Act Number:	09-234	
Bill Number:	887	
Senate Pages:	3767-3774, 3854-3859, 4108- 4111	18
House Pages:	10275-10293	19
Committee:	Commerce: 353-361, 435-436	11
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Without objection, so ordered.

Mr. Clerk.

Senator Looney, I'm sorry.

## SENATOR LOONEY:

Thank you. If the Clerk might call as the next item, Calendar page 29, Calendar 310, Senate Bill 887.

THE CHAIR:

Mr. Clerk.

## THE CLERK:

Calendar page 29, Calendar Number 310, File

Number 403, Substitute for Senate Bill 887, AN ACT

CONCERNING CHANGES TO ECONOMIC DEVELOPMENT STATUTES,

favorable report of the Committees on Commerce and

Exports.

THE CHAIR:

Senator LeBeau.

SENATOR LEBEAU:

Good morning. Morning, Mr. President.

THE CHAIR:

Good morning, sir. How are you?

SENATOR LEBEAU:

Good. Thank you. I hope you are well, too.

THE CHAIR:

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I am. Thank you.

## SENATOR LEBEAU:

I move acceptance of the Joint Committee's favorable report and passage of the bill.

## THE CHAIR:

Acting on acceptance and passage of the bill, will you remark further, sir?

## SENATOR LEBEAU:

Thank you, Mr. President.

Very briefly, this is a technical bill making various changes to economic development statutes which will allow the agency to operate more efficiently and assist more companies. And we may come back to the body of the bill later, but at this point, I would like to ask the Clerk to call LCO Number 6323, and may I be allowed to summarize.

#### THE CHAIR:

Mr. Clerk.

#### THE CLERK:

LCO 6323, which will be designated <u>Senate</u>.

<u>Amendment Schedule A</u>, is offered by Senator LeBeau of the 3rd District.

#### THE CHAIR:

There is a motion on the floor for summarization.

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Seeing no objection, please proceed, sir.

## SENATOR LEBEAU:

I move acceptance of the amendment.

#### THE CHAIR:

Please proceed.

#### SENATOR LEBEAU:

Thank you, Mr. President. What this amendment does, it grants the federal government when -- when the original MAA was passed, the Manufacturers Assistance Act, grants to the federal government were not anticipated and are not currently allowed. So what we're trying to do here is to be able to accept grants for infrastructure upgrades and enhancements of the Naval Submarine Base at New London. The State's interest will be protected under the contract and an MOU, or Memorandum of Understanding, with the Defense Department.

We know that the base has been threatened in the past with closure, and what this will allow is the state to work with the Department of Defense and the Department of the Navy to increase the permanent value of the base and hopefully ensuring the permanent presence of the base in New London. Thank you, Mr. President.

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#### THE CHAIR:

Thank you, sir.

Will you remark further on Senate Bill 887? Senator Maynard.

## SENATOR MAYNARD:

Yes. Thank you, Mr. President. For the purpose of a question to Senator LeBeau.

## THE CHAIR:

Senator LeBeau.

## SENATOR MAYNARD:

For the purposes of legislative intent, do the exemptions outlined in the amendment for the federal government go beyond the uses of the \$40 million for the infrastructure upgrades?

#### THE CHAIR:

Senator LeBeau.

#### SENATOR LEBEAU:

Through you, Mr. President, no. These exemptions are limited only -- are only limited to the use of a 10 million -- the millions of dollars in manufacturers' assistance funds that would be used for those specific purposes.

#### THE CHAIR:

Senator Maynard.

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#### SENATOR MAYNARD:

Thank you. Thank you, Mr. President. Thank you to the proponent of the amendment. I'd also like to just add my thanks to Senator LeBeau for his hard work on this bill and to the Senate for -- I urge support for it for obvious reasons. The sub base is of paramount importance to my own district and certainly to the defense interests of the country, and I'd urge for support the amendment. Thank you.

#### THE CHAIR:

Thank you, sir.

Will you remark further?

Senator Stillman.

