



House Bill No. 5124

Public Act No. 22-50

**AN ACT CONCERNING REVISIONS TO CERTAIN ECONOMIC AND
COMMUNITY DEVELOPMENT-RELATED STATUTES.**

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

Section 1. Section 32-7g of the 2022 supplement to the general statutes is amended by adding subsection (h) as follows (*Effective from passage*):

(NEW) (h) The commissioner may contract with nongovernmental entities, including, but not limited to, nonprofit organizations, economic and community development organizations, lending institutions, and technical assistance providers to carry out the provisions of this section.

Sec. 2. Section 32-4p of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) [For the fiscal years ending June 30, 2022, to] On and after July 1, 2021, and until June 30, 2024, [inclusive,] the Commissioner of Economic and Community Development, in coordination with the Secretary of the Office of Policy and Management, may, for the purposes of implementing the state's Economic Action Plan, use bond funds, funding received as a result of the American Rescue Plan Act of 2021, P.L. 117-2, as amended from time to time, and available resources, to provide (1) not more than one hundred million dollars in the aggregate

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for grants in support of major projects selected pursuant to subsection (b) of this section, and (2) [matching grants] not more than one hundred million dollars in the aggregate for community development grants awarded pursuant to subsection (c) of this section. Total funding for grants provided pursuant to subsections (b) and (c) of this section shall not exceed two hundred million dollars in the aggregate.

(b) On and after July 1, 2021, and until [July 1] June 30, 2024, the Department of Economic and Community Development may [develop and issue requests for proposals] establish an Innovation Corridor program, which shall provide grants for major projects in the state. The department shall develop a competitive application process and criteria consistent with the purposes of the state's Economic Action Plan to (1) evaluate [proposals] applications submitted pursuant to this subsection, and (2) select [proposals] projects for funding pursuant to subdivision (1) of subsection (a) of this section.

(c) On and after July 1, 2021, and until [July 1] June 30, 2024, the [Commissioner] Department of Economic and Community Development may establish a [competitive grant program to provide matching grants of not more than ten million dollars for major projects selected pursuant to subsection (b) of this section. Each major project selected pursuant to subsection (b) of this section shall be eligible for a matching grant under this subsection not more than two times a year. The commissioner shall establish eligibility criteria, an application process, evaluation criteria and reporting requirements for the competitive grant program] Connecticut Communities Challenge program, which shall provide community development grants. The department shall develop a competitive application process and criteria consistent with the purposes of the state's Economic Action Plan to (1) evaluate applications submitted pursuant to this subsection, and (2) select community development projects for funding pursuant to subdivision (2) of subsection (a) of this section.

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Sec. 3. Subsection (h) of section 10-416c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(h) The Department of Economic and Community Development may charge any owner seeking a tax credit pursuant to subsection (b) of this section an application fee in an amount not to exceed ten thousand dollars to (1) cover the cost of administering the program established pursuant to this section, and (2) fund programs that advance historic preservation in the state.

Sec. 4. Subparagraph (C) of subdivision (2) of subsection (a) of section 32-1m of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

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

Sec. 5. (*Effective from passage*) The Commissioner of Economic and Community Development shall, in consultation with the Commissioner of Revenue Services, conduct a study regarding whether to extend research and development tax credits to pass-through entities. Not later than January 1, 2023, the commissioner shall report, in accordance with the provisions of section 11-4a of the general statutes, regarding such study to the joint standing committee of the General Assembly having cognizance of matters relating to commerce.

Sec. 6. Subsection (b) of section 22a-134tt of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The commissioner, or his or her designee, shall co-chair and convene, in conjunction with the Commissioner of Economic and Community Development, or his or her designee, a working group in

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the department for the purpose of providing advice and feedback for regulations to be adopted by the commissioner in accordance with the provisions of this section. The Commissioner of Economic and Community Development, or his or her designee, shall serve as co-chair of such working group. The membership of the working group shall include: (1) The chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to the environment and commerce; (2) environmental transaction attorneys; (3) commercial real estate brokers; (4) licensed environmental professionals; (5) representatives from the Connecticut Manufacturers' Collaborative; (6) representatives of environmental advocacy groups; (7) representatives of the Environmental Professionals Organization of Connecticut; (8) municipal representatives; (9) representatives from the brownfields working group established pursuant to section 32-770; (10) representatives of the Connecticut Conference of Municipalities and the Connecticut Council of Small Towns; (11) representatives of the Council on Environmental Quality; and (12) any other interested members of the public designated by the commissioner. The commissioner shall convene monthly meetings of such working group until such time as regulations are adopted pursuant to this section. Not less than sixty days before posting notice on the eRegulations System pursuant to section 4-168, the commissioner shall provide a draft of such regulations to the members of the working group and allow members of the working group to provide advice and feedback on such draft. The members of the working group shall provide such advice and feedback not later than thirty days after the date on which such members receive such draft. Not less than fifteen days before posting such notice on the eRegulations System pursuant to section 4-168, the commissioner shall convene at least one monthly meeting of the working group after providing a draft of such regulations. The commissioner shall provide a revised draft for review by such members prior to posting notice on the eRegulations System pursuant to section 4-168.

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Sec. 7. (NEW) (*Effective from passage*) (a) On or before July 1, 2023, the Chief Workforce Officer, in consultation with the Commissioner of Education, the executive director of the Technical Education and Career System and the Labor Commissioner, shall develop a model student work release policy. Not later than July 1, 2023, the Chief Workforce Officer shall report, in accordance with the provisions of section 11-4a of the general statutes, regarding such model student work release policy to the joint standing committees of the General Assembly having cognizance of matters relating to education, commerce and labor.

(b) The Chief Workforce Officer may update the model student work release policy developed pursuant to subsection (a) of this section as needed. The Chief Workforce Officer shall notify each local and regional board of education of such updated model student work release policy.

(c) For the school year commencing July 1, 2024, and each school year thereafter, each local and regional board of education shall adopt the model student work release policy developed pursuant to subsection (a) of this section or the most recent updated model student work release policy developed pursuant to subsection (b) of this section.