



House of Representatives

General Assembly

File No. 370

February Session, 2018

House Bill No. 5438

House of Representatives, April 10, 2018

The Committee on Commerce reported through REP. SIMMONS of the 144th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING MINOR AND TECHNICAL CHANGES TO COMMERCE-RELATED STATUTES.

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

1 Section 1. Subsection (c) of section 2-90c of the 2018 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective from passage*):

4 (c) As part of each audit the Auditors of Public Accounts perform of
5 the Department of Economic and Community Development, said
6 auditors shall evaluate the annual reports submitted by the
7 Commissioner of Economic and Community Development since the
8 last audit performed of the department by said auditors and the
9 analyses required under subdivisions [(3)] (2) and [(5)] (4) of
10 subsection (a) of section 32-1m, as amended by this act, and included
11 in such annual reports. Such evaluation shall include, but need not be
12 limited to:

13 (1) A determination of whether evidence is available to support the

14 accuracy of the data presented in such annual reports;

15 (2) An evaluation of management practices and operations with
16 respect to the ease or difficulty for taxpayers to comply with the
17 requirements of the incentive programs;

18 (3) Recommendations for improving the administrative efficiency or
19 effectiveness of the incentive programs; and

20 (4) An evaluation of whether such annual reports satisfy the
21 reporting requirements under subsection (a) of section 32-1m, as
22 amended by this act.

23 Sec. 2. Subsection (c) of section 32-1m of the 2018 supplement to the
24 general statutes is repealed and the following is substituted in lieu
25 thereof (*Effective from passage*):

26 (c) On or before March 1, 2018, and annually thereafter, the joint
27 standing committees of the General Assembly having cognizance of
28 matters relating to appropriations and the budgets of state agencies,
29 finance, revenue and bonding and commerce shall hold, individually
30 or jointly, one or more public hearings on the analyses included in the
31 annual report under subdivisions [(3)] (2) and [(5)] (4) of subsection (a)
32 of this section.

33 Sec. 3. Subsection (b) of section 32-7g of the 2018 supplement to the
34 general statutes is repealed and the following is substituted in lieu
35 thereof (*Effective from passage*):

36 (b) The Small Business Express program shall consist of various
37 components, including (1) a revolving loan fund, as described in
38 subsection (d) of this section, to support small business growth, (2) a
39 job creation incentive component, as described in subsection (e) of this
40 section, to support hiring, (3) a matching grant component, as
41 described in subsection (f) of this section, to provide capital to small
42 businesses that can match the state grant amount, (4) not more than
43 two minority business revolving loan funds, as described in subsection
44 (g) of this section, to support the growth of minority-owned

45 businesses, and (5) a component established in consultation with
46 representatives [with] from Connecticut-based banks and a banking
47 industry association, as described in subsection (h) of this section. The
48 Commissioner of Economic and Community Development shall work
49 with eligible small business applicants to provide a package of
50 assistance using the financial assistance provided by the Small
51 Business Express program and may refer small business applicants to
52 the Subsidized Training and Employment program established
53 pursuant to section 31-3pp and any other appropriate state program.
54 Notwithstanding the provisions of section 32-5a regarding relocation
55 limits, the department may require, as a condition of receiving
56 financial assistance pursuant to this section, that a small business
57 receiving such assistance shall not relocate, as defined in section 32-5a,
58 for five years after receiving such assistance or during the term of the
59 loan, whichever is longer. All other conditions and penalties imposed
60 pursuant to section 32-5a shall continue to apply to such small
61 business.

62 Sec. 4. Subsection (c) of section 32-39l of the 2018 supplement to the
63 general statutes is repealed and the following is substituted in lieu
64 thereof (*Effective from passage*):

65 (c) Any entity may submit an application for innovation place
66 designation to the CTNext board. In addition to the initial round of
67 applications, the CTNext board may accept such applications for
68 consideration, on a schedule and in accordance with deadlines
69 prescribed by the board. Such applications shall be submitted on a
70 form prescribed by the board and shall contain sufficient information
71 to establish that the proposed innovation place is suitable for the
72 purposes set forth in section 32-39k.

