



General Assembly

Amendment

February Session, 2026

LCO No. 6114



Offered by:

SEN. HARTLEY, 15th Dist.
REP. MESKERS, 150th Dist.
SEN. MARTIN, 31st Dist.
REP. ANISKOVICH, 35th Dist.
SEN. HWANG, 28th Dist.

To: Subst. Senate Bill No. 307

File No. 561

Cal. No. 327

**"AN ACT CONCERNING THE DEPARTMENT OF ECONOMIC AND
COMMUNITY DEVELOPMENT'S RECOMMENDATIONS FOR
REVISIONS TO THE COMMERCE STATUTES."**

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

3 "Section 1. Section 32-7g of the 2026 supplement to the general
4 statutes is repealed and the following is substituted in lieu thereof
5 (*Effective July 1, 2026*):

6 (a) There is established within the Department of Economic and
7 Community Development the Connecticut Small Business [Express]
8 Boost program. Said program shall provide small businesses with
9 various forms of financial assistance. A small business eligible for
10 assistance through said program shall (1) employ not more than one
11 hundred employees, (2) have operations in Connecticut, and (3) be in

12 good standing with the payment of all state and local taxes and with all
13 state agencies. It shall be the goal of the Department of Economic and
14 Community Development that, on or before July 1, [2026] 2028, the
15 Connecticut Small Business [Express] Boost program be self-funded and
16 that the default rate of small businesses that receive assistance under
17 said program be not more than twenty per cent.

18 (b) The Connecticut Small Business [Express] Boost program shall
19 consist of various components, including (1) a revolving loan fund, as
20 described in subsection (c) of this section, to support small business
21 growth, (2) at least one [minority business revolving loan] Connecticut
22 opportunity fund, as described in subsection (d) of this section, to
23 support the growth of [minority-owned] small businesses in historically
24 underserved communities, (3) a component established in consultation
25 with representatives from Connecticut-based banks and a banking
26 industry association, as described in subsection (e) of this section, and
27 (4) a component established in consultation with Connecticut
28 Innovations, Incorporated, as described in subsection (f) of this section.
29 The commissioner may give preference to program applications from
30 disabled veteran-owned businesses. Notwithstanding the provisions of
31 section 32-5a regarding relocation limits, the department may require,
32 as a condition of receiving financial assistance pursuant to this section,
33 that a small business receiving such assistance shall not relocate, as
34 defined in section 32-5a, for five years after receiving such assistance or
35 during the term of the loan, whichever is longer. All other conditions
36 and penalties imposed pursuant to section 32-5a shall continue to apply
37 to such small business. As used in this subsection, (A) "disabled veteran"
38 means a veteran, as defined in section 27-103, who has a disability rating
39 of at least thirty per cent, as determined by the United States
40 Department of Veterans Affairs; and (B) "disabled veteran-owned
41 business" means a small business of which greater than fifty per cent is
42 owned by one or more disabled veterans.

43 (c) There is established as part of the Connecticut Small Business
44 [Express] Boost program a revolving loan fund to provide loans, loan

45 guarantees, loan portfolio guarantees, portfolio insurance and grants.

46 (d) (1) (A) There is established as part of the Connecticut Small
47 Business [Express] Boost program at least one [revolving loan]
48 Connecticut opportunity fund to provide loans to eligible small
49 businesses that are owned by [one or more members of a minority]
50 applicants who meet at least one of the following criteria: (i) Operate or
51 reside in a concentrated poverty census tract, as defined in section 32-
52 7x; (ii) have an adjusted gross income of not more than the annual area
53 median household income, as determined by the United States
54 Department of Housing and Urban Development; (iii) are first-time
55 business owners or enterprises lacking access to traditional commercial
56 lending; or (iv) operate or reside in a municipality with a population of
57 not less than sixty thousand that has a concentrated poverty census
58 tract, as defined in section 32-7x, and who meet the income-eligibility
59 threshold described in clause (ii) of this subparagraph.

60 (B) In determining the eligibility of an applicant for assistance under
61 the Connecticut opportunity fund, the commissioner shall prioritize, in
62 the following order, applicants who: (i) Operate or reside in a
63 concentrated poverty census tract; (ii) meet the income-eligibility
64 threshold described in subparagraph (A)(ii) of this subdivision; (iii) are
65 first-time business owners or enterprises who lack access to traditional
66 commercial lending; and (iv) operate or reside in a municipality with a
67 population of not less than sixty thousand that has a concentrated
68 poverty census tract, as defined in section 32-7x, and who meet the
69 income-eligibility threshold described in subparagraph (A)(ii) of this
70 subdivision.

71 (2) As used in this subsection, [(A) "minority business development
72 entity"] "business development entity" means a nonprofit [organization
73 (i) having a lending portfolio on or before June 9, 2016, from which at
74 least seventy-five per cent of lending is provided to minority-owned
75 businesses state-wide; and (ii) that provided technical assistance on or
76 before June 9, 2016, provided at least seventy-five per cent of such
77 assistance was provided to minority-owned businesses state-wide; and

78 (B) "minority" means (i) Black Americans, including all persons having
79 origins in any of the Black African racial groups not of Hispanic origin;
80 (ii) Hispanic Americans, including all persons of Mexican, Puerto Rican,
81 Cuban, Central or South American, or other Spanish culture or origin,
82 regardless of race; (iii) all persons having origins in the Iberian
83 Peninsula, including Portugal, regardless of race; (iv) women; (v) Asian
84 Pacific Americans and Pacific islanders; or (vi) American Indians and
85 persons having origins in any of the original peoples of North America
86 and maintaining identifiable tribal affiliations through membership and
87 participation or community identification] community development
88 financial institution operating in the state.

89 [(2)] (3) Notwithstanding the provisions of section 32-7h, as amended
90 by this act, the commissioner shall allocate from the available funding
91 under the Connecticut Small Business [Express] Boost program a total
92 of five million dollars for grants-in-aid to not more than two [minority]
93 business development entities in each of the fiscal years ending June 30,
94 2016, to June 30, 2020, inclusive, for the purpose of establishing and
95 administering [minority business revolving loan] Connecticut
96 opportunity funds. Moneys from such funds shall be used to (A)
97 provide loans to eligible small businesses, and (B) fund the
98 administrative costs associated with the provision of such loans by a
99 [minority] business development entity, provided a [minority] business
100 development entity may not use more than ten per cent of the amount
101 received as a grant under this section to fund such costs. Such loans shall
102 be used for acquisition or purchase of machinery and equipment,
103 construction or leasehold improvements, relocation expenses, working
104 capital, which may be used for payment of rent, or other business-
105 related expenses, as authorized by the [minority] business development
106 entity.

107 [(3)] (4) Loans from a [minority business revolving loan] Connecticut
108 opportunity fund may be in amounts from ten thousand dollars to a
109 maximum of five hundred thousand dollars, shall carry a maximum
110 repayment rate of four per cent and shall be for a term of not more than

111 ten years. The [minority] business development entity shall review and
112 approve loan terms, conditions and collateral requirements in a manner
113 that prioritizes job growth and retention.

114 ~~[(4)]~~ (5) Any eligible small business [owned by one or more members
115 of a minority] may apply for assistance from a [minority business
116 revolving loan] Connecticut opportunity fund, provided the [minority]
117 business development entity shall give priority to applicants that, as
118 part of their business plan, are (A) creating new jobs that will be
119 maintained for not less than twelve consecutive months, or (B)
120 contributing to closing a lack in access to capital for underserved
121 communities and individuals.

122 ~~[(5)]~~ (6) Loans from a [minority business revolving] Connecticut
123 opportunity fund shall be provided in such a manner that, on or before
124 five years after the date such loan fund is established, the annual funds
125 or revenues derived from investment income, loan repayments or any
126 other sources received by the [minority] business development entity in
127 connection with such loan fund is sufficient to fund the administrative
128 costs associated with such loan fund.

129 ~~[(6)]~~ (7) A [minority] business development entity receiving a grant
130 pursuant to this subsection shall annually submit to the commissioner a
131 financial audit of grant expenditures until all grant moneys have been
132 expended by such entity. Any such audit shall be prepared by an
133 independent auditor and if the commissioner finds that any such grant
134 is used for purposes that are not in conformity with uses set forth in
135 subdivisions ~~[(2)]~~ (3) and ~~[(3)]~~ (4) of this subsection, the commissioner
136 may require repayment of such grant.

137 (8) The commissioner shall collect data on loan recipients, including,
138 but not limited to, geographic distribution, income levels, and any other
139 indicators of access to capital. Not later than February 1, 2027, and
140 annually thereafter, the commissioner shall submit a report to the
141 Governor, the Auditors of Public Accounts and the joint standing
142 committees of the General Assembly having cognizance of matters

143 relating to appropriations and the budgets of state agencies, finance,
144 revenue and bonding and commerce, in accordance with the provisions
145 of section 11-4a, that provides an analysis of such data collected
146 pursuant to this subdivision.

147 (e) The commissioner, in consultation with representatives from
148 Connecticut-based banks and a banking industry association, may
149 establish as part of the Connecticut Small Business [Express] Boost
150 program a component operated in collaboration with Connecticut-
151 based banks, which may include, but need not be limited to, loan
152 guarantees, short-term loans used as a bridge to private sector financing
153 and the transfer of loans issued under subsection (c) of this section. Any
154 loans issued under such component shall be used for acquisition or
155 purchase of machinery and equipment, construction or leasehold
156 improvements, relocation expenses, working capital, which may be
157 used for payment of rent, or other business-related expenses, as
158 authorized by the commissioner. The provisions of subsections (c) and
159 (d) of this section shall not be construed to apply to such component.
160 Such component shall be administered by Connecticut Innovations,
161 Incorporated, in collaboration with the Department of Economic and
162 Community Development. For purposes of this section, "Connecticut-
163 based banks" means banks and out-of-state banks, each as defined in
164 section 36a-2, having deposit-taking branches in the state.

165 (f) The commissioner, in consultation with Connecticut Innovations,
166 Incorporated, may establish as part of the Connecticut Small Business
167 [Express] Boost program a component operated in collaboration with
168 Connecticut Innovations, Incorporated, which may include, but need
169 not be limited to, financial assistance consistent with the provisions and
170 purposes of sections 32-23e, 32-23ii and 32-265. Such component may be
171 administered by Connecticut Innovations, Incorporated, in
172 collaboration with the Department of Economic and Community
173 Development.

174 (g) Not later than February 1, 2022, and annually thereafter, the
175 commissioner shall provide a report, in accordance with the provisions

176 of section 11-4a, to the joint standing committees of the General
177 Assembly having cognizance of matters relating to finance, revenue and
178 bonding, appropriations, commerce and labor. Such report shall include
179 available data on (1) the number of small businesses that received
180 assistance under the Connecticut Small Business [Express] Boost
181 program and the general categories of such businesses, (2) the amounts
182 and types of assistance provided, (3) the total number of jobs on the date
183 of application and the number proposed to be created or retained, (4)
184 the most recent employment figures of the small businesses receiving
185 assistance, (5) the default rate of small businesses that received
186 assistance under said program, and (6) the progress of the lenders
187 participating in said program in becoming self-sustainable. The contents
188 of such report shall also be included in the department's annual report.

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

193 Sec. 2. Section 32-7g of the 2026 supplement to the general statutes as
194 amended by section 16 of public act 25-95, is repealed and the following
195 is substituted in lieu thereof (*Effective July 1, 2026*):

196 (a) There is established within the Department of Economic and
197 Community Development the Connecticut Small Business [Express]
198 Boost program. Said program shall provide small businesses with
199 various forms of financial assistance. A small business eligible for
200 assistance through said program shall (1) employ not more than one
201 hundred employees, (2) have operations in Connecticut, and (3) be in
202 good standing with the payment of all state and local taxes and with all
203 state agencies. It shall be the goal of the Department of Economic and
204 Community Development that, on or before July 1, [2026] 2028, the
205 Connecticut Small Business [Express] Boost program be self-funded and
206 that the default rate of small businesses that receive assistance under
207 said program be not more than twenty per cent.

