



Agency Legislative Proposal - 2020 Session

Document Name: AA Eliminating the Department of Economic and Community Development Culture and Tourism Advisory Committee

(If submitting electronically, please label with date, agency, and title of proposal – 092620_SDE_TechRevisions)

State Agency: DECD

Liaison: Tommy Hyde

Phone: 203-606-1353

E-mail: Tommy.Hyde@ct.gov

Lead agency division requesting this proposal: DECD

Agency Analyst/Drafter of Proposal: Tommy Hyde

Title of Proposal: AA Eliminating the Department of Economic and Community Development Culture and Tourism Committee

Statutory Reference: 10-393

Proposal Summary:

To eliminate the DECD Culture and Tourism Advisory Committee

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

This past session, the CT Tourism Council was created through PA No. 19-178. Considering we now have this new Council, along with an Arts Council, Arts Council Foundation, and Historic Preservation Council, there is no need to continue to have the DECD Culture and Tourism Committee. As such, the committee has had no purpose or reason to hold meetings over the past year.

◇ **Origin of Proposal**

☒ **New Proposal**

☐ **Resubmission**

If this is a resubmission, please share:

- (1) *What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?*
- (2) *Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?*
- (3) *Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?*
- (4) *What was the last action taken during the past legislative session?*



PROPOSAL IMPACT

◇ **AGENCIES AFFECTED** *(please list for each affected agency)*

Agency Name: None Agency Contact (<i>name, title, phone</i>): Date Contacted:
Approve of Proposal <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> Talks Ongoing
Summary of Affected Agency's Comments
Will there need to be further negotiation? <input type="checkbox"/> YES <input type="checkbox"/> NO

◇ **FISCAL IMPACT** *(please include the proposal section that causes the fiscal impact and the anticipated impact)*

Municipal <i>(please include any municipal mandate that can be found within legislation)</i> None
State None
Federal None
Additional notes on fiscal impact None

◇ **POLICY and PROGRAMMATIC IMPACTS** *(Please specify the proposal section associated with the impact)*

None

◇ **EVIDENCE BASE**

<i>What data will be used to track the impact of this proposal over time, and what measurable outcome do you anticipate? Is that data currently available or must it be developed? Please provide information on the measurement and evaluation plan. Where possible, those plans should include process and outcome components. Pew MacArthur Results First evidence definitions can</i>



help you to establish the evidence-base for your program and their [Clearinghouse](#) allows for easy access to information about the evidence base for a variety of programs.

Not needed

Insert fully drafted bill here

Strike section 10-393 in its entirety

[Sec. 10-393. Culture and Tourism Advisory Committee. Members. Terms and duties. (a) There shall be a Culture and Tourism Advisory Committee which shall consist of twenty-eight voting members and nonvoting ex-officio members. Such ex-officio members shall be the executive directors of the Connecticut Trust for Historic Preservation and the Connecticut Humanities Council, the State Poet Laureate, the State Historian and the State Archaeologist. The State Poet Laureate, the State Historian and the State Archaeologist shall serve as members without being appointed and without receiving compensation for such service. The remaining twenty-three members shall be appointed as follows:

- (1) The Governor shall appoint seven members: (A) One member shall be an individual with knowledge of and experience in the tourism industry from within the state; (B) three members shall be individuals with knowledge of or experience or interest in history or humanities; (C) one member shall be an individual with knowledge of or experience or interest in the arts; and (D) two members shall be selected at large.
- (2) The speaker of the House of Representatives shall appoint three members: (A) One member shall be an individual with knowledge of and experience in the tourism industry from the western regional tourism district, established under section 10-397; (B) one member shall be an individual with knowledge of or experience or interest in history or humanities; and (C) one member shall be an individual with knowledge of or experience or interest in the arts.
- (3) The president pro tempore of the Senate shall appoint three members: (A) One member shall be an individual with knowledge of and experience in the tourism industry from the central regional tourism district, established under section 10-397; (B) one member shall be an individual with knowledge of or experience or interest in history or humanities; and (C) one member shall be an individual with knowledge of or experience or interest in the arts.
- (4) The majority leader of the House of Representatives shall appoint two members: (A) One member shall be an individual with knowledge of and experience in the tourism industry from the central regional tourism district, established under section 10-397; and (B) one member shall be an individual with knowledge of or experience or interest in the arts.
- (5) The majority leader of the Senate shall appoint two members: (A) One member shall be an individual with knowledge of and experience in the tourism industry from the eastern regional



tourism district; and (B) one member shall be an individual with knowledge of or experience or interest in the arts.

(6) The minority leader of the House of Representatives shall appoint three members: (A) One member shall be an individual with knowledge of and experience in the tourism industry from within the state; (B) one member shall be an individual with knowledge of or experience or interest in history or humanities; and (C) one member shall be an individual with knowledge of or experience or interest in the arts.

(7) The minority leader of the Senate shall appoint three members: (A) One member shall be an individual with knowledge of and experience in the tourism industry from the western regional tourism district, established under section 10-397; (B) one member shall be an individual with knowledge of or experience or interest in history or humanities; (C) one member shall be an individual with knowledge of or experience or interest in the arts.

(b) Each member shall serve a term that is coterminous with such member's appointing authority.

(c) The voting members shall elect annually: A member from among the voting members to serve as chairperson of the advisory committee and one member as vice-chairperson. Members shall receive no compensation for the performance of their duties, but may be reimbursed for their necessary expenses incurred in the performance of their duties. The advisory committee shall meet at least once during each calendar quarter and at such other times as the chairperson deems necessary or upon the request of the Commissioner of Economic and Community Development.

