or 561, or industry group 5621 in the North American Industrial Classification System, United States Manual, United States Office of Management and Budget, 1997 edition, which establishment, auxiliary or operating unit shows a strong performance in exporting

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goods and services, and as further defined by the commissioner through regulations adopted under chapter 54] which is an economic base business as defined in subsection (d) of section 32-222 or has a North American Industrial Classification code of 114111 through 114210, 311111 through 339999 or 482111 through 484230, 488310, 488320, 488991, 493120, 493130, 493190, 511210, 512110, 512120, 512191, 522210, 522293, 522294, 522298, 522310, 522320, 522390, 523110, 523120, 523130, 523140, 523210, 523910, 524113, 524114, 524126, 524127, 524128, 524130, 524292, 541711, 541712, 551111, 551112, 551114, 561422, 611310, 611410, 611420, 611430, 611513, 611519, 611710 and 624410 or any business that is part of an economic cluster, as defined in subsection (e) of section 32-222, or any establishment or auxiliary or operating unit thereof, as defined in the North American Industrial Classification System Manual, or (B) if located in an enterprise zone designated pursuant to said section 32-70, which is to be used by an establishment primarily engaged in supplying goods or services in the fields of computer hardware or software, computer networking, telecommunications or communications, or (C) if located in a municipality with an entertainment district designated under section 32-76 or established under section 2 of public act 93-311, is to be used in the production of entertainment products, including multimedia products, or as part of the airing, display or provision of live entertainment for stage or broadcast, including support services such as set manufacturers, scenery makers, sound and video equipment providers and manufacturers, stage and screen writers, providers of capital for the entertainment industry and agents for talent, writers, producers and music properties and technological infrastructure support including, but not limited to, fiber optics, necessary to support multimedia and other entertainment formats, except entertainment provided by or shown at a gambling or gaming facility or a facility whose primary business is the sale or serving of alcoholic beverages; and (3) for which the department has issued an eligibility certificate in accordance with section 32-9r, as amended by this act. In the case of

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facilities which are acquired, the department may waive the requirement of one year of idleness if it determines that, absent qualification as a manufacturing facility under subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p, there is a high likelihood that the facility will remain idle for one year. In the case of facilities located in an enterprise zone designated pursuant to said section 32-70, (A) the idleness requirement in subparagraph (B) of subdivision (1) of this subsection, for business organizations which over the six months preceding such acquisition have had an average total employment of between six and nineteen employees, inclusive, shall be reduced to a minimum of six months, and (B) the idleness requirement shall not apply to business organizations with an average total employment of five or fewer employees, provided no more than one eligibility certificate shall be issued under this subparagraph for the same facility within a three-year period. Of those facilities which are for warehousing and distribution, only those which are newly constructed or which represent an expansion of an existing facility qualify as manufacturing facilities. In the event that only a portion of a plant is acquired, constructed, renovated or expanded, only the portion acquired, constructed, renovated or expanded constitutes the manufacturing facility. A manufacturing facility which is leased may for the purposes of subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p, be treated in the same manner as a facility which is acquired if the provisions of the lease serve to further the purposes of subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p and demonstrate a substantial, long-term commitment by the occupant to use the manufacturing facility, including a contract for lease for an initial minimum term of five years with provisions for the extension of the lease at the request of the lessee for an aggregate term which shall not be less than ten years, or

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the right of the lessee to purchase the facility at any time after the initial five-year term, or both. For a facility located in an enterprise zone designated pursuant to said section 32-70, and occupied by a business organization with an average total employment of ten or fewer employees over the six-month period preceding acquisition, such contract for lease may be for an initial minimum term of three years with provisions for the extension of the lease at the request of the lessee for an aggregate term which shall not be less than six years, or the right of the lessee to purchase the facility at any time after the initial three-year term, or both, and may also include the right for the lessee to relocate to other space within the same enterprise zone, provided such space is under the same ownership or control as the originally leased space or if such space is not under such same ownership or control as the originally leased space, permission to relocate is granted by the lessor of such originally leased space, and such relocation shall not extend the duration of benefits granted under the original eligibility certificate. Except as provided in subparagraph (B) of subdivision (1) of this subsection, a manufacturing facility does not include any plant, building, other real property improvement or part thereof used or usable for such purposes which existed before July 1, 1978.

(e) "Service facility" means a manufacturing facility described in subparagraph (A) or (B) of subdivision (2) of subsection (d) of this section, provided such facility is located outside of an enterprise zone in a targeted investment community.

(f) "Authority", "capital reserve fund bond", "commissioner", "department", "industrial project" and "insurance fund" shall have the meaning such words and terms are given in section 32-23d.

(g) "Municipality" means any town, city or borough in the state.

Sec. 17. Section 32-9p of the general statutes, as amended by section

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5 of public act 10-98, is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

As used in subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p, the following words and terms have the following meanings:

(a) "Area of high unemployment" means, as of the date of any final and official determination by the authority or the department to extend assistance under said sections, any municipality which is a distressed municipality as defined in subsection (b) of this section, and any other municipality in the state which in the calendar year preceding such determination had a rate of unemployment which exceeded one hundred ten per cent of the average rate of unemployment in the state for the same calendar year, as determined by the Labor Department, provided no such other municipality with an unemployment rate of less than six per cent shall be an area of high unemployment.