208 (b) The Connecticut Small Business [Express] Boost program shall
209 consist of various components, including (1) a revolving loan fund, as
210 described in subsection (c) of this section, to support small business
211 growth, (2) at least one [minority business revolving loan] Connecticut
212 opportunity fund, as described in subsection (d) of this section, to
213 support the growth of [minority-owned] small businesses in historically
214 underserved communities, (3) a component established in consultation
215 with representatives from Connecticut-based banks and a banking
216 industry association, as described in subsection (e) of this section, and
217 (4) a component established in consultation with Connecticut
218 Innovations, Incorporated, as described in subsection (f) of this section.
219 The commissioner may give preference to program applications from
220 disabled veteran-owned businesses. Notwithstanding the provisions of
221 section 32-5a regarding relocation limits, the department may require,
222 as a condition of receiving financial assistance pursuant to this section,
223 that a small business receiving such assistance shall not relocate, as
224 defined in section 32-5a, for five years after receiving such assistance or
225 during the term of the loan, whichever is longer. All other conditions
226 and penalties imposed pursuant to section 32-5a shall continue to apply
227 to such small business. As used in this subsection, (A) "disabled veteran"
228 means a veteran, as defined in section 27-103, who has a disability rating
229 of at least thirty per cent, as determined by the United States
230 Department of Veterans Affairs; and (B) "disabled veteran-owned
231 business" means a small business of which greater than fifty per cent is
232 owned by one or more disabled veterans.

233 (c) There is established as part of the Connecticut Small Business
234 [Express] Boost program a revolving loan fund to provide loans, loan
235 guarantees, loan portfolio guarantees, portfolio insurance and grants.

236 (d) (1) (A) There is established as part of the Connecticut Small
237 Business [Express] Boost program at least one [revolving loan]
238 Connecticut opportunity fund to provide loans to eligible small
239 businesses that are owned by [one or more members of a minority]
240 applicants who meet at least one of the following criteria: (i) Operate or

241 reside in a concentrated poverty census tract, as defined in section 32-
242 7x; (ii) have an adjusted gross income of not more than the annual area
243 median household income, as determined by the United States
244 Department of Housing and Urban Development; (iii) are first-time
245 business owners or enterprises lacking access to traditional commercial
246 lending; or (iv) operate or reside in a municipality with a population of
247 not less than sixty thousand that has a concentrated poverty census
248 tract, as defined in section 32-7x, and who meet the income-eligibility
249 threshold described in clause (ii) of this subparagraph.

250 (B) In determining the eligibility of an applicant for assistance under
251 the Connecticut opportunity fund, the commissioner shall prioritize, in
252 the following order, applicants who: (i) Operate or reside in a
253 concentrated poverty census tract; (ii) meet the income-eligibility
254 threshold described in subparagraph (A)(ii) of this subdivision; (iii) are
255 first-time business owners or enterprises who lack access to traditional
256 commercial lending; and (iv) operate or reside in a municipality with a
257 population of not less than sixty thousand that has a concentrated
258 poverty census tract, as defined in section 32-7x, and who meet the
259 income-eligibility threshold described in subparagraph (A)(ii) of this
260 subdivision.

261 (2) As used in this subsection, [(A) "minority business development
262 entity"] "business development entity" means a nonprofit [organization
263 (i) having a lending portfolio on or before June 9, 2016, from which at
264 least seventy-five per cent of lending is provided to minority-owned
265 businesses state-wide; and (ii) that provided technical assistance on or
266 before June 9, 2016, provided at least seventy-five per cent of such
267 assistance was provided to minority-owned businesses state-wide; and
268 (B) "minority" means (i) Black Americans, including all persons having
269 origins in any of the Black African racial groups not of Hispanic origin;
270 (ii) Hispanic Americans, including all persons of Mexican, Puerto Rican,
271 Cuban, Central or South American, or other Spanish culture or origin,
272 regardless of race; (iii) all persons having origins in the Iberian
273 Peninsula, including Portugal, regardless of race; (iv) women; (v) Asian

274 Pacific Americans and Pacific islanders; or (vi) American Indians and
275 persons having origins in any of the original peoples of North America
276 and maintaining identifiable tribal affiliations through membership and
277 participation or community identification] community development
278 financial institution operating in the state.

279 [(2)] (3) Notwithstanding the provisions of section 32-7h, as amended
280 by this act, the commissioner shall allocate from the available funding
281 under the Connecticut Small Business [Express] Boost program a total
282 of five million dollars for grants-in-aid to not more than two [minority]
283 business development entities in each of the fiscal years ending June 30,
284 2016, to June 30, 2020, inclusive, for the purpose of establishing and
285 administering [minority business revolving loan] Connecticut
286 opportunity funds. Moneys from such funds shall be used to (A)
287 provide loans to eligible small businesses, and (B) fund the
288 administrative costs associated with the provision of such loans by a
289 [minority] business development entity, provided a [minority] business
290 development entity may not use more than ten per cent of the amount
291 received as a grant under this section to fund such costs. Such loans shall
292 be used for acquisition or purchase of machinery and equipment,
293 construction or leasehold improvements, relocation expenses, working
294 capital, which may be used for payment of rent, or other business-
295 related expenses, as authorized by the [minority] business development
296 entity.

297 [(3)] (4) Loans from a [minority business revolving loan] Connecticut
298 opportunity fund may be in amounts from ten thousand dollars to a
299 maximum of five hundred thousand dollars, shall carry a maximum
300 repayment rate of four per cent and shall be for a term of not more than
301 ten years. The [minority] business development entity shall review and
302 approve loan terms, conditions and collateral requirements in a manner
303 that prioritizes job growth and retention.

304 [(4)] (5) Any eligible small business [owned by one or more members
305 of a minority] may apply for assistance from a [minority business
306 revolving loan] Connecticut opportunity fund, provided the [minority]

307 business development entity shall give priority to applicants that, as
308 part of their business plan, are (A) creating new jobs that will be
309 maintained for not less than twelve consecutive months, or (B)
310 contributing to closing a lack in access to capital for underserved
311 communities and individuals.

312 ~~[(5)]~~ (6) Loans from a [minority business revolving loan] Connecticut
313 opportunity fund shall be provided in such a manner that, on or before
314 five years after the date such loan fund is established, the annual funds
315 or revenues derived from investment income, loan repayments or any
316 other sources received by the [minority] business development entity in
317 connection with such loan fund is sufficient to fund the administrative
318 costs associated with such loan fund.

319 ~~[(6)]~~ (7) A [minority] business development entity receiving a grant
320 pursuant to this subsection shall annually submit to the commissioner a
321 financial audit of grant expenditures until all grant moneys have been
322 expended by such entity. Any such audit shall be prepared by an
323 independent auditor and if the commissioner finds that any such grant
324 is used for purposes that are not in conformity with uses set forth in
325 subdivisions ~~[(2)]~~ (3) and ~~[(3)]~~ (4) of this subsection, the commissioner
326 may require repayment of such grant.

327 (8) The commissioner shall collect data on loan recipients, including,
328 but not limited to, geographic distribution, income levels, and any other
329 indicators of access to capital. Not later than February 1, 2027, and
330 annually thereafter, the commissioner shall submit a report to the
331 Governor, the Auditors of Public Accounts and the joint standing
332 committees of the General Assembly having cognizance of matters
333 relating to appropriations and the budgets of state agencies, finance,
334 revenue and bonding and commerce, in accordance with the provisions
335 of section 11-4a, that provides an analysis of such data collected
336 pursuant to this subdivision.

337 (e) The commissioner, in consultation with representatives from
338 Connecticut-based banks and a banking industry association, may

339 establish as part of the Connecticut Small Business [Express] Boost
340 program a component operated in collaboration with Connecticut-
341 based banks, which may include, but need not be limited to, loan
342 guarantees, short-term loans used as a bridge to private sector financing
343 and the transfer of loans issued under subsection (c) of this section. Any
344 loans issued under such component shall be used for acquisition or
345 purchase of machinery and equipment, construction or leasehold
346 improvements, relocation expenses, working capital, which may be
347 used for payment of rent, or other business-related expenses, as
348 authorized by the commissioner. The provisions of subsections (c) and
349 (d) of this section shall not be construed to apply to such component.
350 Such component shall be administered by Connecticut Innovations,
351 Incorporated, in collaboration with the Department of Economic and
352 Community Development. For purposes of this section, "Connecticut-
353 based banks" means banks and out-of-state banks, each as defined in
354 section 36a-2, having deposit-taking branches in the state.

355 (f) The commissioner, in consultation with Connecticut Innovations,
356 Incorporated, may establish as part of the Connecticut Small Business
357 [Express] Boost program a component operated in collaboration with
358 Connecticut Innovations, Incorporated, which may include, but need
359 not be limited to, financial assistance consistent with the provisions and
360 purposes of sections 32-23e, 32-23ii and 32-265. Such component may be
361 administered by Connecticut Innovations, Incorporated, in
362 collaboration with the Department of Economic and Community
363 Development.

364 (g) Not later than February 1, 2022, and annually thereafter, the
365 commissioner shall provide a report, in accordance with the provisions
366 of section 11-4a, to the joint standing committees of the General
367 Assembly having cognizance of matters relating to finance, revenue and
368 bonding, appropriations, commerce and labor. Such report shall include
369 available data on (1) the number of small businesses that received
370 assistance under the Connecticut Small Business [Express] Boost
371 program and the general categories of such businesses, (2) the amounts

372 and types of assistance provided, (3) the total number of jobs on the date
373 of application and the number proposed to be created or retained, (4)
374 the most recent employment figures of the small businesses receiving
375 assistance, (5) the default rate of small businesses that received
376 assistance under said program, and (6) the progress of the lenders
377 participating in said program in becoming self-sustainable. The contents
378 of such report shall also be included in the department's annual report.

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

383 Sec. 3. Section 32-7q of the general statutes is repealed and the
384 following is substituted in lieu thereof (*Effective from passage*):

385 (a) There is established, within the Department of Economic and
386 Community Development, a [Minority] First Generation and Emerging
387 Business Initiative Advisory Board [, which shall be within the
388 Department of Economic and Community Development] to promote
389 equitable growth and generational wealth. The advisory board shall: (1)
390 Advise the Commissioner of Economic and Community Development
391 with regard to increasing the availability of technical assistance, access
392 to capital and access to state contracts to [minority-owned] first-
393 generation and emerging businesses; and (2) develop and administer
394 programs to foster financial literacy [, minority employment and
395 entrepreneurship] and generational wealth, which may include, but
396 need not be limited to, internship and externship programs,
397 apprenticeship programs, entrepreneurship development programs
398 and subsidies to employers for job creation. For the purposes of this
399 section, "emerging business" means any business that is registered and
400 has maintained its registration with the Secretary of the State for not
401 more than five years.

402 (b) The advisory board shall consist of the following members:

403 (1) Four appointed by the Commissioner of Economic and
404 Community Development, in consultation with members of the
405 minority business community. Each such appointee shall: (A) Have
406 skill, knowledge and experience in business and business development,
407 procurement, and state and federal contracting; (B) have skill,
408 knowledge and experience in developing minority-owned businesses;
409 (C) be a member of or hold an office in a community organization
410 serving minority populations that has economic development,
411 including, but not limited to, business and entrepreneurial
412 development, as part of its mission; (D) have business development
413 education and training expertise; (E) represent a business or
414 organization that primarily engages in business development; or (F)
415 own a business;

416 (2) One appointed by the speaker of the House of Representatives;

417 (3) One appointed by the president pro tempore of the Senate;

418 (4) One appointed by the minority leader of the House of
419 Representatives;

420 (5) One appointed by the minority leader of the Senate; [and]

421 (6) Two appointed by the chairperson of the Black and Puerto Rican
422 Caucus of the General Assembly; and

423 ~~[(6)]~~ (7) The Commissioner of Economic and Community
424 Development, or the commissioner's designee.

425 (c) All [appointments to] members of the [task force shall be made not
426 later than September 1, 2017. Members] advisory board shall serve a
427 two-year term and may not serve more than three such terms
428 consecutively, except that each member shall hold office until a
429 successor is appointed. Any vacancy shall be filled by the appointing
430 authority.

431 (d) [The commissioner shall schedule the first meeting of the advisory

432 board not later than September 30, 2017.] The advisory board shall elect
433 a chairperson from among its members. The advisory board shall meet
434 at such times as the chairperson deems necessary.