(d) Thirteen voting members of the board shall constitute a quorum and the affirmative vote of a majority of the voting members present at a meeting of the advisory committee shall be sufficient for any action taken by the advisory committee. Any recommendations by the advisory committee may be authorized by resolution at any regular or special meeting and shall take effect immediately unless otherwise provided in the resolution.

(e) The Commissioner of Economic and Community Development shall provide administrative assistance to the advisory committee. The commissioner shall have the authority to: Establish rules for the internal operation of the advisory committee; contract for facilities, services and programs to implement the purposes of the commission established by law; and enter into agreements for funding from private sources, including corporate donations and other commercial sponsorships. The commissioner is authorized to do all things necessary to apply for, qualify for and accept any funds made available under any federal act for the purposes established under section 10-392. All funds received under this subsection shall be deposited into the culture and tourism account within the department, established under section 10-395. The commissioner may enter into contracts with the federal government concerning the use of such funds.]



Agency Legislative Proposal - 2010 Session

Document Name AAC Changes to the State Historic Preservation Board

(If submitting electronically, please label with date, agency, and title of proposal – 092611_SDE_TechRevisions)

State Agency: DECD

Liaison: Tommy Hyde

Phone: 203-606-1353

E-mail: Tommy.Hyde@ct.gov

Lead agency division requesting this proposal: DECD State Historic Preservation Office

Agency Analyst/Drafter of Proposal: Tommy Hyde

Title of Proposal: AAC Changes to the State Historic Preservation Board

Statutory Reference: 10-231q

Proposal Summary:

The bill makes several minor changes to the State Historic Preservation Board statute.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

Makes several changes to (1) correct erroneous references and (2) ensure consistency with federal regulations as well as preservation office practices in other states.

◇ **Origin of Proposal**

☒ **New Proposal**

☒ **Resubmission**

If this is a resubmission, please share:

- (1) *What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?*
- (2) *Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?*
- (3) *Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?*
- (4) *What was the last action taken during the past legislative session?*

We have submitted this proposal several time. There is no major pushback against it as it is a very simple and straightforward fix. The main reason why it has not passed is due to the legislature running out of time.



PROPOSAL IMPACT

◇ **AGENCIES AFFECTED** *(please list for each affected agency)*

Agency Name: None Agency Contact (<i>name, title, phone</i>): Date Contacted:
Approve of Proposal <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> Talks Ongoing
Summary of Affected Agency's Comments
Will there need to be further negotiation? <input type="checkbox"/> YES <input type="checkbox"/> NO

◇ **FISCAL IMPACT** *(please include the proposal section that causes the fiscal impact and the anticipated impact)*

Municipal <i>(please include any municipal mandate that can be found within legislation)</i> None
State None
Federal None
Additional notes on fiscal impact

◇ **POLICY and PROGRAMMATIC IMPACTS** *(Please specify the proposal section associated with the impact)*

None



Insert fully drafted bill here

Section 10-321q of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2019):

(a) There is established a State Historic Preservation Review Board, which board shall serve as and have the powers, duties and responsibilities of the board established pursuant to 36 CFR S. 61.4 (1978). Said board shall consist of ten members. The members shall be appointed by the State Historic Preservation Officer designated pursuant to 36 CFR S. 61.2 (1978), and shall serve for a term of [~~one year from July first of each year~~] three years. Members may serve additional terms if reappointed by the State Historic Preservation Officer.

(b) The legislative body of each municipality may appoint a municipal preservation board, which shall consist of not less than five nor more than nine members. The members of such municipal board shall serve from the date of their original appointment until the next succeeding June thirtieth, and shall thereafter be appointed for a term of one year from July first of each year.

(c) The State Historic Preservation Officer shall notify the municipal preservation board or, if there is no board, the chief executive officer of the municipality, at least [~~sixty~~] thirty days prior to the scheduled consideration by the State Historic Preservation Review Board of the nomination of property in such municipality to the National Register of Historic Places. The notification shall be accompanied by all information on the nomination that is provided to the members of the State Historic Preservation Review Board for their consideration, which information shall be available for public inspection. The municipal board may hold a public hearing in the municipality on the nomination of any parcel of real property at least fifteen days prior to the scheduled meeting of the State Historic Preservation Review Board on such matter and may make recommendations to the State Historic Preservation Board on the nomination of districts containing two or more parcels of real property located in such municipality. Notice of the time, place and subject matter of the hearing shall be published at least once in a newspaper of general circulation in the municipality not more than fifteen nor less than seven days prior to such hearing. A copy of the notice shall be sent to the State Historic Preservation Officer at least ten days prior to such hearing. The State Historic Preservation Officer or his designee [~~shall~~] may attend the hearing to testify on such nomination and to explain the consequences of listing in the National Register of Historic Places. In preparing its recommendation on the nomination, the municipal board shall consider whether the properties being proposed for nomination meet the criteria for listing in the National Register of Historic Places, as set forth in 36 CFR S. 60.4 [~~6 (1978)~~], and may consider such other matters as it deems appropriate. The municipal board shall submit its recommendation, if any, with the reasons for the recommendation, to the state board not later than seven days prior to the scheduled consideration of the nomination by the State Historic Preservation Review Board. The State Historic Preservation Board shall consider the recommendations of a municipal board, if any, before acting on a nomination if such written recommendation is received by the State Historic Preservation Officer not later than seven days prior to the scheduled consideration of the nomination by the State Historic Preservation Board. Failure of



the municipal board to present such recommendation shall not prevent the State Historic Preservation Board from acting on any nomination.