(b) "Distressed municipality" means, as of the date of the issuance of an eligibility certificate, any municipality in the state which, according to the United States Department of Housing and Urban Development meets the necessary number of quantitative physical and economic distress thresholds which are then applicable for eligibility for the urban development action grant program under the Housing and Community Development Act of 1977, as amended, or any town within which is located an unconsolidated city or borough which meets such distress thresholds. Any municipality which, at any time subsequent to July 1, 1978, has met such thresholds but which at any time thereafter fails to meet such thresholds, according to said department, shall be deemed to be a distressed municipality for a period of five years subsequent to the date of the determination that such municipality fails to meet such thresholds, unless such

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municipality elects to terminate its designation as a "distressed municipality", by vote of its legislative body, not later than September 1, 1985, or not later than three months after receiving notification from the commissioner that it no longer meets such thresholds, whichever is later. In the event a distressed municipality elects to terminate its designation, the municipality shall notify the commissioner and the Secretary of the Office of Policy and Management in writing within thirty days. In the event that the commissioner determines that amendatory federal legislation or administrative regulation has materially changed the distress thresholds thereby established, "distressed municipality" shall mean any municipality in the state which meets comparable thresholds of distress which are then applicable in the areas of high unemployment and poverty, aging housing stock and low or declining rates of growth in job creation, population and per capita income as established by the commissioner, consistent with the purposes of subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p, in regulations adopted in accordance with chapter 54. For purposes of sections 32-9p to 32-9s, inclusive, as amended by this act, "distressed municipality" shall also mean any municipality adversely impacted by a major plant closing, relocation or layoff, provided the eligibility of a municipality shall not exceed two years from the date of such closing, relocation or layoff. The Commissioner of Economic and Community Development shall adopt regulations, in accordance with the provisions of chapter 54, which define what constitutes a "major plant closing, relocation or layoff" for purposes of sections 32-9p to 32-9s, inclusive, as amended by this act. "Distressed municipality" shall also mean the portion of any municipality which is eligible for designation as an enterprise zone pursuant to subdivision (2) of subsection (b) of section 32-70. [and the portion of any municipality that contains the airport development zone established pursuant to section 32-75d.]

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(c) "Eligibility certificate" means a certificate issued by the department pursuant to section 32-9r, as amended by this act, evidencing its determination that a facility for which an application for assistance has been submitted qualifies as a manufacturing facility and is eligible for assistance under section 12-217e and subdivisions (59) and (60) of section 12-81, as amended by this act.

(d) "Manufacturing facility" means any plant, building, other real property improvement, or part thereof, (1) which (A) is constructed or substantially renovated or expanded on or after July 1, 1978, in a distressed municipality, a targeted investment community as defined in section 32-222, an enterprise zone designated pursuant to section 32-70 or the airport development zone established pursuant to section 32-75d, or (B) is acquired on or after July 1, 1978, in a distressed municipality, a targeted investment community as defined in section 32-222, an enterprise zone designated pursuant to said section 32-70 or the airport development zone established pursuant to section 32-75d, by a business organization which is unrelated to and unaffiliated with the seller, after having been idle for at least one year prior to its acquisition and regardless of its previous use; (2) which is to be used for the manufacturing, processing or assembling of raw materials, parts or manufactured products, for research and development facilities directly related to manufacturing, for the significant servicing, overhauling or rebuilding of machinery and equipment for industrial use, or, except as provided in this subsection, for warehousing and distribution or, (A) if located in an enterprise zone designated pursuant to said section 32-70, which is to be used by an establishment, an auxiliary or an operating unit of an establishment, [as such terms are defined in the Standard Industrial Classification Manual, in the categories of depository institutions, nondepository credit institutions, insurance carriers, holding or other investment offices, business services, health services, fishing, hunting and trapping, motor freight transportation and warehousing, water transportation, transportation

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by air, transportation services, security and commodity brokers, dealers, exchanges and services, telemarketing or engineering, accounting, research, management and related services including, but not limited to, management consulting services from the Standard Industrial Classification Manual or in Sector 48, 49, 52, 54, 55, or 62, Subsector 114 or 561, or industry group 5621 in the North American Industrial Classification System, United States Manual, United States Office of Management and Budget, 1997 edition, which establishment, auxiliary or operating unit shows a strong performance in exporting goods and services, and as further defined by the commissioner through regulations adopted under chapter 54] which is an economic base business as defined in subsection (d) of section 32-222 or has a North American Industrial Classification code of 114111 through 114210, 311111 through 339999 or 482111 through 484230, 488310, 488320, 488991, 493120, 493130, 493190, 511210, 512110, 512120, 512191, 522210, 522293, 522294, 522298, 522310, 522320, 522390, 523110, 523120, 523130, 523140, 523210, 523910, 524113, 524114, 524126, 524127, 524128, 524130, 524292, 541711, 541712, 551111, 551112, 551114, 561422, 611310, 611410, 611420, 611430, 611513, 611519, 611710 and 624410 or any business that is part of an economic cluster, as defined in subsection (e) of section 32-222, or any establishment or auxiliary or operating unit thereof, as defined in the North American Industrial Classification System Manual, or (B) if located in an enterprise zone designated pursuant to said section 32-70, which is to be used by an establishment primarily engaged in supplying goods or services in the fields of computer hardware or software, computer networking, telecommunications or communications, or (C) if located in a municipality with an entertainment district designated under section 32-76 or established under section 2 of public act 93-311, is to be used in the production of entertainment products, including multimedia products, or as part of the airing, display or provision of live entertainment for stage or broadcast, including support services such as set manufacturers, scenery makers, sound and video equipment