## SENATOR STILLMAN:

Thank you, Mr. President. I too rise in support of this amendment. I thank Senator LeBeau for helping shepherd this through the process and DECD for their understanding of the importance of this legislation so that we can make it very clear to the Navy that we will do everything we can that's legal to keep the base here in Connecticut. It is such an important asset, one that contributes over \$3 billion a year to our economy here in Connecticut, and having this legislation in place will certainly send a message to

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the Navy as to how important this base is to not just Connecticut, but certainly to the country.

And so many people have worked so hard to keep the base here, including the Governor with her Team Connecticut and so many local folks and other people from other districts in the state, that this legislation will go very far to cement all the work that's been done and help to prepare us in case there are any future assaults on the base by any future BRAC proceedings.

So with that, I urge members of the circle to please support this amendment and to continue to support the sub base and the military here in Connecticut. Thank you, sir.

#### THE CHAIR:

Thank you ma'am.

Will you remark? Will you remark further on Senate Amendment A?

If not, <u>let me try your minds</u>. All those in favor please signify by saying, aye.

#### VOICES:

Aye

#### THE CHAIR:

Opposed, nays.

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The ayes have it. <u>Senate Amendment A is adopted.</u>
Will you remark further on Senate Bill 887 as
amended by Senate A?

Senator LeBeau.

## SENATOR LEBEAU:

Thank you, Mr. President. The Clerk has an additional amendment, LCO Number 6316. May he call it and may I be allowed to summarize that also?

THE CHAIR:

Mr. Clerk.

## THE CLERK:

LCO 6316, which will be designated <u>Senate</u>

<u>Amendment Schedule B</u>, is offered by Senator LeBeau of the 3rd District.

## THE CHAIR:

There is a motion on the floor by the Senator for summarization.

Without objection, please proceed, sir.

#### SENATOR LEBEAU:

Thank you, Mr. President. This amendment removes the sunset date for the Department of Economic and Community Development. This is technical in nature. It's not clear why there was ever a sunset provision when the agency was created back in 1995.

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#### THE CHAIR:

Thank you, sir.

Will you remark further on Senate Amendment B?
Will you remark further on Senate B?

If not, <u>let me try your minds</u>. All those in favor please signify by saying, aye.

#### VOICES:

Aye.

## THE CHAIR:

Opposed, nays.

The ayes have it, Senate "B" is adopted.

Will you remark further on the bill as amended? Senator LeBeau.

## SENATOR LEBEAU:

Mr. President, if there's no objection, I would like to move this bill to the Consent Calendar.

## THE CHAIR:

There is a motion on the floor to move the item onto the Consent Calendar.

Without objection, so ordered.

Senator Boucher, for what purpose do you rise, ma'am?

## SENATOR BOUCHER:

Mr. President, I rise for a point of personal

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THE CHAIR:

Senator Looney.

## SENATOR LOONEY:

Yes, thank you, Mr. President. Mr. President, I would ask that the Senate stand in recess, I hope it will be a brief recess, for purposes of a -- on the Democratic side, a caucus. Also, while our technical difficulties are being worked out.

#### THE CHAIR:

Okay. The Senate will stand in recess subject to the call of the Chair.

On motion of Senator Looney of the 11th, the Senate at 1:12 p.m., recessed.

The Senate reconvened at 2:01 p.m., the President in the Chair.

#### THE CHAIR:

The Senate will come to order.

Senator Looney.

## SENATOR LOONEY:

Yes, Mr. President. Mr. President, we had an

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item that was placed on the Consent Calendar earlier on that we need to remove from the Consent Calendar and move for reconsideration, because I believe there's another amendment to that bill to be offered.

Mr. President, that is on calendar page 29, Calendar 310, Senate Bill 887, I would move for reconsideration of that item.

#### THE CHAIR:

So I think all we need to do, Senator Looney, is just take it off the Consent Calendar, there's no need to reconsider that bill.

## SENATOR LOONEY:

But yes, we do need to take it off -THE CHAIR:

Just take it off -- is there a motion? Yes, there's a motion on the floor to take the item off of Consent.

Seeing no objection, so ordered, sir.

## SENATOR LOONEY:

Yes, thank you, Mr. President. Now I would yield to Senator LeBeau.