Agency Legislative Proposal - 2020 Session

Document Name: AAC Changes to the Regional Tourism Districts

(If submitting electronically, please label with date, agency, and title of proposal – 092620_SDE_TechRevisions)

State Agency: DECD

Liaison: Tommy Hyde

Phone: 203-606-1353

E-mail: Tommy.Hyde@ct.gov

Lead agency division requesting this proposal: DECD Office of Tourism

Agency Analyst/Drafter of Proposal: Tommy Hyde

Title of Proposal: AAC Changes to the Regional Tourism Districts

Statutory Reference: 10-397

Proposal Summary:

The proposal ensures that the Regional Tourism Districts will spend funding to support marketing efforts that will increase tourism revenues to the cities and towns in each district. Additionally, the proposal allows DECD to recoup funding in the event that the district does not use it or misuses it. The proposal also eliminates the requirement that the central regional district be located in DECD.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

As marketing funding for the state has dropped continuously over the past several years, we want to ensure that the money we do have is being used for the best purposes. The proposal will help ensure that by requiring the three tourism districts to use their funding to support marketing efforts in their district and not for other purposes such as rent, salaries, etc. Additionally, the proposal will give DECD a mechanism to recoup unexpended or misused funds, which in turn can be used to supplement statewide marketing. Finally, the proposal will eliminate the need for the central regional district to be located within the department as they are not and have not been located here for several years.

◇ **Origin of Proposal**

☒ **New Proposal**

☐ **Resubmission**



If this is a resubmission, please share:

- (1) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?
- (2) Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?
- (3) Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?
- (4) What was the last action taken during the past legislative session?

PROPOSAL IMPACT

◇ **AGENCIES AFFECTED** (please list for each affected agency)

Agency Name: None

Agency Contact (name, title, phone):

Date Contacted:

Approve of Proposal ☐ YES ☐ NO ☐ Talks Ongoing

Summary of Affected Agency's Comments

Will there need to be further negotiation? ☐ YES ☐ NO

◇ **FISCAL IMPACT** (please include the proposal section that causes the fiscal impact and the anticipated impact)

Municipal (please include any municipal mandate that can be found within legislation)

None

State

None

Federal

None

Additional notes on fiscal impact

◇ **POLICY and PROGRAMMATIC IMPACTS** (Please specify the proposal section associated with the impact)



None

◇ **EVIDENCE BASE**

What data will be used to track the impact of this proposal over time, and what measurable outcome do you anticipate? Is that data currently available or must it be developed? Please provide information on the measurement and evaluation plan. Where possible, those plans should include process and outcome components. Pew MacArthur Results First [evidence definitions](#) can help you to establish the evidence-base for your program and their [Clearinghouse](#) allows for easy access to information about the evidence base for a variety of programs.

Not needed

Insert fully drafted bill here

Sec. 10-397. Regional tourism districts. Established. Boards of directors. Accounting and reporting requirements. Solicitation and receipt of funds.

(a) There are established three regional tourism districts, each of which shall promote and market districts as regional leisure and business traveler destinations to stimulate economic growth. The districts shall be as follows:

(1) The eastern regional district, which shall consist of Ashford, Bozrah, Brooklyn, Canterbury, Chaplin, Colchester, Columbia, Coventry, East Lyme, Eastford, Franklin, Griswold, Groton, Hampton, Killingly, Lebanon, Ledyard, Lisbon, Lyme, Mansfield, Montville, New London, North Stonington, Norwich, Old Lyme, Plainfield, Pomfret, Preston, Putnam, Salem, Scotland, Sprague, Sterling, Stonington, Thompson, Union, Voluntown, Waterford, Willington, Windham and Woodstock;

(2) The central regional district, which shall consist of Andover, Avon, Berlin, Bethany, Bloomfield, Bolton, Branford, Canton, Cheshire, Chester, Clinton, Cromwell, Deep River, Durham, East Granby, East Haddam, East Hampton, East Hartford, East Haven, East Windsor, Ellington, Enfield, Essex, Farmington, Glastonbury, Granby, Guilford, Haddam, Hamden, Hartford, Hebron, Killingworth, Madison, Manchester, Marlborough, Meriden, Middlefield, Middletown, Milford, New Britain, New Haven, Newington, North Branford, North Haven, Old Saybrook, Orange, Plainville, Portland, Rocky Hill, Simsbury, Somers, South Windsor, Southington, Stafford, Suffield, Tolland, Vernon, Wallingford, West Hartford, West Haven, Westbrook, Wethersfield, Windsor, Windsor Locks and Woodbridge; and

(3) The western regional district, which shall consist of Ansonia, Barkhamsted, Beacon Falls, Bethel, Bethlehem, Bridgeport, Bridgewater, Bristol, Brookfield, Burlington, Canaan, Colebrook, Cornwall, Danbury, Darien, Derby, Easton, Fairfield, Goshen, Greenwich, Hartland, Harwinton, Kent, Litchfield,



Middlebury, Monroe, Morris, Naugatuck, New Fairfield, New Hartford, New Milford, New Canaan, Newtown, Norfolk, North Canaan, Norwalk, Oxford, Plymouth, Prospect, Redding, Ridgefield, Roxbury, Salisbury, Seymour, Sharon, Shelton, Sherman, Southbury, Stamford, Stratford, Thomaston, Torrington, Trumbull, Warren, Washington, Waterbury, Watertown, Weston, Westport, Wilton, Winchester, Wolcott and Woodbury.

(b) Each regional tourism district shall be overseen by a board of directors consisting of one representative from each municipality within the district, appointed by the legislative body of the municipality and, where the legislative body is a town meeting, by the board of selectmen. Any such member of a board of directors shall serve for a term of three years. In addition, the board of directors may appoint up to twenty-one persons representing tourism interests within the district to serve on the board. No board member shall be deemed a state employee for serving on said board. All appointments to the board of directors shall be reported to the Commissioner of Economic and Community Development.

