



**THE CONNECTICUT DEPARTMENT OF  
ECONOMIC AND COMMUNITY DEVELOPMENT**

**LEGISLATIVE SUMMARY**

**1998**

John G. Rowland  
Governor

James F. Abromaitis  
Commissioner

June 1998

The 1998 Legislative session will be remembered as a watershed event for the Department of Economic and Community Development (the "DECD"). The DECD's well-planned and comprehensive efforts to improve Connecticut's business climate through enactment of cluster economic development legislation were successful. Cluster economic development is a theory of economic development that is designed to aide innovative businesses related by a common technology, market or need by focusing on productivity and efficiency. In a remarkable bi-partisan effort, Connecticut's business community, the General Assembly and Governor Rowland embraced the Department's cluster initiative and passed an array of measures that will raise Connecticut to the top tier of states in which to start or grow a business. Governor Rowland stated that a half-century from now, people will look back at the cluster act and hail it as one of the most important pieces of legislation enacted by the Connecticut Legislature.

Other important legislation included the establishment of a regional revolving loan fund, electric deregulation and reductions in certain business taxes. In addition, the Legislature took important steps to revitalize our cities with an act designed to stimulate growth in Hartford, New Haven and Bridgeport.

It is with continued efforts such as the cluster initiative that the Rowland Administration, the General Assembly, and the DECD can work to build a better future for all of Connecticut. My appreciation to all who assisted in furthering the goals of the Department during the legislative session.

James F. Abromaitis  
Commissioner

## **LEGEND**

AAC	- “An Act Concerning . . .”
Commissioner	- Unless otherwise defined, is the Commissioner of DECD
CDA	- the “Connecticut Development Authority”
CII	- “Connecticut Innovations Inc.”
DECD	- the “Department of Economic and Community Development”
DEP	- the “Department of Environmental Protection”
Department	- DECD
DRS	- the “Department of Revenue Services”
DSS	- the “Department of Social Services”
G.O. bonds	- General Obligation Bonds
HB	- “House Bill”
MAA	- the “Manufacturing Assistance Act”
OPM	- the “Office of Policy and Management”
PA	- “Public Act”
PIC	- “Passive Investment Company”
SB	- “Senate Bill”
SA	- “Special Act”

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**Special Act 98-9**

**(HB 5039)**

**AN ACT CONCERNING THE AUTHORIZATION OF BONDS OF THE STATE  
FOR CAPITAL IMPROVEMENTS AND OTHER PURPOSES**

The legislation grants DECD an additional \$5 million in bond funds for the Department's general housing development and rehabilitation program. This is an increase from \$15 million to \$20 million.

EFFECTIVE DATE: July 1, 1998

**Public Act 98-259**

**(HB 5038)**

**AN ACT INCREASING CERTAIN BOND AUTHORIZATIONS FOR CAPITAL IMPROVEMENTS**

The act increases DECD's MAA Fund allotment by an additional \$4 million as of July 1, 1998. The MAA program is used by the Department to aid business development projects across the state.

EFFECTIVE DATE: July 1, 1998

**AN ACT MAKING ADJUSTMENTS TO THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 1999**

The Department's budget was revised to include the following:

1. \$3 million for Industry Cluster operating expenses.
2. \$150,000 for the Film Commission’s continued operation.
3. The Elderly Rental Registry and Counselors receives \$500,000 to fund the counselors’ salaries and \$50,000 to establish the registry.
4. \$50,000 to fund a dock in Norwalk for the tall ship ENDEAVOUR.
5. Minor increases occurred in the Personal Services and Other Expenses areas. A transfer of funds (about \$350,000) from the Congregate Housing Operation Costs to the Elderly Congregate Rent subsidies occurred as well. This transfer, a function of the normal interaction between the two programs, was necessary in order to transfer subsidies from the operating cost to tenant accounts.

