

Agency Legislative Proposal - 2021 Session

Document Name: An Act Concerning the Members and Duties of the State Historic Preservation Board

(If submitting electronically, please label with date, agency, and title of proposal – 092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Kyle Abercrombie

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Lead agency division requesting this proposal: DECD

Agency Analyst/Drafter of Proposal:

Title of Proposal: An Act Concerning the Members and Duties of the State Historic Preservation Board

Statutory Reference: 10-321q

Proposal Summary:

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

◇ Reason for Proposal

To (1) increase State Historic Preservation Review Board members' terms from one year to three years; (2) decrease the notice period required for notification of a municipal preservation board or a municipality's chief executive officer that a property is nominated to the National Register of Historic Places from sixty days to thirty days; (3) eliminate the requirement that the State Historic Preservation Officer attend municipal hearings regarding nominations to the National Register of Historic Places; and (4) change the board's name from the State Historic Preservation Board to the State Historic Preservation Review Board.

◇ **Origin of Proposal**

New Proposal

Resubmission

This Bill passed unanimously from the Commerce Committee last year

PROPOSAL IMPACT

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

Agency Name: None Agency Contact (name, title, phone): 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

◇ **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.

Insert fully drafted bill here

AN ACT CONCERNING THE MEMBERS AND DUTIES OF THE STATE HISTORIC PRESERVATION BOARD.

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



Section 1. Section 10-321q of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):

(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 six to 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, except that one-half of members appointed between July 1, 2020, and June 30, 2021, shall serve a term of two years, as determined by the State Historic Preservation Officer. 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 Review 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]~~ said officer's 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. ~~[60.6 (1978)]~~ 60.4, 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 Review 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 Review Board. Failure of the municipal board to present such recommendation shall not prevent the State Historic Preservation Review Board from acting on any nomination.

Sec. 2. Section 22a-19a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):

The provisions of sections 22a-15 to 22a-19, inclusive, shall be applicable to the unreasonable destruction of historic structures and landmarks of the state, which shall be those properties (1) listed or under consideration for listing as individual units on the National Register of Historic Places (16 USC 470a, as amended) or (2) which are a part of a district listed or under consideration for listing on said national register and which have been determined by the State Historic Preservation Review Board to contribute to the historic significance of such district. If the plaintiff in any such action cannot make a prima facie showing that the conduct of the defendant, acting alone or in combination with others, has or is likely unreasonably to destroy the public trust in such historic structures or landmarks, the court shall tax all costs for the action to the plaintiff.



Agency Legislative Proposal - 2021 Session

Document Name: An Act Concerning Dry Cleaning Establishment Remediation Grants

(If submitting electronically, please label with date, agency, and title of proposal – 092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Maribel La Luz

Phone: 860-539-5485

E-mail: Maribel.laluz@ct.gov

Lead agency division requesting this proposal: Office of Brownfields

Agency Analyst/Drafter of Proposal:

Title of Proposal: An Act Concerning Dry Cleaning Establishment Remediation Grants

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

This Bill was passed unanimously out of the Commerce Committee last year.

PROPOSAL IMPACT

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

Agency Name: None Agency Contact (name, title, phone): 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

◇ **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 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.</i>

Insert fully drafted bill here

**AN ACT CONCERNING DRY CLEANING ESTABLISHMENT
REMEDATION GRANTS.**



Section 1. Section 12-263m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(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 subdivision (6) of section 22a-134, of property that is or that was occupied by an 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 [\(1\) owners or operators of eligible dry cleaning establishments,](#) [\[or\] \(2\) owners of property on which an eligible dry cleaning establishment has been in operation for at least a year prior to the \[approval\] submission of the application or was previously operated for at least a year prior to such \[approval\] submission, or \(3\) certifying parties of property on which an eligible dry cleaning establishment has been in operation for at least a year prior to the submission of the application or was previously operated for at least a year prior to such submission.](#)



(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 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, [environmental site assessments relating to such pollution](#) 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]** [shall](#) demonstrate to the satisfaction of the Commissioner of Economic and Community Development that (1) the 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 doing business or did business at the site for a period of at least one year prior to the 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, 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. 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.

(e) Notwithstanding the terms of any grant made under this section, an eligible applicant shall bear all the costs of such pollution that are less than ten thousand dollars. [Each eligible applicant that submits an application on or after October 1, 2020, shall demonstrate to the satisfaction of the Commissioner of Economic and Community Development that such applicant can match any grant provided by said commissioner up to ten thousand dollars before such applicant receives any grant.](#) The Commissioner of Economic and Community Development may provide a grant of up to three hundred thousand dollars to the 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, and (4) for legal services relating to the disbursement of funds from the account.

(f) Requests for grants shall be made to the Commissioner of Economic and Community Development when the commissioner announces a request for applications. The frequency of requests for applications shall be at the discretion of the Commissioner of Economic and Community Development. Any eligible applicant seeking a grant shall provide documentation 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.



Agency Legislative Proposal - 2021 Session

Document Name: An Act Eliminating Certain Inactive Advisory Groups

(If submitting electronically, please label with date, agency, and title of proposal –
092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Maribel La Luz

Phone: 860-539-5485

E-mail: Maribel.laluz@ct.gov

Lead agency division requesting this proposal: Office of Tourism, Office of Business Development, & State Historic Preservation Office

Agency Analyst/Drafter of Proposal:

Title of Proposal: An Act Eliminating Certain Inactive Advisory Groups

Statutory Reference: 10-393 , 32-245, 32-246, 32-9xx, 32-61

Proposal Summary:

To eliminate DECD's inactive Advisory Groups

PROPOSAL BACKGROUND

◇ Reason for Proposal

During the 2019 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 two years. Additionally, this act will remove the Commission on CT's Future, The Small Business Advisory Board, and the Committee for the Restoration of Historic Assets. All three of these committees have been inactive for several years.

◇ Origin of Proposal

New Proposal

Resubmission

This Bill passed out of the Commerce Committee last year unanimously

PROPOSAL IMPACT

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

Agency Name: None Agency Contact (name, title, phone): 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

◇ **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.



An Act Eliminating Certain Inactive Advisory Groups.

Section 1. Section 3-110f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

The Commissioner of Economic and Community Development [**with recommendations of the Culture and Tourism Advisory Committee,**] shall designate, every three years, a state poet laureate. The commissioner may fill any vacancy by appointment for the unexpired portion of the term vacated.

Sec. 2. Subsection (c) of section 4-9a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(c) Notwithstanding any provision of law, the term of each member of each board and commission within the executive branch, except the State Board of Education, the Board of Regents for Higher Education, the Commission on Human Rights and Opportunities, the State Elections Enforcement Commission, the State Properties Review Board, the Citizen's Ethics Advisory Board, the Commission on Medicolegal Investigations, the Psychiatric Security Review Board, the Commission on Fire Prevention and Control, the E 9-1-1 Commission [**the Culture and Tourism Advisory Committee,**] and the board of trustees of each constituent unit of the state system of higher education, commencing on or after July 1, 1979, shall be coterminous with the term of the Governor or until a successor is chosen, whichever is later.

