



Senate

General Assembly

File No. 384

January Session, 2013

Substitute Senate Bill No. 619

Senate, April 8, 2013

The Committee on Commerce reported through SEN. LEBEAU of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE COMMISSION ON CONNECTICUT'S FUTURE.

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

1 Section 1. Section 32-245 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) There is created a [Connecticut Commission on Business
4 Opportunity, Defense Diversification and Industrial Policy]
5 Commission on Connecticut's Future which shall be within the
6 Department of Economic and Community Development for
7 administrative purposes only.

8 (b) The commission shall consist of the following members: The
9 Commissioners of Economic and Community Development, Education
10 and Higher Education and the Labor Commissioner or their designees;
11 the chairpersons and ranking members of the joint standing committee
12 of the General Assembly having cognizance of matters relating to
13 commerce, [and exportation,] or their designees; the president of the

14 Connecticut Academy of Science and Engineering, or his designee; the
15 president of the Connecticut Business and Industries Association or his
16 designee; the president of the Connecticut AFL-CIO or his designee;
17 two members recommended by the president of the Connecticut AFL-
18 CIO representing manufacturing unions, appointed by the Governor;
19 one member representing a large manufacturing concern and one
20 member representing a financial institution, appointed by the
21 president pro tempore of the Senate; one member representing a large
22 business that is heavily dependent on prime defense contracts or
23 subcontracts and one member representing a small business that is
24 heavily dependent on prime defense contracts or subcontracts
25 appointed by the speaker of the House of Representatives; one
26 member representing a small manufacturing concern appointed by the
27 majority leader of the Senate; one member representing a [large
28 service-related business] peace organization appointed by the majority
29 leader of the House of Representatives; one member representing [a
30 small service-related business] an environmental organization
31 appointed by the minority leader of the Senate; and one member
32 representing an educational institution appointed by the minority
33 leader of the House of Representatives. Notwithstanding the
34 provisions of this subsection, the terms of all members who are not
35 serving ex-officio who are serving on June 30, 2013, shall expire on said
36 date. The members who are not serving ex-officio shall serve for a term
37 of two years, commencing July 1, [1990] 2013, and biennially thereafter,
38 and until their successors have been duly qualified. The Governor shall
39 appoint a chairperson for the commission from its membership. The
40 chairperson shall call a meeting of the commission not later than
41 October 1, 2013, and at such other times as the chairperson deems
42 necessary.

43 (c) The commission shall [develop a plan for] prepare a report
44 concerning the economic renewal of Connecticut [. The plan] that shall
45 include strategies for (1) the restoration and growth of manufacturing
46 in the state, with the objective of ending the loss of manufacturing jobs
47 and causing an increase in such jobs within five years following
48 [development of the plan] preparation of the report; (2) the retention

49 and expansion of the state's economic base industries; (3) the
50 coordination of economic development policy with capital investment
51 in both public and private sectors; [and (4) the need for regional
52 approaches to economic development in the state] (4) the alignment of
53 the state's educational institutions with its manufacturing base; and (5)
54 the diversification or conversion of defense-related industries with an
55 emphasis on encouraging environmentally-sustainable and civilian
56 product manufacturing. On or before December 1, 2014, the
57 commission shall submit such report to the Governor and, in
58 accordance with the provisions of section 11-4a, to the joint standing
59 committee of the General Assembly having cognizance of matters
60 relating to commerce.

61 (d) In addition to the [development of a plan] preparation of a
62 report for economic renewal as required under subsection (c) of this
63 section, the commission shall: (1) Advise the General Assembly and
64 the Department of Economic and Community Development on issues
65 relating to (A) the diversification or conversion of defense-related
66 industries, (B) planning for and development of the state's
67 manufacturing base; (C) creation and implementation of an industrial
68 policy for the state; and (D) the creation of a business climate in the
69 state conducive to long-term planning and capital investment; (2)
70 evaluate legislation which concerns the state's economy and the overall
71 competitiveness thereof, the manufacturing and industrial sectors of
72 the state's economy and businesses that are heavily dependent on
73 prime defense contracts or subcontracts; (3) prepare and review the
74 implementation of short-term and long-term strategies to assist
75 businesses that are heavily dependent on prime defense contracts or
76 subcontracts in modifying defense industry technology production
77 capacity into nondefense related applications with an emphasis on
78 environmentally-sustainable and civilian product manufacturing; (4)
79 provide a forum that encourages public involvement to address and
80 communicate business issues, including small business issues, to the
81 public and private sectors; (5) foster opportunities for the development
82 of partnerships between government and private enterprise in areas
83 that significantly affect the state's economy; and (6) stimulate and

84 review public and private assistance and initiatives to improve the
85 competitiveness of Connecticut's economy.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	32-245

CE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

The bill does not result in a fiscal impact by updating an existing commission and requiring the commission to prepare a report on various topics pertaining to economic development in the state.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**sSB 619*****AN ACT CONCERNING THE COMMISSION ON CONNECTICUT'S FUTURE.*****SUMMARY:**

This bill reactivates a dormant economic development advisory commission, changes its name, expands its membership, and broadens its charge to include policies encouraging defense contractors and subcontractors to engage in environmentally sustainable and civilian product manufacturing.