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providers and manufacturers, stage and screen writers, providers of capital for the entertainment industry and agents for talent, writers, producers and music properties and technological infrastructure support including, but not limited to, fiber optics, necessary to support multimedia and other entertainment formats, except entertainment provided by or shown at a gambling or gaming facility or a facility whose primary business is the sale or serving of alcoholic beverages, or (D) if located in the airport development zone established pursuant to section 32-75d, (i) which is to be used for the warehousing or motor freight distribution of goods transported by aircraft to or from an airport located in such zone, or (ii) in the opinion of the Commissioner of Economic and Community Development, is dependent upon or directly related to such airport and which, except as provided in this subparagraph, is to be used for any other business service, including, but not limited to, information technology but excluding any service provided by an organization that has a North American Industrial Classification Code of 441110 to 454390, inclusive, 532111, 532112 or 812930; and (3) for which the department has issued an eligibility certificate in accordance with section 32-9r, as amended by this act. In the case of facilities which are acquired, the department may waive the requirement of one year of idleness if it determines that, absent qualification as a manufacturing facility under subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p, there is a high likelihood that the facility will remain idle for one year. In the case of facilities located in an enterprise zone designated pursuant to said section 32-70, (A) the idleness requirement in subparagraph (B) of subdivision (1) of this subsection, for business organizations which over the six months preceding such acquisition have had an average total employment of between six and nineteen employees, inclusive, shall be reduced to a minimum of six months, and (B) the idleness requirement shall not apply to business organizations with an average total employment of five or fewer employees, provided no more than

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one eligibility certificate shall be issued under this subparagraph for the same facility within a three-year period. Of those facilities which are for warehousing and distribution, only those which are newly constructed or which represent an expansion of an existing facility qualify as manufacturing facilities. In the event that only a portion of a plant is acquired, constructed, renovated or expanded, only the portion acquired, constructed, renovated or expanded constitutes the manufacturing facility. A manufacturing facility which is leased may for the purposes of subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p, be treated in the same manner as a facility which is acquired if the provisions of the lease serve to further the purposes of subdivisions (59) and (60) of section 12-81, as amended by this act, and sections 12-217e, 32-9p to 32-9s, inclusive, as amended by this act, and 32-23p and demonstrate a substantial, long-term commitment by the occupant to use the manufacturing facility, including a contract for lease for an initial minimum term of five years with provisions for the extension of the lease at the request of the lessee for an aggregate term which shall not be less than ten years, or the right of the lessee to purchase the facility at any time after the initial five-year term, or both. For a facility located in an enterprise zone designated pursuant to said section 32-70, and occupied by a business organization with an average total employment of ten or fewer employees over the six-month period preceding acquisition, such contract for lease may be for an initial minimum term of three years with provisions for the extension of the lease at the request of the lessee for an aggregate term which shall not be less than six years, or the right of the lessee to purchase the facility at any time after the initial three-year term, or both, and may also include the right for the lessee to relocate to other space within the same enterprise zone, provided such space is under the same ownership or control as the originally leased space or if such space is not under such same ownership or control as the originally leased space, permission to

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relocate is granted by the lessor of such originally leased space, and such relocation shall not extend the duration of benefits granted under the original eligibility certificate. Except as provided in subparagraph (B) of subdivision (1) of this subsection, a manufacturing facility does not include any plant, building, other real property improvement or part thereof used or usable for such purposes which existed before July 1, 1978.

(e) "Service facility" means a manufacturing facility described in subparagraph (A) or (B) of subdivision (2) of subsection (d) of this section, provided such facility is located outside of an enterprise zone in a targeted investment community.

(f) "Authority", "capital reserve fund bond", "commissioner", "department", "industrial project" and "insurance fund" shall have the meaning such words and terms are given in section 32-23d.

(g) "Municipality" means any town, city or borough in the state.

Sec. 18. Subsection (f) of section 32-9r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(f) The commissioner shall adopt regulations, in accordance with chapter 54, to carry out the provisions of this section. Such regulations shall provide that establishments in the category of business support services, as defined in [the Standard Industrial Classification Manual] subsection (b) of section 32-222, or manufacturing facilities, as defined in subsection (d) of section 32-9p, as amended by this act, may be eligible for a certificate if they are located in an enterprise zone.