Sec. 3. Subsection (a) of section 4b-60 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(a) There shall be a State Commission on Capitol Preservation and Restoration to consist of twelve members to be appointed as follows: Two members shall be appointed by the Governor, two by the speaker of the House of Representatives, two by the president pro tempore of the Senate, one by the House minority leader, one by the Senate minority leader, two members of the Joint Committee on Legislative Management, one appointed by each of the chairmen of said committee, and one member of the [**Culture and Tourism Advisory Committee**] [Historic Preservation Council](#) appointed by its chairperson. The Commissioner of Administrative Services, or the commissioner's designee, shall be an ex-officio member of the commission and



shall attend its meetings. Vacancies on the commission shall be filled by the original appointing authority for the unexpired portion of the term. The members shall serve without compensation for their services but shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties. The commission shall meet at least quarterly, and more often on the call of the chairman or on the written request of a majority of the members. The commission may designate subcommittees to carry out its functions. Any member who fails to attend three consecutive meetings or fails to attend fifty per cent of all meetings held during any calendar year shall be deemed to have resigned.

Sec. 4. Subsection (a) of section 4b-66a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(a) There is established a Connecticut Capitol Center Commission. The commission shall consist of (1) the Secretary of the Office of Policy and Management, or the secretary's designee; (2) the Commissioner of Administrative Services, or the commissioner's designee; (3) the Commissioner of Economic and Community Development, or the commissioner's designee; (4) the chairperson of the [\[Culture and Tourism Advisory Committee\] Historic Preservation Council](#), or the chairperson's designee; (5) one member appointed by the speaker of the House of Representatives; (6) one member appointed by the president pro tempore of the Senate; (7) one member appointed by the majority leader of the House of Representatives; (8) one member appointed by the majority leader of the Senate; (9) one member appointed by the minority leader of the House of Representatives; (10) one member appointed by the minority leader of the Senate; (11) the chairperson of the Hartford Commission on the City Plan; (12) one member appointed by the mayor of the city of Hartford; and (13) one member from the South Downtown Neighborhood Revitalization Committee.

Sec. 5. Subsection (b) of section 10-425 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(b) Said advisory board shall consist of one member from each of the following entities: (1) The University of Connecticut's Athletic Department; (2) the Connecticut State University System's Athletic Department; (3) the XL Center; (4) Northland AEG; (5) the Traveler's Championship Golf Tournament; (6) the Pilot Pen Tennis Tournament; (7) the Special Olympics; (8) the Mohegan Sun Arena; (9) Foxwoods Resort Casino; (10) Lime Rock Park Race Track; (11) the Arena at Harbor Yard; (12) New Britain Stadium; (13) the Connecticut Marine



Trades Association; (14) the Office of Policy and Management; (15) the **Culture and Tourism Advisory Committee** Connecticut Tourism Council; (16) the Capital Region Development Authority; (17) the Nutmeg State Games; (18) the Connecticut Interscholastic Athletic Conference; (19) Fairfield University; (20) Quinnipiac University; (21) Sacred Heart University; (22) any other entity involved in sports or sporting events that the commissioner deems appropriate; (23) the Connecticut State Golf Association; and (24) Dodd Stadium.

Sec. 6. Subsection (b) of section 10a-111a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(b) The State Historian shall: (1) **Be a member of the Culture and Tourism Advisory Committee, established pursuant to section 10-393, (2) edit** Edit or supervise the editing and publication of the public records of the state, **[(3)] (2)** provide information and advice to members of the government at all levels, **[(4)] (3)** assist the State Board of Education in efforts to promote the teaching of history in schools and teacher preparation programs, **[(5)] (4)** respond to requests for advice from historical societies, **[(6)] (5)** respond to requests for information on the state's history, **[(7)] (6)** make public appearances and addresses on the state's history, **[(8)] (7)** prepare bibliographies and other research aids relating to the history of the state, and **[(9)] (8)** promote by appropriate informative and educational programs the celebration or commemoration of significant historical events.

Sec. 7. Subsection (b) of section 11-6a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(b) There is established an advisory committee to advise the State Library Board with respect to the policies, collections, programs, activities and operations of the Raymond E. Baldwin Museum of Connecticut History and Heritage. The advisory committee shall consist of eight members as follows: The **executive director of the Culture and Tourism Advisory Committee** chairperson of the Historic Preservation Council, or the chairperson's designee; the executive director of the Connecticut Historical Society; the State Historian; and five persons appointed by the Governor, three of whom shall be experienced museum professionals.

Sec. 8. Subsection (b) of section 12-376d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(b) There shall be appointed, as part of the Department of Economic and Community



Development, an advisory panel to consider the proposed acceptance of any such work of art. The advisory panel shall prepare a written statement as to acceptance or rejection of any such work of art for the purposes of this section. In each instance, said panel shall consist of eleven members, including the chairperson of the **[Culture and Tourism Advisory Committee]** [Connecticut Arts Council](#) and two generally acknowledged experts as to the particular type of visual art work under consideration, as determined by said chairperson, with such appointments to be made by said chairperson and approved by the **[Culture and Tourism Advisory Committee]** [Connecticut Arts Council](#). In addition, said advisory panel shall include eight members of the General Assembly, with two of such members appointed by the president pro tempore of the Senate, one of such members appointed by the majority leader of the Senate, one of such members appointed by the minority leader of the Senate, two of such members appointed by the speaker of the House of Representatives, one of such members appointed by the majority leader of the House of Representatives and one of such members appointed by the minority leader of the House of Representatives.

Sec. 9. Subsection (a) of section 22a-27s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(a) There is established the Face of Connecticut Steering Committee, which shall be within the Department of Energy and Environmental Protection for administrative purposes only. Such committee shall direct the expenditure of any funds deposited in the Face of Connecticut account created under section 22a-27t. The committee shall consist of the Commissioner of Energy and Environmental Protection, the Commissioner of Economic and Community Development, or the commissioner's designee, the Commissioner of Agriculture, **[the chairperson of the Culture and Tourism Advisory Committee]** [a member of the Connecticut Tourism Council, appointed by its chairperson](#), the Secretary of the Office of Policy and Management and ten members as follows: (1) A representative of a local organization involved in historic preservation, appointed by the speaker of the House of Representatives; (2) a representative of a nonprofit organization involved in farmland preservation, appointed by the president pro tempore of the Senate; (3) a representative of a local or regional nonprofit organization involved in the preservation of open space, appointed by the majority leader of the House of Representatives; (4) a representative of a water company actively involved in land preservation, appointed by the majority leader of the Senate; (5) a representative of the agricultural industry, appointed by the minority leader of the House of Representatives; (6) a



representative of a state-wide nonprofit involved in the preservation of open space, appointed by the minority leader of the Senate; (7) a representative of a state-wide nonprofit organization involved in historic preservation, appointed by the Governor; (8) a representative of an organization involved with community redevelopment, appointed by the Governor; (9) a representative of the legislative Brownfields Task Force, appointed by the speaker of the House of Representatives; and (10) a representative of the environmental law section of the Connecticut Bar Association who is involved with brownfields remediation, appointed by the president pro tempore of the Senate.

Sec. 10. Subsection (a) of section 32-1o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(a) On or before July 1, 2015, and every four years thereafter, the Commissioner of Economic and Community Development, within available appropriations, shall prepare an economic development strategic plan for the state in consultation with the Secretary of the Office of Policy and Management, the Commissioners of Energy and Environmental Protection and Transportation, the Labor Commissioner, **[the chairperson of the Culture and Tourism Advisory Committee,]** the executive directors of the Connecticut Housing Finance Authority and the Connecticut Health and Educational Facilities Authority, and the chief executive officer of Connecticut Innovations, Incorporated, or their respective designees, and any other agencies the Commissioner of Economic and Community Development deems appropriate.