435 (e) No member of the advisory board shall receive compensation for
436 such member's services.

437 (f) The advisory board may establish bylaws to govern its practices.

438 Sec. 4. Section 32-462 of the general statutes is repealed and the
439 following is substituted in lieu thereof (*Effective July 1, 2026, and*
440 *applicable to income and taxable years commencing on and after January 1,*
441 *2026*):

442 (a) As used in this section:

443 (1) "Agency" means the Department of Economic and Community
444 Development or Connecticut Innovations, Incorporated.

445 (2) "Financial assistance" means grants, loans, loan guarantees,
446 contracts of insurance, investments, or combinations thereof, which are
447 provided from the proceeds of bonds, notes or other obligations of the
448 state or an agency which constitute a debt or liability of the state or
449 which are secured by a special capital reserve fund payable from
450 amounts appropriated or deemed appropriated from the General Fund.

451 (3) "Applicant" means any eligible applicant seeking financial
452 assistance from an agency for a business project. The term "applicant"
453 shall not include any political subdivision of the state.

454 (4) "Business project" means a business proposal undertaken by one
455 or more applicants, but does not include housing unless undertaken in
456 combination with another unrelated type of business.

457 [(5) "Biotechnology business project" means any commercial project
458 to be used or occupied by any person to conduct laboratory activity
459 relating to, or the research, development or manufacture of, biologically
460 active molecules or devices that apply to, affect or analyze biological

461 processes.]

462 (b) (1) No agency or agencies may award more than a total of [ten]
463 twenty-five million dollars of financial assistance during any two-year
464 period to an applicant or for a business project unless such financial
465 assistance is specifically authorized by an act of the General Assembly
466 which has been enacted before, on or after July 1, [1994] 2026. (2) The
467 provisions of subdivision (1) of this subsection shall not apply to any
468 awards funded or to be funded by bonds authorized to be issued by the
469 State Bond Commission before July 1, 1994.

470 [(c) Notwithstanding the provisions of subsection (b) of this section,
471 no agency or agencies may award more than twenty million dollars of
472 financial assistance for a biotechnology business project during any two-
473 year period unless such financial assistance is specifically authorized by
474 an act of the General Assembly which has been enacted before, on or
475 after July 1, 2001.]

476 Sec. 5. Section 31-51r of the general statutes is repealed and the
477 following is substituted in lieu thereof (*Effective from passage*):

478 (a) As used in this section:

479 (1) "Employer" means any person engaged in business who has
480 twenty-six or more employees, including the state and any political
481 subdivision thereof.

482 (2) "Employee" means any person engaged in service to an employer
483 in the business of [his] the employer.

484 (3) "Employment promissory note" means any instrument or
485 agreement executed on or after October 1, 1985, which requires an
486 employee to pay the employer, or [his] the employer's agent or assignee,
487 a sum of money if the employee leaves such employment before the
488 passage of a stated period of time. "Employment promissory note"
489 includes any such instrument or agreement which states such payment
490 of moneys constitutes reimbursement for training previously provided

491 to the employee, but does not include a promissory note entered into by
492 an employer and employee for the full or partial repayment of any fee
493 relating to a federal H-1B visa and paid by an employer on behalf of an
494 employee.

495 (b) On or after October 1, 1985, no employer may require, as a
496 condition of employment, any employee or prospective employee to
497 execute an employment promissory note. The execution of an
498 employment promissory note as a condition of employment is against
499 public policy and any such note shall be void. If any such note is part of
500 an employment agreement, the invalidity of such note shall not affect
501 the other provisions of such agreement.

502 (c) Nothing in this section shall prohibit or render void any
503 agreement between an employer and an employee (1) requiring the
504 employee to repay to the employer any sums advanced to such
505 employee, (2) requiring the employee to pay the employer for any
506 property it has sold or leased to such employee, (3) requiring
507 educational personnel to comply with any terms or conditions of
508 sabbatical leaves granted by their employers, or (4) entered into as part
509 of a program agreed to by the employer and its employees' collective
510 bargaining representative.

511 Sec. 6. Section 32-1u of the general statutes is repealed and the
512 following is substituted in lieu thereof (*Effective from passage*):

513 (a) The Department of Economic and Community Development [,
514 through its Office of Film, Television and Digital Media,] shall serve as
515 a state-wide point of contact for all producers of film, television and
516 digital media productions requesting permission to (1) conduct film
517 production activities on state-owned property, including, but not
518 limited to, all state roads and highways, railroads and train stations,
519 state forests and parks, airports and seaports, hospitals and all
520 campuses of the public institutions of higher education in the state; and
521 (2) use any other state-owned real or personal property, except
522 courthouses and judicial branch facilities, for such purposes.

523 (b) The Commissioner of Economic and Community Development
524 may issue a state film permit, on a form designated by the
525 commissioner, to any person seeking to conduct film production
526 activities on such state-owned property. Such permit shall specify the
527 insurance coverage that the permittee shall be required to obtain, as
528 determined by the commissioner in consultation with the state's
529 Director of Insurance and Risk Management, with the state named as an
530 additional insured. No liability shall accrue to the state or any agency or
531 employee of the state for any injuries or damages to any person or
532 property that may result, either directly or indirectly, from such film
533 production activities of the permittee on such state-owned property.

534 (c) A state film permit shall identify the person requesting permission
535 to conduct film production activities on state property and indicate that
536 the permittee has provided documentation to the Department of
537 Economic and Community Development substantiating the permittee's
538 ability to conduct indemnified film production activities. Any permittee
539 seeking permission to conduct film production activities on property
540 controlled by a state agency, authority or institution shall present such
541 permit to such agency, authority or institution when the permittee
542 requests such permission. Following the presentment of such permit by
543 a permittee, such state agency, authority or institution may authorize
544 film production activities by the permittee on such property.

545 (d) The Commissioner of Economic and Community Development,
546 pursuant to section 32-1p, shall establish guidelines to be used in
547 working with state agencies, authorities or institutions to implement the
548 provisions of this section. Such guidelines shall include, but need not be
549 limited to: (1) An agency contact [at the Office of Film, Television and
550 Digital Media] for filing permit applications and for obtaining
551 information on permit requirements; (2) identification of each
552 individual within each respective state agency who shall be a point of
553 contact for an agency permit application; (3) a mandatory
554 preapplication review process to reduce permitting issues or conflicts
555 by providing guidance to applicants on (A) information required for

556 authorization or permit approval from the relevant state agencies,
557 authorities or institutions, (B) specifications for desired on-site
558 production and production-related activities, site suitability and
559 limitations, and (C) steps the applicant can take to ensure expeditious
560 permit application; (4) a single, coordinated production activity
561 description form, including an equipment checklist and personnel
562 roster; (5) a process by which the [Office of Film, Television and Digital
563 Media] Department of Economic and Community Development may
564 forward permit applications to other relevant state agencies, authorities
565 or institutions on behalf of an applicant; and (6) at the commissioner's
566 discretion, a permit fee structure.

567 (e) The [Office of Film, Television and Digital Media, at the request of
568 the] Commissioner of Economic and Community Development [,] may
569 request the assistance of any other agency, authority or institution of the
570 state to assist in providing information and assistance as may be
571 necessary to expedite [such office's] the performance of the duties and
572 responsibilities [under] described in this section. Each officer or
573 employee of such other agency, authority or institution of the state shall
574 make reasonable efforts to cooperate with the [Office of Film, Television
575 and Digital Media] Department of Economic and Community
576 Development.

577 Sec. 7. Subsection (c) of section 32-286 of the general statutes is
578 repealed and the following is substituted in lieu thereof (*Effective from*
579 *passage*):

580 (c) (1) Any person described in subsection (b) of this section that seeks
581 an exemption under subsection (b) of this section shall submit an
582 application to the Commissioner of Economic and Community
583 Development, in a manner and form prescribed by the commissioner. If
584 the commissioner approves such application, the commissioner shall
585 enter into an agreement with such person, provided such person
586 demonstrates to the satisfaction of the commissioner that:

587 (A) The facility to be developed, acquired, constructed, rehabilitated,

588 renovated, repaired or operated will be used as a qualified data center;
589 and

590 (B) The qualified data center will make, on or before the fifth
591 anniversary of the date an agreement entered into pursuant to this
592 section becomes effective, a qualified investment of at least (i) fifty
593 million dollars if such qualified data center is located in an enterprise
594 zone designated pursuant to section 32-70 or a federal qualified
595 opportunity zone designated pursuant to the Tax Cuts and Jobs Act of
596 2017, P.L. 115-97, as amended from time to time, or (ii) two hundred
597 million dollars if such qualified data center is not located in an
598 enterprise zone or a federal qualified opportunity zone.

599 (2) Any agreement entered into pursuant to this subsection shall:

600 (A) Be for a period of twenty years, unless extended under the
601 provisions of subdivision (3) of this subsection, from the date an
602 agreement entered into pursuant to this section becomes effective,
603 which may be in the year in which the construction, rehabilitation,
604 renovation or repair of a qualified data center commences;

605 (B) Include a five-year qualifying period, from the date an agreement
606 entered into pursuant to this section becomes effective, for the
607 applicable qualified investment amount set forth in subparagraph (B) of
608 subdivision (1) of this subsection to be reached;

609 (C) Include the payment of an annual fee by the qualified data center,
610 to be determined annually by the commissioner and not to exceed fifty
611 thousand dollars, for the administrative and operational costs [of the
612 Office of Data Infrastructure Administration and Security established
613 under subdivision (5) of this subsection] relating to the department's
614 processing of applications submitted pursuant to the provisions of this
615 subsection. Such fee shall be paid by the qualified data center to the
616 commissioner during each year of such qualifying period or until the
617 applicable qualified investment amount set forth in subparagraph (B) of
618 subdivision (1) of this subsection is reached, whichever is sooner;

619 (D) Include a detailed description of the capital project that is the
620 subject of the agreement;

621 (E) Provide that the provisions of the agreement shall be applicable,
622 within the time period such agreement is effective and for the remaining
623 duration of such time period, to any (i) subsequent owner of the
624 qualified data center, (ii) operator or affiliate of the operator of the
625 qualified data center, or (iii) colocation tenant, provided the facility
626 continues to be used as a qualified data center; and

627 (F) Include provisions for the assessment and payment of the taxes
628 exempted pursuant to such agreement and the rates or amounts of
629 penalties and interest to be imposed thereon, if the commissioner
630 determines that the requirements of the agreement or of a qualified data
631 center are not being met or have not been met.

632 (3) If a qualified data center makes a qualified investment of at least
633 (A) two hundred million dollars if such qualified data center is located
634 in an enterprise zone designated pursuant to section 32-70 or a federal
635 qualified opportunity zone designated pursuant to the Tax Cuts and
636 Jobs Act of 2017, P.L. 115-97, as amended from time to time, or (B) four
637 hundred million dollars if such qualified data center is not located in an
638 enterprise zone or a federal qualified opportunity zone, the
639 commissioner shall extend to thirty years the period for which an
640 agreement entered into pursuant to this section is effective.

641 (4) Any qualified data center that enters into an agreement pursuant
642 to this section and makes the applicable qualified investment amount
643 set forth in subdivision (3) of this subsection, and any operator or
644 affiliate of and colocation tenant of such qualified data center, shall be
645 exempt from any financial transactions tax or fee that may be imposed
646 by the state on trades of stocks, bonds, derivatives and other financial
647 products. The exemption under this subdivision shall be effective for a
648 period of thirty years from the date the construction, rehabilitation,
649 renovation or repair of a facility is completed, as determined by the
650 commissioner. The commissioner may incorporate the provisions of this

651 subdivision into the agreement entered into pursuant to this section or
652 amend an existing agreement with a qualified data center to incorporate
653 the provisions of this subdivision.

654 (5) [There is established an Office of Data Infrastructure
655 Administration and Security within the Department of Economic and
656 Community Development. The office] The Department of Economic
657 and Community Development shall (A) serve as the liaison between
658 applicants and qualified data centers and other state agencies, (B)
659 provide assistance to applicants and qualified data centers from the
660 preapplication phase to the post-operational stage, and (C) seek to
661 ensure coordinated, efficient and timely responses to applicants and
662 qualified data centers.

