



General Assembly

February Session, 2024

***Raised Bill No. 305***

LCO No. 1975



Referred to Committee on HIGHER EDUCATION AND  
EMPLOYMENT ADVANCEMENT

Introduced by:  
(HED)

***AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE  
CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES  
AUTHORITY.***

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

- 1 Section 1. (NEW) (*Effective July 1, 2024*) (a) As used in this section:
- 2 (1) "Corporation" means the CHEFA Community Development  
3 Corporation, a nonprofit corporation established as a subsidiary of the  
4 Connecticut Health and Educational Facilities Authority pursuant to  
5 subsection (k) of section 10a-179 of the general statutes;
- 6 (2) "Child care center", "family child care home" and "group child care  
7 home" means a provider of "child care services" as described in  
8 subdivisions (1) to (3), inclusive, of section 19a-77 of the general statutes;
- 9 (3) "Child care facility" means a child care center, group child care  
10 home or family child care home licensed by the Office of Early  
11 Childhood;
- 12 (4) "Child care desert" means a census tract, as determined in

13 accordance with the most recent United States census, in the state in  
14 which (A) more than fifty children under the age of five reside, and (B)  
15 there are either no child care facilities or a ratio of not less than three  
16 children for each space in a child care facility, as determined by the  
17 corporation;

18 (5) "Fiscal agent" means an organization located in the state that is  
19 approved by the corporation and acts in an administrative capacity to  
20 receive and distribute financial assistance to a family child care home or  
21 group child care home; and

22 (6) "Project" means a project undertaken by a child care facility for the  
23 purposes of (A) constructing, renovating or acquiring facilities to  
24 operate a child care facility in a child care desert, (B) acquiring  
25 machinery, equipment, supplies or other similar items necessary or  
26 convenient for the operation of a child care facility in a child care desert,  
27 or (C) addressing working capital needs or any other costs associated  
28 with a project, including, but not limited to, the cost for administration  
29 of financial assistance that is deemed necessary by the corporation.

30 (b) The corporation shall establish a program to support child care  
31 facilities located in child care deserts through financial assistance  
32 secured by cash contributions from taxpayers. The corporation shall  
33 adopt written procedures in accordance with section 1-121 of the general  
34 statutes to establish any requirements for the program and to implement  
35 the provisions of this section.

36 (c) Any child care center or fiscal agent may submit an application to  
37 the corporation for financial assistance with a project. Such application  
38 shall include, but need not be limited to, a detailed plan on how such  
39 financial assistance would be used to address the following goals: (1)  
40 Expanding access to child care services and early childhood education  
41 in child care deserts; (2) improving the financial and operational  
42 viability of one or more child care facilities operating in a child care  
43 desert; and (3) any other goals concerning child care deserts specified  
44 by the corporation pursuant to subsection (b) of this section. The

45 corporation shall review each application made pursuant to this  
46 subsection in accordance with the written procedures adopted pursuant  
47 to subsection (b) of this section.

48       Sec. 2. (NEW) (*Effective January 1, 2025, and applicable to income years*  
49 *commencing on or after January 1, 2025*) (a) For income years commencing  
50 on or after January 1, 2025, there shall be allowed a credit against the tax  
51 imposed under chapter 207, 208, 209, 210, 211 or 212 for a cash  
52 contribution by a taxpayer to the CHEFA Community Development  
53 Corporation for the program established pursuant to section 1 of this  
54 act. The credit shall be in an amount equal to seventy-five per cent of  
55 such taxpayer's cash contribution. The credit shall be claimed in the  
56 income year in which such cash contribution is made by a taxpayer. The  
57 credit may be sold, assigned or otherwise transferred, in whole or in  
58 part, to one or more taxpayers, but not more than three times.

59       (b) Any taxpayer that intends to make a cash contribution to the  
60 CHEFA Community Development Corporation may apply to said  
61 corporation to reserve a tax credit in the amount indicated by such  
62 taxpayer. The corporation shall notify the Department of Revenue  
63 Services, in the form and manner specified by the Commissioner of  
64 Revenue Services, concerning the tax credits reserved pursuant to this  
65 section.

66       (c) The aggregate amount of all tax credits under this section that may  
67 be reserved by CHEFA Community Development Corporation, shall  
68 not exceed seven million five hundred thousand dollars in any fiscal  
69 year.

70       (d) The amount of the credit allowed to any taxpayer pursuant to this  
71 section shall not exceed the amount of tax due from such taxpayer under  
72 chapter 207, 208, 209, 210, 211 or 212 with respect to such income year.  
73 Any tax credit that is claimed by the taxpayer but not applied against  
74 the tax due under said chapters may be carried forward for the five  
75 immediately succeeding income years until the full credit has been  
76 applied.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2024</i>	New section
Sec. 2	<i>January 1, 2025, and applicable to income years commencing on or after January 1, 2025</i>	New section

**Statement of Purpose:**

To allow the CHEFA Community Development Corporation to provide financial assistance for child care facility projects in child care deserts and to reserve tax credits for cash contributions to the corporation.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*