



PA 21-77—sSB 1020
Commerce Committee

AN ACT ESTABLISHING A REGIONAL ECONOMIC DEVELOPMENT PILOT PROGRAM

SUMMARY: This act requires the Department of Economic and Community Development (DECD) to establish, within available resources, a pilot program to provide matching grants to regional economic development corporations implementing economic development programs in DECD-designated distressed municipalities. To qualify for the program, corporations must represent at least four municipalities, including one distressed municipality, but the DECD commissioner may allow a corporation that represents fewer than four municipalities to participate in the program at his discretion.

The act allows the DECD commissioner to award up to \$10 million in total grants to participating corporations but no more than \$5 million for any single grant. The department (1) may enter into a personal service agreement with an outside person, firm, corporation, or other entity to operate the program and (2) cannot accept new program applications after June 30, 2026.

The act also specifies (1) information corporations must include in program applications; (2) factors the department, or an outside operator, must consider when evaluating program applications; and (3) reporting requirements for participating corporations and the DECD commissioner.

EFFECTIVE DATE: July 1, 2021

PILOT PROGRAM APPLICATIONS

Under the act, regional economic development corporations seeking to participate in the program must apply in the manner DECD prescribes. At a minimum, applications must include the following:

1. the location of the applicant's principal place of business,
2. a description of the economic development program for which the matching grant will be used,
3. the amount and funding source the applicant wants DECD to match, and
4. any other information the department deems necessary.

EVALUATION OF PILOT PROGRAM APPLICATIONS

The act requires DECD, or an outside operator, to consider at least the following factors when evaluating applications:

1. the applicant's description of the proposed economic development program;
2. the applicant's resources and record of implementing economic

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- development programs in its region; and
- 3. the proposed program's potential impact on the workforce in the applicant's region.

PILOT PROGRAM REPORTING REQUIREMENTS

The act requires program participants to report annually to DECD beginning no later than two years after receiving funding. The report must (1) describe the progress of the corporation's department-funded economic development program and (2) include any additional information the DECD commissioner deems necessary. Beginning January 15, 2022, the commissioner must report annually to the Commerce Committee on the pilot program's operation and effectiveness.