The FY 1998-99 Budget reads as follows:

Personal Services	5,611,807
Other Expenses	3,209,937
Elderly Rental Registry and Counselors	550,000
Industry Clusters	3,000,000
Film Commission	150,000
Freedom Trail	100,000
Economic Information Systems	80,000
CT Science Park	70,000
Entrepreneurial Centers	215,000
Institute for Community and Regional Development	60,000
Independent Living Handicapped Persons	56,250
Congregate Facilities Operation Costs	3,465,540
Housing Assistance and Counseling Program	75,000
Elderly Congregate Rent Subsidy Payments to Local Governments	1,296,499
Tax Abatement	2,243,276
Payment in Lieu of Taxes	2,900,000
Endeavour Dock	<u>50,000</u>
TOTAL	23,133,309

EFFECTIVE DATE: July 1, 1998



**AN ACT CONCERNING DEPARTMENT OF ECONOMIC AND COMMUNITY  
DEVELOPMENT ADMINISTRATIVE OVERSIGHT CHARGES**

The act eliminates the July 1, 1999 phase-out of the administrative oversight fee. The administrative oversight fee is a fee charged by DECD to provide for regulation and financial oversight of the non-profit organizations, for-profit organizations, developers and local housing associations that administer DECD-funded housing. Current law sets the fee at not more than \$7 per housing unit, per month from July 1, 1998 until June 30, 1999. The fee would have then been eliminated on July 1, 1999. This act sets the fee at not more than \$5 per unit, per month as of July 1, 1998.

EFFECTIVE DATE: July 1, 1998

**AN ACT CONCERNING AN EDUCATION PILOT PROGRAM, HOUSING OPPORTUNITIES FOR THE ELDERLY AND DISABLED PERSONS, CONSTRUCTION OR ALTERATION OF STATE BUILDINGS, POLICE OFFICERS AND FIRE FIGHTERS INJURED OR RENDERED SICK IN THE LINE OF DUTY, INJURY TO CERTAIN STATE OFFICIALS AND EMPLOYEES, GOVERNOR'S BUDGET MESSAGE, STATE AGENCY CONTACTS, PAYMENTS FROM MASHANTUCKET PEQUOT AND MOHEGAN FUND, GRANT PROGRAM TO MUNICIPALITIES, COMMISSARIES AT CORRECTIONAL FACILITIES, SCHOOL DISTRICTS IN THE DEPARTMENT OF CORRECTION AND A TEACHER PILOT PROGRAM**

This act is the OPM “implementer” bill (describes in detail how nominal budget allocations are to be spent). Sections 2, 3 and 4 are relevant to DECD.

Section 2 defines procedures for creating the statewide database of information on the availability of housing adaptable to the disabled.

Sections 3 and 4 require the Commissioner to hire resident service coordinators to aid individuals living in elderly housing in maintaining their independent living status.

The appropriation for these projects is located in Special Act 98-6, AA Making Adjustments to the State Budget for the Biennium Ending June 30, 1999.

EFFECTIVE DATE: July 1,1998

**Public Act 98-58**

**(SB 376)**

**AN ACT CONCERNING CERTAIN TRUST OFFICERS OF FOREIGN BANKING CORPORATIONS AND CLARIFYING THE APPLICABILITY OF THE CONNECTICUT UNIFORM PRUDENT INVESTOR ACT**

Connecticut's current interstate banking law allows out-of-state banks, with the approval of the Banking Commissioner, to establish branch offices in Connecticut as long as the bank's home state reciprocates under conditions no more restrictive than Connecticut's as determined by the Banking Commissioner.

The act allows the Banking Commissioner to waive the reciprocity requirement for a new branch that exercises only fiduciary or trust powers. In accordance with the act, an out-of-state bank that opens a branch, under the stipulation of the waiver, can also open additional branches in the state as long as their activities are limited to fiduciary or trust powers.

The act also allows trust assets to be invested in any property that conforms to the Uniform Prudent Investor Act.

EFFECTIVE DATE: Upon Passage

**AN ACT CONCERNING BROWNFIELDS REMEDIATION AND RECYCLING  
AND A REGIONAL ECONOMIC DEVELOPMENT ASSISTANCE REVOLVING  
FUND**

The act is designed to promote the redevelopment of contaminated real property in Connecticut. CDA is authorized to create a subsidiary to finance and facilitate the redevelopment of contaminated real property as part of a strategy enabling municipalities and developers to remediate selected properties that have the greatest potential for successful remediation.

Key points of the legislation are:

1. Towns may forgive delinquent real property taxes and interest on contaminated property being remediated by purchasers.
2. Properties conveyed to CDA, towns or state agencies are exempted from the Hazardous Waste Transfer Act. The Hazardous Waste Transfer Act is a program in which a seller and buyer of a contaminated property are required to register with the DEP their knowledge of a property's contamination.
3. A cost-free covenant-not-to-sue option for situations of existing contamination prior to ownership by a business is created and a requirement is placed upon the DEP to enter into a non-transferable covenant with these parties.
4. An exemption from remediation costs imposed by the State is granted to lenders who hold a security interest or interest by foreclosure.
5. Allows CDA to utilize its Environmental Assistance Revolving Loan Fund to make grants and provide other assistance to towns and businesses for the purpose of remediation activities and administrative costs.
6. The DECD and the DEP are required to jointly identify urban sites known or suspected of having "environmental contamination which, if remediated, will improve the urban environment."