It requires the reactivated commission to prepare a report addressing several issues, including some the current commission addressed in its 1993 five-year economic renewal plan. Under the bill, the commission must address workforce development and defense diversification or conversion issues in the report, which the commission must submit to the governor and Commerce Committee by December 1, 2014.

The reactivated commission must perform the same advisory and analytical duties its predecessor must perform under current law, including preparing and reviewing short- and long-term defense conversion strategies. In devising these strategies, the commission must emphasize environmentally sustainable and civilian product manufacturing.

EFFECTIVE DATE: Upon passage

REACTIVATED COMMISSION

The bill reactivates the Connecticut Commission on Business Opportunity, Defense Diversification and Industrial Policy and

renames it the Commission on Connecticut's Future. In doing so, it expands and changes its membership.

The bill adds two representatives of manufacturing unions, which must be recommended by the AFL-CIO president and appointed by the governor. It also changes two legislative appointments. It requires the House majority leader to appoint a representative of a peace organization instead of a representative of a large service-related industry. And it requires the Senate minority leader to appoint a representative of an environmental organization instead of a representative of a small service-related business.

All of the non ex officio members serve two-year terms, starting July 1, 2013. The terms of the current non ex officio members expire June 30, 2013.

The commission's chairperson, whom the governor continues to appoint, must call the commission's first meeting by October 1, 2013. Subsequent meetings are held at the chairperson's discretion.

The current commission consists of the DECD, labor, education, and higher education commissioners; the chairpersons and ranking members of the Commerce Committee; the presidents of the AFL-CIO, the Connecticut Business and Industry Association, and the Connecticut Academy of Science and Engineering; and representatives of different business sectors appointed by legislative leaders. The governor appoints the commission's chairperson from among its members. Like its predecessor, the commission remains within the Department of Economic and Community Development (DECD) for administrative purposes.

REPORT

The bill requires the reactivated commission to prepare a report addressing most of the same issues its predecessor addressed in its 1993 plan. Like the plan, the report must lay out a strategy for restoring the manufacturing sector and stimulating its growth, with the goal of increasing the number of manufacturing jobs within five

years after the commission completes the report. It must also propose strategies for retaining or expanding the state's economic base and coordinate its economic development policies with public and private sector capital investment.

The bill does not require the report to address the need for regional approaches to economic development, as current law requires the plan to do. But it requires it to include strategies for:

1. aligning the state's educational institutions with the state's manufacturing base and
2. diversifying or converting defense-related industries to other nonmilitary products, emphasizing environmentally sustainable and civilian product manufacturing.

The commission must submit the report to the governor and Commerce Committee by December 1, 2014.

OTHER DUTIES

The bill transfers the current commission's duties to the reactivated commission, requiring it to:

1. advise the legislature and DECD about defense conversion, industrial policy, and the state's business climate;
2. evaluate bills related to the state's economy, particularly as they affect manufacturers and defense-related businesses;
3. prepare and review strategies being implemented to help defense-dependent businesses convert from making defense to nondefense products;
4. provide a forum for business issues;
5. foster opportunities for public-private partnerships; and
6. stimulate and review public and private assistance to improve the state's economy.

The bill expands two of these requirements. It requires the commission to (1) prepare and review defense conversion strategies that emphasize environmentally sustainable and civilian product manufacturing and (2) provide forums on business issues that encourage the public to participate.

BACKGROUND

Commission's 1993 Report

The Commission on Business Opportunity, Defense Diversification and Industrial Policy submitted its five-year strategy to the governor and legislature in January 1993. The strategy consisted of four short-term recommendations for stemming the loss of jobs and talent and six long-term recommendations for preparing the state for future growth.

The short-term recommendations focused on promoting entrepreneurship and exporting; broadening the state's economic base, focusing particularly on ways to diversify its defense sector; and supporting job training and retraining. The long-term recommendations focused on improving the state's business climate, promoting educational innovation, supporting and encouraging research and development and technology transfer, reforming tax and regulatory policies, improving the network for delivering economic development services, and stimulating community economic development.

Related Bills

Several bills concern economic development planning. sSB 3, which was favorably reported by the Commerce Committee, requires DECD to prepare and annually update a plan identifying the state's emerging business sectors. SB 943 (File 71) eliminates many procedural and content requirements for preparing the state's strategic development plan. sHB 5460, which was favorably reported by the Commerce Committee, requires DECD to develop a plan to help bioscience and pharmaceutical businesses grow in southeastern Connecticut.

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute

Yea 19 Nay 0 (03/21/2013)