



**Substitute Senate Bill No. 307**

**Public Act No. 26-122**

**AN ACT CONCERNING THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT'S RECOMMENDATIONS FOR REVISIONS TO THE COMMERCE STATUTES AND PROHIBITING SCHOLARSHIP DISPLACEMENT FOR CERTAIN STUDENTS AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION.**

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

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 Section 32-7g of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

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

***Substitute Senate Bill No. 307***

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

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

(d) (1) (A) There is established as part of the Connecticut Small Business [Express] Boost program at least one [revolving loan] Connecticut opportunity fund to provide loans to eligible small

**Substitute Senate Bill No. 307**

businesses that are owned by [one or more members of a minority] applicants who meet at least one of the following criteria: (i) Operate or reside in a concentrated poverty census tract, as defined in section 32-7x; (ii) have an adjusted gross income of not more than the annual area median household income, as determined by the United States Department of Housing and Urban Development; (iii) are first-time business owners or enterprises lacking access to traditional commercial lending; or (iv) operate or reside in a municipality with a population of not less than sixty thousand that has a concentrated poverty census tract, as defined in section 32-7x, and who meet the income-eligibility threshold described in clause (ii) of this subparagraph.

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

(2) As used in this subsection, [(A) "minority business development entity"] "business development entity" means a nonprofit [organization (i) having a lending portfolio on or before June 9, 2016, from which at least seventy-five per cent of lending is provided to minority-owned businesses state-wide; and (ii) that provided technical assistance on or before June 9, 2016, provided at least seventy-five per cent of such assistance was provided to minority-owned businesses state-wide; and (B) "minority" means (i) Black Americans, including all persons having origins in any of the Black African racial groups not of Hispanic origin;

***Substitute Senate Bill No. 307***

(ii) Hispanic Americans, including all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race; (iii) all persons having origins in the Iberian Peninsula, including Portugal, regardless of race; (iv) women; (v) Asian Pacific Americans and Pacific islanders; or (vi) American Indians and persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification] community development financial institution operating in the state.

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

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

**Substitute Senate Bill No. 307**

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

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

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

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

(8) The commissioner shall collect data on loan recipients, including, but not limited to, geographic distribution, income levels, and any other indicators of access to capital. Not later than February 1, 2027, and annually thereafter, the commissioner shall submit a report to the

***Substitute Senate Bill No. 307***

Governor, the Auditors of Public Accounts and the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, finance, revenue and bonding and commerce, in accordance with the provisions of section 11-4a, that provides an analysis of such data collected pursuant to this subdivision.

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

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

**Substitute Senate Bill No. 307**

collaboration with the Department of Economic and Community Development.

(g) Not later than February 1, 2022, and annually thereafter, the commissioner shall provide a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce and labor. Such report shall include available data on (1) the number of small businesses that received assistance under the Connecticut Small Business [Express] Boost program and the general categories of such businesses, (2) the amounts and types of assistance provided, (3) the total number of jobs on the date of application and the number proposed to be created or retained, (4) the most recent employment figures of the small businesses receiving assistance, (5) the default rate of small businesses that received assistance under said program, and (6) the progress of the lenders participating in said program in becoming self-sustainable. The contents of such report shall also be included in the department's annual report.

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

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

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

***Substitute Senate Bill No. 307***

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

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

***Substitute Senate Bill No. 307***

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

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

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

(2) As used in this subsection, [(A) "minority business development entity"] "business development entity" means a nonprofit [organization (i) having a lending portfolio on or before June 9, 2016, from which at

**Substitute Senate Bill No. 307**

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

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

**Substitute Senate Bill No. 307**

entity.

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

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

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

***Substitute Senate Bill No. 307***

may require repayment of such grant.

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

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

(f) The commissioner, in consultation with Connecticut Innovations, Incorporated, may establish as part of the Connecticut Small Business

**Substitute Senate Bill No. 307**

[Express] Boost program a component operated in collaboration with Connecticut Innovations, Incorporated, which may include, but need not be limited to, financial assistance consistent with the provisions and purposes of sections 32-23e, 32-23ii and 32-265. Such component may be administered by Connecticut Innovations, Incorporated, in collaboration with the Department of Economic and Community Development.