The act also established a Regional Revolving Loan fund. This fund would be used to provide financial assistance to non-profit businesses or communities. The loans would not exceed \$250,000 per individual loan. No appropriation has been made to fund this program.

EFFECTIVE DATE: Upon Passage

**AN ACT CONCERNING ELECTRIC RESTRUCTURING**

The act restructures the electric industry to allow consumers to choose their electric suppliers. Up to 35% of each electric company's peak load customers, consisting of mostly commercial customers located in distressed municipalities, will be able to choose starting January 1, 2000. All consumers will be able to choose starting July 1, 2000.

Each electric company must unbundle (separate) its generation component from the rest of the company. The generation component is subject to competition from other suppliers. The remaining component, called a distribution company, continues to be regulated as a utility by the Department of Public Utility Control (DPUC).

From July 1, 1998, until January 1, 2000 rates are capped at their December 31, 1996 levels. Starting January 1, 2000, each distribution company must provide service under a "standard offer" to customers who choose this option, who do not arrange for service from a supplier, or who do not maintain such service. Under the standard offer, distribution companies must reduce their total rates by at least 10% compared to rates in effect December 31, 1996. This requirement runs for four years. DPUC must adjust rates under the standard offer to reflect changes in taxes and fuel costs and can adjust them to reflect other costs. Starting January 1, 2004, distribution companies must procure power for consumers who do not obtain service from competitive supplier, but can charge market rates for this power.

The act gives electric companies an opportunity to recover their stranded costs (costs incurred prior to deregulation that assumed a continued monopoly). These are costs that are currently in electric rates that would not otherwise be recoverable in a competitive market in a competitive environment.

EFFECTIVE DATE: July 1, 1998

**AN ACT CONCERNING ECONOMIC CLUSTERS, THE CONNECTICUT-ISRAEL EXCHANGE COMMISSION AND A TWENTY-FIRST CENTURY ACTION PLAN COMMISSION**

This act was DECD's most important piece of legislation during the 1998 session. The "Cluster Bill" was designed to bring into reality many of the legislative recommendations outlined in "Partnership for Growth: Connecticut's Economic Competitiveness Strategy." Partnership for Growth, the product of over a year's work by more than 120 industry leaders, was an assessment of Connecticut's economic competitiveness and outlook. The study contained more than 70 recommendations to improve Connecticut's long-term prospects as a location for start-up businesses and significant job growth. The major components of this legislation are:

1. The full 6% Research and Development tax credit was expanded to apply to companies with \$100 million or less in revenues. (P.A. 98-110)
2. The 15-year carry forward for the 20% research and experimentation/incremental tax credit was expanded to all Connecticut taxpayers (the law had limited this carry forward to biotech companies only). (P.A. 98-110)
3. \$20 million of CII bond funds were reauthorized to allow their use for the creation of laboratory space.
4. \$ 4 million was added to the MAA fund for DECD cluster activities. (P.A. 98-259)
5. An additional \$3 million was added to the DECD's budget to spend on cluster "activation" and other cluster related activities. (S.A. 98-6)
6. The MAA was modified to allow MAA funds to be used for any cluster development-related activity.
7. DECD is to conduct a cost/benefit study to be completed no later than January 15, 1999, regarding "various business incentives for the economic clusters identified by DECD." (P.A. 98-110)
8. The maximum amount that may be spent on the CONN/STEP was increased from \$1 to \$4 million. (Technical changes were made to state law to clarify the connection between federal and state law with regard to the CONN/STEP program.)
9. An allocation not exceed \$70,000 shall be made to the Connecticut-Israel Exchange Commission to assist in establishing an office to develop strategic business relationships between Connecticut and Israeli businesses.

10. A Twenty-First Century Action Plan Commission was formed to study the long-term requirements for, and the potential of Connecticut's growth and prosperity in order to make the state a world leader in next century.

**EFFECTIVE DATE:** The act took effect upon passage except for support of the Connecticut-Israel Exchange Commission, which takes effect on July 1, 1998.