Sec. 11. Section 32-6t of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

On or before October 1, 2012, the Commissioner of Economic and Community Development, in consultation with the **[Culture and Tourism Advisory Committee]** [State Historian](#), shall develop a program to designate locations in the state with cultural, educational or historical significance as "Connecticut Treasures". Such program shall promote locations designated as Connecticut Treasures or state-owned and operated museums, and shall integrate existing programs of the Department of Economic and Community Development and **[Culture and Tourism Advisory Committee]** [the State Historian](#) in the promotion of such locations to adults and children. Such program shall include a "Connecticut Treasures Passport", which shall provide free or reduced admission to locations designated as Connecticut Treasures and all state-owned and operated museums for children younger than



eighteen years of age who are accompanied by an adult.

Sec. 12. Section 23-100 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

As used in sections 23-101, 23-102, [as amended by this act, \[32-6a,\]](#) 32-9qq, 32-327 and 32-228, "greenway" means a corridor of open space that (1) may protect natural resources, preserve scenic landscapes and historical resources or offer opportunities for recreation or nonmotorized transportation, (2) may connect existing protected areas and provide access to the outdoors, (3) may be located along a defining natural feature, such as a waterway, along a man-made corridor, including an unused right-of-way, traditional trail routes or historic barge canals or (4) may be a greenspace along a highway or around a village.

Sec. 13. Subsection (b) of section 23-102 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(b) The duties of the council shall be: (1) To advise and assist in the coordination of state agencies, municipalities, regional planning organizations, as defined in section 4-124i, and private citizens in voluntarily planning and implementing a system of greenways; (2) to operate a greenways help center to advise state agencies, municipalities, regional planning organizations, as defined in section 4-124i, and private citizens in the technical aspects of planning, designing and implementing greenways, including advice on securing state, federal and nongovernmental grants; (3) to establish criteria for designation of greenways; (4) to maintain an inventory of greenways in the state which shall include the location of greenways transportation projects which have received grants under sections 23-101, [\[32-6a,\]](#) 32-9qq and 32-328; (5) to advise the Commissioner of Economic and Community Development on the distribution of grants for greenways transportation projects pursuant to sections [\[32-6a,\]](#) 32-9qq and 32-328; and (6) to advise the Commissioner of Energy and Environmental Protection on the distribution of grants pursuant to section 23-101.

Sec. 14. Subsection (b) of section 32-1s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(b) Any order or regulation of the Connecticut Commission on Culture and Tourism, which is in force on July 1, 2011, shall continue in force and effect as an order or regulation of the Department of Economic and Community Development until amended, repealed or



superseded pursuant to law. Where any order or regulation of said commission or said department conflicts, the Commissioner of Economic and Community Development may implement policies and procedures consistent with the provisions of this section and sections 3-110f, [as amended by this act](#), 3-110h, 3-110i, 4-9a, [as amended by this act](#), 4-66aa, 4-89, 4b-53, 4b-60, [as amended by this act](#), 4b-64, 4b-66a, [as amended by this act](#), 5-198, 7-147a, 7-147b, 7-147c, 7-147j, 7-147p, 7-147q, 7-147y, 8-37lll, 10-382, 10-384, 10-385, 10-386, 10-387, 10-388, 10-389, 10-391, 10-392, **[10-393,]** 10-394, 10-395, 10-396, 10-397, 10-397a, 10-399, 10-400, 10-401, 10-402, 10-403, 10-404, 10-405, 10-406, 10-408, 10-409, 10-410, 10-411, 10-412, 10-413, 10-414, 10-415, 10-416, 10-416a, 10-416b, 10-425, [as amended by this act](#), 10a-111a, [as amended by this act](#), 10a-112, 10a-112b, 10a-112g, 11-6a, [as amended by this act](#), 12-376d, [as amended by this act](#), 13a-252, 19a-315b, 19a-315c, 22a-1d, 22a-19b, 22a-27s, [as amended by this act](#), 29-259, **[32-6a,]** 32-11a and 32-35 while in the process of adopting the policy or procedure in regulation form, provided notice of intention to adopt regulations is printed in the Connecticut Law Journal not later than twenty days after implementation. The policy or procedure shall be valid until the time final regulations are effective.

Sec. 15. Sections 10-393, 32-6a, 32-9xx, 32-245 and 32-246 of the general statutes are repealed.
(Effective October 1, 2020)



Agency Legislative Proposal - 2021 Session

Document Name: AA Eliminating the Requirement for DECD to Report on Other Agencies' Programs and Other Reports that are Duplicative or Unnecessary

(If submitting electronically, please label with date, agency, and title of proposal – 092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Kyle Abercrombie

Phone: 203-213-7777

E-mail: Kyle.Abercrombie@ct.gov

Lead agency division requesting this proposal: Office of Financial Review and Special Projects

Agency Analyst/Drafter of Proposal: [Click here to enter text.](#)

Title of Proposal: AA Eliminating the Requirement for DECD to Report on Other Agencies' Programs and Other Reports that are Duplicative or Unnecessary

Statutory Reference: Sec. 32-1m; Sec. 32-1t; Sec. 31-362b; and Sec. 10-392

Proposal Summary:

The bill would eliminate a provision the statutes that requires DECD to evaluate other agencies' business assistance programs and other reports that are duplicative or no longer necessary.

PROPOSAL BACKGROUND

◇ Reason for Proposal

This bill would eliminate the need for DECD to report on programs it does not oversee or administer, or reports that duplicative, are no longer necessary, or place an undue burden on DECD. Regarding Sec. 32-1m, the statute required DECD to verify the accuracy of the data for these programs, which DECD has no way of doing other than to do an audit of the data. Regarding Sec. 32-1t, there is a lack of appropriates within DECD to create this registry. Regarding Sec. 31-362b, the "Annual Report of Job Skills" is no longer necessary as it duplicates reports done by the Office of Workforce Competitiveness. Regarding Sec. 10-392, this section is a holdover from when there was a Commission on Culture and Tourism, an independent agency. Now that they are within DECD, this reporting requirement is redundant because this information is included within DECD's agency report. The Auditors of Public Accounts have recommended the removal of these reports from state statute as well.

◇ 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?

[Click here to enter text.](#)

PROPOSAL IMPACT

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

Agency Name: None

Agency Contact (name, title, phone): [Click here to enter text.](#)

Date Contacted: [Click here to enter text.](#)

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

Summary of Affected Agency's Comments

[Click here to enter text.](#)

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

[Click here to enter text.](#)

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

[Click here to enter text.](#)



◇ **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.

[Click here to enter text.](#)

[Insert fully drafted bill here](#)

An Act Eliminating the Requirement for DECD to Report on Other Agencies' Programs and Other Reports that are Duplicative or Unnecessary

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

Section 1. Section 32-1m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2021*):

(a) Not later than February first, annually, the Commissioner of Economic and Community Development shall submit a report to the Governor, the Auditors of Public Accounts and the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, finance, revenue and bonding and commerce, in accordance with the provisions of section 11-4a. Not later than thirty days after submission of the report, said commissioner shall post the report on the Department of Economic and Community Development's web site. Such report shall include, but not be limited to, the following information with regard to the activities of the Department of Economic and Community Development, **[and to business assistance or]**[business assistance programs administered by Connecticut Innovations, Incorporated and tax](#) incentive programs not administered by the department, during the preceding state fiscal year:

(1) A brief description and assessment of the state's economy during such year, utilizing the most recent and reasonably available data, and including:

(A) Connecticut employment by industry;



(B) Connecticut and national average unemployment; and

(C) Connecticut gross state product, by industry.