(c) The provisions of the Freedom of Information Act, as defined in section 1-200, shall apply to each regional tourism district.

(d) Each tourism district shall adopt a charter and bylaws governing its operation.

(e) Each regional tourism district shall (1) comply with uniform standards for accounting and reporting expenditures that are established by the Department of Economic and Community Development in accordance with section 10-392 and are based on industry accounting standards developed by the International Association of Convention and Visitor Bureaus or other national organizations related to tourism, and (2) on or before January first of each year, submit to the department, the Office of Policy and Management and the Office of Fiscal Analysis an independent audit in accordance with the provisions of sections 4-230 to 4-236, inclusive.

(f) Each regional tourism district shall solicit and may accept private funds for the promotion of tourism within its towns and cities and shall coordinate its activities with any private nonprofit tourist association within the district and within this state, that promotes tourism industry businesses in this state, in order to foster cooperation in the promotion of such businesses. Any funds received by a regional tourism district may be deposited in the account established in section 10-395 or in an account established by such tourism district to receive such funds.

[(g) The central regional district office shall be located within the department.]

[(h)] (g) The commissioner shall, within available appropriations, distribute tourism funding evenly among the three tourism districts. Tourism funding shall be dispersed after an agreement/contract is reached between the district and the Department of Economic and Community Development to ensure funding is used to support marketing efforts to increase tourism revenues to the cities and



towns in its region. Unexpended or misused funds shall be returned to DECD and used to support statewide marketing.



Agency Legislative Proposal - 2020 Session

Document Name: AA Exempting Certain Brownfield funding from Prevailing wage

(If submitting electronically, please label with date, agency, and title of proposal – 092620_SDE_TechRevisions)

State Agency: DECD

Liaison: Tommy Hyde

Phone: 203-606-1353

E-mail: Tommy.Hyde@ct.gov

Lead agency division requesting this proposal: DECD Office of Brownfields

Agency Analyst/Drafter of Proposal: Tommy Hyde

Title of Proposal: AA Exempting Certain Brownfield funding from Prevailing wage

Statutory Reference: 31-53c

Proposal Summary:

The proposal exempts any brownfield funding from being subject to prevailing wage.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

Prevailing wage has been an impediment for for-profit/white knight developers from taking up brownfield sites for redevelopment as any funding they receive for brownfield redevelopment triggers prevailing wage rates on all of the private sector development dollars. Additionally it is increasing costs to the state and the developer for Brownfield projects. As you know, the Brownfield program has been crucial in putting many sites throughout the state back on the tax rolls and the triggering of prevailing wage for DECD funding over \$1 million is going against the intent of the program. As an example, if the state provides \$1 million in brownfield funding to a project and a developer provide \$40 million, the entire \$41 million project is now subject to prevailing wage.

◇ **Origin of Proposal**

☒ **New Proposal**

☐ **Resubmission**

If this is a resubmission, please share:

- (1) *What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?*
- (2) *Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?*
- (3) *Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?*
- (4) *What was the last action taken during the past legislative session?*



PROPOSAL IMPACT

◇ **AGENCIES AFFECTED** *(please list for each affected agency)*

Agency Name: No Agency Contact <i>(name, title, phone):</i> Date Contacted:
Approve of Proposal <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> Talks Ongoing
Summary of Affected Agency's Comments
Will there need to be further negotiation? <input type="checkbox"/> YES <input type="checkbox"/> NO

◇ **FISCAL IMPACT** *(please include the proposal section that causes the fiscal impact and the anticipated impact)*

Municipal <i>(please include any municipal mandate that can be found within legislation)</i> None
State None
Federal None
Additional notes on fiscal impact

◇ **POLICY and PROGRAMMATIC IMPACTS** *(Please specify the proposal section associated with the impact)*

Nothing substantial

◇ **EVIDENCE BASE**

<i>Not needed.</i>



Insert fully drafted bill here

Sec. 31-53c. Construction projects funded by the Department of Economic and Community Development; wage rates. Penalties. (a) For purposes of this section:

(1) "Business organization" means any sole proprietorship, partnership, corporation, limited liability company, association, firm or other form of business or legal entity;

(2) "Financial assistance" means any and all forms of loans, cash payments, extensions of credit, guarantees, equity investments, tax abatements or any other form of financing totaling one million dollars or more; and

(3) "Project" means any construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of any property owned by a business organization.

(b) On and after July 1, 2018, if the Department of Economic and Community Development provides financial assistance to any business organization for any construction project of such business organization, the Department of Economic and Community Development shall require, as a condition of providing such financial assistance, that any contract entered into by the business organization for such project shall contain the following provision: "The wages paid on an hourly basis to any person performing the work of any mechanic, laborer or worker on the work herein contracted to be done and the amount of payment or contribution paid or payable on behalf of each such person to any employee welfare fund, as defined in subsection (i) of section 31-53, shall be at a rate equal to the rate customary or prevailing for the same work in the same trade or occupation in the town in which such construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair project is being undertaken. Any contractor who is not obligated by agreement to make payment or contribution on behalf of such persons to any such employee welfare fund shall pay to each mechanic, laborer or worker as part of such person's wages the amount of payment or contribution for such person's classification on each pay day."

