
OLR Bill Analysis

sSB 402

AN ACT CONCERNING THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT'S ECONOMIC STRATEGIC PLAN.

SUMMARY:

This bill shortens the timeframe for the state's economic strategic plan from five to four years, reduces the amount of information it must contain, and shortens the process for preparing the plan. It requires the Department of Economic and Community Development (DECD) commissioner to submit the first four-year plan January 1, 2014 and the subsequent plans every four years thereafter. Under current law, the next five-year plan is due July 1, 2014.

Current law requires each five-year plan to address 13 general topics and many related subtopics. The bill consolidates or eliminates several general topics and eliminates many subtopics.

Lastly, the bill allows the commissioner to choose the state agencies with whom to consult when preparing the plan and how to arrange for public comment. It eliminates the requirement that she (1) consult with regional planning organizations and other specified entities, (2) hold regional forums, and (3) submit the plan to the governor for approval. It also eliminates the commissioner's authority to revise and update the plan.

EFFECTIVE DATE: Upon passage

ELIMINATION OF CERTAIN REQUIREMENTS

The law specifies the topics and subtopics the plan must address. The bill eliminates some topics, consolidates others, and eliminates many subtopics.

Eliminated Topics

Table 1 lists the topics and the subtopics the bill eliminates.

Table 1: Eliminated Topics and Subtopics

Topic	Subtopic
Review and evaluate the state's economic development structure	<ul style="list-style-type: none"> • A review and analysis of past and current economic, community, and housing development structures, budgets and policies, efforts, and responsibilities of its constituent parts • An analysis of the performance of the current economic, community, and housing development structure, and its individual constituent parts, in meeting statutory obligations, responsibilities, and mandates and their impact on economic development and responsible growth in Connecticut
Review and evaluate of the operation and efficacy of specified economic development programs	<p>The specified programs are:</p> <ul style="list-style-type: none"> • Urban Jobs, which provides grants to businesses in state-designated distressed municipalities • Enterprise Zones, which provide property and corporate business tax incentives for improving property and creating jobs • Other programs providing enterprise zone benefits to other targeted areas, including railroad depots, qualified manufacturing plants, entertainment districts, and enterprise corridor zones
Identify and analyze growing and declining economic clusters	Not applicable
Assess program performance of the development, research, and matching grant program	Not applicable
Any other responsible growth information the DECD commissioner deems appropriate	Not applicable

Consolidated Topics

Current law requires the plan to establish clear and measurable goals and objectives for the state and its regions and, in a separate

section, to rank them. The bill consolidates the latter with the section requiring the plan to establish goals and objectives.

Eliminated Subtopics

The bill retains many topics but eliminates the subtopics the plan must address. In doing so, it lets the commissioner decide how to address the topic. Table 2 identifies the topics and the eliminated subtopics.

Table 2: Topics and Eliminated Subtopics

Topic	Eliminated Subtopics
Review and analyze the state’s economy	Sectoral, housing market and affordability, labor market and labor quality, and demographic analyses, including historic trends and projections
Review and analyze factors, issues, and forces impacting or impeding economic development and responsible growth in Connecticut and its regions	<ul style="list-style-type: none"> • Transportation, including commuter transit, rail and barge freight • Technology transfer • Brownfield remediation and development • Health care and social service delivery and costs • Early education, primary education, secondary and post secondary education systems and student performance • Business regulation • Labor force quality and sustainability • Affordable and workforce housing and availability • Land use policy • Emergency preparedness • Taxation • Capital availability

	<ul style="list-style-type: none"> • Energy cost and supply
<p>Establish clear and measurable goals for the state and its regions that meet the plan's short- and long-term goals and provide clear steps to achieve them by priority</p>	<p>Goals, objectives, and steps must include:</p> <ul style="list-style-type: none"> • Promoting economic development and opportunity • Fostering effective transportation access and choice, including using airports and ports for economic development • Enhancing and protecting the environment <p>Maximizing the effective development and use of the workforce consistent with applicable state and local workforce investment strategy</p> <p>Promoting the use of technology in economic development, including access to high speed telecommunications</p> <ul style="list-style-type: none"> • Balancing resources by sound management of physical development

Modified Topic

Current law requires the plan to establish and articulate a vision identifying where the state should be in five, 10, 15 and 20 years. The bill eliminates the requirement that the plan include visions for each of the five-year intervals and instead requires a vision for an unspecified future date.

Unchanged Topics

The bill makes no changes to the following topics and subtopics:

1. an analysis of targeted industry sectors, identifying those sectors that are or will be important to the state's economic growth and its global competitive position, what those sectors will require to continually grow, and the current and potential impediments they face;
2. establishment of relevant measures that clearly identify and

quantify (a) if a goal and objective is being met at the state, regional, local, and private sector level and (b) cause and effect relationships and provide clear and replicable measurement methods; and

3. recommendations on how the state can best achieve the plan's goals and estimate the cost of implementing the plan and the projected return on investment for those areas.

Shorten Planning Process

The bill eliminates several planning requirements and steps. It allows the commissioner to decide which state agencies she needs to consult with in preparing the plan. Current law requires her to consult with the Office of Policy and Management secretary; the labor, transportation, and energy and environmental protection commissioners; Culture and Tourism Advisory Committee chairperson, and the Connecticut Housing Finance Authority, Connecticut Development Authority, Connecticut Innovations, and the Connecticut Health and Educational Facilities Authority executive directors or their respective designees.

The bill also eliminates the requirement that the DECD commissioner consult with regional planning organizations; interested state and local officials; economic and community development entities; stakeholders; and business, economic, labor, community, and housing organizations. It also eliminates the requirement that she provide public input by hosting regional forums. Instead, the bill requires the commissioner to provide opportunities for public input without specifying how.

The bill eliminates the requirement that she consider regional economic, community, and housing development plans and applicable state and local workforce investment strategies.

Lastly, the bill eliminates the requirement that the commissioner submit the plan to the governor for approval before submitting it to the legislature. Under current law, the governor must review and

approve or disapprove the plan within 60 days after the commissioner submits it to him. The plan is automatically approved if the governor does not act on it after 60 days.

The bill eliminates the provision allowing the commissioner to revise and update gubernatorialy approved plans and post the revisions on DECD's website.

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute

Yea 18 Nay 0 (03/22/2012)