(2) An analysis of the economic development portfolio of the department, including, but not limited to, each business assistance or incentive program, including any business tax credit or abatement program, grant, loan, forgivable loan or other form of assistance, enacted for the purpose of improving economic development. The analysis shall include:

(A) The Internet web site address of the state's open data portal and an indication of where the name, address and location of each recipient of the department's assistance is published on the site along with the following information concerning each recipient: (i) Business activities, (ii) standard industrial classification codes or North American industrial classification codes, (iii) whether the recipient is a minority or woman-owned business, (iv) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance and job creation or retention requirements, (v) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, and (vi) the amount of state investment;

(B) A portfolio analysis, including an analysis of the wages paid by recipients of financial assistance by industry;

(C) An investment analysis, including (i) total portfolio value, (ii) total investment by industry, (iii) portfolio dollar per job average, (iv) portfolio leverage ratio;

(D) An overview of the business assistance and incentive programs administered by the department and an analysis of their estimated economic impact on the state's economy. The analysis shall include, for each business assistance or incentive program for which such data is available, the number of new jobs created, the borrowing cost to the state and the estimated impact of such program on annual state revenues;

(E) An analysis of whether the statutory and programmatic goals of each business or incentive program are being met, with obstacles to such goals identified, if possible;



(F) (i) Recommendations as to whether any existing business assistance or incentive program should be continued, modified or repealed and the basis or bases for such recommendations, and (ii) any recommendations for additional data collection by the state to better inform future evaluations of such programs; and

(G) The methodologies and assumptions used in carrying out the analyses under this subdivision.

(3) An analysis of the community development portfolio of the department, including:

(A) The Internet web site address of the state's open data portal and an indication of where the name, address and location of each recipient of the department's assistance is published on the site along with the following information concerning each recipient: (i) Amount of state investment, (ii) a summary of the terms and conditions for the department's assistance, including the type and amount of state financial assistance, and (iii) the amount of investments from private and other nonstate sources that have been leveraged by such assistance; and

(B) An investment analysis, including (i) total active portfolio value, (ii) total investments made in the preceding state fiscal year, and (iii) total portfolio leverage ratio.

[(4) An analysis of each business assistance or incentive program, including any business tax credit or abatement program, grant, loan, forgivable loan or other form of assistance, enacted for the purpose of improving economic development, that (A) (i) had ten or more recipients of assistance in the preceding state fiscal year, or (ii) credited, abated or distributed more than one million dollars in the preceding state fiscal year, and (B) is not administered by the department. The analysis shall include:

(i) An overview of the business assistance or incentive program and an analysis of its estimated economic effects on the state's economy, including, for each program where such data is available, the number of new jobs created and the estimated impact of such program on annual state revenues;



(ii) An analysis of whether the statutory and programmatic goals of each business assistance or incentive program are being met, with obstacles to such goals identified, if possible;

(iii) Recommendations as to whether any such existing business assistance or incentive program should be continued, modified or repealed and the basis or bases for such recommendations, and any recommendations for additional data collection by the state to better inform future evaluations of such programs; and

(iv) The methodologies and assumptions used in carrying out the analysis under this subdivision.]

[(5)] (4) A summary of the department's international trade efforts in the preceding state fiscal year, and, to the extent possible, a summary of foreign direct investment that occurred in the state in such year.

[(6)] (5) A summary of the total social and economic impact of the department's efforts and activities in the areas of economic and community development, and an assessment of the department's performance in terms of meeting its stated goals and objectives.

[(7)] (6) With regard to the Small Business Express program established pursuant to section 32-7g, data on (A) the number of small businesses that applied to the Small Business Express program, (B) the number of small businesses that received assistance under said program and the general categories of such businesses, (C) the amounts and types of assistance provided, (D) the total number of jobs on the date of application and the number proposed to be created or retained, and (E) the most recent employment figures of the small businesses receiving assistance.

[(8)] (7) With regard to airport development zones established pursuant to section 32-75d, a summary of the economic and cost benefits of each zone and any recommended revisions to any such zones.

[(9)] (8) An overview of the department's activities related to tourism, the arts and historic preservation.



[(10)] (9) An overview of the department's activities concerning digital media, motion pictures and related production activity, and an analysis of the use of the film production tax credit established under section 12-217jj, the entertainment industry infrastructure tax credit established under section 12-217kk and the digital animation production tax credit established under section 12-217ll, including the amount of any tax credit issued under said sections and the total amount of production expenses or costs incurred in the state by the taxpayer who was issued such a tax credit.

[(11)] (10) A summary of the department's and the office of the permit ombudsman's brownfield-related efforts and activities in the preceding fiscal year.

[(12)] (11) A summary of the department's dry cleaning establishment remediation account activities in the preceding fiscal year.

(b) Any annual report that is required from the department by any provision of the general statutes shall be incorporated into the annual report submitted pursuant to subsection (a) of this section.

(c) [On or before March 1, 2018, and annually thereafter] Not later than sixty days after the submission of a report by the Auditors of Public Accounts pursuant to section 2-90c, the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, finance, revenue and bonding and commerce shall hold, individually or jointly, one or more public hearings on such report and the analyses included in the annual report under subdivisions (2) and (4) of subsection (a) of this section.

Section 2. Section 32-1t of the general statutes is repealed (*Effective July 1, 2021*).

Section 3. Section 31-362b of the general statutes is repealed (*Effective July 1, 2021*).

Section 4. Section 10-392 of the general statutes is repealed (*Effective July 1, 2021*).

Agency Legislative Proposal - 2021 Session

Document Name: An Act Concerning Regional Tourism Districts

(If submitting electronically, please label with date, agency, and title of proposal –
092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Kyle Abercrombie

Phone: 203-213-7777

E-mail: Kyle.Abercrombie@ct.gov

Lead agency division requesting this proposal: Office of Tourism

Agency Analyst/Drafter of Proposal:

Title of Proposal: An Act Concerning Regional Tourism Districts

Statutory Reference: 10-397

Proposal Summary:

To require each regional tourism district to return unexpended tourism funding to the Department of Economic and Community Development for the purpose of supporting statewide marketing and to eliminate the requirement that the central regional district office be located within the department.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

The proposal will give DECD a mechanism to recoup unexpended or misused funds, which in turn can be used to supplement statewide marketing. 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

This bill passed unanimously out of Commerce Committee during the 2020 Session (see SB 133).

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

◇ **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 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.</i>



An Act Concerning Regional Tourism Districts

Section 1. Section 10-397 of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(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. At the end of each fiscal year, commencing with the fiscal year ending June 30, 2021, each regional tourism district shall return any unexpended funds to the Department of Economic and Community Development. The commissioner shall use such funds to support statewide marketing.

[(i)] (h) Each regional tourism district may establish and administer a matching grant program for any tourism industry business, tourism destination, or not-for-profit arts and culture organization that has received private funds for the marketing of such business, destination, organization or regional tourism district. Such grants shall be used for the marketing of such business, destination, organization or regional tourism district.