(c) Any contractor or subcontractor who knowingly or wilfully employs any mechanic, laborer or worker in any project receiving financial assistance from the Department of Economic and Community Development for such project, at a rate of wage on an hourly basis that is less than the rate customary or prevailing for the same work in the same trade or occupation in the town in which such project is located, or who fails to pay the amount of payment or contributions paid or payable on behalf of each such person to any employee welfare fund, as defined in subsection (i) of section 31-53, or in lieu thereof to the person, as provided by subsection (b) of this section, shall be fined not less than two thousand five hundred dollars but not more than five thousand dollars for each offense and (1) for the first violation, shall be disqualified from bidding on contracts for projects for which the



Department of Economic and Community Development provides financial assistance until the contractor or subcontractor has made full restitution of the back wages owed to such persons and for an additional six months thereafter, and (2) for subsequent violations, shall be disqualified from bidding on contracts for projects for which the Department of Economic and Community Development provides financial assistance until the contractor or subcontractor has made full restitution of the back wages owed to such persons and for not less than an additional two years thereafter. In addition, if it is found by the contracting officer representing the business organization that any mechanic, laborer or worker employed by the contractor or any subcontractor directly on the site for the work covered by the contract has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid as required by this section, the business organization may (A) by written or electronic notice to the contractor, terminate such contractor's right to proceed with the work or such part of the work as to which there has been a failure to pay said required wages and to prosecute the work to completion by contract or otherwise, and the contractor and the contractor's sureties shall be liable to the business organization for any excess costs occasioned the business organization thereby, or (B) withhold payment of money to the contractor or subcontractor. The contracting business organization shall, not later than two days after taking such action, notify the Labor Commissioner, in writing or electronically, of the name of the contractor or subcontractor, the project involved, the location of the work, the violations involved, the date the contract was terminated and steps taken to collect the required wages.

(d) The Labor Commissioner may make complaint to the proper prosecuting authorities for the violation of any provision of subsection (c) of this section.

(e) The Labor Commissioner shall predetermine the prevailing rate and the amount of payment or contributions paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of section 31-53, in each town where such contract is to be performed, in the same manner as provided in subsection (d) of section 31-53.

(f) Notwithstanding the definition of "financial assistance" and "project" in subsection (a) above, all Department of Economic and Community Development brownfield funding related to investigation, assessment, remediation and development of a brownfield, including, but not limited to, (A) soil, groundwater and infrastructure investigation, (B) assessment, (C) remediation, (D) abatement, (E) hazardous materials or waste disposal, (F) long-term groundwater or natural attenuation monitoring, (G) (i) environmental land use restrictions, (ii) activity and use limitations, or (iii) other forms of institutional control, (H) attorneys' fees, (I) planning, engineering and environmental consulting, and (J) building and structural issues, including demolition, asbestos abatement, polychlorinated biphenyls removal, contaminated wood or paint removal, and other infrastructure remedial activities shall be exempt from the requirements of this section.

Sec. 31-53. Construction, alteration or repair of public works project by state or political subdivision; wage rates; certified payroll. Penalties. Civil action. Exceptions. (a) Each contract for the



construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of any public works project by the state or any of its agents, or by any political subdivision of the state or any of its agents, shall contain the following provision: "The wages paid on an hourly basis to any person performing the work of any mechanic, laborer or worker on the work herein contracted to be done and the amount of payment or contribution paid or payable on behalf of each such person to any employee welfare fund, as defined in subsection (i) of this section, shall be at a rate equal to the rate customary or prevailing for the same work in the same trade or occupation in the town in which such public works project is being constructed. Any contractor who is not obligated by agreement to make payment or contribution on behalf of such persons to any such employee welfare fund shall pay to each mechanic, laborer or worker as part of such person's wages the amount of payment or contribution for such person's classification on each pay day."

(b) Any contractor or subcontractor who knowingly or wilfully employs any mechanic, laborer or worker in the construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of any public works project for or on behalf of the state or any of its agents, or any political subdivision of the state or any of its agents, at a rate of wage on an hourly basis that is less than the rate customary or prevailing for the same work in the same trade or occupation in the town in which such public works project is being constructed, remodeled, refinished, refurbished, rehabilitated, altered or repaired, or who fails to pay the amount of payment or contributions paid or payable on behalf of each such person to any employee welfare fund, or in lieu thereof to the person, as provided by subsection (a) of this section, shall be fined not less than two thousand five hundred dollars but not more than five thousand dollars for each offense and (1) for the first violation, shall be disqualified from bidding on contracts with the state or any political subdivision until the contractor or subcontractor has made full restitution of the back wages owed to such persons and for an additional six months thereafter, and (2) for subsequent violations, shall be disqualified from bidding on contracts with the state or any political subdivision until the contractor or subcontractor has made full restitution of the back wages owed to such persons and for not less than an additional two years thereafter. In addition, if it is found by the contracting officer representing the state or political subdivision of the state that any mechanic, laborer or worker employed by the contractor or any subcontractor directly on the site for the work covered by the contract has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid as required by this section, the state or contracting political subdivision of the state may (A) by written or electronic notice to the contractor, terminate such contractor's right to proceed with the work or such part of the work as to which there has been a failure to pay said required wages and to prosecute the work to completion by contract or otherwise, and the contractor and the contractor's sureties shall be liable to the state or the contracting political subdivision for any excess costs occasioned the state or the contracting political subdivision thereby, or (B) withhold payment of money to the contractor or subcontractor. The contracting department of the state or the political subdivision of the state shall, not later than two days after taking such action, notify the Labor Commissioner, in writing or electronically, of the name of the contractor or subcontractor, the project involved, the location of



the work, the violations involved, the date the contract was terminated, and steps taken to collect the required wages.

(c) The Labor Commissioner may make complaint to the proper prosecuting authorities for the violation of any provision of subsection (b) of this section.

(d) For the purpose of predetermining the prevailing rate of wage on an hourly basis and the amount of payment or contributions paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of this section, in each town where such contract is to be performed, the Labor Commissioner shall (1) hold a hearing at any required time to determine the prevailing rate of wages on an hourly basis and the amount of payment or contributions paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of this section, upon any public work within any specified area, and shall establish classifications of skilled, semiskilled and ordinary labor, or (2) adopt and use such appropriate and applicable prevailing wage rate determinations as have been made by the Secretary of Labor of the United States under the provisions of the Davis-Bacon Act, as amended.