(g) Not later than February 1, 2022, and annually thereafter, the commissioner shall provide a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, appropriations, commerce and labor. Such report shall include available data on (1) the number of small businesses that received assistance under the Connecticut Small Business [Express] Boost program and the general categories of such businesses, (2) the amounts and types of assistance provided, (3) the total number of jobs on the date of application and the number proposed to be created or retained, (4) the most recent employment figures of the small businesses receiving assistance, (5) the default rate of small businesses that received assistance under said program, and (6) the progress of the lenders participating in said program in becoming self-sustainable. The contents of such report shall also be included in the department's annual report.

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

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

(a) There is established, within the Department of Economic and Community Development, a [Minority] First Generation and Emerging

**Substitute Senate Bill No. 307**

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

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

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

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

**Substitute Senate Bill No. 307**

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

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

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

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

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

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

(d) [The commissioner shall schedule the first meeting of the advisory board not later than September 30, 2017.] The advisory board shall elect a chairperson from among its members. The advisory board shall meet at such times as the chairperson deems necessary.

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

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

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

(a) As used in this section:

**Substitute Senate Bill No. 307**

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

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

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

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

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

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

[(c) Notwithstanding the provisions of subsection (b) of this section, no agency or agencies may award more than twenty million dollars of

**Substitute Senate Bill No. 307**

financial assistance for a biotechnology business project during any two-year period unless such financial assistance is specifically authorized by an act of the General Assembly which has been enacted before, on or after July 1, 2001.]

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

(a) As used in this section:

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

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

(3) "Employment promissory note" means any instrument or agreement executed on or after October 1, 1985, which requires an employee to pay the employer, or [his] the employer's agent or assignee, a sum of money if the employee leaves such employment before the passage of a stated period of time. "Employment promissory note" includes any such instrument or agreement which states such payment of moneys constitutes reimbursement for training previously provided to the employee, but does not include a promissory note entered into by an employer and employee for the full or partial repayment of any fee relating to a federal H-1B visa and paid by an employer on behalf of an employee.

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

**Substitute Senate Bill No. 307**

the other provisions of such agreement.

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

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

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

(b) The Commissioner of Economic and Community Development may issue a state film permit, on a form designated by the commissioner, to any person seeking to conduct film production activities on such state-owned property. Such permit shall specify the insurance coverage that the permittee shall be required to obtain, as determined by the commissioner in consultation with the state's Director of Insurance and Risk Management, with the state named as an additional insured. No liability shall accrue to the state or any agency or

***Substitute Senate Bill No. 307***

employee of the state for any injuries or damages to any person or property that may result, either directly or indirectly, from such film production activities of the permittee on such state-owned property.

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

(d) The Commissioner of Economic and Community Development, pursuant to section 32-1p, shall establish guidelines to be used in working with state agencies, authorities or institutions to implement the provisions of this section. Such guidelines shall include, but need not be limited to: (1) An agency contact [at the Office of Film, Television and Digital Media] for filing permit applications and for obtaining information on permit requirements; (2) identification of each individual within each respective state agency who shall be a point of contact for an agency permit application; (3) a mandatory preapplication review process to reduce permitting issues or conflicts by providing guidance to applicants on (A) information required for authorization or permit approval from the relevant state agencies, authorities or institutions, (B) specifications for desired on-site production and production-related activities, site suitability and limitations, and (C) steps the applicant can take to ensure expeditious permit application; (4) a single, coordinated production activity description form, including an equipment checklist and personnel

**Substitute Senate Bill No. 307**

roster; (5) a process by which the [Office of Film, Television and Digital Media] Department of Economic and Community Development may forward permit applications to other relevant state agencies, authorities or institutions on behalf of an applicant; and (6) at the commissioner's discretion, a permit fee structure.

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

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

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

(A) The facility to be developed, acquired, constructed, rehabilitated, renovated, repaired or operated will be used as a qualified data center; and

(B) The qualified data center will make, on or before the fifth

**Substitute Senate Bill No. 307**

anniversary of the date an agreement entered into pursuant to this section becomes effective, a qualified investment of at least (i) fifty million dollars if such qualified data center is located in an enterprise zone designated pursuant to section 32-70 or a federal qualified opportunity zone designated pursuant to the Tax Cuts and Jobs Act of 2017, P.L. 115-97, as amended from time to time, or (ii) two hundred million dollars if such qualified data center is not located in an enterprise zone or a federal qualified opportunity zone.

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

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

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

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

(D) Include a detailed description of the capital project that is the

***Substitute Senate Bill No. 307***

subject of the agreement;

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

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

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

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

**Substitute Senate Bill No. 307**

commissioner. The commissioner may incorporate the provisions of this subdivision into the agreement entered into pursuant to this section or amend an existing agreement with a qualified data center to incorporate the provisions of this subdivision.

