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## **OLR Bill Analysis**

### **sSB 942**

#### ***AN ACT CONCERNING CAPS ON STATE FINANCIAL ASSISTANCE FOR BUSINESS PROJECTS AND THE URBAN AND INDUSTRIAL SITE TAX CREDIT.***

#### **SUMMARY:**

This bill raises the cap on the amount of financial assistance and tax credits the state can provide for economic development project without legislative approval.

Current law sets different caps on financing the Department of Economic and Community Development (DECD) and Connecticut Innovations, Inc. can provide for different types of projects over a two-year period. The bill raises the cap for (1) biotechnology projects from \$20 million to \$26.010 million and (2) other types of business projects from \$10 million to \$15.540 million. By law, these caps do not apply to state-funded municipal economic development projects.

The bill also raises the cap, from \$20 million to \$26.750 million, on the amount of business tax credits DECD can award under the Urban and Industrial Sites Reinvestment Program without legislative approval. The credits are available for (1) remediating and developing contaminated property anywhere in the state and (2) developing property for a wide range of business uses in distressed municipalities and other specified areas. By law, DECD can grant up to \$100 million in credits per project and up to \$650 million for all projects. Taxpayers must claim the credits over 10 years according to a statutory schedule.

EFFECTIVE DATE: July 1, 2013

#### **COMMITTEE ACTION**

Commerce Committee

Joint Favorable Substitute Change of Reference  
Yea 19 Nay 0 (03/14/2013)

Government Administration and Elections Committee

Joint Favorable  
Yea 14 Nay 0 (03/27/2013)