(e) The Labor Commissioner shall determine the prevailing rate of wages on an hourly basis and the amount of payment or contributions paid or payable on behalf of such person to any employee welfare fund, as defined in subsection (i) of this section, in each locality where any such public work is to be constructed, and the agent empowered to let such contract shall contact the Labor Commissioner, at least ten but not more than twenty days prior to the date such contracts will be advertised for bid, to ascertain the proper rate of wages and amount of employee welfare fund payments or contributions and shall include such rate of wage on an hourly basis and the amount of payment or contributions paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of this section, or in lieu thereof the amount to be paid directly to each person for such payment or contributions as provided in subsection (a) of this section for all classifications of labor in the proposal for the contract. The rate of wage on an hourly basis and the amount of payment or contributions to any employee welfare fund, as defined in subsection (i) of this section, or cash in lieu thereof, as provided in subsection (a) of this section, shall, at all times, be considered as the minimum rate for the classification for which it was established. Prior to the award of any contract, purchase order, bid package or other designation subject to the provisions of this section, such agent shall certify to the Labor Commissioner, either in writing or electronically, the total dollar amount of work to be done in connection with such public works project, regardless of whether such project consists of one or more contracts. Upon the award of any contract subject to the provisions of this section, the contractor to whom such contract is awarded shall certify, under oath, to the Labor Commissioner the pay scale to be used by such contractor and any of the contractor's subcontractors for work to be performed under such contract.

(f) Each employer subject to the provisions of this section, section 31-53c or 31-54 shall (1) keep, maintain and preserve such records relating to the wages and hours worked by each person



performing the work of any mechanic, laborer and worker and a schedule of the occupation or work classification at which each person performing the work of any mechanic, laborer or worker on the project is employed during each work day and week in such manner and form as the Labor Commissioner establishes to assure the proper payments due to such persons or employee welfare funds under this section, section 31-53c or 31-54, regardless of any contractual relationship alleged to exist between the contractor and such person, provided such employer shall have the option of keeping, maintaining and preserving such records in an electronic format, and (2) submit monthly to the contracting agency or the Department of Economic and Community Development pursuant to section 31-53c by mail, electronic mail or other method accepted by such agency or the Department of Economic and Community Development, a certified payroll that shall consist of a complete copy of such records accompanied by a statement signed by the employer that indicates (A) such records are correct; (B) the rate of wages paid to each person performing the work of any mechanic, laborer or worker and the amount of payment or contributions paid or payable on behalf of each such person to any employee welfare fund, as defined in subsection (i) of this section, are not less than the prevailing rate of wages and the amount of payment or contributions paid or payable on behalf of each such person to any employee welfare fund, as determined by the Labor Commissioner pursuant to subsection (d) of this section, and not less than those required by the contract to be paid; (C) the employer has complied with the provisions of this section, section 31-53c and 31-54; (D) each such person is covered by a workers' compensation insurance policy for the duration of such person's employment, which shall be demonstrated by submitting to the contracting agency the name of the workers' compensation insurance carrier covering each such person, the effective and expiration dates of each policy and each policy number; (E) the employer does not receive kickbacks, as defined in 41 USC 52, from any employee or employee welfare fund; and (F) pursuant to the provisions of section 53a-157a, the employer is aware that filing a certified payroll which the employer knows to be false is a class D felony for which the employer may be fined up to five thousand dollars, imprisoned for up to five years, or both. This subsection shall not be construed to prohibit a general contractor from relying on the certification of a lower tier subcontractor, provided the general contractor shall not be exempted from the provisions of section 53a-157a if the general contractor knowingly relies upon a subcontractor's false certification. Notwithstanding the provisions of section 1-210, the certified payroll shall be considered a public record and every person shall have the right to inspect and copy such records in accordance with the provisions of section 1-212. The provisions of subsections (a) and (b) of section 31-59 and sections 31-66 and 31-69 that are not inconsistent with the provisions of this section, section 31-53c or 31-54 apply to this section. Failing to file a certified payroll pursuant to subdivision (2) of this subsection is a class D felony for which the employer may be fined up to five thousand dollars, imprisoned for up to five years, or both.

(g) Any contractor who is required by the Labor Department to make any payment as a result of a subcontractor's failure to pay wages or benefits, or any subcontractor who is required by the Labor Department to make any payment as a result of a lower tier subcontractor's failure to pay wages or benefits, may bring a civil action in the Superior Court to recover no more than the damages sustained by reason of making such payment, together with costs and a reasonable attorney's fee.



(h) (1) The provisions of this section shall not apply where (A) the combined total cost or total bond authorization for all work to be performed by all contractors and subcontractors in connection with new construction of any public works project is less than one million dollars, or (B) the combined total cost of all work to be performed by all contractors and subcontractors in connection with any remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of any public works project is less than one hundred thousand dollars.

(2) From the effective date of this section until July 1, 2019, the provisions of this subdivision shall not apply where the work to be performed by any contractor or subcontractor in connection with new construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of any public works project funded in whole or in part by any private bequest that is greater than nine million dollars but less than twelve million dollars for a municipality in New Haven County with a population of not less than twelve thousand and not more than thirteen thousand, as determined by the most recent population estimate by the Department of Public Health.

