



Senate

General Assembly

File No. 610

February Session, 2022

Senate Bill No. 112

Senate, April 25, 2022

The Committee on Finance, Revenue and Bonding reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING FUNDING FOR A SPECIALTY CHEMICAL AND WATER TREATMENT MANUFACTURING FACILITY AND GLOBAL RESEARCH AND DEVELOPMENT LABORATORY FOR THE MARINE INDUSTRY.

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

1 Section 1. (*Effective July 1, 2022*) For the fiscal year ending June 30,
2 2023, the Commissioner of Economic and Community Development
3 shall provide a grant-in-aid in the amount of one million dollars to a
4 supply chain specialty chemical and water treatment manufacturing
5 facility and global research and development laboratory for the marine
6 industry located in the state.

7 Sec. 2. Subsection (b) of section 32-235 of the 2022 supplement to the
8 general statutes is repealed and the following is substituted in lieu
9 thereof (*Effective July 1, 2022*):

10 (b) The proceeds of the sale of said bonds, to the extent of the amount
11 stated in subsection (a) of this section, shall be used by the Department
12 of Economic and Community Development (1) for the purposes of

13 sections 32-220 to 32-234, inclusive, including economic cluster-related
14 programs and activities, and for the Connecticut job training finance
15 demonstration program pursuant to sections 32-23uu and 32-23vv,
16 provided (A) three million dollars shall be used by said department
17 solely for the purposes of section 32-23uu, (B) not less than one million
18 dollars shall be used for an educational technology grant to the
19 deployment center program and the nonprofit business consortium
20 deployment center approved pursuant to section 32-41l, (C) not less
21 than two million dollars shall be used by said department for the
22 establishment of a pilot program to make grants to businesses in
23 designated areas of the state for construction, renovation or
24 improvement of small manufacturing facilities, provided such grants
25 are matched by the business, a municipality or another financing entity.
26 The Commissioner of Economic and Community Development shall
27 designate areas of the state where manufacturing is a substantial part of
28 the local economy and shall make grants under such pilot program
29 which are likely to produce a significant economic development benefit
30 for the designated area, (D) five million dollars may be used by said
31 department for the manufacturing competitiveness grants program, (E)
32 one million dollars shall be used by said department for the purpose of
33 a grant to the Connecticut Center for Advanced Technology, for the
34 purposes of subdivision (5) of subsection (a) of section 32-7f, (F) fifty
35 million dollars shall be used by said department for the purpose of
36 grants to the United States Department of the Navy, the United States
37 Department of Defense or eligible applicants for projects related to the
38 enhancement of infrastructure for long-term, on-going naval operations
39 at the United States Naval Submarine Base-New London, located in
40 Groton, which will increase the military value of said base. Such projects
41 shall not be subject to the provisions of sections 4a-60 and 4a-60a, (G)
42 two million dollars shall be used by said department for the purpose of
43 a grant to the Connecticut Center for Advanced Technology, Inc., for
44 manufacturing initiatives, including aerospace and defense, and (H)
45 four million dollars shall be used by said department for the purpose of
46 a grant to companies adversely impacted by the construction at the
47 Quinnipiac Bridge, where such grant may be used to offset the increase

48 in costs of commercial overland transportation of goods or materials
49 brought to the port of New Haven by ship or vessel, (2) for the purposes
50 of the small business assistance program established pursuant to section
51 32-9yy, provided fifteen million dollars shall be deposited in the small
52 business assistance account established pursuant to said section 32-9yy,
53 (3) to deposit twenty million dollars in the small business express
54 assistance account established pursuant to section 32-7h, (4) to deposit
55 four million nine hundred thousand dollars per year in each of the fiscal
56 years ending June 30, 2017, to June 30, 2019, inclusive, and June 30, 2021,
57 and nine million nine hundred thousand dollars in the fiscal year ending
58 June 30, 2020, in the CTNext Fund established pursuant to section 32-
59 39i, which shall be used by CTNext to provide grants-in-aid to
60 designated innovation places, as defined in section 32-39j, planning
61 grants-in-aid pursuant to section 32-39l, and grants-in-aid for projects
62 that network innovation places pursuant to subsection (b) of section 32-
63 39m, provided not more than three million dollars be used for grants-
64 in-aid for such projects, and further provided any portion of any such
65 deposit that remains unexpended in a fiscal year subsequent to the date
66 of such deposit may be used by CTNext for any purpose described in
67 subsection (e) of section 32-39i, (5) to deposit two million dollars per
68 year in each of the fiscal years ending June 30, 2019, to June 30, 2021,
69 inclusive, in the CTNext Fund established pursuant to section 32-39i,
70 which shall be used by CTNext for the purpose of providing higher
71 education entrepreneurship grants-in-aid pursuant to section 32-39g,
72 provided any portion of any such deposit that remains unexpended in
73 a fiscal year subsequent to the date of such deposit may be used by
74 CTNext for any purpose described in subsection (e) of section 32-39i, (6)
75 for the purpose of funding the costs of the Technology Talent Advisory
76 Committee established pursuant to section 32-7p, provided two million
77 dollars per year in each of the fiscal years ending June 30, 2017, to June
78 30, 2021, inclusive, shall be used for such purpose, (7) to provide (A) a
79 grant-in-aid to the Connecticut Supplier Connection in an amount equal
80 to two hundred fifty thousand dollars in each of the fiscal years ending
81 June 30, 2017, to June 30, 2021, inclusive, and (B) a grant-in-aid to the
82 Connecticut Procurement Technical Assistance Program in an amount