**AN ACT CONCERNING DESIGNATION OF PROPERTIES AS  
MANUFACTURING PLANTS AND DESIGNATION OF ENTERPRISE ZONES  
AND CONCERNING ASSESSMENT OF MANUFACTURING FACILITIES IN  
ENTERPRISE ZONES**

The act extends enterprise zone benefits in four ways.

Section 1 allows municipalities with a population of less than 20,000 that borders a municipality with an enterprise zone to petition the Commissioner to designate properties that meet specific criteria as manufacturing plants eligible for enterprise zone benefits.

Section 2 extends, for five years, the property tax abatement for facilities located in a distressed municipality, targeted investment community or enterprise zone that manufacture medicinal chemicals and botanical products and have at least 1,000 full-time employees. The Commissioner can approve the extension, in accordance with applicable regulations, as long as the employees have not been relocated from another facility in the state.

Section 3 broadens the circumstances under which a municipality that borders an enterprise zone in another town can designate adjacent census tracts as an enterprise zone. Adjacent census tracts will be granted designation if approved by the Commissioner and the legislative body of the municipality containing the enterprise zone.

Section 4 allows business facilities located in buildings that were formerly used for defense manufacturing and are vacant on the effective date of the act to be designated as manufacturing facilities and, therefore, eligible for enterprise zone benefits.

EFFECTIVE DATE: October 1, 1998



**AN ACT REVISING THE DEFINITION OF DISPLACED PERSON AND CONCERNING THE ONE-STOP BUSINESS REGISTRY AND GUARANTEES ISSUED UNDER THE CONNECTICUT WORKS GUARANTEE FUND**

The act contains three main sections:

Section 1 redefines a "Displaced Person" under the Uniform Relocation Assistance Act. The new language narrows the definition so that a business which moves its personal property from real property acquired by a state agency at the end of its lease or is evicted as a result of an eviction for nonpayment of rent is no longer defined within the category of "Displaced Person."

Section 2 allows DECD and OPM to contract with private entities for the purpose of establishing a business registry.

Section 3 eliminates the sunset provision in the Connecticut Works Guarantee Program. The program was created to encourage the growth and retention of manufacturing firms and other businesses in the State of Connecticut that are unable to obtain financing through traditional means. The program was due to expire on June 30, 1998.

**EFFECTIVE DATE:** Sections 1 and 2 shall take effect October 1, 1998. Section 3 is effective upon passage.

**AN ACT CONCERNING THE EXPENDITURES OF THE DEPARTMENT OF SOCIAL SERVICES**

Section 1(a) of the act authorizes the Commissioners of DSS and DECD, in collaboration with CHFA, to establish a demonstration project to provide subsidized assisted living services for people residing in affordable housing. The demonstration projects will be conducted in three municipalities determined by the Commissioner of DSS and will be limited to a maximum of three hundred dwelling units. Applicants are subject to the same age and income requirements as the Connecticut home care program for the elderly.

Section 1(b) requires that the Commissioner of DSS enter into a memorandum of understanding with the Commissioner of DECD and with CHFA. The Memorandum of Understanding (MOU) must state that the DECD will provide rental subsidy certificates or rental assistance and that CHFA will provide second mortgage loans for housing projects already funded by the authority. CHFA must issue a Request for Proposal (RFP) for persons or entities interested in participating in the project.

Section 2 deals with the reporting requirements of the act. By January 1, 2001 the DECD Commissioner must submit an interim status report to the Commerce, Human Services and Appropriations Committees of the Connecticut General Assembly. By January 1, 2003, a more detailed report must be issued to the same committees. This report must analyze the strengths and weaknesses of the project and include data on the number of people served the number and types of services offered and the monthly cost per individual.

It is expected that DECD will provide a pass-through to CHFA of approximately \$12.5 million in general obligation bonds in the next biennial budget. This is in addition to the rental assistance referenced in the bill.

EFFECTIVE DATE: Upon Passage

**AN ACT CONCERNING LIMITS FOR MODERATE RENTAL HOUSING AND AUTHORIZING THE TRANSFER OF RICE HEIGHTS**

Section 1 of this legislation allows for a change in the way maximum income limits are set for tenants of moderate rental housing. It allows the Commissioner to set these limits at 80% of the area's median income adjusted for family size. It also allows developers of moderate rental housing or housing authorities to propose a different maximum income limit for their rental units. In establishing exceptions to the maximum income limits, the Commissioner must take into account the following: the latest average wage computed by the Labor Commissioner for the applicable town; the number of vacant units in the authorities' projects; the number of applications for admission or continued occupancy refused because of income and the latest area median income determined by the United States Department of Housing and Urban Development (HUD).