(i) As used in this section, section 31-53c and 31-54, "employee welfare fund" means any trust fund established by one or more employers and one or more labor organizations or one or more other third parties not affiliated with the employers to provide from moneys in the fund, whether through the purchase of insurance or annuity contracts or otherwise, benefits under an employee welfare plan; provided such term shall not include any such fund where the trustee, or all of the trustees, are subject to supervision by the Banking Commissioner of this state or any other state or the Comptroller of the Currency of the United States or the Board of Governors of the Federal Reserve System, and "benefits under an employee welfare plan" means one or more benefits or services under any plan established or maintained for persons performing the work of any mechanics, laborers or workers or their families or dependents, or for both, including, but not limited to, medical, surgical or hospital care benefits; benefits in the event of sickness, accident, disability or death; benefits in the event of unemployment, or retirement benefits.



Agency Legislative Proposal - 2020 Session

Document Name: AAC Changes to the Connecticut Dry Cleaning Tax

(If submitting electronically, please label with date, agency, and title of proposal – 092620_SDE_TechRevisions)

State Agency: DECD

Liaison: Tommy Hyde

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Lead agency division requesting this proposal: DECD

Agency Analyst/Drafter of Proposal: Tommy Hyde

Title of Proposal: AAC Changes to the Connecticut Dry Cleaning Tax

Statutory Reference: 12-263m

Proposal Summary:

This change will include certifying parties i.e. the party responsible to clean up property per the transfer act, as eligible applicants for the Dry Cleaning Fund. It will also allow DECD to use a portion of the fund to pay for legal expenses. Finally, this proposal clarifies some of the language related to DECD administration and the eligibility rules.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

Eligible entities include dry cleaning business owners or operators and property owners. Currently, certifying parties, who may be one of the three listed entities are not specifically listed as being eligible to receive the dry cleaning funds. The waiting list is currently approximately 40 requests long and may take as long as 13 to 15 years to reach the last request. Many of the dry cleaning business or property owners on the waiting list who may be certifying parties may lose their eligibility for receiving the DECD funds in case they sell their business/property during the waiting period. Specifically including "certifying parties" as eligible entities to receive funds will curtail this issue. Further, DECD has been using money from the brownfield program to pay for the legal expenses needed to draft and execute assistance agreements with regards to the Dry Cleaning Fund. This change will allow DECD to use the fund to pay for the cost of legal fees.



◇ **Origin of Proposal**

☒ **New Proposal**

☐ **Resubmission**

If this is a resubmission, please share:

- (1) *What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?*
- (2) *Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?*
- (3) *Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?*
- (4) *What was the last action taken during the past legislative session?*

PROPOSAL IMPACT

◇ **AGENCIES AFFECTED** *(please list for each affected agency)*

Agency Name: None

Agency Contact (name, title, phone):

Date Contacted:

Approve of Proposal ☐ **YES** ☐ **NO** ☐ **Talks Ongoing**

Summary of Affected Agency's Comments

Will there need to be further negotiation? ☐ **YES** ☐ **NO**

◇ **FISCAL IMPACT** *(please include the proposal section that causes the fiscal impact and the anticipated impact)*

Municipal *(please include any municipal mandate that can be found within legislation)*

None

State

None

Federal

None

Additional notes on fiscal impact

◇ **POLICY and PROGRAMMATIC IMPACTS** *(Please specify the proposal section associated with the impact)*



None

◇ EVIDENCE BASE

Not needed

Insert fully drafted bill here

Sec. 12-263m. Dry cleaning gross receipts tax. Registration requirement. Renewal. Penalties. Remediation account. Grants. Procedures.

(a) As used in this section:

(1) "Eligible dry cleaning establishment" means any place of business engaged in the cleaning of clothing or other fabrics using tetrachlorethylene, Stoddard solvent or other chemicals,

(2) "gross receipts at retail" means the total amount accruing from dry cleaning services, valued in money, without any deduction for the cost of the materials used, labor or service cost or any other expense, and

(3) "eligible applicant" means (A) a business owner or operator of an eligible dry cleaning establishment, **[or]** (B) an owner of property that is or that was occupied by an eligible dry cleaning establishment, **or** (C) [a "Certifying Party" as defined in C.G.S. Sec. 22a-134 \(6\) that has assumed the responsibility for cleanup of the "eligible dry cleaning establishment."](#)

(b) (1) There shall be paid to the Commissioner of Revenue Services by each dry cleaning establishment a surcharge of one per cent of its gross receipts at retail for any dry cleaning service performed on or after January 1, 1995. Each dry cleaning establishment shall register with the Commissioner of Revenue Services on forms prescribed by the commissioner. Each dry cleaning establishment that is registered with the commissioner shall renew its registration with the commissioner on October 1, 2015, and annually thereafter, in such manner as the commissioner may prescribe. The commissioner shall send a nonrenewal notice by first class mail to each dry cleaning establishment that fails to renew its registration in accordance with the provisions of this subsection. No dry cleaning establishment may engage in or transact business as a dry cleaning establishment unless it is registered with the commissioner in accordance with the provisions of this subsection.



(2) (A) Any dry cleaning establishment that fails to register with the commissioner in accordance with the provisions of this subsection shall pay a penalty of one thousand dollars, which penalty shall not be subject to waiver.

(B) Any dry cleaning establishment that fails to renew its registration within forty-five days after a nonrenewal notice was sent pursuant to subdivision (1) of this subsection shall pay a penalty of two hundred dollars, which the commissioner may waive in the manner set forth in section 12-3a, when it is proven to the commissioner's satisfaction that the failure to register was due to reasonable cause and was not intentional or due to neglect. No penalty may be assessed under this subparagraph more than once during any registration period.

