



General Assembly

**Substitute Bill No. 77**

February Session, 2012

\* \_\_\_\_\_SB00077CE\_LAB030212\_\_\_\_\_\*

**AN ACT CONCERNING AN UNEMPLOYED ARMED FORCES  
MEMBER SUBSIDIZED TRAINING AND EMPLOYMENT PROGRAM.**

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

1 Section 1. (NEW) (*Effective from passage*) (a) For purposes of this  
2 section:

3 (1) "Department" means the Labor Department;

4 (2) "Eligible business" means a business that (A) is a Connecticut-  
5 based business, (B) has been registered to conduct business in this state  
6 for not less than twelve months, and (C) is in good standing with the  
7 payment of all state and local taxes;

8 (3) "Control", with respect to a corporation, means ownership,  
9 directly or indirectly, of stock possessing fifty per cent or more of the  
10 total combined voting power of all classes of the stock of such  
11 corporation entitled to vote. "Control", with respect to a trust, means  
12 ownership, directly or indirectly, of fifty per cent or more of the  
13 beneficial interest in the principal or income of such trust. The  
14 ownership of stock in a corporation, of a capital or profits interest in a  
15 partnership, limited liability company or association or of a beneficial  
16 interest in a trust shall be determined in accordance with the rules for  
17 constructive ownership of stock provided in Section 267(c) of the  
18 Internal Revenue Code of 1986, or any subsequent corresponding

19 internal revenue code of the United States, as from time to time  
20 amended, other than paragraph (3) of said Section 267(c);

21 (4) "Related person" means (A) a corporation, limited liability  
22 company, partnership, association or trust controlled by an eligible  
23 business, (B) an individual, corporation, limited liability company,  
24 partnership, association or trust that is in control of an eligible  
25 business, (C) a corporation, limited liability company, partnership,  
26 association or trust controlled by an individual, corporation, limited  
27 liability company, partnership, association or trust that is in control of  
28 an eligible business, or (D) a member of the same controlled group as  
29 an eligible business;

30 (5) "New employee" means a person who (A) was unemployed prior  
31 to employment with an eligible business, regardless of whether such  
32 person collected unemployment compensation benefits as a result of  
33 such unemployment, (B) was a member of the armed forces of any  
34 state or of any reserve component of the armed forces of the United  
35 States and was called to active service in the armed forces of any state  
36 or the United States in support of (i) Operation Enduring Freedom, or  
37 (ii) military operations that were authorized by the President of the  
38 United States that entail military action against Iraq, and (C) was  
39 honorably discharged after not less than ninety days of service in an  
40 area designated by the President of the United States by executive  
41 order as a combat zone, as indicated on a military discharge document,  
42 as defined in section 1-129 of the general statutes, unless separated  
43 from service earlier because of a service-corrected disability rated by  
44 the Veteran's Administration. "New employee" does not include a  
45 person who was employed in this state by a related person of such  
46 eligible business during any of the twelve months prior to employment  
47 with the eligible business; and

48 (6) "On-the-job training" means training provided by an eligible  
49 business on such business' premise.

50 (b) (1) There is established within the Labor Department an

51 Unemployed Armed Forces Member Subsidized Training and  
52 Employment program for eligible businesses. Said program shall  
53 provide grants to eligible businesses to subsidize, for the first six  
54 months after a new employee is hired, part of the cost of on-the-job  
55 training and compensation for such new employee, in accordance with  
56 subsection (c) of this section. No business receiving a grant under this  
57 section with respect to a new employee may receive a second grant  
58 under this section or a grant under section 31-3pp of the general  
59 statutes with respect to the same new employee.

60 (2) The department may use up to four per cent of any funds  
61 allocated pursuant to section 2 of this act, for the purpose of retaining  
62 outside consultants to administer the Unemployed Armed Forces  
63 Member Subsidized Training and Employment program.

64 (c) (1) An eligible business may apply to the department for a grant  
65 to subsidize on-the-job training and compensation for a new employee  
66 hired by such business. The department shall review and approve such  
67 business' description of the proposed on-the-job training as part of the  
68 grant application.

69 (2) A grant awarded to an eligible business pursuant to this  
70 subsection shall be in the following amount: (A) For the first full  
71 calendar month a new employee is employed, one hundred per cent of  
72 the wage of such new employee, exclusive of any benefits, not to  
73 exceed twenty dollars per hour; (B) for the second and third full  
74 calendar months, seventy-five per cent of such amount; (C) for the  
75 fourth and fifth full calendar months, fifty per cent of such amount;  
76 and (D) for the sixth full calendar month, twenty-five per cent of such  
77 amount. A grant shall be cancelled as of the date the new employee  
78 leaves employment with the eligible business.

79 (d) Not later than June 30, 2013, and every six months thereafter, the  
80 Labor Commissioner shall provide a report, in accordance with the  
81 provisions of section 11-4a of the general statutes, to the joint standing  
82 committees of the General Assembly having cognizance of matters

83 relating to finance, revenue and bonding, appropriations, commerce  
84 and labor. Said report shall include available data from the previous  
85 six months on (1) the number of businesses that participated in the  
86 Unemployed Armed Forces Member Subsidized Training and  
87 Employment program established pursuant to subsection (c) of this  
88 section, and the general categories of such businesses, (2) the number  
89 of individuals that received employment under said program, and (3)  
90 the most recent estimate of the number of jobs created or maintained  
91 under said program.

92 (e) The Labor Commissioner may adopt regulations in accordance  
93 with the provisions of chapter 54 of the general statutes to carry out  
94 the provisions of this section.

95 Sec. 2. (NEW) (*Effective from passage*) (a) For the purposes described  
96 in subsection (b) of this section, the State Bond Commission shall have  
97 the power, from time to time, to authorize the issuance of bonds of the  
98 state in one or more series and in principal amounts not exceeding in  
99 the aggregate ten million dollars, provided five million dollars of said  
100 authorization shall be effective July 1, 2013.

101 (b) The proceeds of the sale of said bonds, to the extent of the  
102 amount stated in subsection (a) of this section, shall be used by the  
103 Labor Department for the purposes of the Unemployed Armed Forces  
104 Member Subsidized Training and Employment program established  
105 pursuant to section 1 of this act.

106 (c) All provisions of section 3-20 of the general statutes, or the  
107 exercise of any right or power granted thereby, which are not  
108 inconsistent with the provisions of this section are hereby adopted and  
109 shall apply to all bonds authorized by the State Bond Commission  
110 pursuant to this section, and temporary notes in anticipation of the  
111 money to be derived from the sale of any such bonds so authorized  
112 may be issued in accordance with said section 3-20 and from time to  
113 time renewed. Such bonds shall mature at such time or times not  
114 exceeding twenty years from their respective dates as may be provided

115 in or pursuant to the resolution or resolutions of the State Bond  
116 Commission authorizing such bonds. None of said bonds shall be  
117 authorized except upon a finding by the State Bond Commission that  
118 there has been filed with it a request for such authorization which is  
119 signed by or on behalf of the Secretary of the Office of Policy and  
120 Management and states such terms and conditions as said commission,  
121 in its discretion, may require. Said bonds issued pursuant to this  
122 section shall be general obligations of the state and the full faith and  
123 credit of the state of Connecticut are pledged for the payment of the  
124 principal of and interest on said bonds as the same become due, and  
125 accordingly and as part of the contract of the state with the holders of  
126 said bonds, appropriation of all amounts necessary for punctual  
127 payment of such principal and interest is hereby made, and the State  
128 Treasurer shall pay such principal and interest as the same become  
129 due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

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*Joint Favorable Subst. C/R*

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