



**Senate Bill No. 927**

**Public Act No. 13-63**

**AN ACT CONCERNING THE DEFINITION OF NEW EMPLOYEE IN THE UNEMPLOYED ARMED FORCES MEMBER SUBSIDIZED TRAINING AND EMPLOYMENT PROGRAM.**

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

Section 1. Section 31-3uu of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For purposes of this section:

(1) "Department" means the Labor Department;

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

(3) "Control", with respect to a corporation, means ownership, directly or indirectly, of stock possessing fifty per cent or more of the total combined voting power of all classes of the stock of such corporation entitled to vote. "Control", with respect to a trust, means ownership, directly or indirectly, of fifty per cent or more of the beneficial interest in the principal or income of such trust. The ownership of stock in a corporation, of a capital or profits interest in a

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partnership, limited liability company or association or of a beneficial interest in a trust shall be determined in accordance with the rules for constructive ownership of stock provided in Section 267(c) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, other than paragraph (3) of said Section 267(c);

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

(5) "New employee" means a person who (A) was unemployed prior to employment with an eligible business, regardless of whether such person collected unemployment compensation benefits as a result of such unemployment, and (B) was a member of the armed forces and was [called to active service in support of (i) Operation Enduring Freedom, or (ii) military operations that were authorized by the President of the United States that entail military action against Iraq, and (C) was] honorably discharged after not less than ninety days of service, [in an area designated by the President of the United States by executive order as a combat zone, as indicated on a military discharge document, as defined in section 1-219,] unless such person was separated from service earlier because of a service-connected disability rated by the Veterans' Administration. "New employee" does not include a person who was employed in this state by a related person of such eligible business during any of the twelve months prior to employment with the eligible business;

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(6) "On-the-job training" means training provided by an eligible business on such business' premise; and

(7) "Armed Forces" means the United States Army, Navy, Marine Corps, Coast Guard and Air Force and any reserve component thereof, including a state National Guard performing duty as provided in Title 32 of the United States Code.

(b) (1) There is established within the Labor Department an Unemployed Armed Forces Member Subsidized Training and Employment program for eligible businesses. Said program shall provide grants to eligible businesses to subsidize, for the first one hundred eighty calendar days after a new employee is hired, part of the cost of on-the-job training and compensation for such new employee, in accordance with subsection (c) of this section. No business receiving a grant under this section with respect to a new employee may receive a second grant under this section or a grant under section 31-3pp with respect to the same new employee.

(2) At the discretion of the Labor Commissioner, the department may use up to four per cent of any funds allocated pursuant to section 31-3vv for the purpose of retaining outside consultants or the Workforce Investment Boards to operate the Unemployed Armed Forces Member Subsidized Training and Employment program.

(3) In fiscal year 2013, the department may use up to four per cent of any funds allocated pursuant to section 31-3vv in said fiscal year for the purpose of the marketing and operation of the Unemployed Armed Forces Member Subsidized Training and Employment program.

(c) (1) An eligible business may apply to the department for a grant to subsidize on-the-job training and compensation for a new employee hired by such business. The Labor Commissioner, or said

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commissioner's designee, shall review and approve such business' description of the proposed on-the-job training as part of the grant application.

(2) A grant awarded to an eligible business pursuant to this subsection shall be in the following amount: (A) For the first thirty calendar days a new employee is employed, one hundred per cent of the wage of such new employee, exclusive of any benefits, not to exceed twenty dollars per hour; (B) for the thirty-first to ninetieth, inclusive, calendar days, seventy-five per cent of such amount; (C) for the ninety-first to one hundred fiftieth, inclusive, calendar days, fifty per cent of such amount; and (D) for the one hundred fifty-first to one hundred eightieth, inclusive, calendar days, twenty-five per cent of such amount. A grant shall be cancelled as of the date the new employee leaves employment with the eligible business.

(d) Not later than July 15, 2013, and annually thereafter, and January 15, 2014, and annually thereafter, the Labor Commissioner shall provide a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce, veterans and labor. Said report shall include available data, for the six-month period ending on the last day of the calendar month preceding such report, on (1) the number of businesses that participated in the Unemployed Armed Forces Member Subsidized Training and Employment program established pursuant to subsection (b) of this section, and the general categories of such businesses, and (2) the number of individuals that received employment under said program.

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

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Approved June 3, 2013