SB-570
AN ACT CONCERNING OPPORTUNITY ZONES.
AMENDMENT

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OFA Fiscal Note
See Fiscal Note Details

The amendment strikes the language of the bill and eliminates the associated fiscal impact. Instead, the amendment makes the changes listed below.

Section 1 has no fiscal impact. It designates the deputy commissioner of the Department of Economic and Community Development (DECD) as the state’s point of contact for the federal opportunity zone program.

Section 2 has no fiscal impact. It expands the scope of the office of the permit ombudsman to include applications to develop any of the state’s federally designated opportunity zones. It is anticipated that DECD would not require additional staffing to implement this provision.

Section 3 has a one-time cost of up to $50,000 and potential state revenue gain. It requires DECD to identify and market ten geographically diverse, state-owned properties located in federally-designated opportunity zones from a priority list (developed by February 1, 2020) of state-owned properties located in federally-designated opportunity zones. The amendment requires DECD to solicit proposals to purchase state-owned property on the priority list. To the extent that this initiative generates additional sales of state

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properties, there is a potential, one-time state revenue gain at the expense of the loss of any sold asset.

Section 4 has a one-time cost of up to $5,000. It requires DECD to create and maintain an internet website dedicated to marketing and promoting state-owned properties located in federally-designated opportunity zones.

Section 5 has a one-time cost of up to $50,000. It requires DECD to host at least five regional events by February 1, 2020, advertising the state’s opportunity zones.

Section 6 has a one-time cost of up to $10,000. It requires DECD to host an opportunity CT conference to highlight state properties no later than February 1, 2020.

Section 7 has a one-time cost of up to $5,000. It requires DECD to develop marketing materials that highlight the state’s economic development strategy as it relates to federally-designated opportunity zones.

Section 8 has no fiscal impact. It requires DECD to prioritize applications of owners to rehabilitate certified historic structures eligible for certain tax credits, which are located in federally-designated opportunity zones.

Section 9 has a potential significant revenue loss. It exempts from the Sales and Use tax the storage, use or other consumption of any tangible personal property or services acquired for incorporation into or used and consumed in connection with the development, construction, rehabilitation, renovation or repair of a project located in a federally-designated opportunity zone and in which the project’s investment in such opportunity zone is not less than $2.5 million. For illustration, qualifying purchases of approximately $1.6 million in total would result in a General Fund revenue loss of approximately $100,000.

Section 10 has no fiscal impact. It requires DECD to prioritize
applications for Urban and industrial site reinvestment program tax credits to projects in federally-designated opportunity zones.

Section 11 has no fiscal impact. It requires DECD, the Department of Transportation, the Department of Energy and Environmental Protection, the Department of Housing and the Secretary of the Office of Policy and Management to conduct an in-depth study related to the federal opportunity zone program and report to the Commerce Committee by February 1, 2020.

Sections 12 and 13 have no fiscal impact. They require DECD to prioritize project applications to the targeted brownfield state program and the remedial action and redevelopment municipal grant program.