



# OLR RESEARCH REPORT

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## 2010 LEGISLATION AFFECTING BUSINESS

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You asked for a list of major 2010 legislation affecting business.

The table below lists major 2010 legislation affecting business, divided by bills that passed (including those that were vetoed) and those that were favorably reported but did not pass. The table further divides the bills by policy areas, such as banking and economic development and labor and workforce.

**Table 1: Major 2010 Legislation Affecting Business**

<i>Policy Area</i>	<i>Bills That Passed</i>	<i>Bills That Did Not Pass</i>
Banking and Economic Development	<p><b>PA 10-75, AAC the Recommendations of the Majority Leaders' Job Growth Round Table:</b></p> <p>Authorizes:</p> <ul style="list-style-type: none"> <li>● Up to \$ 5 million in bonds for pre seed financing</li> <li>● Tax credits for investing in: <ul style="list-style-type: none"> <li>○ Start up businesses (angel tax credits)</li> <li>○ Expanding businesses (insurance reinvestment tax credits)</li> </ul> </li> <li>● Up to \$ 15 million in bonds for small business loans and lines of credit</li> <li>● Tax credits for hiring new employees, including those with disabilities</li> </ul> <p><b>PA 10-98, AA Establishing Bradley</b></p>	<p><b>sSB 236, AA Establishing a Connecticut Safe Harbor Fund:</b></p> <ul style="list-style-type: none"> <li>● Establishes General Fund account for purchasing defaulted and other loans from community banks</li> </ul> <p><b>SB 271, AAC Treasurer's Trust Preferred Security Purchase Program:</b></p> <ul style="list-style-type: none"> <li>● To help banks raise capital, allows sale of Connecticut trust preferred securities to certain state trust funds and authorizes the state treasurer, as principal trustee of the trust funds, to acquire the securities issued under the program</li> </ul> <p><b>SB 327, AAC Consolidation of Economic Development Entities</b></p> <ul style="list-style-type: none"> <li>● Consolidates the state's economic development agencies in a new quasi-public</li> </ul>

<p><b>Development Zone:</b></p> <ul style="list-style-type: none"> <li>● Creates multi-town Bradley International Airport Development Zone and extends enterprise zone property tax exemptions and corporation business tax credits to businesses developing facilities and creating jobs there</li> </ul> <p><b>PA 10-145, AAC the Office of Small Business Affairs and Establishing the Small Business Advisory Board:</b></p> <ul style="list-style-type: none"> <li>● Among other things, requires Department of Economic and Community Development's Small Business Affairs Office to: <ul style="list-style-type: none"> <li>○ provide a single contact point for small businesses seeking financial and technical assistance from state and quasi-public agencies,</li> <li>○ coordinate all state small business revolving loan funds, and</li> <li>○ establish an informational webpage listing all small business resources with appropriate links</li> </ul> </li> </ul> <p><b>PA 10-162, AA Triggering Certain Economic Development Programs and Extending the Deadlines for Certain Tax Exemptions</b></p> <ul style="list-style-type: none"> <li>● Extends enterprise zone property tax exemptions and corporation business tax credits to businesses acquiring or developing facilities in municipalities hurt by major aerospace or defense plant closings, as determined by the DECD commissioner based on statutory criteria</li> </ul> <p><b>PA 10-168, AAC Regional Economic Development:</b></p> <ul style="list-style-type: none"> <li>● Allows regional planning organizations and nonprofit economic development corporations to access federal dollars by</li> </ul>	<p>agency</p> <p><b>sSB 455, AAC the Connecticut Sports and Marketing Authority:</b></p> <ul style="list-style-type: none"> <li>● Creates the Connecticut Sports and Marketing Corporation to promote, attract, retain, and market all levels of sports and sporting events in the state</li> </ul> <p><b>HB 5050, AA Establishing a Revolving Loan Fund For Nonprofit Economic and Community Development Organizations and Certain Lenders:</b></p> <ul style="list-style-type: none"> <li>● Authorizes competitive small business revolving loan fund for nonprofit economic and community development organizations</li> </ul>
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	<p>designating regional districts and preparing strategic plans</p> <p><b>PA 10-190, AAC State Contracts for Micro Businesses, Utility Deposits for Connecticut Businesses, and the Creation of a Small Business Recovery Program:</b></p> <ul style="list-style-type: none"> <li>● Requires Public Works Department selection panels to consider businesses grossing less than \$ 3 million annually when selecting consultants pre-qualified to work on projects</li> </ul>	
Business and Consumers	<p><b>PA 10-52, AA Increasing the Penalties for Violations of the No Sales Solicitations Calls Act:</b></p> <ul style="list-style-type: none"> <li>● Imposes a fine of up to \$ 11,000 for violating the “Do Not Call” registry</li> </ul> <p><b>PA 10-148, AAC Retainage:</b></p> <ul style="list-style-type: none"> <li>● Lowers maximum retainage allowed in commercial construction contracts from 7.5% to 5%</li> </ul> <p><b>PA 10-177, AAC Organized Retail Theft:</b></p> <ul style="list-style-type: none"> <li>● Establishes two new crimes, organized retail theft and accessory to organized retail theft</li> </ul> <p><b>PA 10-181, AAC Foreclosure Mediation:</b></p> <ul style="list-style-type: none"> <li>● Extends and modifies the judicial foreclosure and mediation program created in 2008 to help homeowners struggling to keep up with their mortgages</li> </ul>	<p><b>sHB 5130, AAC Child Safe Products:</b></p> <ul style="list-style-type: none"> <li>● Phases out use of certain chemicals in children's products</li> <li>● Authorizes Public Health Department to adopt regulations establishing list of priority chemicals of high concern to children's health and development</li> </ul> <p><b>sHB 5227, AA Prohibiting Penalty Fees in Certain Consumer Contracts:</b></p> <ul style="list-style-type: none"> <li>● Prohibits anyone engaged in trade or commerce from charging a restocking or any other fee associated with returning goods, if the goods were (1) received by the original purchaser in defective condition or (2) not those offered for sale by the seller to the purchaser</li> <li>● Requires sellers to post restocking or other fees associated with returning goods in bold or underlined print on their refund or exchange policy</li> </ul>
Elections	<p><b>PA 10-187, AAC Independent Expenditures:</b></p> <ul style="list-style-type: none"> <li>● Removes ban on independent expenditures by businesses, unions, and other organizations in conformance with recent U. S. Supreme Court decision</li> </ul>	
Energy	<p><b>PA 10-97, AAC Reducing Electricity Costs and Promoting Renewable Energy</b></p>	<p><b>sSB 463, AAC Financing Efficiency and</b></p>