663 Sec. 8. Section 32-726 of the general statutes is repealed and the
664 following is substituted in lieu thereof (*Effective from passage*):

665 (a) As used in this section:

666 (1) "Jobs" means permanent, full-time equivalent positions, not
667 including construction jobs;

668 (2) "Commissioner" means the Commissioner of Economic and
669 Community Development;

670 (3) "Permit applications" means applications for state permits and
671 licenses; and

672 (4) "Permit ombudsman" means the [office of the] person the
673 commissioner designates as the permit ombudsman [established]
674 within the Department of Economic and Community Development
675 [under] pursuant to the provisions of this section.

676 (b) (1) The commissioner shall [establish an office of the] designate a
677 permit ombudsman for the purpose of expediting review of permit
678 applications for projects that would (A) create at least one hundred jobs,
679 (B) create fifty jobs, if such project is to be located in an enterprise zone

680 designated pursuant to section 32-70, (C) be located in a brownfield, as
681 defined in section 32-760, (D) be compatible with the state's responsible
682 growth initiatives, (E) be considered transit-oriented development, as
683 defined in section 13b-79kk, (F) develop green technology business, (G)
684 develop bioscience business, (H) develop any of the state's federally
685 designated opportunity zones, or (I) meet the criteria set forth in
686 subdivision (2) of this subsection. Projects ineligible for review under
687 this section are projects for which the primary purpose is to (i) effect the
688 final disposal of solid waste, biomedical waste or hazardous waste in
689 this state, (ii) produce electrical power, unless the production of
690 electricity is incidental and not the primary function of the project, (iii)
691 extract natural resources, (iv) produce oil, or (v) construct, maintain or
692 operate an oil, petroleum, natural gas or sewage pipeline. For purposes
693 of this section, "responsible growth initiatives" includes the principles of
694 smart growth, as defined in section 1 of public act 09-230, and "green
695 technology business" means an eligible business with not less than
696 twenty-five per cent of its employment positions being positions in
697 which green technology is employed or developed and may include the
698 occupation codes identified as green jobs by the Department of
699 Economic and Community Development and the Labor Department for
700 such purposes. The permit ombudsman shall also assist and provide
701 guidance to bioscience businesses seeking to expedite the review and
702 approval of permits required by local zoning authorities.

703 (2) Notwithstanding the provisions of subdivision (1) of this
704 subsection, the commissioner may, upon consideration of the economic
705 impact factors of the project that include, but are not limited to: (A) The
706 proposed wage and skill levels relative to those existing in the area in
707 which the project may be located, (B) the project's potential to diversify
708 and strengthen the state and local economy, (C) the amount of capital
709 investment, and (D) in the judgment of the commissioner, after
710 consultation with the Departments of Energy and Environmental
711 Protection, Transportation and Public Health that there is consistency
712 with the strategic economic development priorities of the state and the
713 municipality, deem projects eligible for expedited permitting pursuant

714 to this section.

715 (c) The Departments of Energy and Environmental Protection,
716 Transportation and Public Health shall each designate through existing
717 and available resources one or more staff members to act as a business
718 ombudsmen and a liaison between their [offices] departments and the
719 permit [ombudsmen] ombudsman. The Commissioners of Economic
720 and Community Development, Energy and Environmental Protection,
721 Transportation and Public Health shall enter into a memorandum of
722 understanding concerning each entity's responsibilities with respect to
723 the permit [ombudsmen] ombudsman and the process for expediting
724 eligible permit applications, which shall include appropriate
725 opportunities for public participation.

726 (d) The memorandum of understanding may provide for the waiver
727 or modification of procedural rules prescribing forms, fees, procedures
728 or time limits for the review or processing of permit applications under
729 the jurisdiction of those agencies. Notwithstanding any other provision
730 of the general statutes, to the extent feasible, the memorandum of
731 understanding shall provide for proceedings and hearings otherwise
732 held separately by the parties to be combined into one proceeding or
733 held jointly and at one location. Such waivers or modifications shall not
734 be available for permit applications governed by federally delegated or
735 approved permitting programs, the requirements of which would
736 prohibit, or be inconsistent with, such waivers or modifications. In no
737 event shall the memorandum of understanding waive requirements of
738 environmental statutes or regulations.

739 (e) The permit ombudsman may solicit the assistance of volunteers
740 from the private sector, including volunteers from a state-wide business
741 association, the Office of Responsible Growth, established pursuant to
742 section 4-66d, and [from] an association representing small businesses.
743 Said volunteers may assist the permit ombudsman in developing the
744 guidelines established pursuant to subsection (f) of this section.

745 (f) The permit ombudsman, subject to the approval of the

746 Commissioner of Economic and Community Development, shall
747 establish, pursuant to subsection (c) of this section, guidelines to be used
748 in working with state permitting authorities to implement the
749 provisions of this section. Guidelines shall include, but are not limited
750 to, the following: (1) An agency contact point for filing permit
751 applications and for obtaining information on permit requirements; (2)
752 identification of the individual or individuals within each respective
753 agency who shall be responsible for processing the expedited permit
754 application; (3) a mandatory preapplication review process to reduce
755 permitting conflicts by providing guidance to applicants on (A) the
756 permits needed from each agency, (B) specifications for site planning
757 and development, site suitability and limitations and facility design, and
758 (C) steps the applicant can take to ensure expeditious permit application
759 and local comprehensive plan amendment review; (4) a single,
760 coordinated project description form and checklist and an agreement by
761 state agencies to reduce the necessity that an applicant provide
762 duplicate information to multiple agencies; and (5) an application fee
763 structure for permit expedition.

764 (g) The permit ombudsman, at the request of the Commissioner of
765 Economic and Community Development, may request the assistance of
766 any other department, board, commission or other agency of the state to
767 assist in providing information and assistance as said permit
768 ombudsman determines necessary to expedite its duties and
769 responsibilities. Each officer or employee of such office, department,
770 board, commission or other agency of the state shall make reasonable
771 efforts to cooperate with the permit ombudsman.

772 (h) The expedited permitting process established pursuant to this
773 section shall not modify, qualify or otherwise alter existing agency
774 nonprocedural standards for permit applications, unless expressly
775 authorized by law. If it is determined that the applicant is not eligible to
776 use this process, the applicant may apply for permitting of the project
777 through the normal permitting processes.

778 Sec. 9. Subdivision (7) of subsection (a) of section 32-1m of the 2026

779 supplement to the general statutes is repealed and the following is
780 substituted in lieu thereof (*Effective from passage*):

781 (7) With regard to the Connecticut Small Business [Express] Boost
782 program established pursuant to section 32-7g, as amended by this act,
783 data on (A) the number of small businesses that received assistance
784 under said program and the general categories of such businesses, (B)
785 the amounts and types of assistance provided, (C) the total number of
786 jobs on the date of application and the number proposed to be created
787 or retained, (D) the most recent employment figures of the small
788 businesses receiving assistance, (E) the default rate of small businesses
789 that received assistance under said program, and (F) the progress of the
790 lenders participating in said program in becoming self-sustainable.

791 Sec. 10. Subdivision (11) of subsection (a) of section 32-1m of the 2026
792 supplement to the general statutes is repealed and the following is
793 substituted in lieu thereof (*Effective from passage*):

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

797 Sec. 11. Section 32-761 of the general statutes is repealed and the
798 following is substituted in lieu thereof (*Effective from passage*):

799 (a) [There is established, within the] The Department of Economic
800 and Community Development [, an Office of Brownfield Remediation
801 and Development. Such office shall be managed by a director,
802 appointed by the commissioner in accordance with section 5-198. In
803 addition to the other powers, duties and responsibilities provided for in
804 this chapter, the office] shall promote and encourage the remediation
805 and development of brownfields in the state. The [Office of Brownfield
806 Remediation and Development] department shall coordinate and
807 cooperate with state and local agencies and individuals within the state
808 on brownfield redevelopment initiatives, including program
809 development and administration, community outreach, regional

810 coordination and seeking federal funding opportunities.

811 (b) The [office] department shall:

812 (1) Develop procedures and policies for streamlining the process for
813 brownfield remediation and development;

814 (2) Identify existing and potential sources of funding for brownfield
815 remediation and develop procedures for expediting the application for
816 and release of such funds;

817 (3) [Establish an office and maintain] Maintain an informational
818 Internet web site to provide assistance and information concerning the
819 state's technical assistance, funding, regulatory and permitting
820 programs for brownfield remediation and development;

821 (4) Provide a single point of contact for financial and technical
822 assistance from the state and quasi-public agencies with regard to
823 brownfield remediation and development;

824 (5) Develop a common application to be used by all state and quasi-
825 public entities providing financial assistance for brownfield assessment,
826 remediation and development;

827 (6) Identify and prioritize state-wide brownfield development
828 opportunities, including, but not limited to, in consultation with the
829 State Historic Preservation [Office] Officer, municipal officials and
830 regional planning organizations, the identification of abandoned and
831 underutilized mills that are important assets to the municipalities or the
832 regions in which such mills are located;

833 (7) Develop and administer a communication and outreach program
834 to educate municipalities, economic development agencies, property
835 owners, potential property owners and other organizations and
836 individuals with regard to state programs for brownfield remediation
837 and redevelopment;

838 (8) At the [office's] department's discretion, enter into cooperative

839 agreements with economic development agencies and may, where
840 appropriate, make grants to such organizations for the purpose of
841 designing, implementing and supervising brownfield assessment and
842 cleanups, or making further subgrants, provided each subgrant is in
843 compliance with the terms and conditions of the original grant; and

844 (9) Create and maintain a web site independent of the department's
845 other web sites that is specifically dedicated to marketing and
846 promoting state-owned brownfields, and develop and implement a
847 marketing campaign for such brownfields and web site.

848 (c) [The Department of Energy and Environmental Protection,
849 Connecticut Innovations, Incorporated, the Office of Policy and
850 Management and the Department of Public Health shall each designate
851 one or more staff members to act as a liaison between their offices and
852 the Office of Brownfield Remediation and Development.] The
853 Commissioners of Economic and Community Development, Energy
854 and Environmental Protection and Public Health, the Secretary of the
855 Office of Policy and Management and the chief executive officer of
856 Connecticut Innovations, Incorporated shall enter into a memorandum
857 of understanding concerning each entity's responsibilities with respect
858 to the [Office of Brownfield Remediation and Development. The Office
859 of Brownfield Remediation and Development] Department of Economic
860 and Community Development's brownfield and remediation activities.
861 The department may recruit two volunteers from the private sector,
862 including a person from the Connecticut chapter of the National
863 Brownfield Association, with experience in different aspects of
864 brownfield remediation and development. Said volunteers may assist
865 the [Office of Brownfield Remediation and Development] department
866 in marketing the brownfield programs and redevelopment activities of
867 the state.

868 (d) The [Office of Brownfield Remediation and Development]
869 department may call upon any other department, board, commission or
870 other agency of the state to supply such reports, information and
871 assistance as said [office] department determines is appropriate to carry

872 out its duties and responsibilities. Each officer or employee of such
873 office, department, board, commission or other agency of the state is
874 authorized and directed to cooperate with the [Office of Brownfield
875 Remediation and Development] department and to furnish such
876 reports, information and assistance.

877 Sec. 12. Subsection (a) of section 32-764 of the general statutes is
878 repealed and the following is substituted in lieu thereof (*Effective from*
879 *passage*):

880 (a) Any recipient of a grant pursuant to subsection (b) of section 32-
881 763 or subsection (c) of section 32-9cc of the general statutes, revision of
882 1958, revised to January 1, 2013, shall not be liable under section 22a-
883 427, 22a-432, 22a-433, 22a-451 or 22a-452 for conditions pre-existing or
884 existing on the brownfield property as of the date of acquisition or
885 control, provided such recipient (1) did not establish, create, cause or
886 contribute to the discharge, spillage, uncontrolled loss, seepage or
887 filtration of such hazardous substance, material, waste or pollution that
888 is subject to remediation under section 22a-133k and funded by the
889 [Office of Brownfield Remediation and Development or the]
890 Department of Economic and Community Development; (2) does not
891 exacerbate the conditions; and (3) complies with reporting of significant
892 environmental hazard requirements in section 22a-6u. To the extent that
893 any conditions are exacerbated, such recipient shall only be responsible
894 for responding to contamination exacerbated by its negligent or reckless
895 activities.