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

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

(a) As used in this section:

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

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

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

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

(b) (1) The commissioner shall [establish an office of the] designate a

***Substitute Senate Bill No. 307***

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

(2) Notwithstanding the provisions of subdivision (1) of this subsection, the commissioner may, upon consideration of the economic impact factors of the project that include, but are not limited to: (A) The proposed wage and skill levels relative to those existing in the area in which the project may be located, (B) the project's potential to diversify and strengthen the state and local economy, (C) the amount of capital

**Substitute Senate Bill No. 307**

investment, and (D) in the judgment of the commissioner, after consultation with the Departments of Energy and Environmental Protection, Transportation and Public Health that there is consistency with the strategic economic development priorities of the state and the municipality, deem projects eligible for expedited permitting pursuant to this section.

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

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

(e) The permit ombudsman may solicit the assistance of volunteers

***Substitute Senate Bill No. 307***

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

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

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

**Substitute Senate Bill No. 307**

efforts to cooperate with the permit ombudsman.

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

Sec. 9. Subdivision (7) of subsection (a) of section 32-1m of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

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

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

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

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

**Substitute Senate Bill No. 307**

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

(b) The [office] department shall:

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

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

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

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

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

***Substitute Senate Bill No. 307***

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

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

(8) At the [office's] department's discretion, enter into cooperative agreements with economic development agencies and may, where appropriate, make grants to such organizations for the purpose of designing, implementing and supervising brownfield assessment and cleanups, or making further subgrants, provided each subgrant is in compliance with the terms and conditions of the original grant; and

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

(c) [The Department of Energy and Environmental Protection, Connecticut Innovations, Incorporated, the Office of Policy and Management and the Department of Public Health shall each designate one or more staff members to act as a liaison between their offices and the Office of Brownfield Remediation and Development.] The Commissioners of Economic and Community Development, Energy and Environmental Protection and Public Health, the Secretary of the Office of Policy and Management and the chief executive officer of Connecticut Innovations, Incorporated shall enter into a memorandum

**Substitute Senate Bill No. 307**

of understanding concerning each entity's responsibilities with respect to the [Office of Brownfield Remediation and Development. The Office of Brownfield Remediation and Development] Department of Economic and Community Development's brownfield and remediation activities. The department may recruit two volunteers from the private sector, including a person from the Connecticut chapter of the National Brownfield Association, with experience in different aspects of brownfield remediation and development. Said volunteers may assist the [Office of Brownfield Remediation and Development] department in marketing the brownfield programs and redevelopment activities of the state.

(d) The [Office of Brownfield Remediation and Development] department may call upon any other department, board, commission or other agency of the state to supply such reports, information and assistance as said [office] department determines is appropriate to carry out its duties and responsibilities. Each officer or employee of such office, department, board, commission or other agency of the state is authorized and directed to cooperate with the [Office of Brownfield Remediation and Development] department and to furnish such reports, information and assistance.

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

(a) Any recipient of a grant pursuant to subsection (b) of section 32-763 or subsection (c) of section 32-9cc of the general statutes, revision of 1958, revised to January 1, 2013, shall not be liable under section 22a-427, 22a-432, 22a-433, 22a-451 or 22a-452 for conditions pre-existing or existing on the brownfield property as of the date of acquisition or control, provided such recipient (1) did not establish, create, cause or contribute to the discharge, spillage, uncontrolled loss, seepage or filtration of such hazardous substance, material, waste or pollution that

**Substitute Senate Bill No. 307**

is subject to remediation under section 22a-133k and funded by the [Office of Brownfield Remediation and Development or the] Department of Economic and Community Development; (2) does not exacerbate the conditions; and (3) complies with reporting of significant environmental hazard requirements in section 22a-6u. To the extent that any conditions are exacerbated, such recipient shall only be responsible for responding to contamination exacerbated by its negligent or reckless activities.

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

(a) There is established a Youth Service Corps grant program to be administered by the Department of Economic and Community Development for the purpose of providing grants to municipalities of priority school districts, as described in section 10-266p, to establish local Youth Service Corps programs. Such programs shall provide paid community-based service learning and academic and workforce development programs to youth and young adults in the state in accordance with the provisions of section 32-4s.

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

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

**Substitute Senate Bill No. 307**

thousand dollars to any youth or young adult participating in a local Youth Service Corps program to support or subsidize such youth or young adult's participation in program activities.