Sec. 19. Subdivision (1) of subsection (g) of section 32-9t of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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(g) (1) The commissioner, upon consideration of the application, the revenue impact assessment and any additional information that the commissioner requires concerning a proposed investment, may approve an investment if the commissioner concludes that the project in which such investment is to be made is an eligible urban reinvestment project or an eligible industrial site investment project. If the commissioner rejects an application, the commissioner shall specifically identify the defects in the application and specifically explain the reasons for the rejection. The commissioner shall render a decision on an application not later than ninety days from its receipt. The amount of the investment so approved shall not exceed the greater of: (A) The amount of state revenue that will be generated according to the revenue impact assessment prepared under this subsection; or (B) the total of state revenue and local revenue generated according to such assessment in the case of a manufacturing business with [standard industrial classification codes of 3999, 2099, 2992 and 2834 which] North American Industrial Classification codes of 339999, 311211 through 312140, 324191 and 325412 that is relocating to a site in Connecticut from out-of-state, provided the relocation will result in new development of at least seven hundred twenty-five thousand square feet in a state-sponsored industrial park.

Sec. 20. Subsection (d) of section 16a-40b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(d) With respect to such loans made on or after July 1, 1981, all repayments of principal shall be [paid to the State Treasurer for deposit in the Housing Repayment and Revolving Loan Fund] deposited into the Energy Conservation Loan Fund established pursuant to section 16a-40a. The interest applicable to any such loans made shall be paid to the State Treasurer for deposit in the General Fund. [After the close of each fiscal year, commencing with the close of

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the fiscal year ending June 30, 1992, and prior to the date of the calculation required under subsection (f) of this section, the Commissioner of Economic and Community Development shall cause any balance of loan repayments under this section remaining in said fund to be transferred to the Energy Conservation Loan Fund created pursuant to section 16a-40a.]

Sec. 21. Subparagraph (B) of subdivision (2) of subsection (e) of section 8-37qq of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(B) Notwithstanding any provision of the general statutes or any public or special act to the contrary, except as provided in this subsection, loans for any bond-financed state housing program which the ultimate recipient is obligated to repay to the state, with or without interest, may be paid out of moneys deposited in the Housing Repayment and Revolving Loan Fund without the prior approval of the State Bond Commission, subject to the approval of the Governor of an allotment. [All payments on energy conservation loans pursuant to said section 16a-40b shall be accounted for separately from other moneys in the Housing Repayment and Revolving Loan Fund, and shall be used to make further loans pursuant to said section 16a-40b and to pay any administrative expense attributable to such loans.]

Sec. 22. Section 32-345 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Department of Economic and Community Development may establish a Connecticut development research and economic assistance matching grant program, within available appropriations and, for the purposes of providing financial aid, as defined in subdivision (4) of section 32-34, to assist: (1) Connecticut small businesses in conducting marketing-related activities to facilitate commercialization of research projects funded under the small

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business innovation research program or the small business technology transfer program; (2) business-led consortia or Connecticut businesses in connection with their participation in a federal technology support program; and (3) micro businesses, in conducting development and research. The department may enter into an agreement, pursuant to chapter 55a, with a person, firm, corporation or other entity to operate such program.

(b) Applications shall be submitted in the manner prescribed by the department. Each such application shall include the following: (1) The location of the principal place of business of the applicant; (2) an explanation of the intended use of the funding being applied for, the potential market for the end product of the project and the marketing strategy; and (3) such other information that the department deems necessary. Information contained in any such application submitted to the department under this section which is of a proprietary nature shall be exempt from the provisions of subsection (a) of section 1-210.

(c) In determining whether an applicant shall be selected for funding pursuant to this section, the department, or the operator, if any, selected pursuant to subsection (a) of this section, shall consider, but such consideration need not be limited to, the following factors: (1) The description of the small business innovation research project, the small business technology transfer project or the federally-supported technology project and the potential commercial applicability of such project; (2) evidence of satisfactory participation in the applicable small business innovation research program, the small business technology transfer program or the federal technology support program; (3) the potential impact of such research project on the workforce in the region where such small business is located; (4) the size of the potential market, strength of the marketing strategy, and ability of the applicant to execute the strategy and successfully commercialize the end product; and (5) the resources and record of success of the company

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relative to development and commercialization. Within the availability of funds, the department may provide financial aid to eligible applicants provided no business may receive more than fifty thousand dollars for any single small business innovation research project or small business technology transfer project. The department may require a business to repay such assistance or pay a multiple of the assistance to the department. All such repayments and payments shall be deposited in the Connecticut technology partnership assistance program revolving account established under section 32-346.

(d) The department may establish a development, research and economic assistance matching financial aid program for micro businesses that have received federal funds for Phase II proposals under the small business innovation research program and the small business technology transfer program. Any micro business receiving financial aid under this subsection shall use such financial aid for the same purpose such micro business was awarded said federal funds. The department may enter into an agreement, pursuant to chapter 55a, with a person, firm, corporation or other entity to operate such a program.

[(e) On or before January 15, 2008, and annually thereafter, the Commissioner of Economic and Community Development shall, in consultation with the program operator, if any, submit a report on the status of the development research and economic assistance matching grant program to the chairpersons of the joint standing committee of the General Assembly having cognizance of matters relating to the Department of Economic and Community Development. Such report shall include, but need not be limited to, a description of the projects supported and the type of financial aid provided.]