Agency Legislative Proposal - 2021 Session

Document Name: An Act Concerning the Connecticut Arts Council Foundation

(If submitting electronically, please label with date, agency, and title of proposal – 092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Maribel La Luz

Phone: 860-539-5485

E-mail: Maribel.laluz@ct.gov

Lead agency division requesting this proposal: Office of the Arts

Agency Analyst/Drafter of Proposal:

Title of Proposal: An Act Concerning the Connecticut Arts Council Foundation

Statutory Reference: 10-408b

Proposal Summary:

Amend legislation in order to separate the Connecticut Arts Council and the Connecticut Arts Council Foundation into separate entities, and determine effective means of appointing statewide business/arts leadership to serve on Foundation board charged with raising and granting funds for Foundation-approved statewide critical initiatives. Amend legislation to expand the membership of the Council board from thirteen to fifteen members to assure essential racial, ethnic, geographic and professional representation.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

Currently the individuals who serve on the CT Arts Council, also serve on the CT Arts Council Foundation per statute. Most appointees to the Arts Council—artists, arts and cultural leaders—have made it clear that they do not want to be in the position of fundraising for the Foundation. This proposal would disentangle the Arts Council and Arts Council Foundation, Inc. establishing each as a separate entity. Given State budget constraints, and the financial challenges facing artists and cultural institutions, many of them nationally and some internationally renowned, the Connecticut Arts Council could play a more effective role if there were more appointed members from areas of the State that are currently and severely under-represented. Expanding the size of the board would provide the appointing authorities with opportunities to appoint additional men and women who could bring greater diversity of experiences to the council.

◇ **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 <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 (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)



◇ **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.

Insert fully drafted bill here

Sec. 10-408b. Connecticut Arts Council Foundation. Powers and duties. (a) In accordance with subdivision (4) of section 10-400, the Connecticut Arts Council is authorized to establish and manage a nonprofit foundation the Connecticut Arts Council Foundation. **[and shall serve as the board of directors of such foundation.]** The foundation shall consist of Sixteen members as follows

- (1) Five appointed by the Governor for a term of four years, one of whom shall be the head of a state-wide arts organization;
- (2) One appointed by the speaker of the House of Representatives for a term of three years;
- (3) One appointed by the president pro tempore of the Senate for a term of three years;
- (4) One appointed by the majority leader of the House of Representatives for a term of three years;
- (5) One appointed by the majority leader of the Senate for a term of three years;
- (6) One appointed by the minority leader of the House of Representatives for a term of three years;
- (7) One appointed by the minority leader of the Senate for a term of three years;
- (8) The Commissioner of Economic and Community Development, who shall be an ex-officio, voting member; and



(9) Three appointed by the Commissioner of Economic and Community Development for a term of three years

(10) An employee of the Department of Economic and Community Development responsible for arts and culture, who shall be designated by the Commissioner of Economic and Community Development and be an ex-officio, nonvoting member.

(b) The Connecticut Arts Council Foundation established pursuant to subsection (a) of this section may, subject to the direction, regulation and authorization or ratification by the board of directors:

(1) Receive, solicit, contract for and collect, and hold in separate custody for purposes herein expressed or implied, endowments, donations, compensation and reimbursement, in the form of money paid or promised, services, materials, equipment or any other things tangible or intangible that may be acceptable to the foundation;

(2) Disburse funds acquired by the foundation from any source, for (A) purposes of fostering the creation, preservation and expansion of the arts in the state, (B) the dissemination of information related to such activities, and (C) other purposes approved by the board and consistent with sections 10-400 to 10-402, inclusive;

(3) Apply for and receive assistance from any source, including grants of money and services from national and state bodies and foundations, provided the foundation shall cooperate with and make efforts to avoid competing directly with other arts organizations in the state when applying for such assistance; and

(4) Execute contracts for the purpose of carrying out the provisions of sections 10-400 to 10-402, inclusive.

(c) The Connecticut Arts Council Foundation shall comply with the requirements of section 4-37f. All property and rights of every character, tangible and intangible, placed in the custody of the foundation in accordance with said section shall be held by the foundation in trust for the uses specified herein and in section 10-400. The entire beneficial ownership thereof shall vest in the Department of Economic and Community Development and the board of directors shall exercise complete control thereof.



Agency Legislative Proposal - 2021 Session

Document Name: An Act Concerning the Disclosure to the Public of Archaeological Sites

(If submitting electronically, please label with date, agency, and title of proposal – 092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Maribel La Luz

Phone: 860-539-5485

E-mail: Maribel.laluz@ct.gov

Lead agency division requesting this proposal: State Historic Preservation Office

Agency Analyst/Drafter of Proposal: Tommy Hyde

Title of Proposal: An Act Concerning the Disclosure to the Public of Archaeological Sites

Statutory Reference: 10-409(b)

Proposal Summary:

The bill removes a provision of the statute to clarify it and align it with federal regulations.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

The Native American Heritage Advisory Council, a public agency of the State of Connecticut, requested removal of the provision because it is onerous and often not enforceable. The change also will align the state statute with Section 304 of the National Historic Preservation Act which is federal legislation that grants the State Historic Preservation office with broad authority to protect historic resources from harm or destruction by withholding locational information.

◇ **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 <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

◇ **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.

Insert fully drafted bill here

Sec. 10-409 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2020):

(a) With respect to historical preservation, there is established within the Department of Economic and Community Development a Historic Preservation Council. The Historic Preservation Council shall consist of twelve members to be appointed by the Governor. On or before January fifth in the even-numbered years, the Governor shall appoint six members for terms of four years each to replace those whose terms expire. One of such members shall be the State Historian and one shall be the State Archaeologist. Members shall be appointed in accordance with the provisions of section 4-9a. No member shall serve for more than two consecutive full terms. Any member who fails to attend three consecutive meetings or who fails to attend fifty per cent of all meetings held during any calendar year shall be deemed to have resigned from office. The Governor shall biennially designate one member of the council to be chairperson. The Governor shall fill any vacancy for any unexpired portion of the term and may remove any member as provided by section 4-12. No compensation shall be received by the members of the council but they shall be reimbursed for their necessary expenses. The Department of Economic and Community Development may, with the advice of the Historic Preservation Council, (1) study and investigate historic structures and landmarks in this state and encourage and recommend the development, preservation and marking of such historic structures and landmarks found to have educational, recreational and historical significance; (2) prepare, adopt and maintain standards for a state register of historic places; (3) update and keep current the state historic preservation plan; (4) administer the State Register of Historic Places Program; (5) assist owners of historic structures in seeking federal or other aid for historic preservation and related purposes; (6) recommend to the General Assembly the placing and maintaining of suitable markers, memorials or monuments or other edifices to designate historic structures and landmarks found to have historical significance; (7) make recommendations to the General Assembly regarding the development and preservation of historic structures and landmarks owned by the state; (8) maintain a program of historical, architectural, and archaeological research and development including surveys, excavation, scientific recording, interpretation and publication of the historical, architectural, archaeological and cultural resources of the state; (9) cooperate with promotional, patriotic, educational and research groups and associations, with local, state and national historical societies, associations and commissions, with agencies of the state and its political subdivisions and with the federal government, in promoting and publicizing the historical heritage of Connecticut; (10) formulate standards and criteria to guide the several municipalities in the



