



Senate

General Assembly

File No. 480

January Session, 2025

Substitute Senate Bill No. 575

Senate, April 3, 2025

The Committee on Commerce reported through SEN. HARTLEY of the 15th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT EXPANDING A BIOSCIENCE ENTERPRISE CORRIDOR
ZONE LOCATED IN THE TOWN OF PLAINVILLE.***

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

1 Section 1. Subsection (b) of section 32-41s of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (b) On and after July 1, 2010, eligible businesses and eligible
5 commercial property located in (1) the city of Hartford; (2) census block
6 groups 090034601001, 090034601009, 090034602014 and 090034602022 in
7 the town of Farmington; (3) census blocks 090034602021011,
8 090034602021012, 090034602021013, 090034602021014,
9 090034602021015, 090034602021017, 090034602021018,
10 090034602021019, 090034602021020, 090034602021021,
11 090034602021022, 090034602021023, 090034602021024 and
12 090034602021025 in the town of Farmington; (4) census block groups
13 090034165005 and 090034165006 in the city of New Britain; (5) census
14 blocks 90034164001000, 90034164001001, 90034164001002,

15 90034164004004, 90034164004005, 90034164004006 and 90034164001009
 16 in the city of New Britain; (6) census tracts 09003417500, 09003416000,
 17 09003416100, 09003416700, 09003416800, 09003417400, 09003417200,
 18 09003417300 and 09003415700 in the city of New Britain; (7) census tracts
 19 09003405100, 09003405400 and 09003406100 in the city of Bristol; (8)
 20 [fifty-three acres of property zoned Technology Park within] census
 21 tract 420700, block [9000] 2000 in the town of Plainville, as designated in
 22 the 2020 federal decennial census; (9) forty acres of raw land zoned
 23 Restricted Industrial within census tract 420400, block group 1000 in the
 24 town of Plainville; (10) thirty-five acres of raw land zoned Restricted
 25 Industrial within census tract 420500, block 3000 in the town of
 26 Plainville; or (11) any municipality which has (A) a major research
 27 university with programs in bioscience, biotechnology, pharmaceuticals
 28 or photonics, and (B) an enterprise zone, shall be entitled to the same
 29 benefits, subject to the same conditions, under the general statutes for
 30 which businesses located in an enterprise zone qualify.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	32-41s(b)
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Statement of Legislative Commissioners:

In Subdiv. (8), "as designated as of January 1, 2020" was changed to "as designated in the 2020 federal decennial census" for accuracy.

CE *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Policy & Mgmt., Off.	GF - Potential Cost	None	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
Plainville	Potential Revenue Gain	None	See Below
Plainville	Grand List Reduction	None	See Below

Explanation

The bill expands an existing bioscience enterprise corridor zone in Plainville. This may result in a grand list reduction to Plainville beginning in FY 27 associated with additional property tax exemptions for which this zone will become eligible.¹

Any revenue loss to Plainville resulting from these exemptions may be partially offset by the Distressed Municipalities grant program, which reimburses municipalities for 50% of the tax loss resulting from these exemptions, for a five-year period.

The bill may also result in an increased cost to OPM to the extent additional funds are needed to fully fund the grant program, which will

¹ A grand list reduction results in a revenue loss, given a constant mill rate. It is expected that a municipality will adjust its mill rate to offset any revenue loss.

vary based on the revenue loss claims by Plainville.²

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

² While the grant is proportionately reduced when the appropriation or bond authorization is insufficient for full funding, the grant is currently fully funded.

OLR Bill Analysis**SB 575*****AN ACT EXPANDING A BIOSCIENCE ENTERPRISE CORRIDOR ZONE LOCATED IN THE TOWN OF PLAINVILLE.*****SUMMARY**

This bill expands the existing bioscience enterprise corridor zone in Plainville to include all of a specified census block, rather than just 53 acres zoned for a technology park in the same census tract (i.e. census tract 420700, block 2000, as designated in the 2020 federal decennial census). In doing so, it expands the area in which eligible businesses and eligible commercial property may qualify for enterprise zone benefits (see BACKGROUND).

Under the bioscience enterprise corridor zone law, a business is eligible for these benefits if it (1) had fewer than 300 employees at any time during the previous 12 months and (2) is in bioscience, biotechnology, pharmaceutical, or photonics research, development, or production. A commercial property is eligible if it is (1) one that an eligible business has owned or leased and continuously used during the previous 12 months or (2) real property certified as newly constructed or substantially renovated and expanded primarily for occupancy by one or more eligible businesses.

EFFECTIVE DATE: Upon passage

BACKGROUND***Enterprise Zone Benefits***

Enterprise zone benefits are generally available to businesses that start up in or improve real property there. They include the following:

1. five-year, 80% property tax exemption for acquiring, building, renovating, or expanding a qualifying manufacturing facility and

acquiring machinery and equipment for these facilities (CGS § 12-81(59) & (60)); and

2. seven-year fixed assessment for qualifying commercial and residential real property improvements (CGS § 32-71).

The state generally reimburses municipalities for half the forgone property tax revenue for the partial property tax exemptions, depending on available funding (CGS § 32-9s).

Related Bill

SB 1457, favorably reported by the Commerce Committee, establishes an airport development zone in Plainville comprising nine specified census blocks. Businesses located in airport development zones may receive certain enterprise zone benefits.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 20 Nay 0 (03/18/2025)