Sec. 23. Subsection (c) of section 32-1o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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(c) The strategic plan required under this section shall include, but not be limited to, the following:

(1) A review and evaluation of the economy of the state. Such review and evaluation shall include, but not be limited to, a sectoral analysis, housing market and housing affordability analysis, labor market and labor quality analysis, demographic analysis and historic trend analysis and projections;

(2) A review and analysis of factors, issues and forces that impact or impede economic development and responsible growth in Connecticut and its constituent regions. Such factors, issues or forces shall include, but not be limited to, transportation, including, but not limited to, commuter transit, rail and barge freight, technology transfer, brownfield remediation and development, health care delivery and costs, early education, primary education, secondary and postsecondary education systems and student performance, business regulation, labor force quality and sustainability, social services costs and delivery systems, affordable and workforce housing cost and availability, land use policy, emergency preparedness, taxation, availability of capital and energy costs and supply;

(3) Identification and analysis of economic clusters that are growing or declining within the state;

(4) An analysis of targeted industry sectors in the state that (A) identifies those industry sectors that are of current or future importance to the growth of the state's economy and to its global competitive position, (B) identifies what those industry sectors need for continued growth, and (C) identifies those industry sectors' current and potential impediments to growth;

(5) A review and evaluation of the economic development structure in the state, including, but not limited to, (A) a review and analysis of

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the past and current economic, community and housing development structures, budgets and policies, efforts and responsibilities of its constituent parts in Connecticut; and (B) an analysis of the performance of the current economic, community and housing development structure, and its individual constituent parts, in meeting its statutory obligations, responsibilities and mandates and their impact on economic development and responsible growth in Connecticut;

(6) Establishment and articulation of a vision for Connecticut that identifies where the state should be in five, ten, fifteen and twenty years;

(7) Establishment of clear and measurable goals and objectives for the state and regions, to meet the short and long-term goals established under this section and provide clear steps and strategies to achieve said goals and objectives, including, but not limited to, the following: (A) The promotion of economic development and opportunity, (B) the fostering of effective transportation access and choice including the use of airports and ports for economic development, (C) enhancement and protection of the environment, (D) maximization of the effective development and use of the workforce consistent with applicable state or local workforce investment strategy, (E) promotion of the use of technology in economic development, including access to high-speed telecommunications, and (F) the balance of resources through sound management of physical development;

(8) Prioritization of goals and objectives established under this section;

(9) Establishment of relevant measures that clearly identify and quantify (A) whether a goal and objective is being met at the state, regional, local and private sector level, and (B) cause and effect relationships, and provide a clear and replicable measurement

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methodology;

(10) Recommendations on how the state can best achieve goals under the strategic plan and provide cost estimates for implementation of the plan and the projected return on investment for those areas;

(11) A review and evaluation of the operation and efficacy of the urban jobs program established pursuant to sections 32-9i to 32-9l, inclusive, enterprise zones established pursuant to section 32-70, railroad depot zones established pursuant to section 32-75a, qualified manufacturing plants designated pursuant to section 32-75c, entertainment districts established pursuant to section 32-76 and enterprise corridor zones established pursuant to section 32-80. The review and evaluation of enterprise zones shall include an analysis of enterprise zones that have been expanded to include an area in a contiguous municipality or in which there are base or plant closures; [and]

(12) An assessment of program performance with regard to the development, research and economic assistance matching grant program established pursuant to section 32-345, as amended by this act; and

[(12)] (13) Any other responsible growth information that the commissioner deems appropriate.

Sec. 24. Section 32-290a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Commissioner of Economic and Community Development, in consultation with the Commissioner of Social Services and the Labor Commissioner, may establish, within available appropriations, an entrepreneurial training program for the purpose of training and preparing former recipients of temporary family assistance, general assistance, state-administered general assistance and aid to families

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with dependent children, ex-offenders, dislocated workers, displaced homemakers and high school drop-outs for self-employment and entrepreneurial opportunities.

(b) The Commissioner of Economic and Community Development may adopt regulations, in accordance with the provisions of chapter 54, to carry out the purposes of this section.

Sec. 25. Subsection (a) of section 32-9yy of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section, "qualified business" means a Connecticut business, whether for-profit or not-for-profit, employing less than [fifty] one hundred employees.

Sec. 26. Subdivision (59) of section 12-81 of the general statutes, as amended by section 2 of public act 10-98, is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011, and applicable to assessment years commencing on or after October 1, 2012*):

(59) (a) [Any] With respect to assessment years commencing on or after October 1, 2012, any manufacturing facility, as defined in section 32-9p, as amended by this act, acquired, constructed, substantially renovated or expanded on or after July 1, 1978, in a distressed municipality, as defined in said section, in a targeted investment community, as defined in section 32-222, in an enterprise zone designated pursuant to section 32-70 or in an airport development zone established pursuant to section 32-75d and for which an eligibility certificate has been issued by the Department of Economic and Community Development, and any manufacturing plant designated by the Commissioner of Economic and Community Development under subsection (a) of section 32-75c as follows: To the extent of eighty per cent of its valuation for purposes of assessment in