73 (1) Such application shall include: (A) Information concerning the
74 proposed geographical boundaries of the proposed innovation place,
75 including, but not limited to, a map indicating the boundaries of the
76 geographic areas within the municipality that make up the proposed
77 innovation place; (B) information concerning at least two anchor

78 institutions located within the geographical boundaries of the
79 proposed innovation place and how such anchor institutions have
80 agreed to participate in the development of and activities within the
81 proposed innovation place; (C) a summary of existing and proposed
82 transportation-related infrastructure within and around the
83 geographical areas within the municipality that make up the proposed
84 innovation place; (D) a summary of existing and proposed businesses,
85 recreational facilities, public parks and any other public or private
86 gathering spaces located within the geographical areas within the
87 municipality that make up the proposed innovation place; (E)
88 information concerning the walkability of the geographical areas
89 within the municipality that make up the proposed innovation place;
90 (F) a master plan for the development of the proposed innovation
91 place, including a plan for connecting the geographic areas within the
92 municipality that make up the proposed innovation place to public
93 transit via rail or bus, a plan for leveraging private investment and a
94 proposed budget and timeline for use of any moneys granted by the
95 CTNext board. Such budget shall indicate priority for the expenditure
96 of grant funds in the event that moneys granted are insufficient to
97 cover the costs of the entire proposed budget; (G) a list of municipal
98 and state legislative action that may be required for the execution of
99 such master plan; (H) a letter of support from the chief elected official
100 of the municipality where the innovation place is proposed that shall
101 include a statement that the legislative body of such municipality has,
102 by majority vote, indicated its support for the proposed innovation
103 place and for any municipal legislative action recommended in the
104 master plan, provided a chief elected official may only submit a letter
105 of support for one proposed innovation place located within the
106 municipality; (I) letters of support from private investors; (J)
107 information concerning consistency with the state plan of conservation
108 and development adopted pursuant to chapter 297; and (K)
109 information concerning the capability of the applicant and other
110 entities partnering with the applicant to implement and administer the
111 master plan and how such partners will be involved in the
112 implementation of such plan.

113 (2) A master plan may include, but [shall] need not be limited to, (A)
114 plans for: (i) Attracting and directing support to start-up and growth
115 stage businesses; (ii) development, in collaboration with private
116 partners, of a business incubator, coworking space, business
117 accelerator or public meeting space; (iii) events and community
118 building; (iv) marketing and outreach; (v) open space improvement;
119 (vi) housing development; (vii) improvement of technology
120 infrastructure, including, but not limited to, broadband improvement;
121 (viii) bicycle paths; and (ix) attracting anchor institutions, and (B)
122 community letters of support from persons or entities other than the
123 applicant.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	2-90c(c)
Sec. 2	<i>from passage</i>	32-1m(c)
Sec. 3	<i>from passage</i>	32-7g(b)
Sec. 4	<i>from passage</i>	32-39l(c)

CE *Joint Favorable*

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 makes grammatical and other technical changes which have no fiscal impact.

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

OLR Bill Analysis**HB 5438*****AN ACT CONCERNING MINOR AND TECHNICAL CHANGES TO COMMERCE-RELATED STATUTES.*****SUMMARY**

This bill makes technical changes to the economic development statutes.

It also corrects several internal references in an economic development statute that requires the auditors of public accounts, when they audit the Department of Economic and Community Development to evaluate the accuracy of the department's annual report. Current law requires them to (1) review those sections of the report that analyze DECD's community development portfolio and (2) summarize DECD's international trade programs and, to the extent possible, the foreign direct investment that occurred in Connecticut during the year. The bill instead requires the auditors to review those sections that analyze DECD's business assistance portfolio and other agencies' business assistance programs.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 20 Nay 0 (03/22/2018)