896 Sec. 13. Section 32-4r of the 2026 supplement to the general statutes is
897 repealed and the following is substituted in lieu thereof (*Effective from*
898 *passage*):

899 (a) There is established a Youth Service Corps grant program to be
900 administered by the Department of Economic and Community
901 Development for the purpose of providing grants to municipalities of
902 priority school districts, as described in section 10-266p, to establish
903 local Youth Service Corps programs. Such programs shall provide paid

904 community-based service learning and academic and workforce
905 development programs to youth and young adults in the state in
906 accordance with the provisions of section 32-4s.

907 (b) Not later than October 1, 2022, the Commissioner of Economic and
908 Community Development shall develop an application process and
909 selection criteria for Youth Service Corps program grants.

910 (c) Not later than January 1, 2023, and annually thereafter, the
911 Commissioner of Economic and Community Development shall award
912 a grant to each municipality selected to participate in the program in the
913 amount of ten thousand dollars per youth or young adult participating
914 in such municipality's local Youth Service Corps program plus fifteen
915 per cent of such amount for program administration expenses. Such
916 municipalities may use such grants to (1) administer the local Youth
917 Service Corps program, and (2) award a subgrant of not more than ten
918 thousand dollars to any youth or young adult participating in a local
919 Youth Service Corps program to support or subsidize such youth or
920 young adult's participation in program activities.

921 (d) Not later than December 1, 2023, and annually thereafter, each
922 municipality that received a Youth Service Corps program grant shall
923 submit a report evaluating its local Youth Service Corps program to the
924 Commissioners of Economic and Community Development and
925 Children and Families in a form and manner prescribed by the
926 Commissioner of Economic and Community Development.

927 [(e) Not later than January 1, 2024, and annually thereafter, the
928 Commissioner of Economic and Community Development, in
929 consultation with the Commissioner of Children and Families, shall
930 report, in accordance with the provisions of section 11-4a, to the joint
931 standing committees of the General Assembly having cognizance of
932 matters relating to commerce and children regarding the Youth Service
933 Corps grant program.]

934 [(f)] (e) There is established an account to be known as the "youth

935 service corps grant program account", which shall be a separate,
936 nonlapsing account. The account shall contain any moneys required by
937 law to be deposited in the account. Moneys in the account shall be
938 expended by the Commissioner of Economic and Community
939 Development for the purposes of providing grants to municipalities of
940 priority school districts, as described in section 10-266p, to establish
941 local Youth Service Corps programs that provide paid community-
942 based service learning and academic and workforce development
943 programs to youth and young adults in the state in accordance with the
944 provisions of section 32-4s.

945 Sec. 14. Subsection (f) of section 32-7aa of the 2026 supplement to the
946 general statutes is repealed and the following is substituted in lieu
947 thereof (*Effective from passage*):

948 (f) Not later than [January] February 1, 2027, and annually thereafter,
949 the commissioner shall submit a report, in accordance with the
950 provisions of section 11-4a, containing an evaluation of the operation
951 and effectiveness of the program to the joint standing committee of the
952 General Assembly having cognizance of matters relating to commerce.

953 Sec. 15. Subdivision (3) of subsection (c) of section 38a-88a of the
954 general statutes is repealed and the following is substituted in lieu
955 thereof (*Effective from passage*):

956 (3) (A) On or before July 1, 2010, the Commissioner of Economic and
957 Community Development shall begin to accept applications for
958 certification as an invest CT fund and for allocations of tax credits under
959 this subsection with allocation dates of June 30, 2015, or earlier. On and
960 after September 1, 2015, the commissioner shall accept applications for
961 certification as an invest CT fund and for allocations of tax credits under
962 this subsection with allocation dates of September 1, 2015, or later.
963 Applications shall include: (i) The amount of eligible capital the
964 applicant will raise; (ii) a nonrefundable application fee of seven
965 thousand five hundred dollars; (iii) evidence of satisfaction of the
966 requirements of the definition of "invest CT fund" pursuant to

967 subparagraph (G) of subdivision (1) of this subsection; (iv) an affidavit
968 by each taxpayer committing an investment of eligible capital; (v) a
969 business plan detailing (I) the approximate percentage of eligible capital
970 the applicant will invest in eligible businesses by the third, fifth, seventh
971 and ninth anniversaries of its allocation date, (II) the industry segments
972 listed by the North American Industrial Classification System code and
973 percentage of eligible capital in which the applicant will invest, (III) the
974 number of jobs that will be created or retained as a result of the
975 applicant's investments once all eligible capital has been invested, (IV)
976 the percentage of eligible capital to be invested in eligible businesses
977 primarily engaged in conducting research and development or
978 manufacturing, processing or assembling technology-based products,
979 and (V) a revenue impact assessment demonstrating that the applicant's
980 business plan has a revenue neutral or positive impact on the state; (vi)
981 a commitment to invest at least twenty-five per cent of its eligible capital
982 in green technology businesses; (vii) with respect to applications
983 submitted on or before June 30, 2015, a commitment to invest, by the
984 third anniversary of its allocation date, three per cent of its eligible
985 capital in preseed investments, and with respect to applications
986 submitted on or after September 1, 2015, a commitment to invest, by the
987 fourth anniversary of the allocation date, seven per cent of its eligible
988 capital in preseed investments, in consultation with Connecticut
989 Innovations, Incorporated, pursuant to the corporation's program for
990 preseed financing established pursuant to section 32-41x; and (viii) with
991 respect to applications submitted on or after September 1, 2015, a
992 commitment to invest at least three per cent of its eligible capital in
993 cybersecurity businesses and at least twenty-five per cent of its eligible
994 capital in eligible businesses located in municipalities with a population
995 greater than eighty thousand. The commissioner may require the
996 applicant to obtain a revenue impact assessment conducted by an
997 independent third party.

998 (B) (i) From October 1, 2024, to September 30, 2026, inclusive, an
999 applicant may submit to the commissioner a request, in such form and
1000 manner prescribed by the commissioner, to consider as an eligible

1001 business a business that does not have its principal business operations
1002 in Connecticut. The commissioner may approve such a request if the
1003 commissioner determines that such an approval would significantly
1004 advance the objectives of the invest CT fund program, provided such
1005 applicant complies with all other requirements under subparagraph (A)
1006 of this subdivision.

1007 (ii) Not later than January 1, 2026, the commissioner shall submit a
1008 report, in accordance with the provisions of section 11-4a, on any
1009 requests approved by the commissioner pursuant to subparagraph
1010 (B)(i) of this subdivision during the period of October 1, 2024, to
1011 September 30, 2025, inclusive, to the joint standing committee of the
1012 General Assembly having cognizance of matters relating to commerce.
1013 Not later than ~~January~~ February 1, 2027, the commissioner shall submit
1014 a report, in accordance with the provisions of section 11-4a, on any
1015 requests approved by the commissioner pursuant to subparagraph
1016 (B)(i) of this subdivision during the period of October 1, 2025, to
1017 September 30, 2026, inclusive, to the joint standing committee of the
1018 General Assembly having cognizance of matters relating to commerce.
1019 Such reports shall include, but need not be limited to, a list of the
1020 applicants whose requests were approved by the commissioner and an
1021 analysis of the benefit to and impact on the state resulting from such
1022 approvals.

1023 Sec. 16. Subsection (b) of section 32-9aaa of the 2026 supplement to
1024 the general statutes is repealed and the following is substituted in lieu
1025 thereof (*Effective from passage*):

1026 (b) Not later than ~~January~~ February 1, 2026, and annually thereafter,
1027 the Commissioner of Economic and Community Development shall
1028 submit a report, in accordance with the provisions of section 11-4a, to
1029 the joint standing committee of the General Assembly having
1030 cognizance of matters relating to finance, revenue and bonding. Such
1031 report shall include (1) the number of applications received by the
1032 commissioner during the previous calendar year for a grant-in-aid
1033 pursuant to subsection (a) of this section, and (2) the total amount of

1034 funds requested in such applications.

1035 Sec. 17. Section 32-7n of the general statutes is repealed and the
1036 following is substituted in lieu thereof (*Effective from passage*):

1037 (a) There is established a Manufacturing Innovation Advisory Board
1038 that shall consist of the following members: (1) Four appointed by the
1039 Governor; (2) one appointed by the president pro tempore of the Senate;
1040 (3) one appointed by the speaker of the House of Representatives; (4)
1041 one appointed by the majority leader of the Senate; (5) one appointed by
1042 the majority leader of the House of Representatives; (6) one appointed
1043 by the minority leader of the Senate; (7) one appointed by the minority
1044 leader of the House of Representatives; (8) the Chief Workforce Officer,
1045 or the officer's designee; and (9) the Commissioner of Economic and
1046 Community Development, or the commissioner's designee, who shall
1047 serve as the chairperson of the advisory board. The advisory board may
1048 consult with any individual or entity to accomplish its purposes. Each
1049 appointed member shall (A) have skill, knowledge and experience in
1050 industries and sciences related to aerospace, medical devices,
1051 biotechnology, digital manufacturing, digital communication, [or]
1052 semiconductors, advanced manufacturing or clean energy production;
1053 (B) be a university or community college faculty member or a technical
1054 high school teacher in, or hold a graduate degree in, a related discipline,
1055 including, but not limited to, additive manufacturing and materials
1056 science; (C) have manufacturing education and training expertise; or (D)
1057 represent manufacturing related businesses or professional
1058 organizations. Appointed members shall each serve a term that is
1059 coterminous with the respective appointing authority. Each member
1060 shall hold office until a successor is appointed. Any vacancy occurring
1061 on the advisory board, other than by expiration of term, shall be filled
1062 in the same manner as the original appointment for the balance of the
1063 unexpired term.

1064 (b) The chairperson shall call the first meeting of the advisory board
1065 not later than September 30, 2014. The advisory board shall meet at such
1066 times as the chairperson deems necessary.

1067 (c) No member of the advisory board shall receive compensation for
1068 such member's services, except that each member shall be entitled to
1069 reimbursement for actual and necessary expenses incurred in the
1070 performance of such member's official duties.

1071 (d) A majority of the members of said advisory board shall constitute
1072 a quorum for the transaction of any business or the exercise of any
1073 power of the advisory board. The advisory board may act by a majority
1074 of the members present at any meeting at which a quorum is in
1075 attendance, for the transaction of any business or the exercise of any
1076 power of the advisory board, except as otherwise provided in this
1077 section.

1078 (e) Notwithstanding any provision of the general statutes, it shall not
1079 constitute a conflict of interest for a trustee, director, partner, officer,
1080 manager, shareholder, proprietor, counsel or employee of an eligible
1081 recipient, or any individual with a financial interest in an eligible
1082 recipient, to serve as a member of the advisory board, provided such
1083 trustee, director, partner, officer, manager, shareholder, proprietor,
1084 counsel, employee or individual shall abstain from deliberation, action
1085 or vote by the advisory board concerning any matter relating to such
1086 eligible recipient.

1087 (f) Any member appointed pursuant to subdivisions (1) to (7),
1088 inclusive, of subsection (a) of this section who fails to attend three
1089 consecutive meetings of the advisory board or fails to attend fifty per
1090 cent of all meetings of the advisory board held during any calendar year
1091 shall be deemed to have resigned. If a vacancy occurs as a result of such
1092 a resignation, the appointing authority having the power to make the
1093 initial appointment under the provisions of this section shall appoint a
1094 person for the unexpired term in accordance with the provisions of this
1095 section. If such vacancy is not filled within sixty calendar days, the
1096 chairperson of the advisory board shall temporarily appoint a person to
1097 fill the vacancy until the appointing authority makes an appointment.