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

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

[(f)] (e) There is established an account to be known as the "youth service corps grant program account", which shall be a separate, nonlapsing account. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Commissioner of Economic and Community Development for the purposes of providing grants to municipalities of priority school districts, as described in section 10-266p, to establish local Youth Service Corps programs that provide paid community-based service learning and academic and workforce development programs to youth and young adults in the state in accordance with the provisions of section 32-4s.

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

**Substitute Senate Bill No. 307**

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

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

(3) (A) On or before July 1, 2010, the Commissioner of Economic and Community Development shall begin to accept applications for certification as an invest CT fund and for allocations of tax credits under this subsection with allocation dates of June 30, 2015, or earlier. On and after September 1, 2015, the commissioner shall accept applications for certification as an invest CT fund and for allocations of tax credits under this subsection with allocation dates of September 1, 2015, or later. Applications shall include: (i) The amount of eligible capital the applicant will raise; (ii) a nonrefundable application fee of seven thousand five hundred dollars; (iii) evidence of satisfaction of the requirements of the definition of "invest CT fund" pursuant to subparagraph (G) of subdivision (1) of this subsection; (iv) an affidavit by each taxpayer committing an investment of eligible capital; (v) a business plan detailing (I) the approximate percentage of eligible capital the applicant will invest in eligible businesses by the third, fifth, seventh and ninth anniversaries of its allocation date, (II) the industry segments listed by the North American Industrial Classification System code and percentage of eligible capital in which the applicant will invest, (III) the number of jobs that will be created or retained as a result of the applicant's investments once all eligible capital has been invested, (IV) the percentage of eligible capital to be invested in eligible businesses primarily engaged in conducting research and development or manufacturing, processing or assembling technology-based products,

***Substitute Senate Bill No. 307***

and (V) a revenue impact assessment demonstrating that the applicant's business plan has a revenue neutral or positive impact on the state; (vi) a commitment to invest at least twenty-five per cent of its eligible capital in green technology businesses; (vii) with respect to applications submitted on or before June 30, 2015, a commitment to invest, by the third anniversary of its allocation date, three per cent of its eligible capital in preseed investments, and with respect to applications submitted on or after September 1, 2015, a commitment to invest, by the fourth anniversary of the allocation date, seven per cent of its eligible capital in preseed investments, in consultation with Connecticut Innovations, Incorporated, pursuant to the corporation's program for preseed financing established pursuant to section 32-41x; and (viii) with respect to applications submitted on or after September 1, 2015, a commitment to invest at least three per cent of its eligible capital in cybersecurity businesses and at least twenty-five per cent of its eligible capital in eligible businesses located in municipalities with a population greater than eighty thousand. The commissioner may require the applicant to obtain a revenue impact assessment conducted by an independent third party.

(B) (i) From October 1, 2024, to September 30, 2026, inclusive, an applicant may submit to the commissioner a request, in such form and manner prescribed by the commissioner, to consider as an eligible business a business that does not have its principal business operations in Connecticut. The commissioner may approve such a request if the commissioner determines that such an approval would significantly advance the objectives of the invest CT fund program, provided such applicant complies with all other requirements under subparagraph (A) of this subdivision.

(ii) Not later than January 1, 2026, the commissioner shall submit a report, in accordance with the provisions of section 11-4a, on any requests approved by the commissioner pursuant to subparagraph

**Substitute Senate Bill No. 307**

(B)(i) of this subdivision during the period of October 1, 2024, to September 30, 2025, inclusive, to the joint standing committee of the General Assembly having cognizance of matters relating to commerce. Not later than [January] February 1, 2027, the commissioner shall submit a report, in accordance with the provisions of section 11-4a, on any requests approved by the commissioner pursuant to subparagraph (B)(i) of this subdivision during the period of October 1, 2025, to September 30, 2026, inclusive, to the joint standing committee of the General Assembly having cognizance of matters relating to commerce. Such reports shall include, but need not be limited to, a list of the applicants whose requests were approved by the commissioner and an analysis of the benefit to and impact on the state resulting from such approvals.