83 equal to three hundred thousand dollars in each of the fiscal years
84 ending June 30, 2017, to June 30, 2021, inclusive, (8) to deposit four
85 hundred fifty thousand dollars per year, in each of the fiscal years
86 ending June 30, 2017, to June 30, 2021, inclusive, in the CTNext Fund
87 established pursuant to section 32-39i, which shall be used by CTNext
88 to provide growth grants-in-aid pursuant to section 32-39g, provided
89 any portion of any such deposit that remains unexpended in a fiscal year
90 subsequent to the date of such deposit may be used by CTNext for any
91 purpose described in subsection (e) of section 32-39i, (9) to transfer fifty
92 million dollars to the Labor Department which shall be used by said
93 department for the purpose of funding workforce pipeline programs
94 selected pursuant to section 31-11rr, provided, notwithstanding the
95 provisions of section 31-11rr, (A) not less than five million dollars shall
96 be provided to the workforce development board in Bridgeport serving
97 the southwest region, for purposes of such program, and the board shall
98 distribute such money in proportion to population and need, and (B)
99 not less than five million dollars shall be provided to the workforce
100 development board in Hartford serving the north central region, for
101 purposes of such program, (10) to transfer twenty million dollars to
102 Connecticut Innovations, Incorporated, provided ten million dollars
103 shall be used by Connecticut Innovations, Incorporated for the purpose
104 of the proof of concept fund established pursuant to subsection (b) of
105 section 32-39x and ten million dollars shall be used by Connecticut
106 Innovations, Incorporated for the purpose of the venture capital fund
107 program established pursuant to section 32-41oo, and (11) to provide a
108 grant-in-aid to a supply chain specialty chemical and water treatment
109 manufacturing facility and global research and development laboratory
110 for the marine industry located in the state, in an amount equal to one
111 million dollars in the fiscal year ending June 30, 2023, pursuant to
112 section 1 of this act. Not later than thirty days prior to any use of
113 unexpended funds under subdivision (4), (5) or (8) of this subsection,
114 the CTNext board of directors shall provide notice of and the reason for
115 such use to the joint standing committees of the General Assembly
116 having cognizance of matters relating to commerce and finance, revenue
117 and bonding.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2022</i>	New section
Sec. 2	<i>July 1, 2022</i>	32-235(b)

CE *Joint Favorable C/R*

FIN

FIN *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:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Treasurer, Debt Serv.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Department of Economic and Community Development to provide a \$1 million grant to a laboratory for marine industry within the state and makes changes to the Economic Development and Manufacturing Assistance Act (MAA) to allow the program to be used for the same, which could result in increased or more rapid use of bond funds authorized for the program. The program is funded through General Obligation (GO) bond funds. Future General Fund debt service costs may be incurred sooner under the bill to the degree that it causes authorized GO bond funds to be expended or to be expended more rapidly than they otherwise would have been.

As of March 1, 2022, the unallocated bond balance available under the school construction authorization is approximately \$58.8 million. The bill does not change GO bond authorizations relevant to the program.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the terms of any bonds issued.

OLR Bill Analysis**SB 112*****AN ACT CONCERNING FUNDING FOR A SPECIALTY CHEMICAL AND WATER TREATMENT MANUFACTURING FACILITY AND GLOBAL RESEARCH AND DEVELOPMENT LABORATORY FOR THE MARINE INDUSTRY.*****SUMMARY**

This bill requires the Department of Economic and Community Development (DECD) to provide a \$1 million grant in FY 23 to a supply chain specialty chemical and water treatment manufacturing facility and global research and development laboratory for the marine industry located in the state. It requires DECD to use \$1 million in existing Manufacturing Assistance Act bond funds for this purpose.

EFFECTIVE DATE: July 1, 2022

COMMITTEE ACTION

Commerce Committee

Joint Favorable Change of Reference - FIN
Yea 15 Nay 7 (03/22/2022)

Finance, Revenue and Bonding Committee

Joint Favorable
Yea 51 Nay 0 (04/06/2022)