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each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the manufacturing facility is completed, except that a manufacturing facility having a [standard industrial classification code of 2833 or 2834] North American Industrial Classification Code of 325411 or 325412 and having at least one thousand full-time employees, as defined in subsection (f) of section 32-9j, as amended by this act, shall be eligible to have the assessment period extended for five additional years upon approval of the commissioner, in accordance with all applicable regulations, provided such full-time employees have not been relocated from another facility in the state operated by the same eligible applicant;

(b) Any service facility, as defined in section 32-9p, as amended by this act, acquired, constructed, substantially renovated or expanded on or after July 1, 1996, and for which an eligibility certificate has been issued by the Department of Economic and Community Development, as follows: (i) In the case of an investment of twenty million dollars or more but not more than thirty-nine million dollars in the service facility, to the extent of forty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed; (ii) in the case of an investment of more than thirty-nine million dollars but not more than fifty-nine million dollars in the service facility, to the extent of fifty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed; (iii) in the case of an investment of more than fifty-nine million dollars but not more than seventy-nine million dollars in the service facility, to the extent of sixty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition,

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construction, renovation or expansion of the service facility is completed; (iv) in the case of an investment of more than seventy-nine million dollars but not more than ninety million dollars in the service facility, to the extent of seventy per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed; or (v) in the case of an investment of more than ninety million dollars in the service facility, to the extent of eighty per cent of its valuation for purposes of assessment in each of the five full assessment years following the assessment year in which the acquisition, construction, renovation or expansion of the service facility is completed, except that any financial institution, as defined in [section 12-217u] subsection (b) of section 32-236, having at least four thousand qualified employees, as determined in accordance with an agreement pursuant to [subdivision (3) of subsection (n) of section 12-217u] subsection (b) of section 32-236, shall be eligible to have the assessment period extended for five additional years upon approval of the commissioner, in accordance with all applicable regulations, provided such full-time employees have not been relocated from another facility in the state operated by the same eligible applicant. In no event shall the definition of qualified employee be more favorable to the employer than the definition provided in [section 12-217u] subsection (b) of section 32-236;

(c) The completion date of a manufacturing facility, manufacturing plant or a service facility will be determined by the Department of Economic and Community Development taking into account the issuance of occupancy certificates and such other factors as it deems relevant. In the case of a manufacturing facility, manufacturing plant or a service facility which consists of a constructed, renovated or expanded portion of an existing plant, the assessed valuation of the facility or manufacturing plant is the difference between the assessed valuation of the plant prior to its being improved and the assessed

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valuation of the plant upon completion of the improvements. In the case of a manufacturing facility, manufacturing plant or a service facility which consists of an acquired portion of an existing plant, the assessed valuation of the facility or manufacturing plant is the assessed valuation of the portion acquired. This exemption shall be applicable during each such assessment year regardless of any change in the ownership or occupancy of the facility or manufacturing plant. If during any such assessment year, however, any facility for which an eligibility certificate has been issued ceases to qualify as a manufacturing facility, manufacturing plant or a service facility, the entitlement to the exemption allowed by this subdivision shall terminate for the assessment year following the date on which the qualification ceases, and there shall not be a pro rata application of the exemption. Any person who desires to claim the exemption provided in this subdivision shall file annually with the assessor or board of assessors in the distressed municipality, targeted investment community, enterprise zone designated pursuant to section 32-70 or in the town within the airport development zone established pursuant to section 32-75d in which the manufacturing facility or service facility is located, on or before the first day of November, written application claiming such exemption on a form prescribed by the Secretary of the Office of Policy and Management. Failure to file such application in this manner and form within the time limit prescribed shall constitute a waiver of the right to such exemption for such assessment year, unless an extension of time is allowed pursuant to section 12-81k, and upon payment of the required fee for late filing;

Sec. 27. Subsection (a) of section 12-631 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

(a) "Business firm" means any business entity authorized to do business in the state and subject to the tax due under the provisions of

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chapter 207, 208, 209, 210, 211, [or] 212 or 213a.

Sec. 28. Section 12-632 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

(a) (1) Except as otherwise provided in subdivision (2) of this subsection, on or before July first of each year, any municipality desiring to obtain benefits under the provisions of this chapter shall, after approval by the legislative body of such municipality, submit to the Commissioner of Revenue Services a list on a form prescribed and made available by the commissioner of programs eligible for investment by business firms under the provisions of this chapter. Such activities shall consist of providing neighborhood assistance; job training or education; community services; crime prevention; energy conservation or construction or rehabilitation of dwelling units for families of low and moderate income in the state; donation of money to an open space acquisition fund of any political subdivision of the state or any nonprofit land conservation organization, which fund qualifies under subsection (h) of section 12-631 and is used for the purchase of land, interest in land or permanent conservation restriction on land [.] which is to be permanently preserved as protected open space; or any of the activities described in section 12-634, 12-635 or 12-635a. Such list shall indicate, for each program specified: The concept of the program, the neighborhood area to be served, why the program is needed, the estimated amount required to be invested in the program, the suggested plan for implementing the program, the agency designated by the municipality to oversee implementation of the program and such other information as the commissioner may prescribe. Each municipality shall hold at least one public hearing on the subject of which programs shall be included on such list prior to the submission of such list to the commissioner.

