



# Senate

General Assembly

**File No. 408**

January Session, 2017

Substitute Senate Bill No. 820

*Senate, April 4, 2017*

The Committee on Commerce reported through SEN. HARTLEY, J. of the 15th Dist. and SEN. FRANTZ, L. of the 36th Dist., Chairpersons of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING ELIGIBILITY OF PRIMARY CARE  
PHYSICIANS UNDER THE SMALL BUSINESS EXPRESS PROGRAM.***

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

1 Section 1. Subsection (a) of section 32-7g of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2017*):

4 (a) (1) There is established within the Department of Economic and  
5 Community Development the Small Business Express program. Said  
6 program shall provide small businesses with various forms of financial  
7 assistance, using a streamlined application process to expedite the  
8 delivery of such assistance. The Commissioner of Economic and  
9 Community Development, at his or her discretion, may partner with  
10 the lenders in the Connecticut Credit Consortium, established  
11 pursuant to section 32-9yy, in order to fulfill the requirements of this  
12 section. A small business eligible for assistance through said program  
13 shall [(1)] (A) employ, on at least fifty per cent of its working days

14 during the preceding twelve months, not more than one hundred  
 15 employees, [(2)] (B) have operations in Connecticut, [(3)] (C) have been  
 16 registered to conduct business for not less than twelve months, and  
 17 [(4)] (D) be in good standing with the payment of all state and local  
 18 taxes and with all state agencies.

19 (2) Notwithstanding the provisions of subdivision (1) of this  
 20 subsection, a business eligible for assistance under this section shall  
 21 also include any physician licensed in Connecticut or any physician  
 22 office that, (A) is located in and provides primary care services to  
 23 adults or children in the state, (B) has been registered to conduct  
 24 business for not less than six months, (C) employs, on at least fifty per  
 25 cent of its working days during the preceding twelve months, not  
 26 more than one hundred employees, and (D) is in good standing with  
 27 the payment of all state and local taxes and with the Department of  
 28 Public Health.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2017	32-7g(a)

**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:**

Agency Affected	Fund-Effect	FY 18 \$	FY 19 \$
Treasurer, Debt Serv.	GF - Acceleration of Debt Service Costs	Potential	Potential

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill modifies the Small Business Express (Express) program by lowering the requirement for eligibility to the program for certain licensed physicians in the state.

The bill however does not change General Obligation (GO) bond authorizations relevant to the program.

Future General Fund debt service costs may be incurred sooner under the bill to the degree that the bill causes authorized GO bond funds to be expended more rapidly than they otherwise would have been.

The Express program is funded through GO bond funds. The program has been authorized for \$340 million in net bond funds since its inception in 2011.<sup>1</sup> As of April 3<sup>rd</sup>, the unallocated bond balance available to the program is \$82.8 million.

**The Out Years**

<sup>1</sup> This includes (1) an earmarked authorization under the Manufacturing Assistance Act for Express established by PA 13-2 and (2) a cancellation of \$20 million under PA 16-4 MSS.

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sSB 820****AN ACT CONCERNING ELIGIBILITY OF PRIMARY CARE PHYSICIANS UNDER THE SMALL BUSINESS EXPRESS PROGRAM.****SUMMARY**

Under current law, a business must have been registered to conduct business for at least 12 months in order to qualify for financial assistance from the Small Business Express (EXP) program. This bill lowers the requirement, from 12 months to six, for in-state physicians or physician offices that provide primary care services to adults or children in the state.

In order to be eligible for EXP assistance under current law and the bill, physicians and physicians' offices, like other types of businesses, must also (1) employ 100 or fewer people on at least 50% of their working days during the preceding 12 months and (2) be in good standing with the payment of all state and local taxes and with all state agencies.

EFFECTIVE DATE: October 1, 2017

**BACKGROUND*****Related Bill***

SB 438, reported favorably by the Public Health Committee, contains similar provisions regarding physician and physician office eligibility for EXP.

**COMMITTEE ACTION**

Commerce Committee

Joint Favorable Substitute

Yea 20 Nay 1 (03/21/2017)