	<p>— <b>VETOED:</b></p> <ul style="list-style-type: none"> <li>• Authorizes wide range of initiatives to promote energy renewal, particularly solar energy and fuel cells, funded in part by electric rates</li> </ul> <p><b>PA 10-179, AA Making Adjustments to State Expenditures for the Fiscal Year Ending June 30, 2011:</b></p> <ul style="list-style-type: none"> <li>• Among other things, authorizes state bonds funds for guaranteeing loans for energy conservation projects undertaken by businesses and other eligible participants</li> </ul> <p><b>PA 10-190, AAC State Contracts for Micro Businesses, Utility Deposits for Connecticut Businesses, and the Creation of a Small Business Recovery Program:</b></p> <ul style="list-style-type: none"> <li>• Among other things, prohibits a utility company, other than a telephone company, from requiring nonresidential customers to pay a deposit greater than the amount the company charges for 1.5 months of service</li> </ul>	<p><b>Renewal Energy:</b></p> <ul style="list-style-type: none"> <li>• Requires electric companies to establish a program providing loans for a wide variety of energy efficiency and renewal energy technologies installed here</li> <li>• Expands scope of program providing incentives for distributed resources, such as on-site generation technologies</li> </ul>
Environment	<p><b>PA 10-87, AAC Private and Municipal Recycling, Zoning Ordinances and Solid Waste Collection Contracts</b></p> <ul style="list-style-type: none"> <li>• Expands the types of items that must be recycled; requires garbage collectors to handle recyclables; and prohibits towns from passing ordinances unreasonably limiting the size of, or access to, recycling receptacles</li> </ul> <p><b>PA 10-158, AAC the Permit and Regulatory Authority of the Department of Environmental Protection and Establishing an Office of Permit Ombudsman within the Department of Economic and Community Development:</b></p> <ul style="list-style-type: none"> <li>• Requires expedited permitting for economic development projects and establishes an office of permit ombudsman</li> </ul>	<p><b>sSB 206, AAC Local Land Use Agencies and the Siting of Telecommunications Towers:</b></p> <ul style="list-style-type: none"> <li>• Allows local zoning commissions or inland wetlands agencies to regulate and restrict proposed telecommunication tower sites having substantial adverse environmental effects</li> </ul>