evaluation, delineation and establishment of historic districts; (11) cooperate with the State Building Inspector, the Codes and Standards Committee and other building officials and render advisory opinions and prepare documentation regarding the application of the State Building Code to historic structures and landmarks if requested by owners of historic structures and landmarks, the State Building Inspector, the Codes and Standards Committee or other building officials; (12) review planned state and federal actions to determine their impact on historic structures and landmarks; (13) operate the Henry Whitfield House of Guilford, otherwise known as the Old Stone House, the Prudence Crandall Museum, Old New-Gate Prison and Copper Mine and the Eric Sloane Museum and Kent Iron Furnace as state historical museums and, in its discretion, charge a fee for admission to said museums and account for and deposit the same as provided in section 4-32; (14) provide technical and financial assistance to carry out the purposes of this section and sections 10-410 to 10-416, inclusive; (15) adopt regulations in accordance with the provisions of chapter 54 for the preservation of sacred sites and archaeological sites; and (16) inventory state lands to identify sacred sites and archaeological sites. The department shall study the feasibility of establishing a state museum of Connecticut history at an appropriate existing facility. The Historic Preservation Council shall (A) review and approve or disapprove requests by owners of historic properties on which the department holds preservation easements to perform rehabilitation work on sacred sites and archaeological sites; (B) request the assistance of the Attorney General to prevent the unreasonable destruction of historic properties pursuant to the provisions of section 22a-19a; and (C) place and maintain suitable markers, memorials or monuments to designate sites or places found to have historic significance. The council shall meet monthly. The Connecticut Trust for Historic Preservation may provide technical assistance to the council.

(b) Notwithstanding the provisions of this section or section 1-210, the Department of Economic and Community Development may withhold from disclosure to the public information relating to the location of archaeological sites under consideration for listing by the department or those listed on the National Register of Historic Places or the state register of historic places whenever the department determines that disclosure of specific information would create a risk of destruction or harm to such sites. [The provisions of this subsection shall not apply to any such site unless the person who reported or discovered such site has submitted a written statement to the department requesting that no disclosure be made. Upon receipt of such statement, the department may withhold such information from disclosure until the July first next succeeding such receipt. Such person may request that a period of nondisclosure be extended by submitting such statements prior to July first of any year.]

(c) The Historic Preservation Council of the Department of Economic and Community Development shall develop a model ballot form to be mailed by clerks of municipalities on the question of creation of historic districts or districts as provided for in section 7-147a to 7-147k, inclusive.





Agency Legislative Proposal - 2021 Session

Document Name: AAC The Small Business Express Program

(If submitting electronically, please label with date, agency, and title of proposal – 092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Maribel La Luz

Phone: 860-539-5489

E-mail: Maribel.laluz@ct.gov

Lead agency division requesting this proposal: Office of Business Development

Agency Analyst/Drafter of Proposal:

Title of Proposal: AAC The Small Business Express Program

Statutory Reference: 32-7G

Proposal Summary:

The State of Connecticut will work alongside banks to incentive greater debt financing capital for CT businesses to grow, all while benefiting from their credit expertise and asset management capabilities. This new state sponsored lending approach would move the Department of Economic and Community Development (DECD) away from the Small Business Express 1.0 (direct lending) version. There will be a special focus on filling market gaps to increase access to capital for minority and woman-owned businesses as well as opportunity zones and distressed municipalities (as defined by current state statute) to ensure adequate capital for good ideas and inclusive development of all Connecticut communities.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

The purpose of the Small Business Express program was to stimulate and increase lending in the aftermath of the great recession when banks had tightened up on lending capital. The program was never designed to be permanent and we believe now is a good time to change course. The model going forward will be a two-pronged approach in an effort to better align state backed lending organizations and building capacity. First, DECD will partner

with CT Innovations (CI) or another organization similar to what is done in Rhode Island and Massachusetts through BDC Capital to create/leverage a CAB loan guarantee program. Second, we will work with local/regional community banks such as HEDCO, CEDF, CIC, and others alike to provide investment in their revolving loan fund programs to build capacity and ensure sustainable capital for higher risk credit profiles. Below are details of how the model works: For an eligible loan (to be defined by DECD) NOT in an Opportunity Zone or in a distressed municipality, the CAB program provides the bank with a first-loss guaranty from 30-50%, depending on the loan not to exceed amount. For an eligible loan (to be defined by DECD) in an Opportunity Zone or distressed municipality, the State will provide the bank with a first-loss guaranty from 30-50%, depending on the loan not to exceed amount. Additional fees and matching contributions will be waived for woman-owned and minority businesses. It is important to note that the above model is in line with regional peers such as Massachusetts and Rhode Island.

Origin of Proposal
 New Proposal
 Resubmission

Last year this bill received a lot of support from legislators. It also had supportive testimony from CBA, Nutmeg State Financial Credit Union, CBIA, CI, The Credit Union League of CT, SBDC, BDC Capital, Department of Banking, & SeCTer. It did receive one piece of testimony in opposition from Alliance Technologies. We worked closely with the Chairs and Ranking members of the commerce committee who were all supportive. While this was a Governor's bill, it was also Co-sponsored by Rep. Conley, Rep. Borer, Rep. Rotella, Rep. Doucette, Rep. Rochelle, and Sen. Anwar

PROPOSAL IMPACT

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

<p>Agency Name: None</p> <p>Agency Contact (name, title, phone):</p> <p>Date Contacted:</p> <p>Approve of Proposal <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> Talks Ongoing</p> <p>Summary of Affected Agency's Comments</p>

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 There is no "new" fiscal impact. This program would utilize a portion of existing principal and interest repayments from the current Small Business Express program to fund future investments.
Federal None
Additional notes on fiscal impact

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

The current Small Business Express team will be redeployed within the agency to focus on a variety of new initiatives.

◇ **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.



An Act Concerning the Small Business Express Program.

Section 1. Section 32-7g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective upon passage*):

(a) There is established within the Department of Economic and Community Development the Small Business Express program. Said program shall provide small businesses with various forms of financial assistance. **[using a streamlined application process to expedite the delivery of such assistance. The Commissioner of Economic and Community Development, at his or her discretion, may partner with the lenders in the Connecticut Credit Consortium, established pursuant to section 32-9yy, in order to fulfill the requirements of this section. A small business eligible for assistance through said program shall (1) employ, on at least fifty per cent of its working days during the preceding twelve months, not more than one hundred employees, (2) have operations in Connecticut, (3) have been registered to conduct business for not less than twelve months, and (4) be in good standing with the payment of all state and local taxes and with all state agencies.]**

(b) The Small Business Express program shall consist of various components, including (1) a revolving loan fund, as described in subsection **[(d)] (c)** of this section, to support small business growth, **[(2) a job creation incentive component, as described in subsection (e) of this section, to support hiring, (3) a matching grant component, as described in subsection (f) of this section, to provide capital to small businesses that can match the state grant amount, (4)] (2)** not more than two minority business revolving loan funds, as described in subsection **[(g)] (d)** of this section, to support the growth of minority-owned businesses, **[and (5)] (3)** a component established in consultation with representatives from Connecticut-based banks and a banking industry association, as described in subsection **[(h)] (e)** of this section, **[The Commissioner of Economic and Community Development shall work with eligible small business applicants to provide a package of assistance using the financial assistance provided by the Small Business Express program and may refer small business applicants to the Subsidized Training and Employment program established pursuant to section 31-3pp and any other appropriate state program.] and (4) a component established in consultation with Connecticut Innovations, Incorporated, as described in subsection (f) of this section.** Notwithstanding the provisions of section 32-5a regarding relocation limits, the department may require, as a condition of receiving financial assistance pursuant to this section, that a small business receiving such assistance shall not relocate, as defined in section 32-5a, for five



years after receiving such assistance or during the term of the loan, whichever is longer. All other conditions and penalties imposed pursuant to section 32-5a shall continue to apply to such small business.