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

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

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

(a) There is established a Manufacturing Innovation Advisory Board that shall consist of the following members: (1) Four appointed by the Governor; (2) one appointed by the president pro tempore of the Senate;

***Substitute Senate Bill No. 307***

(3) one appointed by the speaker of the House of Representatives; (4) one appointed by the majority leader of the Senate; (5) one appointed by the majority leader of the House of Representatives; (6) one appointed by the minority leader of the Senate; (7) one appointed by the minority leader of the House of Representatives; (8) the Chief Workforce Officer, or the officer's designee; and (9) the Commissioner of Economic and Community Development, or the commissioner's designee, who shall serve as the chairperson of the advisory board. The advisory board may consult with any individual or entity to accomplish its purposes. Each appointed member shall (A) have skill, knowledge and experience in industries and sciences related to aerospace, medical devices, biotechnology, digital manufacturing, digital communication, [or] semiconductors, advanced manufacturing or clean energy production; (B) be a university or community college faculty member or a technical high school teacher in, or hold a graduate degree in, a related discipline, including, but not limited to, additive manufacturing and materials science; (C) have manufacturing education and training expertise; or (D) represent manufacturing related businesses or professional organizations. Appointed members shall each serve a term that is coterminous with the respective appointing authority. Each member shall hold office until a successor is appointed. Any vacancy occurring on the advisory board, other than by expiration of term, shall be filled in the same manner as the original appointment for the balance of the unexpired term.

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

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

**Substitute Senate Bill No. 307**

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

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

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

Sec. 18. Subsection (n) of section 32-7o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

**Substitute Senate Bill No. 307**

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

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

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

***Substitute Senate Bill No. 307***

gaming facilities, and (L) one of whom shall represent the Connecticut Tourism Coalition, (5) fourteen members appointed as follows: (A) Three by the president pro tempore of the Senate, one of whom shall represent the agritourism industry, one of whom shall represent the convention center and coliseum industry and one of whom shall represent the eastern regional tourism district established pursuant to section 10-397, (B) two by the majority leader of the Senate, one of whom shall represent the events industry and one of whom shall represent the western regional tourism district established pursuant to section 10-397, (C) two by the minority leader of the Senate, one of whom shall represent the marine trades industry and one of whom shall represent the outdoor recreation industry, (D) three by the speaker of the House of Representatives, one of whom shall represent the destination shopping industry, one of whom shall represent the restaurant industry and one of whom shall represent the central regional tourism district established pursuant to section 10-397, (E) two by the majority leader of the House of Representatives, one of whom shall represent the attractions industry and one of whom shall represent the lodging industry, and (F) two by the minority leader of the House of Representatives, one of whom shall represent the museum industry and one of whom shall represent the tour and travel industry. All members appointed by the Governor shall serve a term of four years. The terms of all members appointed by members of the General Assembly shall be coterminous with the terms of such members of the General Assembly. Any member appointed pursuant to the provisions of this section who fails to attend three consecutive meetings of the council or fails to attend fifty per cent of all meetings of the council held during any calendar year shall be deemed to have resigned. If a vacancy occurs as a result of such a resignation, the appointing authority having the power to make the initial appointment under the provisions of this section shall appoint a person for the unexpired term in accordance with the provisions of this section. If such vacancy is not filled within sixty calendar days, the chairperson of the advisory board shall temporarily appoint a person to

**Substitute Senate Bill No. 307**

fill the vacancy until the appointing authority makes an appointment.  
The Commissioner of Economic and Community Development shall serve as chairperson of the council.

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

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

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

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

(b) Such council shall meet not less than quarterly, at dates, times and locations to be established by the cochairpersons of such council. The council shall: (1) Identify opportunities to leverage state and federal funding to scale economic development and workforce opportunities

***Substitute Senate Bill No. 307***

associated with climate mitigation, clean energy, resilience and sustainability investments, (2) serve as a central coordinating body for climate mitigation, clean energy, resilience and sustainability workforce efforts and opportunities state-wide for a technically advanced, enduring labor force, (3) develop economic development and workforce strategies that support investment and growth of climate mitigation, clean energy, resilience and sustainability job growth, and (4) advise the Governor on any state-wide economic or workforce action plan in clean energy, climate and sustainability.

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

(d) Such council shall be composed of the following members: (1) The Commissioner of Economic and Community Development, or the commissioner's designee, who shall also serve as a cochairperson of the council, (2) the Chief Workforce Officer, or said officer's designee, who shall also serve as a cochairperson of the council, (3) the Commissioner of Energy and Environmental Protection, or the commissioner's designee, who shall also serve as cochairperson of the council, (4) the Commissioner of Transportation, or the commissioner's designee, (5) the Secretary of the Office of Policy and Management, or the secretary's designee, (6) a representative from the office of the Governor, (7) the chief executive officer of the Connecticut Green Bank, or the chief executive officer's designee, (8) the chief executive officer of Connecticut Innovations, Incorporated, or the chief executive officer's designee, (9) the Labor Commissioner, or the commissioner's designee, (10) the Commissioner of Consumer Protection, or the commissioner's designee,

