



General Assembly

February Session, 2014

Raised Bill No. 5516

LCO No. 2234



Referred to Committee on COMMERCE

Introduced by:
(CE)

AN ACT PROVIDING FOOD ENTREPRENEURS WITH ACCESS TO COMMERCIAL KITCHENS.

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

1 Section 1. (NEW) (*Effective October 1, 2014*) (a) The Commissioner of
2 Economic and Community Development shall establish and
3 administer a grant program in order to develop and expand kitchen
4 incubators for entrepreneurs. The department shall award grants on a
5 competitive basis to municipalities, educational institutions,
6 community development corporations, regional economic
7 development corporations and other nonprofit organizations for the
8 costs of developing or expanding a kitchen incubator, including, but
9 not limited to, the construction or rehabilitation of such facility, the
10 purchase of equipment for such facility, training and technical
11 assistance. For purposes of this section, "kitchen incubator" means a
12 shared-use food processing or preparation facility that is operated by a
13 nonprofit organization, educational institution or municipal agency
14 and used primarily by small and emerging businesses.

15 (b) Any kitchen incubator established or expanded with funds

16 awarded under this section shall provide to tenants: (1) Space at rates
17 below market rates in the area in which such incubator is based, and
18 (2) support services, including, but not limited to, business planning,
19 management assistance, connections to financing sources, and
20 coordination with other sources of training and assistance. Such
21 kitchen incubator may provide or make available to tenants services
22 including, but not limited to, food production or processing technical
23 assistance, marketing, distribution, purchasing, storage, packing,
24 insurance and on-site retailing.

25 (c) For the period beginning January 1, 2015, and ending March 31,
26 2015, the commissioner shall accept applications for a grant under
27 subsection (a) of this section in the form and manner prescribed by the
28 commissioner. Any such application shall require the submission of a
29 management and business plan for operating the kitchen incubator
30 that demonstrates: (1) Local business interest in a new or expanded
31 kitchen incubator, including the food processing needs of existing and
32 potential food businesses, (2) the applicant's ability to deliver the
33 services and assistance described in subsection (b) of this section,
34 including a description of how such applicant will deliver such
35 assistance and services, (3) whether such services and assistance
36 provided to tenants will be covered by fees or included in the rent, and
37 how such fees or rentals will be structured, (4) a policy for tenants'
38 entrance to and exit, or graduation, from such kitchen incubator, and
39 (5) that such kitchen incubator can be self-sustaining and will not
40 require long-term state operating subsidies.

41 (d) On or before June 1, 2015, the commissioner shall review all
42 applications timely received pursuant to this section and shall approve
43 one such application. In reviewing such applications, the
44 commissioner shall give preference to an applicant that: (1) Proposes to
45 establish or expand a kitchen incubator in a distressed municipality or
46 a targeted investment community, as defined in section 32-9p of the
47 general statutes, (2) demonstrates the availability of matching funds,
48 (3) meets a substantial local or regional need, as determined by the

49 commissioner, (4) complements local programs or provides services
50 not available from local government or the private sector, (5) plans to
51 provide or make available to kitchen incubator tenants services
52 including, but not limited to, food production or processing technical
53 assistance, marketing, distribution, purchasing, storage, packing,
54 insurance and on-site retailing, or (6) has a plan to assist kitchen
55 incubator tenants with purchasing state agricultural products and
56 promote the kitchen incubator to state farmers.

57 (e) No grant awarded under this section shall exceed two hundred
58 fifty thousand dollars per calendar year.

59 (f) On or before November 1, 2015, the commissioner shall report, in
60 accordance with the provisions of section 11-4a of the general statutes,
61 to the joint standing committee of the General Assembly having
62 cognizance of matters relating to commerce on the program
63 established pursuant to this section, including, but not limited to, a
64 summary of the applications submitted under this section, an
65 identification of the application approved by the commissioner, and
66 any recommendations for legislative modifications to the program,
67 including whether such program should be extended or made
68 permanent.

69 Sec. 2. Section 32-356 of the general statutes is repealed and the
70 following is substituted in lieu thereof (*Effective October 1, 2014*):

71 There is established an account to be known as the small business
72 incubator account, which shall be a separate, nonlapsing account
73 within the General Fund. The commissioner may use funds from the
74 account to provide administrative expenses and grants for the
75 purposes of subdivision (1) of subsection (a) of section 32-7f and
76 section 1 of this act.

<p>This act shall take effect as follows and shall amend the following sections:</p>
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Section 1	<i>October 1, 2014</i>	New section
Sec. 2	<i>October 1, 2014</i>	32-356

Statement of Purpose:

To establish a competitive grant program to encourage the development or expansion of a kitchen incubator for food entrepreneurs.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]