[(c) The commissioner shall establish a streamlined application process for the Small Business Express program. The small business applicant may receive assistance pursuant to said program not later than thirty days after submitting a completed application to the department. Any small business meeting the eligibility criteria in subsection (a) of this section may apply to said program. The commissioner shall give priority for available funding to small businesses creating jobs and may give priority for available funding to (1) economic base industries, as defined in subsection (d) of section 32-222, including, but not limited to, those in the fields of precision manufacturing, business services, green and sustainable technology, bioscience and information technology, (2) businesses attempting to export their products or services to foreign markets, and (3) businesses located in designated innovation places, as defined in section 32-39j.]

[(d) (1)] (c) There is established as part of the Small Business Express program a revolving loan fund to provide loans, loan guarantees, loan portfolio guarantees, fund guarantees, portfolio insurance and grants. [to eligible small businesses. Such loans shall be used for acquisition or purchase of machinery and equipment, construction or leasehold improvements, relocation expenses, working capital, which may be used for payment of rent, or other business-related expenses, as authorized by the commissioner.

(2) Loans from the revolving loan fund may be in amounts from ten thousand dollars to a maximum of one hundred thousand dollars, shall carry a maximum repayment rate of four per cent and shall be for a term of not more than ten years. The department shall review and approve loan terms, conditions and collateral requirements in a manner that prioritizes job growth and retention.

(3) Any eligible small business meeting the eligibility criteria in subsection (a) of this section may apply for assistance from the revolving loan fund, but the commissioner shall give priority to applicants that, as part of their business plan, are creating new jobs that will be maintained for not less than twelve consecutive months.

(e) (1) There is established as part of the Small Business Express program a job creation



incentive component to provide loans for job creation to small businesses meeting the eligibility criteria in subsection (a) of this section, with the option of loan forgiveness based on the maintenance of an increased number of jobs for not less than twelve consecutive months. Such loans may be used for training, marketing, working capital, which may be used for payment of rent, or other expenses, as approved by the commissioner, that support job creation.

(2) Loans under the job creation incentive component may be in amounts from ten thousand dollars to a maximum of three hundred thousand dollars, shall carry a maximum repayment rate of four per cent and shall be for a term of not more than ten years. Payments on such loans may be deferred, and all or part of such loan may be forgiven, based upon the commissioner's assessment of the small business's attainment of job creation goals. The department shall review and approve loan terms, conditions and collateral requirements in a manner that prioritizes job creation.

(f) (1) There is established as part of the Small Business Express program a matching grant component to provide grants for capital to small businesses meeting the eligibility criteria in subsection (a) of this section. Such small businesses shall match any state funds awarded under this program. Grant funds may be used for ongoing or new training, working capital, which may be used for payment of rent, acquisition or purchase of machinery and equipment, construction or leasehold improvements, relocation within the state or other business-related expenses authorized by the commissioner.

(2) Matching grants provided under the matching grant component may be in amounts from ten thousand dollars to a maximum of one hundred thousand dollars. The commissioner shall prioritize applicants for matching grants based upon the likelihood that such grants will assist applicants in maintaining job growth.

(3) The commissioner may waive the matching requirement for grants under this subsection for working capital to small businesses located within distressed municipalities, as defined in section 32-9p.]

[(g)] (d) (1) There are established as part of the Small Business Express program not more than two revolving loan funds to provide loans to eligible small businesses that are owned by one or more members of a minority. As used in this subsection, (A) "minority business



development entity" means a nonprofit organization (i) having a lending portfolio on or before June 9, 2016, from which at least seventy-five per cent of lending is provided to minority-owned businesses state-wide; and (ii) that provided technical assistance on or before June 9, 2016, provided at least seventy-five per cent of such assistance was provided to minority-owned businesses state-wide; and (B) "minority" means (i) Black Americans, including all persons having origins in any of the Black African racial groups not of Hispanic origin; (ii) Hispanic Americans, including all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race; (iii) all persons having origins in the Iberian Peninsula, including Portugal, regardless of race; (iv) women; (v) Asian Pacific Americans and Pacific islanders; or (vi) American Indians and persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification.

(2) Notwithstanding the provisions of section 32-7h, the commissioner shall allocate from the available funding under the Small Business Express program a total of five million dollars for grants-in-aid to not more than two minority business development entities in each of the fiscal years ending June 30, 2016, to June 30, 2020, inclusive, for the purpose of establishing and administering minority business revolving loan funds. Moneys from such funds shall be used to (A) provide loans to eligible small businesses, and (B) fund the administrative costs associated with the provision of such loans by a minority business development entity, provided a minority business development entity may not use more than ten per cent of the amount received as a grant under this section to fund such costs. Such loans shall be used for acquisition or purchase of machinery and equipment, construction or leasehold improvements, relocation expenses, working capital, which may be used for payment of rent, or other business-related expenses, as authorized by the minority business development entity.

(3) Loans from a minority business revolving loan fund may be in amounts from ten thousand dollars to a maximum of **[one hundred]** two hundred fifty thousand dollars, shall carry a maximum repayment rate of four per cent and shall be for a term of not more than ten years. The minority business development entity shall review and approve loan terms, conditions and collateral requirements in a manner that prioritizes job growth and retention.

(4) Any eligible small business owned by one or more members of a minority may apply for assistance from a minority business revolving loan fund, provided the minority business development entity shall give priority to applicants that, as part of their business plan, are



creating new jobs that will be maintained for not less than twelve consecutive months.

(5) Loans from a minority business revolving fund shall be provided in such a manner that, on or before five years after the date such loan fund is established, the annual funds or revenues derived from investment income, loan repayments or any other sources received by the minority business development entity in connection with such loan fund is sufficient to fund the administrative costs associated with such loan fund.

(6) A minority business development entity receiving a grant pursuant to this subsection shall annually submit to the commissioner a financial audit of grant expenditures until all grant moneys have been expended by such entity. Any such audit shall be prepared by an independent auditor and if the commissioner finds that any such grant is used for purposes that are not in conformity with uses set forth in subdivisions (2) and (3) of this subsection, the commissioner may require repayment of such grant.

[(h)] (e) The commissioner, in consultation with representatives from Connecticut-based banks and a banking industry association, may establish as part of the Small Business Express program a component operated in collaboration with Connecticut-based banks, which may include, but need not be limited to, loan guarantees, short-term loans used as a bridge to private sector financing and the transfer of loans issued under subsection **[(d) or (e)] (c)** of this section. Any loans issued under such component shall be used for acquisition or purchase of machinery and equipment, construction or leasehold improvements, relocation expenses, working capital, which may be used for payment of rent, or other business-related expenses, as authorized by the commissioner. The provisions of subsections **[(d) to (g), inclusive,] (c) and (d)** of this section shall not be construed to apply to such component. Such component shall be administered by the Department of Economic and Community Development or Connecticut Innovations, Incorporated. **[Notwithstanding the provisions of section 32-7h, the commissioner may allocate not more than ten per cent of available funding under the Small Business Express program to such component.]** For purposes of this section, "Connecticut-based banks" means banks and out-of-state banks, each as defined in section 36a-2, having deposit-taking branches in the state.