***Substitute Senate Bill No. 307***

(11) one member appointed by the Chief Workforce Officer who shall be a representative of a regional workforce development board, (12) one member appointed by the speaker of the House of Representatives, (13) one member appointed by the president pro tempore of the Senate, (14) one member appointed by the majority leader of the Senate, (15) one member appointed by the majority leader of the House of Representatives, (16) one member appointed by the minority leader of the Senate, (17) one member appointed by the minority leader of the House of Representatives, and (18) any other member so designated by the cochairpersons. Members appointed pursuant to subdivisions (12) to (17), inclusive, of this subsection shall have one or more of the following backgrounds or qualifications: (A) Be a member of the Connecticut Technical Education Career System, (B) be a representative of a nonprofit organization that focuses on helping people overcome barriers to workforce participation, (C) have expertise in hiring and training employees in the trades related to green technologies, (D) be a representative of a higher education institution and have expertise in technical education, or (E) be a member of the Connecticut State Building Trades Council. Any member appointed pursuant to subdivision (18) of this subsection shall serve at the pleasure of the cochairpersons of the council.

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

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

(g) Not later than February 15, 2026, and [biannually] biennially thereafter, the council shall report on its work, findings and

**Substitute Senate Bill No. 307**

recommendations to the Governor, the Office of Policy and Management, and the joint standing committees of the General Assembly having cognizance of matters relating to the environment, energy and technology, higher education and commerce, in accordance with the provisions of section 11-4a.

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

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

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

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

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

(2) (A) Approve applications for innovation place designation and designate such approved applications as an innovation place. Such

***Substitute Senate Bill No. 307***

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

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

(C) No application may be designated as an innovation place by the commissioner unless such application (i) is consistent with the purposes set forth in section 32-39k, (ii) is for a proposed innovation place where a significant portion of such proposed innovation place is located in an

***Substitute Senate Bill No. 307***

existing or proposed mixed-use zoning district, (iii) was prepared in collaboration with the local chamber of commerce or other industry association and the municipal economic development department, or similar municipal authority, of the municipality in which the proposed innovation place is located, and (iv) is approved by majority vote of the legislative body of the municipality in which the proposed innovation place is to be located.

(D) In determining whether to approve an application for innovation place designation, the commissioner shall consider, but such consideration shall not be limited to: (i) Whether the entities partnering together to implement and administer the proposed master plan are of the quality to, and have demonstrated the commitment to, implement and administer the master plan in a manner sufficient to achieve the purposes set forth in section 32-39k; (ii) whether the geography of the proposed innovation place is sufficiently compact to achieve the purposes set forth in section 32-39k; (iii) whether the master plan is sufficient to achieve the purposes set forth in section 32-39k and whether such plan includes (I) sufficient measures to ensure walkability of the geographic areas within the municipality that make up the proposed innovation place; (II) sufficient measures to enhance regular interpersonal interactions among residents, workers and visitors of the proposed innovation place; (III) adequate and accessible public transportation; and (IV) existing or proposed restaurants, affordable housing options, retail spaces and public spaces, indoor or outdoor, that provide adequate opportunity for interpersonal interaction; (iv) the extent to which the master plan leverages private investment; (v) self-sustainability of the innovation place after moneys granted by the commissioner are fully expended; (vi) whether the underlying zoning of the proposed innovation place provides for, or will be amended to provide for, reduced minimum floor area for residential dwelling units; and (vii) any other criteria the commissioner determines is relevant for evaluating whether the proposed innovation place, if granted

**Substitute Senate Bill No. 307**

innovation place designation, will achieve the purposes set forth in section 32-39k.

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

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

Sec. 23. Subsection (e) of section 32-222 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

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

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

(a) As used in this section:

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

***Substitute Senate Bill No. 307***

Revenue Services in consultation with the commissioner.

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

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

(4) "Eligible expenditures" means those expenditures made or incurred in this state by an eligible taxpayer in furtherance of a state-certified industrial reinvestment project, including, but not limited to, (A) expenditures with respect to buildings, improvements, property, plants and equipment, and expenses directly related to such expenditures, such as design work, professional fees, surveys and site preparation, remediation and clean-up, demolition, moving and renovation expenses, (B) expenditures with respect to personal property, (C) research and development expenses, as defined in section 12-217n, and (D) the hiring and training of employees.

