



General Assembly

Amendment

January Session, 2021

LCO No. 9836



Offered by:

SEN. HARTLEY, 15th Dist.

REP. SIMMONS, 144th Dist.

SEN. MARTIN, 31st Dist.

To: Subst. Senate Bill No. 3

File No. 352

Cal. No. 218

**"AN ACT CONCERNING DIVERSE ECONOMIC OPPORTUNITY,
WORKER PROTECTIONS AND SMALL BUSINESS
REVITALIZATION."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 12-217aaa of the general statutes is repealed and
4 the following is substituted in lieu thereof (*Effective July 1, 2021, and*
5 *applicable to income years beginning January 1, 2021*):

6 (a) As used in this section, (1) "accumulated credits" means the
7 amount of credits allowed, in accordance with the provisions of section
8 12-217n, that have not been taken through an applicant's last income
9 year completed prior to the date of an application submitted as
10 provided in subsection (b) of this section, [and] (2) "commissioner"
11 means the Commissioner of Economic and Community Development,

12 and (3) "human capital investment" means the amount paid or incurred
13 by a corporation on (A) job training which occurs in this state for
14 persons who are employed in this state; (B) work education programs
15 in this state, including, but not limited to, programs in public high
16 schools and work education-diversified occupations programs in this
17 state; (C) worker training and education for persons who are employed
18 in this state provided by institutions of higher education in this state;
19 (D) donations or capital contributions to institutions of higher education
20 in this state for improvements or advancements of technology,
21 including physical plant improvements; (E) planning, site preparation,
22 construction, renovation or acquisition of facilities in this state for the
23 purpose of establishing a child care center, as described in section 19a-
24 77, in this state to be used primarily by the children of employees who
25 are employed in this state; (F) subsidies to employees who are employed
26 in this state for child care to be provided in this state; and (G)
27 contributions made to the Individual Development Account Reserve
28 Fund, as defined in section 31-51ww.

29 (b) The commissioner shall establish and administer a program to
30 allow businesses in the state to utilize accumulated credits against the
31 tax imposed under this chapter and chapter 219 in exchange for (1)
32 capital projects, planned or underway, in the state that propose to [(1)]
33 (A) expand the scale or scope of such business, [(2)] (B) increase
34 employment at such business, or [(3)] (C) generate a substantial return
35 to the state economy, or (2) human capital investment. A business
36 seeking to utilize accumulated credits under this section shall submit to
37 the commissioner, on forms provided by the commissioner, an
38 application that shall include, but not be limited to: (A) A detailed plan
39 outlining the capital project or human capital investment, (B) the term
40 of such project or investment, (C) the estimated costs of such project or
41 investment, and (D) the amount of accumulated credits the business
42 proposes it be allowed to utilize under this section. The commissioner
43 shall perform an econometric analysis of each application and shall only
44 approve an application if he or she determines that such project or
45 investment will generate revenues for the state that exceed the amount

46 of the accumulated credits proposed to be utilized. The amount of such
47 accumulated credits shall be subject to confirmation, in accordance with
48 the provisions of this title, by the Commissioner of Revenue Services in
49 consultation with the commissioner.

50 (c) The commissioner shall determine, in consultation with the
51 Commissioner of Revenue Services and the Secretary of the Office of
52 Policy and Management, when such accumulated credits may be
53 utilized by the business, provided the commissioner shall not approve
54 the utilization of the accumulated credits until the capital project or
55 human capital investment under subsection (b) of this section generates
56 revenues for the state that exceed the amount of the accumulated credits
57 proposed to be utilized.

58 (d) The total amount of accumulated credits used under this section,
59 at full value, and the investments made under section 12-217bbb shall
60 not exceed fifty million dollars in the aggregate.

61 (e) The commissioner may adopt regulations, in accordance with the
62 provisions of chapter 54, to implement the provisions of this section.

63 (f) Not later than February 1, 2019, and annually thereafter, the
64 commissioner shall include in the annual report required under section
65 32-1m: (1) Information on the number of applications received and the
66 number of applications approved under this section; (2) the status of the
67 capital projects or human capital investments associated with such
68 approved applications; (3) the amount of accumulated credits that are
69 proposed to be utilized under this section; and (4) (A) the amount and
70 type of state revenue generated in connection with each such capital
71 project or human capital investment to date, and (B) the projected
72 amount and type of such revenue for the five succeeding fiscal years
73 after completion of such capital project or human capital investment.

74 Sec. 2. (NEW) (*Effective October 1, 2021*) (a) As used in this section:

75 (1) "Dislocated worker" has the same meaning as provided in the
76 federal Workforce Innovation and Opportunity Act of 2014, P.L. 113-

77 128, as amended from time to time;

78 (2) "Economic development financial assistance" means any grant,
79 loan or loan guarantee, or combination thereof, provided to a business
80 for the purpose of economic development;

81 (3) "Low-income individual" means an individual whose family
82 income is less than three hundred per cent of the federal poverty level
83 for the prior calendar year;

84 (4) "Minority" means an individual whose race is defined as other
85 than white, or whose ethnicity is defined as Hispanic or Latino by the
86 federal Office of Management and Budget for use by the Bureau of
87 Census of the United States Department of Commerce;

88 (5) "Nontraditional employment" means occupations or fields of
89 work for which individuals from one gender comprise less than twenty-
90 five per cent of the individuals employed in each such occupation or
91 field of work; and

92 (6) "Veteran" means any person who is a member of, was honorably
93 discharged from or released under honorable conditions from active
94 service in the armed forces, as defined in section 27-103 of the general
95 statutes.

