

**Proposed Substitute
Bill No. 1020**

LCO No. 5530

**AN ACT ESTABLISHING A REGIONAL ECONOMIC DEVELOPMENT
PILOT PROGRAM.**

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

1 Section 1. (NEW) (*Effective July 1, 2021*) (a) The Department of
2 Economic and Community Development shall establish, within
3 available appropriations, a regional economic development matching
4 grant pilot program for the purpose of providing matching funds to
5 regional economic development corporations for the implementation of
6 economic development programs in distressed municipalities. Such
7 pilot program shall be available to any regional development
8 corporation representing not less than five municipalities, two of which
9 shall be distressed municipalities, as defined in section 32-9p of the
10 general statutes. The department may enter into an agreement, pursuant
11 to chapter 55a of the general statutes, with a person, firm, corporation
12 or other entity to operate such program.

13 (b) Applications for participation in such pilot program shall be
14 submitted in a manner prescribed by the department. Each application
15 shall include, but need not be limited to, the following: (1) The location
16 of the principal place of business of the applicant; (2) an explanation of
17 the economic development program for which the matching grant is
18 being applied; (3) the amount and source of funding for such program

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19 the applicant seeks to have matched; and (4) such other information the
20 department deems necessary. The department shall not accept new
21 applications for the regional economic development matching grant
22 pilot program after June 30, 2026.

23 (c) In determining whether an applicant shall be selected for a
24 matching grant pursuant to this section, the department, or the operator,
25 if any, selected pursuant to subsection (a) of this section, shall consider,
26 but need not be limited to, the following factors: (1) The description of
27 the economic development program proposed by the applicant; (2) the
28 resources and record of success of the applicant relative to economic
29 development programs implemented by the applicant in the applicant's
30 region; and (3) the potential impact of the proposed economic
31 development program on the workforce in the region where the
32 applicant is located. The department may provide, within available
33 funds, matching grants to eligible applicants for the funding of
34 economic development programs proposed in such applications. Such
35 matching grants shall not be used for any administrative expenses
36 incurred by an applicant to implement an economic development
37 program.

38 (d) The Commissioner of Economic and Community Development
39 may award matching grants to regional economic development
40 corporations participating in the pilot program not exceeding in the
41 aggregate ten million dollars. The amount of any matching grant issued
42 pursuant to this section shall not exceed five million dollars.

43 (e) Not later than two years after the receipt of any financial aid
44 pursuant to this section, and annually thereafter, each regional
45 economic development corporation participating in the pilot program
46 shall submit a report to the Department of Economic and Community
47 Development detailing the progress of the economic development
48 program proposed in such corporation's application and containing any
49 additional information deemed necessary by the Commissioner of
50 Economic and Community Development.

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51 (f) Not later than January 15, 2022, and annually thereafter, the
52 Commissioner of Economic and Community Development shall submit
53 a report, in accordance with the provisions of section 11-4a of the general
54 statutes, containing an evaluation of the operation and effectiveness of
55 the pilot program to the joint standing committee of the General
56 Assembly having cognizance of matters relating to commerce.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>July 1, 2021</i>	New section
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