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

(6) "Exchange year" means the period beginning on the date set forth in the reinvestment contract and ending on June 30, 2015, and each

***Substitute Senate Bill No. 307***

successive period ending on June thirtieth thereafter.

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

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

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

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

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

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

(b) (1) Any eligible taxpayer that intends to undertake an industrial

***Substitute Senate Bill No. 307***

reinvestment project may apply to the commissioner for certification of such project as a state-certified industrial reinvestment project. In order to receive such certification, an eligible taxpayer shall apply to the commissioner, in a form acceptable to the commissioner and containing such information as prescribed by the commissioner, including, but not limited to, (A) a detailed plan outlining the industrial reinvestment project, (B) the term of such project, (C) the estimated costs of such project, and (D) the amount of accumulated credits the eligible taxpayer proposes it be allowed to exchange in connection with such project. The commissioner may require the eligible taxpayer to submit such additional information as may be necessary to evaluate the application.

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

(c) (1) Upon certification by the commissioner of an application as provided in subsection (b) of this section, the commissioner may enter into a reinvestment contract with an eligible taxpayer pursuant to which the commissioner may, in consideration of the eligible taxpayer's agreement to make the eligible expenditures in connection with the state-certified industrial reinvestment project, agree to exchange certain of the eligible taxpayer's accumulated credits up to a specified amount. Such reinvestment contract shall specify: (A) Each segment of a state-certified industrial reinvestment project; (B) the length of time the state-certified industrial reinvestment project will take to complete; (C) the aggregate amount of eligible expenditures the eligible taxpayer agrees to make; (D) the base levels, if applicable; (E) the amounts, as determined in accordance with the provisions of subdivision (6) of this subsection, that the eligible taxpayer is eligible to receive during the

***Substitute Senate Bill No. 307***

term of such reinvestment contract with respect to such eligible expenditures, and the terms and conditions the eligible taxpayer must satisfy in order to receive such amounts, including, but not limited to, information required to be submitted by the eligible taxpayer and provisions for the commissioner to access relevant records and to verify their accuracy; (F) the terms and conditions of the repayment of any such amounts paid to the eligible taxpayer in exchange for the accumulated credits in the event of any failure on the part of the eligible taxpayer to comply with the terms of the reinvestment contract; (G) the manner and method for the eligible taxpayer to provide notice of any disputed claim under the reinvestment contract; and (H) any other terms and conditions the commissioner may require. Any eligible taxpayer that enters into a reinvestment contract with the commissioner under this subsection may, in the event of any disputed claims under such reinvestment contract, bring an action against the state to the superior court for the judicial district of Hartford for the purpose of having such claim determined, provided notice of any such disputed claim is first given to the commissioner in the manner and method described in the reinvestment contract. No action shall be allowed unless it is brought not later than two years after the date on which the eligible taxpayer gave proper notice to the commissioner under such reinvestment contract. All legal defenses under such reinvestment contract, except sovereign immunity, are reserved to the state.

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

***Substitute Senate Bill No. 307***

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

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

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

(6) Subject to the provisions of subdivisions (4) and (5) of this subsection, the amounts an eligible taxpayer is entitled to receive under a reinvestment contract with respect to eligible expenditures made by such taxpayer shall be determined in accordance with subparagraph (A) or (B) of this subdivision.

(A) (i) If, in connection with a state-certified industrial reinvestment project, or segment thereof, an eligible taxpayer may qualify to receive

**Substitute Senate Bill No. 307**

more than two hundred million dollars upon compliance with the terms of the reinvestment contract, the amount the eligible taxpayer is eligible to receive with respect to such project or segment shall be determined by multiplying the actual amount of eligible expenditures made in each of the first five exchange years by the total of the four applicable weighting factors as determined in accordance with subclauses (I) to (IV), inclusive, of this clause.

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

| Employment Levels of Engineers<br>(Individuals Employed) | Weighting Factors |
|--|-------------------|
| Below 4,350  | 0%                |
| 4,350  | 7%                |
| 4,400  | 8%                |
| 4,450  | 9%                |
| 4,500  | 10%               |
| 4,550  | 11%               |
| 4,600  | 12%               |
| 4,650  | 13%               |
| 4,700  | 14%               |
| 4,750  | 15%               |
| 4,800  | 16%               |
| 4,850  | 17%               |
| 4,900  | 18%               |
| 4,950  | 19%               |
| 5,000  | 20%               |