Section 3 of the act also authorizes the Hartford Housing Authority to transfer property known as Rice Heights to the Commissioner of Economic and Community Development and allows him to accept the transfer and operate and manage the property. In consideration for such transfer, the state shall cancel the outstanding principal, interest and late charges owed by the authority on the property. The act allows the Commissioner to plan and carry out the demolition of existing buildings and construct new buildings on the site. The Commissioner may also select a developer(s) to carry out all or part of the redevelopment of the property.

The legislation allows the Commissioner to sell any housing developed and requires him to give families living in Rice Heights priority in renting or buying a new unit. During construction, families will be relocated to living spaces in current available housing projects.

**EFFECTIVE DATE:** July 1, 1998 except for Rice Heights provisions which are effective upon passage.

**AN ACT ALLOWING INDIVIDUALS WHO WORK IN CONGREGATE HOUSING TO DEDUCT THEIR EARNINGS FROM INCOME CALCULATIONS FOR SUCH HOUSING**

The act allows congregate housing residents who are also employed by the same congregate facility to deduct up to \$200 a month of their earnings from such employment for purposes of determining their income for continued occupancy in the facility. The deduction cannot be more than the amount actually earned for the employment.

Eligibility for state-assisted congregate housing is limited to people over 62 years of age whose income is no more than 80% of the area median income and who have difficulties with one or more essential activities of daily living such as bathing, grooming, dressing or feeding themselves or moving around. The facilities generally provide residents with an independent apartment with a kitchen and a bath, as well as at least one meal a day in a common dining room, some housing assistance, and personal services.

EFFECTIVE DATE: July 1, 1998

**AN ACT CONCERNING AN INCOME EXCULSION FOR CERTAIN HOUSING TENANTS AND EVICTIONS FROM HOUSING PROJECT FOR THE ELDERLY**

The act allows housing authorities and developers operating state-assisted housing projects to evict any occupant who is convicted of selling or possession illegal drugs anywhere while residing in the project. The developers must comply with the eviction statutes when evicting occupants for these reasons, as well as other remedies provided for in the statutes.

The act bars anyone from moving into state-assisted housing that has been convicted of selling or possessing illegal drugs in the past two years. Currently, state law bars individuals who (1) currently use illegal drugs, (2) currently abuse alcohol and have a recent history of behaving in ways which threaten other or would seriously damage property, or (3) otherwise have a recent history of the latter.

The legislation limits the extent to which housing authorities and non-profit developers operating state-assisted, multi-family projects can increase the rents for families whose incomes increase due to employment while receiving general or public assistance. The act specifies the time period for the limitation.

EFFECTIVE DATE: October 1, 1998

**AN ACT CONCERNING LANDLORD AND TENANT**

The act establishes a new offense of third degree criminal damage of a landlord's property. To commit this offense, a tenant must recklessly cause damages in excess of \$250 to a landlord's tangible property with no reason to believe he (the tenant) had no right to do so. Third-degree criminal damages is a Class B misdemeanor, punishable by up to six months imprisonment, a \$1,000 fine or both. The act specifies that it does not preclude tenants who commit this crime from being prosecuted under other applicable statutes.

The act makes it second degree criminal damage of a landlord's property for a tenant to recklessly cause damage in excess of \$1,500 to the landlord's property. A tenant continues to be guilty of second-degree criminal damage if he intentionally causes damage in excess of \$250 to such property. Second-degree criminal damage is a Class A misdemeanor punishable by up to one imprisonment, a \$2,000 fine, or both.

The act makes technical changes to the statutes in relation to the certificate of occupancy for apartments.

EFFECTIVE DATE: July 1,1998

**AN ACT PROVIDEING FOR REDUCTIONS IN TAXES FOR INDIVIDUALS AND BUSINESSES**

The act makes modifications to various taxes. Points important to DECD are as follows:

Sections 11, 14 and 19 provide for a single factor apportionment formula for financial services companies based principally on the location of the business's customers (as opposed to the current formula which is based on where services are performed regardless as to where customers are located.)