	<p>to coordinate the process</p> <ul style="list-style-type: none"> <li>● Sets timeframes for completing specific tasks in the environmental permitting process</li> <li>● Authorizes various forms of regulatory relief, including extended expiration dates for general permits</li> <li>● Requires DEP to adopt water quality standards in regulations</li> </ul>	
Insurance	<p><b>PA 10-1, AAC State Continuation of Group Health Insurance Coverage, Appointments to Legislative Commissions, Property Tax Exemptions and the Effective Dates for Bonds for Resurfacing:</b></p> <ul style="list-style-type: none"> <li>● Specifies that the federal American Recovery and Reinvestment Act requires insurers, HMOs, and group health insurance policy administrators subject to the state continuation law must comply with the act's subsidy and notice requirements for coverage available through the Consolidated Omnibus Budget Reconciliation Act (COBRA)</li> </ul> <p><b>PA 10-04, AAC Premium Quotes and Information for Small Employer Health Insurance Coverage:</b></p> <ul style="list-style-type: none"> <li>● Establishes information clearinghouse for people and small businesses about health insurance policies and health care available in Connecticut</li> </ul> <p><b>PA 10-13, AA Extending State Continuation of Health Insurance Coverage:</b></p> <ul style="list-style-type: none"> <li>● Extends the period during which certain people and their dependents may continue group health insurance under the state's "mini-COBRA" law from 18 to 30 months</li> </ul>	<p><b>sSB 15, AAC Prescription Drug Copayments:</b></p> <ul style="list-style-type: none"> <li>● Prohibits certain health insurance policies and medical contracts from imposing payment provisions or conditions for prescriptions obtained from one retail pharmacy that are more restrictive than those imposed for prescriptions obtained from another retail pharmacy and</li> <li>● Applies this ban to individual health insurance policies and group medical benefits contracts covering prescription drugs that insurers, hospital or medical service corporations, or HMOs issue</li> </ul>
Labor and Workforce	<p><b>PA 10-12, AA Implementing the Recommendations of the Joint Enforcement Commission on Employee</b></p>	<p><b>sSB 61, AA Removing the Requirement of Employer or Insurer Preapproval for the Provision of Certain Medical Examinations</b></p>

	<p><b>Miscalculation:</b></p> <ul style="list-style-type: none"> <li>● For workers compensation purposes, subjects employers who misclassify employees to the state to the same penalty imposed on those who misclassify employees to insurance companies</li> </ul> <p><b>PA 10-75, AAC the Recommendations of the Majority Leaders' Job Growth Round Table:</b></p> <ul style="list-style-type: none"> <li>● Provides loan reimbursements and grants to Connecticut students working in energy technology and related fields</li> </ul>	<p><b>and Treatment to Injured Workers:</b></p> <ul style="list-style-type: none"> <li>● Requires insurers or employers to provide routine medical exams or treatment in cases when the parties agree that the employee's injury is work related</li> </ul> <p><b>sSB 63, AA Mandating Employers to Provide Paid Sick Leave to Employees:</b></p> <ul style="list-style-type: none"> <li>● Requires all employers with 50 or more employees in the state to provide their employees with paid sick leave that accrues at a rate of one hour for each 40 hours worked.</li> </ul> <p><b>SB 242, AAC Retention of Jobs in Connecticut:</b></p> <ul style="list-style-type: none"> <li>● Among other things, requires privatization contracts with state to prohibit originating or providing services from outside U. S. and makes noncompliance material breach that voids contracts and requires contractors to pay damages</li> </ul>
Public Health		<p><b>sSB 245, AAC Smoking in Workplaces:</b></p> <ul style="list-style-type: none"> <li>● Bans smoking in workplaces regardless of the number of employees in the business facility</li> </ul>
Taxation	<p><b>PA 10-45, AAC Preservation and Creation of Jobs in Connecticut—VETOED:</b></p> <ul style="list-style-type: none"> <li>● Imposes two-year tax in lieu of regular state income tax on certain bonuses of \$ 500,000 or more paid to Connecticut taxpayers from businesses that received TARP funding and</li> <li>● Exempts certain businesses with annual incomes of \$ 50,000 or less from the \$ 250 business entity tax for two years</li> </ul>	<p><b>HB 5481, AAC the Collection and Remittance of the Sales Tax by Remote Sellers</b></p> <ul style="list-style-type: none"> <li>● Requires certain remote sellers who have no physical presence in Connecticut (e. g. , those who sell on the Internet) to collect Connecticut sales tax on their taxable sales in Connecticut</li> </ul> <p><b>sHB 5483, AAC a Regional Hotel Tax:</b></p> <ul style="list-style-type: none"> <li>● Increases the hotel tax from 12% to 15% and redistributes specified shares of the revenue to municipalities and regional planning organizations</li> </ul> <p><b>sSB 433, AAC the Burden of Proof in Tax</b></p>

		<p><b>Appeals</b></p> <ul style="list-style-type: none"><li>● Establishes that the taxpayer's burden to prove facts in any tax appeal is by a preponderance of the evidence, unless the law in question specifically establishes a different burden</li></ul> <p><b>sSB 434, AAC the Real Estate Conveyance Tax:</b></p> <ul style="list-style-type: none"><li>● Extends the expiration date of the basic 0.25% municipal real estate conveyance tax rate for two years, until July 1, 2012 and consequently maintains the optional rate of up to 0.5% in 18 municipalities for the same period</li></ul> <p><b>sSB 445, AA Enhancing the Ability of the Department of Revenue Services to Collect Outstanding Taxes</b></p> <ul style="list-style-type: none"><li>● Allows Revenue Services Department to adopt regulations establishing a method for verifying if a license applicant owes state taxes and requiring applicant to pay them before receiving license</li></ul> <p><b>sSB 485, AAC Tax Fairness:</b></p> <ul style="list-style-type: none"><li>● Requires each member of a corporate group of related companies meeting specified criteria and subject to Connecticut corporation tax to determine its tax liability based on net income or capital base of entire group and consequently eliminates deductions and other adjustments for intercompany transactions between group members</li></ul>
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