(3) Each dry cleaning establishment shall submit a return quarterly to the Commissioner of Revenue Services, applicable with respect to the calendar quarter beginning January 1, 1995, and each calendar quarter thereafter, on or before the last day of the month immediately following the end of each such calendar quarter, on a form prescribed by the commissioner, together with payment of the quarterly surcharge determined and payable in accordance with the provisions of this section. Whenever such surcharge is not paid when due, a penalty of ten per cent of the amount due or fifty dollars, whichever is greater, shall be imposed, and such surcharge shall bear interest at the rate of one per cent per month or fraction thereof until the same is paid. The Commissioner of Revenue Services shall cause copies of a form prescribed for submitting returns as required under this section to be distributed to persons subject to the surcharge. Failure to receive such form shall not be construed to relieve anyone subject to the surcharge under this section from the obligations of submitting a return, together with payment of such surcharge within the time required. The provisions of sections 12-548 to 12-554, inclusive, and sections 12-555a and 12-555b shall apply to the provisions of this section in the same manner and with the same force and effect as if the language of said sections 12-548 to 12-554, inclusive, and sections 12-555a and 12-555b had been incorporated in full into this section and had expressly referred to the surcharge imposed under this section, except to the extent that any such provision is inconsistent with a provision of this section and except that the term "tax" shall be read as "dry cleaning establishment surcharge".

(4) Any moneys received by the state pursuant to this section shall be deposited into the account established pursuant to subsection (c) of this section.

(c) There is established an account within the General Fund to be known as the "dry cleaning establishment remediation account". Said account shall contain any moneys required by law to be deposited in the account. Any balance remaining in the account at the end of any fiscal year shall be carried forward in the account for the fiscal year next succeeding. The account shall be used by the Department of Economic and Community Development for grants made [to eligible applicants applying for fund for eligible dry cleaning establishments](#) [owners or operators of eligible dry cleaning establishments or owners of property on which an eligible dry cleaning establishment] [that](#) have [\[has\]](#) been in operation for at least a year [anytime](#) prior to the [submission of](#) an [\[approval of the\]](#) application [to the Department of Economic and Community Development for such grant](#) [\[or was](#)



previously operated for at least a year prior to such approval]. Regardless of applicant, in no instance shall any site of an eligible dry cleaning establishment receive more than three hundred thousand dollars from the account.

(d) The state, acting through the Commissioner of Economic and Community Development, shall use the dry cleaning establishment remediation account to provide grants to eligible applicants for the purposes of the following eligible expenses approved by the commissioner: investigative studies conducted to assess dry-cleaning related environmental pollution; containment and removal or mitigation of environmental pollution resulting from the discharge, spillage, uncontrolled loss, seepage or filtration of chemical liquids or solid, liquid or gaseous products or hazardous wastes on or at the site of an eligible dry cleaning establishment; or for measures undertaken to prevent such pollution which are approved by the Commissioner of Energy and Environmental Protection. In order to qualify for a grant under the provisions of this section an eligible applicant must demonstrate to the satisfaction of the Commissioner of Economic and Community Development that (1) the site for which funding is sought satisfies the definition of an eligible dry cleaning establishment [eligible dry cleaning establishment is using or previously used, tetrachlorethylene or Stoddard solvent or other chemicals for the purpose of cleaning clothes or other fabrics], (2) the eligible dry cleaning establishment has been in operation for at least a year [doing business or did business at the site for a period of at least one year] prior to the application submission date [or approval date of the application] for assistance under this section, (3) the eligible dry cleaning establishment [or owner of property] is not in arrears with regard to any tax levied by the state or any political subdivision of the state and the dry cleaning surcharge imposed by subsection (b) of this section, including any surcharge due prior to the effective date of Public Act 17-147, regardless of ownership status of the applicant and (4) the eligible applicant is not in arrears with regard to any tax levied by the state or any political subdivision of the state, including any surcharge due prior to the effective date of Public Act 17-147. Any funds disbursed as a grant under this section shall not be subject to attachment in the satisfaction of any judgment against the recipient of such grant in any civil action. The Dry Cleaning Account may be used (1) to provide grants to the Department of Energy and Environmental Protection for expenditures made investigating dry cleaning establishments, (2) to provide potable water whenever necessary, (3) to conduct environmental site assessments and (4) for legal expenses by the Commissioner of Economic and Community Development to disburse funds from the account.

(e) Notwithstanding the terms of any grant made under this section, [an] each new eligible applicant shall provide evidence satisfactory to the commissioner of [bear all the costs of such pollution that are less than] ten thousand dollars in matching funds before any funds from the dry cleaning establishment remediation account are released to the Applicant. The Commissioner of Economic and Community Development may provide a grant from the dry cleaning establishment remediation account [of up to three hundred thousand dollars] to [the] an eligible applicant where the eligible applicant has provided said commissioner with documentation satisfactory to said commissioner that the services for which payment is sought have been [or will be] completed. [No eligible applicant shall receive more than three hundred thousand dollars per eligible dry cleaning



establishment. In addition, the account may be used (1) to provide grants to the Department of Energy and Environmental Protection for expenditures made investigating dry cleaning establishments, (2) to provide potable water whenever necessary, and (3) to conduct environmental site assessments.]

(f) Requests for grants shall be made to the Commissioner of Economic and Community Development [when a request for applications is announced](#). Any eligible applicant seeking a grant shall provide documentation [prescribed by the Commissioner of Economic and Community Development](#) supporting the need for the grant.

(g) Any dry cleaning establishment which unlawfully or intentionally discharges or spills any chemical liquids or solid, liquid or gaseous products or hazardous wastes shall not be eligible for a grant from the account.

(h) The Commissioner of Economic and Community Development shall establish procedures for distribution of the grants and shall adopt criteria to carry out the provisions of this section. Such criteria shall specify (1) who may apply for grants; (2) how establishments, whether owned or leased, will be determined to be eligible for grants; (3) the costs for which grants may be made; and (4) a method for ensuring timely payment of funds to grant recipients.