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

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

**Substitute Senate Bill No. 307**

| Overall Employment Levels<br>(Individuals Employed) | Weighting Factors |
|---|-------------------|
| Below 12,450  | 0%                |
| 12,450  | 10.5%             |
| 12,600  | 12%               |
| 12,750  | 13.5%             |
| 12,900  | 15%               |
| 13,050  | 16.5%             |
| 13,200  | 18%               |
| 13,350  | 19.5%             |
| 13,500  | 21%               |
| 13,650  | 22.5%             |
| 13,800  | 24%               |
| 13,950  | 25.5%             |
| 14,100  | 27%               |
| 14,250  | 28.5%             |
| 14,400  | 30%               |

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

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

| Payroll Levels        | Weighting Factors |
|-----------------------|-------------------|
| Below \$1,370,000,000 | 0%                |
| 1,370,000,000         | 10.5%             |
| 1,385,000,000         | 12%               |
| 1,400,000,000         | 13.5%             |
| 1,415,000,000         | 15%               |
| 1,430,000,000         | 16.5%             |
| 1,445,000,000         | 18%               |
| 1,460,000,000         | 19.5%             |
| 1,475,000,000         | 21%               |
| 1,490,000,000         | 22.5%             |

**Substitute Senate Bill No. 307**

|               |       |
|---------------|-------|
| 1,505,000,000 | 24%   |
| 1,520,000,000 | 25.5% |
| 1,535,000,000 | 27%   |
| 1,550,000,000 | 28.5% |
| 1,565,000,000 | 30%   |

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

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

| Investment Amount   | Weighting Factors |
|---------------------|-------------------|
| Below \$680,000,000 | 0%                |
| 680,000,000         | 7%                |
| 690,000,000         | 8%                |
| 700,000,000         | 9%                |
| 710,000,000         | 10%               |
| 720,000,000         | 11%               |
| 730,000,000         | 12%               |
| 740,000,000         | 13%               |
| 750,000,000         | 14%               |
| 760,000,000         | 15%               |
| 770,000,000         | 16%               |
| 780,000,000         | 17%               |
| 790,000,000         | 18%               |
| 800,000,000         | 19%               |
| 810,000,000         | 20%               |

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

(ii) The eligible taxpayer shall certify the base levels for the factors set forth in subclauses (I) to (IV), inclusive, of this clause to the

***Substitute Senate Bill No. 307***

commissioner not later than one hundred twenty days after entering into a reinvestment contract with the commissioner. In the event any of the base levels certified to the commissioner differ from those set forth in the reinvestment contract, the commissioner is authorized to adjust the tables for the weighting factors consistent with subclauses (I) to (IV), inclusive, of this clause.

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

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

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

***Substitute Senate Bill No. 307***

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

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

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

**Substitute Senate Bill No. 307**

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

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

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

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

**Substitute Senate Bill No. 307**

business enterprises.

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

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

Sec. 27. (NEW) (*Effective July 1, 2026*) (a) As used in this section:

(1) "Institution of higher education" means a public institution of higher education that participates in the Roberta B. Willis Scholarship program, established pursuant to section 10a-173 of the general statutes;

(2) "Financial aid" means the sum of all scholarships, grants and federal, state and institutional aid received by a student. "Financial aid" does not include any federal, state or private student loans received by a student;

(3) "Cost of attendance" has the same meaning as provided in 20 USC 1087ll, as amended from time to time;

(4) "Private scholarship" means a grant or scholarship awarded by

**Substitute Senate Bill No. 307**

any nongovernmental entity to offset the educational costs of a student;  
and

(5) "Unmet need" means the unpaid portion, if any, of a student's cost of attendance at an institution of higher education after subtracting such student's financial aid and student loans.

(b) No institution of higher education may reduce the amount of financial aid awarded to any student who receives a federal Pell grant or a grant under the Roberta B. Willis Scholarship program as a result of such student receiving a private scholarship, provided an institution of higher education may reduce the amount of financial aid (1) if a student's total financial aid meets or exceeds such student's cost of attendance, or (2) if such reduction is necessary to bring the total financial aid awarded to a student athlete, as defined in section 10a-56 of the general statutes, in compliance with the individual or team financial aid restrictions of an athletic association or conference, including, but not limited to, the NCAA, as defined in section 10a-55k of the general statutes. For such student whose total amount of financial aid is less than such student's cost of attendance, an institution of higher education shall apply the amount of any private scholarship received by such student to first offset such student's unmet need, and then to reduce the amount of student loans included in such student's financial aid package.

Sec. 28. Sections 32-4e and 32-4h of the general statutes are repealed.  
(*Effective from passage*)

Governor's Action:  
Approved June 2, 2026