

**Proposed Substitute
Bill No. 5573**

LCO No. 3328

AN ACT CONCERNING AN EXTENSION OF THE FIRST FIVE PLUS PROGRAM.

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

1 Section 1. Section 32-4l of the 2016 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective July 1, 2016*):

4 (a) (1) The Department of Economic and Community Development
5 shall establish a first five plus program to encourage business
6 expansion and job creation. As part of said program, the department
7 may provide substantial financial assistance to up to [~~fifteen~~] twenty
8 eligible business development projects by June 30, [~~2016~~] 2019.

9 (2) A business development project eligible for financial assistance
10 under the first five plus program shall commit, in the manner
11 prescribed by the Commissioner of Economic and Community
12 Development, to (A) create not less than two hundred new jobs within
13 twenty-four months from the date such application is approved; or (B)
14 invest not less than twenty-five million dollars and create not less than
15 two hundred new jobs not later than five years after the date such
16 application is approved.

17 (3) The Commissioner of Economic and Community Development

18 may give preference to a business development project that (A)
19 involves the relocation of an out-of-state or international manufacturer
20 or corporate headquarters, (B) involves the relocation of jobs that are
21 outside the United States to the state, [or] (C) is a redevelopment
22 project [if] that the commissioner believes [such redevelopment
23 project] will create jobs sooner than the schedule set forth in
24 subdivision (2) of this subsection, (D) is located in a distressed
25 municipality, as defined in section 32-9p, or (E) involves a targeted
26 industry referenced in the economic development strategic plan for the
27 state prepared pursuant to section 32-1o.

28 (4) The Commissioner of Economic and Community Development
29 may, in awarding financial assistance to an eligible business
30 development project, work with Connecticut Innovations,
31 Incorporated, to secure financing for such project.

32 (5) The Commissioner of Economic and Community Development
33 shall certify to the Governor for his or her approval that a business
34 development project applicant has satisfied all the eligibility criteria in
35 the program. Financial assistance awarded through the first five plus
36 program shall be with the written consent of the Governor.

37 (b) Financial assistance for the first five plus program for eligible
38 business development projects shall be exempt from the provisions of
39 subsection (c) of section 32-223, section 32-462, subsection (q) of section
40 32-9t and, at the commissioner's discretion, section 12-211a for the
41 fiscal years ending June 30, 2012, June 30, 2013, June 30, 2014, June 30,
42 2015, June 30, 2016, [and] June 30, 2017, June 30, 2018, June 30, 2019,
43 and June 30, 2020.

44 (c) The commissioner may take such action as the commissioner
45 deems necessary or appropriate to enforce such commitment,
46 including, but not limited to, establishing terms and conditions for the
47 repayment of any financial assistance awarded pursuant to the
48 provisions of this section.

49 (d) On or before September 1, 2013, January 1, 2014, September 1,

50 2014, January 1, 2015, September 1, 2015, January 1, 2016, [and]
51 September 1, 2016, January 1, 2017, September 1, 2017, January 1,
52 2018, September 1, 2018, January 1, 2019, and September 1, 2019, the
53 Commissioner of Economic and Community Development shall report
54 in accordance with the provisions of section 11-4a to the joint standing
55 committees of the General Assembly having cognizance of matters
56 relating to commerce and finance, revenue and bonding on the projects
57 funded through the first five plus program, the number of jobs created
58 and the impact on the economy of this state.

59 (e) Notwithstanding the provisions of this section, on or after July 1,
60 2016, the department shall not provide financial assistance to any
61 additional business development project under this section until: (1)
62 The commissioner submits a report, in accordance with the provisions
63 of section 11-4a, to the joint standing committees of the General
64 Assembly having cognizance of matters relating to commerce and
65 finance that includes (A) the net rate of return to the state for the entire
66 portfolio of the first five plus program, taking into account all loans
67 that have been forgiven and all tax credits that have been allowed in
68 accordance with this section, and (B) based on such net rate of return, a
69 recommendation as to whether the first five plus program should
70 continue; and (2) said joint standing committees vote, in concurrence,
71 to approve such recommendation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	<i>32-4l</i>