1098 Sec. 18. Subsection (n) of section 32-7o of the general statutes is

1099 repealed and the following is substituted in lieu thereof (*Effective from*
1100 *passage*):

1101 (n) Not later than [January 1, 2016] February 1, 2027, and annually
1102 thereafter, the administrator shall provide a report of the activities of the
1103 Connecticut Manufacturing Innovation Fund to the Manufacturing
1104 Innovation Advisory Board for the advisory board's review and
1105 approval. Upon such approval, the [advisory board] administrator shall
1106 provide such report, in accordance with the provisions of section 11-4a,
1107 to the joint standing committee of the General Assembly having
1108 cognizance of matters relating to commerce. Such report shall contain
1109 available information on the status and progress of the operations and
1110 funding of the Connecticut Manufacturing Innovation Fund and the
1111 types, amounts and recipients of financial assistance awarded and any
1112 returns on investment.

1113 Sec. 19. Section 10-397c of the general statutes is repealed and the
1114 following is substituted in lieu thereof (*Effective from passage*):

1115 (a) There is established within the Department of Economic and
1116 Community Development, for administrative purposes only, a
1117 Connecticut Tourism Council. The council shall consist of (1) the
1118 Commissioner of Economic and Community Development, or the
1119 commissioner's designee, (2) the Commissioner of Transportation, or
1120 the commissioner's designee, (3) the Commissioner of Energy and
1121 Environmental Protection, or the commissioner's designee, (4) thirteen
1122 members appointed by the Governor, (A) one of whom shall represent
1123 the lodging industry, (B) one of whom shall represent a chamber of
1124 commerce, (C) one of whom shall represent a tourist attraction, (D) one
1125 of whom shall represent the arts, (E) one of whom shall represent a
1126 culturally diverse event or attraction, (F) one of whom shall represent
1127 the heritage tourism industry, (G) one of whom shall represent the
1128 airline industry, (H) one of whom shall represent the Connecticut
1129 Airport Authority, (I) one of whom shall represent a convention center
1130 and sports arena trade organization, (J) one of whom shall represent a
1131 charter bus trade organization, (K) two of whom shall represent casino

1132 gaming facilities, and (L) one of whom shall represent the Connecticut
1133 Tourism Coalition, (5) fourteen members appointed as follows: (A)
1134 Three by the president pro tempore of the Senate, one of whom shall
1135 represent the agritourism industry, one of whom shall represent the
1136 convention center and coliseum industry and one of whom shall
1137 represent the eastern regional tourism district established pursuant to
1138 section 10-397, (B) two by the majority leader of the Senate, one of whom
1139 shall represent the events industry and one of whom shall represent the
1140 western regional tourism district established pursuant to section 10-397,
1141 (C) two by the minority leader of the Senate, one of whom shall
1142 represent the marine trades industry and one of whom shall represent
1143 the outdoor recreation industry, (D) three by the speaker of the House
1144 of Representatives, one of whom shall represent the destination
1145 shopping industry, one of whom shall represent the restaurant industry
1146 and one of whom shall represent the central regional tourism district
1147 established pursuant to section 10-397, (E) two by the majority leader of
1148 the House of Representatives, one of whom shall represent the
1149 attractions industry and one of whom shall represent the lodging
1150 industry, and (F) two by the minority leader of the House of
1151 Representatives, one of whom shall represent the museum industry and
1152 one of whom shall represent the tour and travel industry. All members
1153 appointed by the Governor shall serve a term of four years. The terms
1154 of all members appointed by members of the General Assembly shall be
1155 coterminous with the terms of such members of the General Assembly.
1156 Any member appointed pursuant to the provisions of this section who
1157 fails to attend three consecutive meetings of the council or fails to attend
1158 fifty per cent of all meetings of the council held during any calendar year
1159 shall be deemed to have resigned. If a vacancy occurs as a result of such
1160 a resignation, the appointing authority having the power to make the
1161 initial appointment under the provisions of this section shall appoint a
1162 person for the unexpired term in accordance with the provisions of this
1163 section. If such vacancy is not filled within sixty calendar days, the
1164 chairperson of the advisory board shall temporarily appoint a person to
1165 fill the vacancy until the appointing authority makes an appointment.
1166 The Commissioner of Economic and Community Development shall

1167 serve as chairperson of the council.

1168 (b) The council shall: (1) Adopt procedures for the operation of the
1169 council; and (2) review and approve or recommend changes to the
1170 strategic marketing plan developed by the Department of Economic and
1171 Community Development pursuant to subdivision (1) of subsection (b)
1172 of section 10-392. [; and (3) not]

1173 (c) Not later than [January 1, 2021] February 1, 2027, and annually
1174 thereafter, the Commissioner of Economic and Community
1175 Development shall submit a report describing tourism promotion
1176 efforts by the state and evaluating the strategic marketing plan [,
1177 developed by the Department of Economic and Community
1178 Development pursuant to subdivision (1) of subsection (b) of section 10-
1179 392.] to the joint standing committee of the General Assembly having
1180 cognizance of matters relating to commerce, in accordance with the
1181 provisions of section 11-4a.

1182 Sec. 20. Section 22a-200g of the 2026 supplement to the general
1183 statutes is repealed and the following is substituted in lieu thereof
1184 (*Effective from passage*):

1185 (a) There is established a Connecticut Clean Economy Council that
1186 shall advise on economic development strategies and policies that
1187 strengthen the state's climate mitigation, clean energy, resilience and
1188 sustainability programs, in particular for vulnerable communities, as
1189 defined in section 16-243y.

1190 (b) Such council shall meet not less than quarterly, at dates, times and
1191 locations to be established by the cochairpersons of such council. The
1192 council shall: (1) Identify opportunities to leverage state and federal
1193 funding to scale economic development and workforce opportunities
1194 associated with climate mitigation, clean energy, resilience and
1195 sustainability investments, (2) serve as a central coordinating body for
1196 climate mitigation, clean energy, resilience and sustainability workforce
1197 efforts and opportunities state-wide for a technically advanced,

1198 enduring labor force, (3) develop economic development and workforce
1199 strategies that support investment and growth of climate mitigation,
1200 clean energy, resilience and sustainability job growth, and (4) advise the
1201 Governor on any state-wide economic or workforce action plan in clean
1202 energy, climate and sustainability.

1203 (c) Such council shall develop a plan to facilitate the transition of
1204 workers from fossil-fuel-based employment to clean economy jobs
1205 consistent with the provisions of subsection (b) of this section. Such plan
1206 shall be submitted not later than [July] October 1, 2026, to the joint
1207 standing committees of the General Assembly having cognizance of
1208 matters relating to the environment, energy and technology and
1209 commerce, in accordance with the provisions of section 11-4a.

1210 (d) Such council shall be composed of the following members: (1) The
1211 Commissioner of Economic and Community Development, or the
1212 commissioner's designee, who shall also serve as a cochairperson of the
1213 council, (2) the Chief Workforce Officer, or said officer's designee, who
1214 shall also serve as a cochairperson of the council, (3) the Commissioner
1215 of Energy and Environmental Protection, or the commissioner's
1216 designee, who shall also serve as cochairperson of the council, (4) the
1217 Commissioner of Transportation, or the commissioner's designee, (5)
1218 the Secretary of the Office of Policy and Management, or the secretary's
1219 designee, (6) a representative from the office of the Governor, (7) the
1220 chief executive officer of the Connecticut Green Bank, or the chief
1221 executive officer's designee, (8) the chief executive officer of Connecticut
1222 Innovations, Incorporated, or the chief executive officer's designee, (9)
1223 the Labor Commissioner, or the commissioner's designee, (10) the
1224 Commissioner of Consumer Protection, or the commissioner's designee,
1225 (11) one member appointed by the Chief Workforce Officer who shall
1226 be a representative of a regional workforce development board, (12) one
1227 member appointed by the speaker of the House of Representatives, (13)
1228 one member appointed by the president pro tempore of the Senate, (14)
1229 one member appointed by the majority leader of the Senate, (15) one
1230 member appointed by the majority leader of the House of

1231 Representatives, (16) one member appointed by the minority leader of
1232 the Senate, (17) one member appointed by the minority leader of the
1233 House of Representatives, and (18) any other member so designated by
1234 the cochairpersons. Members appointed pursuant to subdivisions (12)
1235 to (17), inclusive, of this subsection shall have one or more of the
1236 following backgrounds or qualifications: (A) Be a member of the
1237 Connecticut Technical Education Career System, (B) be a representative
1238 of a nonprofit organization that focuses on helping people overcome
1239 barriers to workforce participation, (C) have expertise in hiring and
1240 training employees in the trades related to green technologies, (D) be a
1241 representative of a higher education institution and have expertise in
1242 technical education, or (E) be a member of the Connecticut State
1243 Building Trades Council. Any member appointed pursuant to
1244 subdivision (18) of this subsection shall serve at the pleasure of the
1245 cochairpersons of the council.

1246 (e) A majority of the members of the council shall constitute a
1247 quorum.

1248 (f) The cochairpersons shall, in addition to their general duties, have
1249 the following specific responsibilities: The cochairperson from the
1250 Department of Economic and Community Development shall lead the
1251 activities specified in subdivision (1) of subsection (b) of this section and
1252 the cochairperson from the Office of Workforce Strategy shall lead the
1253 activities specified in subdivision (2) of subsection (b) of this section.

1254 (g) Not later than February 15, 2026, and [~~biannually~~] biennially
1255 thereafter, the council shall report on its work, findings and
1256 recommendations to the Governor, the Office of Policy and
1257 Management, and the joint standing committees of the General
1258 Assembly having cognizance of matters relating to the environment,
1259 energy and technology, higher education and commerce, in accordance
1260 with the provisions of section 11-4a.

1261 Sec. 21. Section 32-357 of the general statutes is repealed and the
1262 following is substituted in lieu thereof (*Effective from passage*):

1263 Connecticut Innovations, Incorporated, in consultation with the
1264 Department of Economic and Community Development and the
1265 Connecticut Center for Advanced Technology, Inc., shall develop and
1266 implement a plan to increase the total of funds provided to state
1267 businesses pursuant to the small business innovation research program,
1268 as defined in section 32-344, and the small business technology transfer
1269 program, as defined in section 32-344. [Not later than January 1, 2022,
1270 and annually thereafter, the Commissioner of Economic and
1271 Community Development shall report, in accordance with the
1272 provisions of section 11-4a, to the joint standing committees of the
1273 General Assembly having cognizance of matters relating to commerce
1274 and veterans' and military affairs, regarding such plan and its
1275 implementation.]

1276 Sec. 22. Subsection (a) of section 32-39m of the general statutes is
1277 repealed and the following is substituted in lieu thereof (*Effective from*
1278 *passage*):

1279 (a) Through the innovation place program described in section 32-
1280 39k, the commissioner may:

1281 (1) Review and evaluate applications for innovation place
1282 designation submitted by entities pursuant to section 32-39l.

1283 (2) (A) Approve applications for innovation place designation and
1284 designate such approved applications as an innovation place. Such
1285 approval may include modifications to an application, agreed to by the
1286 applicant, as a condition for approval thereof. If no such application
1287 meets the purposes set forth in section 32-39k or the criteria set forth in
1288 this subdivision, the commissioner shall not approve any application for
1289 innovation place designation. Preference shall be given to applicants
1290 having (i) diverse partners, including, but not limited to, anchor
1291 institutions, (ii) partnerships with entities located within the proposed
1292 innovation place, and (iii) substantial private funding for expenses
1293 associated with the development of the proposed innovation place in
1294 relation to the amount of grant moneys requested.

1295 (B) Award grants-in-aid to innovation entities, within available
1296 funds, for the allowable grant expenses set forth in an agreement
1297 described in this subparagraph. Prior to awarding any such grant-in-
1298 aid, the commissioner shall (i) enter into an agreement with any such
1299 innovation entity concerning allowable grant expenses and the
1300 submission of an annual financial audit of grant expenditures to the
1301 commissioner until all grant moneys have been expended by the
1302 innovation entity, provided any such audit shall be prepared by an
1303 independent auditor; (ii) confirm that a significant portion of the
1304 underlying zoning of the proposed innovation place allows for mixed-
1305 use development, including, but not limited to, housing, office and
1306 retail; and (iii) confirm that no portion of a grant-in-aid awarded to an
1307 innovation entity be given to an entity that is not part of the master plan
1308 for the innovation place. If the commissioner finds that any such grant-
1309 in-aid awarded is being used for purposes that are not in conformity
1310 with the expenses allowed pursuant to this section, the commissioner
1311 may require repayment of such grant-in-aid.