(f) The commissioner, in consultation with Connecticut Innovations, Incorporated, may establish as part of the Small Business Express program a component operated in collaboration with Connecticut Innovations, Incorporated, which may include, but need not be limited to,



financial assistance consistent with the provisions and purposes of sections 32-23e, 32-23ii and 32-265, as amended by this act. Such component may be administered by the Department of Economic and Community Development or Connecticut Innovations, Incorporated.

~~[(i)]~~ ~~(g)~~ Not later than June 30, 2012, and ~~[every six months]~~ annually thereafter, the commissioner shall provide a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce and labor. Such report shall include available data on (1) ~~[the number of small businesses that applied to the Small Business Express program,~~ (2) the number of small businesses that received assistance under ~~[said program]~~ the Small Business Express program and the general categories of such businesses, ~~[(3)]~~ (2) the amounts and types of assistance provided, ~~[(4)]~~ (3) the total number of jobs on the date of application and the number proposed to be created or retained, and ~~[(5)]~~ (4) the most recent employment figures of the small businesses receiving assistance. The contents of such report shall also be included in the department's annual report.

Sec. 2. Subsection (b) of section 32-265 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2020*):

(b) In order to stimulate and encourage the growth and development of the state economy, the Connecticut Capital Access Fund is created to provide portfolio insurance to participating financial institutions to assist them in making loans that are somewhat riskier than conventional loans. The insurance shall be based on a portfolio insurance mechanism applicable to loans enrolled by a financial institution in the program, rather than loans by loan guarantees. The state, acting through Connecticut Innovations, Incorporated, shall enter into a participation agreement with each financial institution approved to participate in the program. A participation agreement entered into by the corporation and a financial institution shall establish a separate loan loss reserve account within such financial institution or a third-party financial institution approved by Connecticut Innovations, Incorporated, owned and controlled by Connecticut Innovations, Incorporated, but earmarked to cover losses on loans enrolled by that financial institution in the program. A separate loan loss reserve account shall be established for each participating financial institution. Each time a financial institution enrolls a loan in the program, payments shall be made into the earmarked loan loss reserve account by the borrower, financial institution and the corporation, in amounts consistent with the provisions of the participation agreement. The financial institution shall be allowed to



recover the cost of its payment from the borrower.

Agency Legislative Proposal - 2021 Session

Document Name: 120420_DECD_NonRelocationFix

(If submitting electronically, please label with date, agency, and title of proposal –
092621_SDE_TechRevisions)

State Agency: DECD

Liaison: Kyle Abercrombie

Phone: 203-213-7777

E-mail: kyle.abercrombie@ct.gov

Lead agency division requesting this proposal: N/A

Agency Analyst/Drafter of Proposal: Kyle Abercrombie

Title of Proposal: An Act Concerning the Requirements on Certain Businesses That Receive State or Federal Financial Assistance

Statutory Reference: 32-5a

Proposal Summary:

This proposal enables the DECD commissioner to exercise discretion in requiring that small businesses receiving state financial assistance and businesses receiving financial assistance exclusively from federal funds agree to non-relocation outside Connecticut for ten years after receiving such assistance.

PROPOSAL BACKGROUND

◇ **Reason for Proposal**

Please consider the following, if applicable:

- (1) *Have there been changes in federal/state/local laws and regulations that make this legislation necessary?*
- (2) *Has this proposal or something similar been implemented in other states? If yes, what is the outcome(s)? Are other states considering something similar this year?*
- (3) *Have certain constituencies called for this action?*
- (4) *What would happen if this was not enacted in law this session?*

It has become increasingly difficult to enforce this statute as DECD administers various state and federal financial assistance programs, and it has grown increasingly common to create flexibility for the agency in certain situations. For example, four instances of where the applicability of non-relocation was limited or eliminated are (1) Sec. 32-7g. Small Business Express Program; (2) Sec. 32-9yy. Connecticut Credit Consortium. Small Business Assistance Account; (3) Sec. 32-763. (Formerly Sec. 32-9kk). Remedial Action and Redevelopment Municipal Grant Program; and (4) Sec. 32-765. Targeted Brownfield Development Loan Program. Specifically, the blanket applicability

with no provision for flexibility for DECD has become increasingly problematic. From a practical standpoint, maintaining the level of oversight the statute requires in some of the programs DECD has been administering is nearly impossible and arguably misplaced for what the language was supposed to do: protect Connecticut's investment. A clarification to this statute allows the commissioner to exercise discretion in situations involving the state's small businesses, which are far less likely to consider out-of-state relocation than larger companies, and businesses receiving federal funds where no state investment is at risk. The commissioner can still require a non-relocation agreement where he or she deems appropriate, ensuring that the agency's compliance and auditing resources are deployed as efficiently as possible.

◇ **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?*

N/A

PROPOSAL IMPACT

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

Agency Name: N/A
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)*
 N/A

State

N/A
Federal N/A
Additional notes on fiscal impact N/A

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

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◇ **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.

N/A

[Insert fully drafted bill here](#)

**AN ACT CONCERNING THE REQUIREMENTS ON CERTAIN
BUSINESSES THAT RECEIVE STATE OR FEDERAL FINANCIAL
ASSISTANCE**

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



Section 1. Section 32-5a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2021*):

Sec. 32-5a. Conditions re relocation of certain businesses which received state financial assistance. The Commissioner of Economic and Community Development and the board of directors of Connecticut Innovations, Incorporated shall require, except for businesses meeting the eligibility requirements of Sec. 32-7g of the General Statutes or assistance programs that are funded entirely by the federal government in which case the Commissioner may require, as a condition of any financial assistance provided on and after June 23, 1993, under any program administered by the Department of Economic and Community Development or such corporation to any business organization, that such business organization: (1) Shall not relocate outside of the state for ten years after receiving such assistance or during the term of a loan or loan guarantee, whichever is longer, unless the full amount of the assistance is repaid to the state and a penalty equal to five per cent of the total assistance received is paid to the state, except that this subdivision shall not be applicable to financial assistance by the corporation in the form of an equity investment or other financial assistance, including a convertible or seed loan, with predominantly equity characteristics, and (2) shall, if the business organization relocates within the state during such period, offer employment at the new location to its employees from the original location if such employment is available. For the purposes of subdivision (1) of this section, the value of a guarantee shall be equal to the amount of the state's liability under the guarantee. As used in this section, "relocate" means the physical transfer of a substantial portion, as determined by the Commissioner of Economic and Community Development, of the operations of a business or any division of a business that independently receives any financial assistance from the state from the location such business or division occupied at the time it accepted the financial assistance to another location. Notwithstanding the provisions of this section, the Commissioner of Economic and Community Development shall adopt regulations in accordance with chapter 54 to establish the terms and conditions of repayment, including specifying the conditions under which repayment may be deferred, following a determination by the commissioner of a legitimate hardship.