Section 12 establishes an exemption from Corporation Business Taxes for certain mortgage "Passive Investment Companies" ("PICs") and for dividends received from passive investment companies. A PIC is a corporation that is related to a bank or other financial service company that employs not less than five persons in Connecticut.

Section 13 exempts domestic insurers from the Corporation Tax increases of the Premium Tax of small companies, who will no longer be able to credit 80% of the Corporation Tax against Premium Tax.

Section 22 extends the carry-forward for up to 15 years of the research and experiment credit to any corporation, effective January 1, 2000.

Section 23 extends the 6% research and development credit to qualified small businesses, defined as firms with a gross income of under \$100 million, effective January 1, 2000.

Section 24 states that the DECD, in consultation with the Department of Revenue Services, shall conduct a cost benefit analysis of the various business incentives for the economic clusters identified by the DECD and shall report its findings to the joint standing committee of the General Assembly having cognizance of matters relating to Finance, Revenue and Bonding no later than January 15, 1999.

**EFFECTIVE DATE:** The act shall takes effect upon passage except section 11 to 13, inclusive, shall be applicable to income years commencing on or after January 1, 1999; section 14 shall be applicable to income years commencing on or after January 1, 1999, and prior to January 1, 2001; and sections 22 and 23 shall be applicable to income years commencing on or after January 1, 2000.

**AN ACT CONCERNING THE EXTENSION OF THE TAX INCREMENTAL FINANCING PROGRAM**

The act consists of several major components that represent a multi-billion dollar private-public investment in Hartford, New Haven and Bridgeport.

**1. Hartford**

The legislation creates a Capital City Economic Development Authority (CCEDA) to oversee the development of six projects in the city. The projects are (1) constructing a convention center, parking garage, hotel and sports megaplex; (2) establishing a downtown higher education center; (3) renovating the civic center and coliseum; (4) developing and improving riverfront infrastructure; (5) creating up to 1,000 units of downtown housing; and (6) adding downtown parking capacity.

The act designates an area of Hartford in which the projects may be located. The district, known as the Capitol City Economic Development District, encompasses the area between the Connecticut River from the Bulkeley Bridge south to Dillon Stadium and Colt Park and west to the State Capitol and the railroad right-of-way intersection.

The act authorizes \$300 million in state general obligation bonds for these projects and permits the authority to issue its own revenue bonds for the convention center. The \$155 million in General Obligation bonds (G.O. bonds) for the convention center cannot be issued until CCEDA receives legally enforceable commitments for at least \$210 million in private investment. Riverfront improvements require matching funds.

It establishes a “fast-track” construction process for the downtown higher education center and expedites the process for obtaining state licenses and permits and actions on applications.

**2. New Haven**

CDA, CII and DECD are authorized to offer assistance exceeding \$10 million for the Long Wharf Mall Project. The act allows the city of New Haven to apply for funding in the form of Tax Incremental Financing for infrastructure improvements in relation to the Long Wharf Mall.

**3. Bridgeport**

The act authorizes two new tax increment financing (TIF) mechanisms to finance the development of the Steel Point Project. It allows the CDA to issue bonds, with the State Bond Commission’s approval, backed by specified state taxes. The Steel Point



Project is designed to transform the blighted Steel Point site into an area that will encompass four hotels, an entertainment center and a maritime center/museum.

The act gives CDA until January 1, 2003 to issue TIF bonds for the Steel Point Project. It allows the City of Bridgeport to issue TIF bonds for the project backed by real and personal property tax revenues generated in the area.

The legislation authorizes CDA, CII and the DECD to provide over \$10 million in financial assistance for Steel Point.

EFFECTIVE DATE: Upon Passage

**AN ACT CONCERNING FINANCIAL MATTERS RELATING TO  
INSTITUTIONS OF HIGHER EDUCATION AND CONCERNING THE  
CONVEYANCE OF CERTAIN PARCELS OF STATE LAND**

Section 21 of the legislation allows the Commissioner of DECD to be able to deliver the property of 88 – 102 Smith Street in Bridgeport to a non-profit developer.

The Smith Street Development was built more than 30 years ago as a demonstration project for modular housing. The land was leased from the city and units were owned by the Department of Community Affairs and rented out. The City of Bridgeport, the Bridgeport Housing Authority and the state have attempted to transfer this property to a developer that will take title to the entire property. However, we have lacked the statutory authority to do so. This act provides that authority only for the Smith Street transfer.

EFFECTIVE DATE: Upon Passage