1312 (C) No application may be designated as an innovation place by the
1313 commissioner unless such application (i) is consistent with the purposes
1314 set forth in section 32-39k, (ii) is for a proposed innovation place where
1315 a significant portion of such proposed innovation place is located in an
1316 existing or proposed mixed-use zoning district, (iii) was prepared in
1317 collaboration with the local chamber of commerce or other industry
1318 association and the municipal economic development department, or
1319 similar municipal authority, of the municipality in which the proposed
1320 innovation place is located, and (iv) is approved by majority vote of the
1321 legislative body of the municipality in which the proposed innovation
1322 place is to be located.

1323 (D) In determining whether to approve an application for innovation
1324 place designation, the commissioner shall consider, but such
1325 consideration shall not be limited to: (i) Whether the entities partnering
1326 together to implement and administer the proposed master plan are of
1327 the quality to, and have demonstrated the commitment to, implement

1328 and administer the master plan in a manner sufficient to achieve the
1329 purposes set forth in section 32-39k; (ii) whether the geography of the
1330 proposed innovation place is sufficiently compact to achieve the
1331 purposes set forth in section 32-39k; (iii) whether the master plan is
1332 sufficient to achieve the purposes set forth in section 32-39k and whether
1333 such plan includes (I) sufficient measures to ensure walkability of the
1334 geographic areas within the municipality that make up the proposed
1335 innovation place; (II) sufficient measures to enhance regular
1336 interpersonal interactions among residents, workers and visitors of the
1337 proposed innovation place; (III) adequate and accessible public
1338 transportation; and (IV) existing or proposed restaurants, affordable
1339 housing options, retail spaces and public spaces, indoor or outdoor, that
1340 provide adequate opportunity for interpersonal interaction; (iv) the
1341 extent to which the master plan leverages private investment; (v) self-
1342 sustainability of the innovation place after moneys granted by the
1343 commissioner are fully expended; (vi) whether the underlying zoning
1344 of the proposed innovation place provides for, or will be amended to
1345 provide for, reduced minimum floor area for residential dwelling units;
1346 and (vii) any other criteria the commissioner determines is relevant for
1347 evaluating whether the proposed innovation place, if granted
1348 innovation place designation, will achieve the purposes set forth in
1349 section 32-39k.

1350 [(E) The commissioner shall report, in accordance with the provisions
1351 of section 11-4a, to the joint standing committees of the General
1352 Assembly having cognizance of matters relating to commerce and
1353 finance, revenue and bonding on or before September thirtieth annually,
1354 regarding the grants-in-aid distributed pursuant to this section and
1355 concerning the operation and effectiveness of the innovation place
1356 program.]

1357 (3) Publicize and post on the department's Internet web site the
1358 deadline for applications for innovation place designation pursuant to
1359 section 32-39l.

1360 Sec. 23. Subsection (e) of section 32-222 of the general statutes is

1361 repealed and the following is substituted in lieu thereof (*Effective from*
1362 *passage*):

1363 (e) "Economic cluster" means [an economic cluster, as defined in
1364 section 32-4e] a grouping of industries linked together through
1365 customer, supplier or other relationships, recognized by the
1366 commissioner;

1367 Sec. 24. Section 32-4m of the general statutes is repealed and the
1368 following is substituted in lieu thereof (*Effective from passage*):

1369 (a) As used in this section:

1370 (1) "Accumulated credits" means the amount of credits allowed, in
1371 accordance with the provisions of section 12-217n, that have not been
1372 taken through the last income year completed prior to the date of an
1373 application submitted as provided in subsection (b) of this section. The
1374 amount of such accumulated credits shall be subject to confirmation, in
1375 accordance with the provisions of title 12, by the Commissioner of
1376 Revenue Services in consultation with the commissioner.

1377 (2) "Base level" means the level identified in the reinvestment contract
1378 entered into pursuant to subsection (c) of this section, for each factor
1379 listed in subparagraph (A) of subdivision (6) of subsection (c) of this
1380 section, for the most recently completed calendar year prior to the
1381 designation as a state-certified industrial reinvestment project.

1382 (3) "Commissioner" means the Commissioner of Economic and
1383 Community Development.

1384 (4) "Eligible expenditures" means those expenditures made or
1385 incurred in this state by an eligible taxpayer in furtherance of a state-
1386 certified industrial reinvestment project, including, but not limited to,
1387 (A) expenditures with respect to buildings, improvements, property,
1388 plants and equipment, and expenses directly related to such
1389 expenditures, such as design work, professional fees, surveys and site
1390 preparation, remediation and clean-up, demolition, moving and

1391 renovation expenses, (B) expenditures with respect to personal
1392 property, (C) research and development expenses, as defined in section
1393 12-217n, and (D) the hiring and training of employees.

1394 (5) "Eligible taxpayer" means a taxpayer, or a group of taxpayers
1395 filing a combined return under section 12-223a, that, at the time
1396 application is made under subsection (b) of this section, (A) is primarily
1397 engaged in the industrial sector, (B) employs at least fifteen thousand
1398 people in the state, (C) has incurred at least two hundred million dollars
1399 per year in research and development expenses, as defined in section
1400 12-217n, in the state for the five full income years immediately preceding
1401 the date of such application, and (D) has at least four hundred million
1402 dollars of accumulated credits.

1403 (6) "Exchange year" means the period beginning on the date set forth
1404 in the reinvestment contract and ending on June 30, 2015, and each
1405 successive period ending on June thirtieth thereafter.

1406 (7) "Income year" means the income year of an eligible taxpayer as
1407 determined under subsection (a) of section 12-213.

1408 (8) "Industrial reinvestment project" means one or more projects in
1409 this state that, if certified by the commissioner as provided in subsection
1410 (b) of this section, will entail aggregate eligible expenditures in the state
1411 of not less than one hundred million dollars over a period of not more
1412 than five exchange years by an eligible taxpayer in furtherance of the
1413 industrial reinvestment project. If an industrial reinvestment project is
1414 comprised of more than one project, each such project shall be referred
1415 to as a segment. Such segments shall be specifically set forth in the
1416 reinvestment contract.

1417 (9) "Industrial sector" means all activities that, in accordance with the
1418 North American Industrial Classification System, United States Manual,
1419 United States Office of Management and Budget, 2012 edition, are
1420 included in sector 31, 32 or 33, including all operations in support of
1421 such activities.

1422 (10) "Payment year" means the twelve-month period beginning on
1423 the date payments commence under the reinvestment contract and each
1424 twelve-month period thereafter. The first payment year shall begin on
1425 or after July 1, 2015.

1426 (11) "Reinvestment contract" means a contract entered into between
1427 the commissioner and an eligible taxpayer in accordance with
1428 subsection (c) of this section.

1429 (12) "State-certified industrial reinvestment project" means an
1430 industrial reinvestment project certified by the commissioner as
1431 provided in subsection (b) of this section.

1432 (b) (1) Any eligible taxpayer that intends to undertake an industrial
1433 reinvestment project may apply to the commissioner for certification of
1434 such project as a state-certified industrial reinvestment project. In order
1435 to receive such certification, an eligible taxpayer shall apply to the
1436 commissioner, in a form acceptable to the commissioner and containing
1437 such information as prescribed by the commissioner, including, but not
1438 limited to, (A) a detailed plan outlining the industrial reinvestment
1439 project, (B) the term of such project, (C) the estimated costs of such
1440 project, and (D) the amount of accumulated credits the eligible taxpayer
1441 proposes it be allowed to exchange in connection with such project. The
1442 commissioner may require the eligible taxpayer to submit such
1443 additional information as may be necessary to evaluate the application.

1444 (2) All decisions of the commissioner with respect to applications
1445 received under the provisions of subdivision (1) of this subsection shall
1446 be at the commissioner's sole discretion. The provisions of this
1447 subsection shall not be construed as authorizing suit against the state by
1448 any taxpayer that is denied certification by the commissioner and shall
1449 not be construed as a waiver of sovereign immunity.

1450 (c) (1) Upon certification by the commissioner of an application as
1451 provided in subsection (b) of this section, the commissioner may enter
1452 into a reinvestment contract with an eligible taxpayer pursuant to which

1453 the commissioner may, in consideration of the eligible taxpayer's
1454 agreement to make the eligible expenditures in connection with the
1455 state-certified industrial reinvestment project, agree to exchange certain
1456 of the eligible taxpayer's accumulated credits up to a specified amount.
1457 Such reinvestment contract shall specify: (A) Each segment of a state-
1458 certified industrial reinvestment project; (B) the length of time the state-
1459 certified industrial reinvestment project will take to complete; (C) the
1460 aggregate amount of eligible expenditures the eligible taxpayer agrees
1461 to make; (D) the base levels, if applicable; (E) the amounts, as
1462 determined in accordance with the provisions of subdivision (6) of this
1463 subsection, that the eligible taxpayer is eligible to receive during the
1464 term of such reinvestment contract with respect to such eligible
1465 expenditures, and the terms and conditions the eligible taxpayer must
1466 satisfy in order to receive such amounts, including, but not limited to,
1467 information required to be submitted by the eligible taxpayer and
1468 provisions for the commissioner to access relevant records and to verify
1469 their accuracy; (F) the terms and conditions of the repayment of any
1470 such amounts paid to the eligible taxpayer in exchange for the
1471 accumulated credits in the event of any failure on the part of the eligible
1472 taxpayer to comply with the terms of the reinvestment contract; (G) the
1473 manner and method for the eligible taxpayer to provide notice of any
1474 disputed claim under the reinvestment contract; and (H) any other
1475 terms and conditions the commissioner may require. Any eligible
1476 taxpayer that enters into a reinvestment contract with the commissioner
1477 under this subsection may, in the event of any disputed claims under
1478 such reinvestment contract, bring an action against the state to the
1479 superior court for the judicial district of Hartford for the purpose of
1480 having such claim determined, provided notice of any such disputed
1481 claim is first given to the commissioner in the manner and method
1482 described in the reinvestment contract. No action shall be allowed
1483 unless it is brought not later than two years after the date on which the
1484 eligible taxpayer gave proper notice to the commissioner under such
1485 reinvestment contract. All legal defenses under such reinvestment
1486 contract, except sovereign immunity, are reserved to the state.

1487 (2) The payment by the state of amounts directly attributable to the
1488 exchange of accumulated credits in connection with a state-certified
1489 industrial reinvestment project may be made in the form, timing and
1490 manner determined by the commissioner, including as an offset or
1491 refund of state taxes otherwise payable by the eligible taxpayer under
1492 the provisions of chapters 208 and 219. To the extent that such payments
1493 involve the offset or refund of state taxes, such payments shall be made
1494 in consultation with the Commissioner of Revenue Services.

1495 (3) The provisions of subsection (d) of section 12-217n, sections 12-
1496 217aa and 12-217zz, subsections (c) and (e) of section 32-223 and section
1497 32-462, as amended by this act, shall not apply to a reinvestment contract
1498 to the extent such provisions are inconsistent with such reinvestment
1499 contract.

1500 (4) Subject to the provisions of subdivision (5) of this subsection, the
1501 amount of accumulated credits that an eligible taxpayer is allowed to
1502 exchange with respect to any state-certified industrial reinvestment
1503 project shall not exceed the eligible expenditures made by such taxpayer
1504 with respect to such project. No eligible taxpayer shall make any further
1505 claims with respect to any accumulated credits exchanged in connection
1506 with a state-certified industrial reinvestment project. The commissioner
1507 shall notify the Commissioner of Revenue Services of all accumulated
1508 credits, and the amounts thereof, exchanged in connection with such
1509 project.

1510 (5) The aggregate amount of all payments made by the state under
1511 this section for the exchange of accumulated credits shall not exceed
1512 four hundred million dollars, provided (A) the amount of all payments
1513 made by the state during any of the first five payment years shall not
1514 exceed twenty million dollars per year, and (B) the amount of all
1515 payments made by the state during any of the sixth or subsequent
1516 payment years shall not exceed the sum of thirty-three million three
1517 hundred thirty-four thousand dollars per year.

1518 (6) Subject to the provisions of subdivisions (4) and (5) of this

1519 subsection, the amounts an eligible taxpayer is entitled to receive under
 1520 a reinvestment contract with respect to eligible expenditures made by
 1521 such taxpayer shall be determined in accordance with subparagraph (A)
 1522 or (B) of this subdivision.