(2) If any municipality desiring to obtain benefits under the provisions of this chapter submits to the Commissioner of Revenue

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Services a list on a form prescribed and made available by the commissioner of programs eligible for investment by business firms under the provisions of this chapter after the July first due date, the commissioner shall include the list of programs on the list compiled by the commissioner under subsection (b) of this section if the municipality submits such list no later than fifteen days following such July first due date, provides an explanation for its failure to submit such list on or before such July first due date and submits proof that both the public hearing required by subdivision (1) of this subsection to be held on the programs to be included on such list and the approval of such list by the legislative body of such municipality required by subdivision (1) of this subsection occurred on or before such July first due date.

(b) The Commissioner of Revenue Services shall, on or before September first of each year, compile a list, categorized by town and by estimated amount of tax credit, of the programs submitted by municipalities for investment pursuant to the provisions of subsection (a) of this section. The commissioner shall print sufficient quantities of such list to facilitate its distribution to business firms upon their request.

(c) Any business firm which desires to engage in any of the activities or programs approved by any municipality pursuant to subsection (a) of this section and listed pursuant to subsection (b) of this section may apply to the Commissioner of Revenue Services for a tax credit in an amount as provided in section 12-633, 12-634, 12-635 or 12-635a. The proposal for such credit which shall be made on a form prescribed and made available by the commissioner, shall set forth the program to be conducted, the neighborhood area to be invested in, the plans for implementing the program and such other information as said commissioner may prescribe. Such proposals shall be submitted to the commissioner on or after September fifteenth but no later than October

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first of each year. Such proposals shall be approved or disapproved by the Commissioner of Revenue Services based on the compliance of such proposal with the provisions of this chapter and regulations adopted pursuant to this chapter. The commissioner may only approve proposals received between September fifteenth and October first of each year. If, in the opinion of the Commissioner of Revenue Services, a business firm's investment can, for the purposes of this chapter, be made through contributions to a neighborhood organization as defined in subsection (h) of section 12-631, tax credits may be allowed in amounts as provided in section 12-633, 12-634, 12-635 or 12-635a.

(d) Programs which may reasonably be expected to last for more than one year but not more than two consecutive years may be included on the lists submitted by municipalities pursuant to the provisions of subsection (a) of this section. Proposals made in response to such programs pursuant to the provisions of subsection (c) of this section may require investments to be made in more than one year. Such proposals shall be considered as a single entity by the Commissioner of Revenue Services, and, if approved, the commissioner shall reserve appropriate amounts of prospective years' tax credits for application to such program and proposed investments in the year or years in which such investments are actually made.

(e) (1) Nothing in this chapter shall be construed to prevent two or more business firms from participating jointly in one or more programs under the provisions of this chapter. Such joint investment programs shall be submitted, and acted upon, as a single proposal by the business firms involved.

(2) In the event that two or more neighborhood organizations which are owned by the same entity receive investments which would otherwise qualify for a credit under this chapter, only one such investment shall be eligible for such credit.

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(f) The sum of all tax credit granted pursuant to the provisions of section 12-633, 12-634, 12-635 or 12-635a shall not exceed [seventy-five] one hundred fifty thousand dollars annually per business firm and no tax credit shall be granted to any business firm for any individual amount invested of less than two hundred fifty dollars.

(g) No tax credit shall be granted to any bank, bank and trust company, insurance company, trust company, national bank, savings association, or building and loan association for activities that are a part of its normal course of business.

(h) Any tax credit not used in the period during which the investment was made may be carried backward for the two immediately preceding calendar or fiscal years until the full credit has been allowed.

(i) In no event shall the total amount of all tax credits allowed to all business firms pursuant to the provisions of this chapter exceed five million dollars in any one fiscal year. Three million dollars of the total amount of tax credits allowed shall be granted to business firms eligible for tax credits pursuant to section 12-635.

[(j) Except with respect to the acquisition of open space land, no tax credit shall be granted to any business firm unless such firm furnishes proof to the Commissioner of Revenue Services that the amount of funds expended for charitable purposes and for the support of programs which would be eligible for assistance pursuant to this chapter by such business firm is not less in the year for which such credit is sought than the amount expended in the year immediately preceding the year for which such credit is sought.]

[(k)] (j) No organization conducting a program or programs eligible for funding with respect to which tax credits may be allowed under this chapter shall be allowed to receive an aggregate amount of such

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funding for any such program or programs in excess of one hundred fifty thousand dollars for any fiscal year.