96 (b) The Commissioner of Economic and Community Development
97 shall give priority to applicants for economic development financial
98 assistance who demonstrate a willingness, as determined by the
99 commissioner, to make jobs available to unemployed individuals, low-
100 income individuals, dislocated workers, individuals training for
101 nontraditional employment, veterans, minorities, women and
102 individuals with disabilities to the extent consistent with any state or
103 regional economic development strategy.

104 Sec. 3. (*Effective from passage*) On or before July 1, 2021, and on a fiscal
105 quarterly basis thereafter, and prior to July 1, 2022, the Commissioner of
106 Economic and Community Development, in consultation with the

107 Commissioner of Revenue Services, shall report, in accordance with the
108 provisions of section 11-4a of the general statutes, to the joint standing
109 committee of the General Assembly having cognizance of matters
110 relating to commerce regarding the hospitality industry's recovery from
111 the COVID-19 pandemic. Such report may include, but need not be
112 limited to, regional assessments regarding the recovery of such industry
113 in the state. For the purposes of this section, "COVID-19" means the
114 respiratory disease designated by the World Health Organization on
115 February 11, 2020, as coronavirus 2019, and any related mutation thereof
116 recognized by said organization as a communicable respiratory disease.

117 Sec. 4. (NEW) (*Effective from passage*) Connecticut Innovations,
118 Incorporated, in consultation with the Department of Economic and
119 Community Development, CTNext and the Connecticut Center for
120 Advanced Technology, Inc., shall develop and implement a plan to
121 increase the total of funds provided to state businesses pursuant to the
122 small business innovation research program, as defined in section 32-
123 344 of the general statutes, and the small business technology transfer
124 program, as defined in section 32-344 of the general statutes. Not later
125 than January 1, 2022, and annually thereafter, the Commissioner of
126 Economic and Community Development shall report, in accordance
127 with the provisions of section 11-4a of the general statutes, to the joint
128 standing committees of the General Assembly having cognizance of
129 matters relating to commerce and veterans' and military affairs,
130 regarding such plan and its implementation.

131 Sec. 5. (*Effective from passage*) The Commissioner of Economic and
132 Community Development shall conduct a study relating to the state's
133 opportunity zone financial incentives. Such study shall include, but
134 need not be limited to, (1) an analysis of (A) the financial incentives used
135 by the state to support opportunity zone investment, (B) the specific
136 economic development projects that such incentives have supported
137 and an accounting of such financial incentives paid to date, and (C) the
138 types of businesses that have used such incentives; and (2) the
139 compilation of a list of opportunity zones in the state with the highest
140 unemployment and poverty rates and the lowest median family income.

141 Not later than January 1, 2022, the commissioner shall submit a report
142 on the results of such study to the joint standing committee of the
143 General Assembly having cognizance of matters relating to commerce,
144 in accordance with the provisions of section 11-4a of the general statutes.
145 Such report shall include a plan to incentivize investment in the
146 opportunity zones listed pursuant to subdivision (2) of this section and
147 any legislative proposals necessary to implement such plan.

148 Sec. 6. (NEW) (*Effective October 1, 2021*) (a) There is established a
149 vocational village program that shall be administered by the
150 Commissioner of Correction. The program shall provide skilled trades
151 training to inmates and shall include, but need not be limited to,
152 providing inmates opportunities to earn nationally recognized industry
153 certifications and credentials. Such certifications and credentials may
154 include, but need not be limited to, certifications and credentials in
155 computer coding, carpentry, computerized numerical control
156 manufacturing, welding, electrical, heating, ventilation and air
157 conditioning and plumbing.

158 (b) The Commissioner of Correction shall: (1) Establish eligibility
159 criteria for participation in the program; (2) establish an application
160 process for inmates to apply for participation in the program; (3)
161 develop program objectives; (4) identify nationally recognized industry
162 certifications to offer through the program; (5) develop and implement
163 program curricula; (6) identify and utilize a suitable facility for the
164 operation of the program; (7) obtain suitable staff for the operation of
165 the program; and (8) obtain suitable equipment and educational
166 materials for the operation of the program.

167 (c) The Commissioner of Correction may (1) participate in the federal
168 Prison Industry Enhancement Certification Program, or (2) partner with
169 private sector entities to further the objectives of the vocational village
170 program.

171 (d) Not later than January 1, 2022, and annually thereafter, the
172 Commissioner of Correction shall submit a report, in accordance with

173 the provisions of section 11-4a of the general statutes, on the vocational
 174 village program to the joint standing committees of the General
 175 Assembly having cognizance of matters relating to the judiciary and
 176 commerce.

177 (e) The Secretary of the Office of Policy and Management shall
 178 allocate funds to the Department of Correction, from the federal funds
 179 received by the state pursuant to the Coronavirus Aid, Relief, and
 180 Economic Security Act, P.L. 116-136, as amended from time to time, the
 181 Coronavirus Response and Relief Supplemental Appropriations Act,
 182 P.L. 116-260, as amended from time to time, or the American Rescue
 183 Plan Act of 2021, P.L. 117-2, as amended from time to time, for the
 184 purposes of the program established pursuant to subsection (a) of this
 185 section."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021, and applicable to income years beginning January 1, 2021</i>	12-217aaa
Sec. 2	<i>October 1, 2021</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>October 1, 2021</i>	New section