1523 (A) (i) If, in connection with a state-certified industrial reinvestment
 1524 project, or segment thereof, an eligible taxpayer may qualify to receive
 1525 more than two hundred million dollars upon compliance with the terms
 1526 of the reinvestment contract, the amount the eligible taxpayer is eligible
 1527 to receive with respect to such project or segment shall be determined
 1528 by multiplying the actual amount of eligible expenditures made in each
 1529 of the first five exchange years by the total of the four applicable
 1530 weighting factors as determined in accordance with subclauses (I) to
 1531 (IV), inclusive, of this clause.

1532 (I) The weighting factor for the maintenance or increase of
 1533 employment levels of engineers located in this state shall be calculated
 1534 in accordance with the following table:

T1	Employment Levels of Engineers	Weighting Factors
T2	(Individuals Employed)	
T3		
T4	Below 4,350	0%
T5	4,350	7%
T6	4,400	8%
T7	4,450	9%
T8	4,500	10%
T9	4,550	11%
T10	4,600	12%
T11	4,650	13%
T12	4,700	14%
T13	4,750	15%
T14	4,800	16%
T15	4,850	17%
T16	4,900	18%
T17	4,950	19%
T18	5,000	20%

1535 The actual percentage for such factor shall be interpolated in

1536 accordance with this table.

1537 (II) The weighting factor for the maintenance or increase of overall
 1538 employment levels in this state shall be calculated in accordance with
 1539 the following table:

T19	Overall Employment Levels	Weighting Factors
T20	(Individuals Employed)	
T21		
T22	Below 12,450	0%
T23	12,450	10.5%
T24	12,600	12%
T25	12,750	13.5%
T26	12,900	15%
T27	13,050	16.5%
T28	13,200	18%
T29	13,350	19.5%
T30	13,500	21%
T31	13,650	22.5%
T32	13,800	24%
T33	13,950	25.5%
T34	14,100	27%
T35	14,250	28.5%
T36	14,400	30%

1540 The actual percentage for this factor shall be interpolated in
 1541 accordance with this table.

1542 (III) The weighting factor for the maintenance or increase of payroll
 1543 levels in this state shall be calculated in accordance with the following
 1544 table:

T37	Payroll Levels	Weighting Factors
T38		
T39	Below \$1,370,000,000	0%
T40	1,370,000,000	10.5%
T41	1,385,000,000	12%
T42	1,400,000,000	13.5%
T43	1,415,000,000	15%
T44	1,430,000,000	16.5%

T45	1,445,000,000	18%
T46	1,460,000,000	19.5%
T47	1,475,000,000	21%
T48	1,490,000,000	22.5%
T49	1,505,000,000	24%
T50	1,520,000,000	25.5%
T51	1,535,000,000	27%
T52	1,550,000,000	28.5%
T53	1,565,000,000	30%

1545 The actual percentage for this factor shall be interpolated in
 1546 accordance with this table.

1547 (IV) The weighting factor for research and development expenses
 1548 and capital expenditures made in this state, exclusive of those eligible
 1549 expenditures made in accordance with a contract entered into with the
 1550 commissioner under the provisions of this subsection, shall be
 1551 calculated in accordance with the following table:

T54	Investment Amount	Weighting Factors
T55		
T56	Below \$680,000,000	0%
T57	680,000,000	7%
T58	690,000,000	8%
T59	700,000,000	9%
T60	710,000,000	10%
T61	720,000,000	11%
T62	730,000,000	12%
T63	740,000,000	13%
T64	750,000,000	14%
T65	760,000,000	15%
T66	770,000,000	16%
T67	780,000,000	17%
T68	790,000,000	18%
T69	800,000,000	19%
T70	810,000,000	20%

1552 The actual percentage for this factor shall be interpolated in
 1553 accordance with this table.

1554 (ii) The eligible taxpayer shall certify the base levels for the factors set
1555 forth in subclauses (I) to (IV), inclusive, of this clause to the
1556 commissioner not later than one hundred twenty days after entering
1557 into a reinvestment contract with the commissioner. In the event any of
1558 the base levels certified to the commissioner differ from those set forth
1559 in the reinvestment contract, the commissioner is authorized to adjust
1560 the tables for the weighting factors consistent with subclauses (I) to (IV),
1561 inclusive, of this clause.

1562 (iii) The aggregate amount of all payments made by the state under
1563 this subparagraph for the exchange of accumulated credits shall not
1564 exceed three hundred seventy-five million dollars.

1565 (B) If, in connection with a state-certified industrial reinvestment
1566 project, or segment thereof, an eligible taxpayer may qualify to receive
1567 fifty million dollars or less upon compliance with the terms of the
1568 reinvestment contract, the amount the eligible taxpayer is eligible to
1569 receive as an exchange of accumulated credits with respect to such
1570 project or segment shall be determined with reference to the
1571 performance of the eligible taxpayer during the first five exchange years
1572 and shall be calculated as follows: (i) To the extent that expenditures
1573 made by the eligible taxpayer with respect to one or more research and
1574 development components of such project or segment involve the
1575 retention of one hundred or more employees and the investment of over
1576 ten million dollars in research and development, the eligible taxpayer is
1577 eligible to receive one million dollars with respect to each such
1578 component; and (ii) to the extent that expenditures by the eligible
1579 taxpayer with respect to one or more capital components of such project
1580 or segment involve over one million dollars in capital expenditures, the
1581 eligible taxpayer is eligible to receive forty per cent of such expenditures
1582 with respect to each such component. The aggregate amount of all
1583 payments made by the state under this subparagraph for the exchange
1584 of accumulated credits shall not exceed fifty million dollars.

1585 (d) Notwithstanding any provision of the general statutes, an eligible
1586 taxpayer that enters into a reinvestment contract with the commissioner

1587 under the provisions of this section and is authorized to exchange
1588 accumulated credits in connection with a state-certified industrial
1589 reinvestment project shall not be allowed any credit pursuant to section
1590 12-217j or 12-217n during the exclusion period under such reinvestment
1591 contract, or be eligible to exchange credits under the provisions of
1592 section 12-217ee during such exclusion period. For purposes of this
1593 subsection, the exclusion period means those income years of the
1594 eligible taxpayer specified by the commissioner in the reinvestment
1595 contract as comprising the exclusion period. This subsection shall not
1596 preclude an eligible taxpayer (1) from taking accumulated credits that
1597 are not otherwise subject to exchange pursuant to such reinvestment
1598 contract during such exclusion period as otherwise allowed by law, or
1599 (2) from taking credits allowed under section 12-217j during the
1600 exclusion period as otherwise allowed by law. Except as provided
1601 herein, this subsection shall not impact an eligible taxpayer's ability to
1602 claim those tax credits it has already been allowed or otherwise affect
1603 such taxpayer's eligibility for credits under the provisions of the general
1604 statutes.

1605 (e) To provide incentives for the retention and creation of jobs and
1606 business growth in the state, the commissioner shall analyze and, as
1607 appropriate, seek additional legislative approval for programs
1608 permitting taxpayers to exchange any accumulated credits in manners
1609 not otherwise provided for under this section.

1610 [(f) The commissioner shall include in the report required pursuant
1611 to section 32-1m an annual report that shall include information on the
1612 number of projects certified under this section, the number of
1613 reinvestment contracts entered into in connection with such projects, the
1614 status of the certified projects, the amount of accumulated credits that
1615 have been exchanged in connection with such projects, and the specific
1616 levels achieved by each eligible taxpayer under subparagraphs (A) and
1617 (B) of subdivision (6) of subsection (c) of this section.]

1618 [(g)] (f) On and after June 30, 2015, the commissioner shall not enter
1619 into any reinvestment contracts under subsection (c) of this section.

1620 Sec. 25. Section 32-7h of the 2026 supplement to the general statutes
1621 is repealed and the following is substituted in lieu thereof (*Effective from*
1622 *passage*):

1623 (a) There is established an account to be known as the ["small
1624 business express assistance account"] "Connecticut small business boost
1625 account", which shall be a separate, nonlapsing account. The account
1626 shall contain any moneys required by law to be deposited in the account.
1627 Repayment of principal and interest on loans shall be credited to such
1628 fund and shall become part of the assets of the fund. Moneys in the
1629 account shall be expended by the Department of Economic and
1630 Community Development for (1) the purposes of the Connecticut Small
1631 Business [Express] Boost program established pursuant to section 32-7g,
1632 as amended by this act, and (2) the purposes enumerated in sections 32-
1633 39f and 32-39g. Except as provided in subsection (d) of section 32-7g, as
1634 amended by this act, all moneys received for the purposes of the
1635 Connecticut Small Business [Express] Boost program and payments of
1636 principal and interest on any loans given under said program shall be
1637 credited to the account.

1638 (b) Except as provided in subsection (d) of section 32-7g, as amended
1639 by this act, the Commissioner of Economic and Community
1640 Development may provide for the payment of any administrative
1641 expenses or other costs incurred by the department or its lender partners
1642 in carrying out the purposes of (1) the Connecticut Small Business
1643 [Express] Boost program, or (2) the purposes enumerated in, or any
1644 programs established pursuant to, sections 32-39f and 32-39g, not to
1645 exceed five per cent of funding provided for such programs or for such
1646 enumerated purposes, from the account established pursuant to
1647 subsection (a) of this section, provided one per cent shall be dedicated
1648 to develop capacity for capital construction projects for minority
1649 business enterprises.

1650 Sec. 26. Subdivision (4) of subsection (b) of section 4-68cc of the 2026
1651 supplement to the general statutes is repealed and the following is
1652 substituted in lieu thereof (*Effective from passage*):

1653 (4) The Neighborhood Security Fellowship Program may engage in
 1654 (A) the coordination and placement of Fellows in worksite assignments,
 1655 including (i) local, state and federal government agencies and
 1656 departments, (ii) state-funded public construction projects within the
 1657 municipality selected, (iii) private businesses, particularly those
 1658 receiving assistance from the Connecticut Small Business [Express]
 1659 Boost program established pursuant to section 32-7g, as amended by
 1660 this act, or the Subsidized Training and Employment program
 1661 established pursuant to section 31-3pp, and (iv) nonprofit community-
 1662 based organizations receiving a grant-in-aid from the state, and (B) the
 1663 coordination of training placements, including in adult education
 1664 courses, vocational training programs, higher education courses and
 1665 apprenticeship programs.

1666 Sec. 27. Sections 32-4e and 32-4h of the general statutes are repealed.
 1667 (*Effective from passage*)"

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2026</i>	32-7g
Sec. 2	<i>July 1, 2026</i>	32-7g
Sec. 3	<i>from passage</i>	32-7q
Sec. 4	<i>July 1, 2026, and applicable to income and taxable years commencing on and after January 1, 2026</i>	32-462
Sec. 5	<i>from passage</i>	31-51r
Sec. 6	<i>from passage</i>	32-1u
Sec. 7	<i>from passage</i>	32-286(c)
Sec. 8	<i>from passage</i>	32-726
Sec. 9	<i>from passage</i>	32-1m(a)(7)
Sec. 10	<i>from passage</i>	32-1m(a)(11)
Sec. 11	<i>from passage</i>	32-761
Sec. 12	<i>from passage</i>	32-764(a)
Sec. 13	<i>from passage</i>	32-4r
Sec. 14	<i>from passage</i>	32-7aa(f)

Sec. 15	<i>from passage</i>	38a-88a(c)(3)
Sec. 16	<i>from passage</i>	32-9aaa(b)
Sec. 17	<i>from passage</i>	32-7n
Sec. 18	<i>from passage</i>	32-7o(n)
Sec. 19	<i>from passage</i>	10-397c
Sec. 20	<i>from passage</i>	22a-200g
Sec. 21	<i>from passage</i>	32-357
Sec. 22	<i>from passage</i>	32-39m(a)
Sec. 23	<i>from passage</i>	32-222(e)
Sec. 24	<i>from passage</i>	32-4m
Sec. 25	<i>from passage</i>	32-7h
Sec. 26	<i>from passage</i>	4-68cc(b)(4)
Sec. 27	<i>from passage</i>	Repealer section