Sec. 29. Subsection (b) of section 32-41s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(b) On and after July 1, 2010, eligible businesses and eligible commercial property located in (1) the city of Hartford; (2) census block groups 090034601001, 090034601009, 090034602014 and 090034602022 in the town of Farmington; (3) census blocks 090034602021011, 090034602021012, 090034602021013, 090034602021014, 090034602021015, 090034602021017, 090034602021018, 090034602021019, 090034602021020, 090034602021021, 090034602021022, 090034602021023, 090034602021024 and 090034602021025 in the town of Farmington; (4) census block groups 090034165005 and 090034165006 in the city of New Britain; (5) census blocks 90034164001000, 90034164001001, 90034164001002, 90034164004004, 90034164004005, 90034164004006 and 90034164001009 in the city of New Britain; (6) census tracts 09003417500, 09003416000, 09003416100, 09003416700, 09003416800, 09003417400, 09003417200, 09003417300 and 09003415700 in the city of New Britain; (7) census tracts 09003405100, 09003405200 and 09003405300 in the city of Bristol; (8) fifty-three acres of property zoned Technology Park within census tract 420700, block 9000 in the town of Plainville; (9) forty acres of raw land zoned Restricted Industrial within census tract 420400, block group 1000 in the town of Plainville; (10) thirty-five acres of raw land zoned Restricted Industrial within census tract 420500, block 3000 in the town of Plainville; or [(8)] (11) any municipality which has (A) a major research university with programs in bioscience, biotechnology, pharmaceuticals or photonics, and (B) an enterprise zone, shall be entitled to the same benefits, subject to the same conditions, under the general statutes for which businesses located in an enterprise zone

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qualify.

Sec. 30. (NEW) (*Effective July 1, 2011*) (a) The Commissioner of Economic and Community Development, in consultation with the Commissioners of Revenue Services and Higher Education, may establish the Learn Here, Live Here program. Such program may provide an incentive for graduates of a public institution of higher education in this state, who qualified as in-state students and paid the in-state tuition rate, or graduates from a regional vocational-technical school, to buy a first home in the state. Persons who graduate on or after January 1, 2014, from such institutions or schools may have their income tax liability, up to a maximum of two thousand five hundred dollars annually, segregated into the Connecticut first-time homebuyers account established pursuant to section 31 of this act, provided not more than one million dollars from all program participants may be so segregated in any calendar year. After a period not exceeding ten years after graduation, any amounts so segregated may be withdrawn by a participant for the purchase of a first home in the state. The Commissioner of Economic and Community Development may make payments in accordance with this section from said fund to the participant.

(b) (1) After a period not exceeding ten years after the date of graduation, a participant in the program established pursuant to subsection (a) of this section may apply to the Commissioner of Economic and Community Development for a payment to be issued, on behalf of such participant, and used as the down payment on a house, which must be the first house such participant has bought, either singly or jointly. Such payment may be in an amount equal to the amount of segregated funds deposited on behalf of such participant. If the payment is less than such amount, any excess amount shall be deposited in the General Fund.

(2) If a participant ceases to live in the state at any time up to one

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year after such date, such participant shall repay one hundred per cent of the amount paid out. If a participant ceases to live in the state at any time up to two years after such date, such participant shall repay eighty per cent of the amount paid out. If a participant ceases to live in the state at any time up to three years after such date, such participant shall repay sixty per cent of the amount paid out. If a participant ceases to live in the state at any time up to four years after such date, such participant shall repay forty per cent of the amount paid out. If a participant ceases to live in the state at any time up to five years after such date, such participant shall repay twenty per cent of the amount paid out. After five years, there is no repayment obligation. Any amounts repaid under this subdivision shall be deposited in the General Fund.

(c) On or before December 1, 2012, the Commissioner of Economic and Community Development may develop, within available appropriations, a comprehensive public education program to educate recent graduates of a public institution of higher education in the state, who qualified as in-state students and paid the in-state tuition rate, or of a regional vocational-technical high school about the program established under this section for first-time home buyers. The public education program shall include, but not be limited to, information concerning life-time savings plans and information on the purchase of a home. If the commissioner develops such public education program, the department shall begin to implement such program not later than January 1, 2014.

Sec. 31. (NEW) (*Effective July 1, 2011*) There is established a Connecticut first-time homebuyers account which, shall be a separate, nonlapsing account within the General Fund. Funds segregated by the Commissioner of Revenue Services, pursuant to section 32 of this act, shall be deposited in the account. An amount equal to the amount deposited in the account shall be available to the Commissioner of

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Economic and Community Development for payments to participants in the program established pursuant to section 30 of this act. The State Treasurer shall invest the proceeds of the account, and investment earnings, after paying any costs incurred by the State Treasurer in administering the account, shall be credited to the General Fund. On or before September 1, 2014, and annually thereafter, the State Treasurer shall notify the Commissioner of Economic and Community Development of the total amount deposited in the account. Any funds segregated on behalf of a participant that are not used for the purchase of a first home shall be transferred to the General Fund.

Sec. 32. (NEW) (*Effective July 1, 2011*) As part of the Learn Here, Live Here program established pursuant to section 30 of this act, for taxable years commencing on or after January 1, 2014, the Commissioner of Revenue Services shall segregate the income taxes paid by a participant in said program during a period not exceeding ten taxable years following the year of graduation. Upon the request of such participant, the commissioner shall segregate an annual amount of such tax liability, up to a maximum of two thousand five hundred dollars per year. The total amount segregated for all program participants shall not exceed one million dollars in any calendar year. The commissioner shall deposit such segregated amounts into the Connecticut first-time homebuyers account established pursuant to section 31 of this act.

Sec. 33. Section 32-730 of the general statutes is repealed. (*Effective from passage*)

Approved July 8, 2011