## THE CHAIR:

Senator LeBeau.

#### SENATOR LEBEAU:

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Thank you, Mr. President. There's one additional amendment we wanted to put on that bill. May the Clerk please call LCO --

#### THE CHAIR:

Hold on. We need to recall the bill first, sir. THE CLERK:

Returning to calendar page 29, Calendar Number 310, File Number 403, <u>Substitute for Senate Bill 887</u>, AN ACT CONCERNING CHANGES TO ECONOMIC DEVELOPMENT STATUTES, favorable report of the Committee on Commerce and Exports, as amended by Senate Amendment Schedules A and B.

#### THE CHAIR:

Senator LeBeau.

## SENATOR LEBEAU:

Thank you, Mr. President. Just one second -- I move acceptance of the bill.

## THE CHAIR:

Acting on acceptance and rule of the bill, sir, would you like to remark further?

## SENATOR LEBEAU:

Yes, I would, Mr. President. The Clerk has an amendment, LCO Number 7737 -- 7737 that is, and may he call it and I be allowed to summarize.

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THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 7737, which will be designated <u>Senate</u>.

<u>Amendment Schedule C</u>, is offered by Senator LeBeau of the 3rd District.

THE CHAIR:

There is a motion on the floor for summarization. Seeing no objection, please proceed, sir.

## SENATOR LEBEAU:

Thank you, Mr. President. This is a technical change in the bill that puts this bill in conformance with some other bills that are currently going -- another bill which is currently going through the legislature; this puts DEP on the bill in concurrence with DECD. Thank you, Mr. President.

## THE CHAIR:

Thank you, sir.

Will you remark further on Senate C? Senator Debicella.

#### SENATOR DEBICELLA:

I'm sorry, Mr. President, there was some noise in the chamber, could the good Senator repeat what the purpose of this amendment is? Through you, Mr.

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President.

THE CHAIR:

Senator LeBeau.

#### SENATOR LEBEAU:

The amendment strikes Section 10 of the bill, which supports mills and brownfield redevelopment.

And that is in a DEP bill that is dealt with slightly differently, and we want to conform the two bills together.

## SENATOR DEBICELLA:

Thank you, Mr. President.

I thank Senator LeBeau.

#### THE CHAIR:

Will you remark? Will you remark further on Senate Amendment C?

If not, <u>I will try your minds</u>. All those in favor please signify by saying, aye.

VOICES:

Aye.

## THE CHAIR:

Opposed, nay.

The ayes have it, <u>Senate C is adopted</u>.

Will you remark further on the bill as amended by A, B, C?

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Senator LeBeau.

## SENATOR LEBEAU:

If there's no objection, Mr. President, could we move this bill <u>back on the Consent Calendar</u>.

#### THE CHAIR:

There's a motion on the floor to place the item as amended on the Consent Calendar.

Seeing no objection, so ordered.

Mr. Clerk.

## THE CLERK:

Turning to calendar page 36, Calendar Number 504, File Number 694, Substitute for Senate 939, AN ACT CONCERNING EDUCATOR CERTIFICATION, favorable report of the Committees on Education, Higher Education, and Appropriations.

#### THE CHAIR:

Senator Looney. .

#### SENATOR LOONEY:

Yes, Mr. President, that item might be pass temporarily.

## THE CHAIR:

Seeing no objection, so ordered.

Mr. Clerk -- Senator Looney. Mr. Clerk or Senator Looney, who would like -- Senator Looney,

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calendar.

## THE CHAIR:

Motion is to remove item from the foot and put on pass retain.

Seeing no objection, so ordered, sir.

#### SENATOR LOONEY:

Thanks, Mr. President. Mr. President, if we might call the items on the Consent Calendar at this time.

#### THE CHAIR:

Mr. Clerk, please call for the Consent Calendar. THE CLERK:

Immediate roll call has been ordered in the Senate on the Consent Calendar, will all Senators please return to the chamber. Immediate roll call has been ordered in the Senate on the Consent Calendar, will all Senators please return to the chamber.

Mr. President, those items placed on the Consent Calendar begin on calendar page 2, Calendar Number 278, Senate Bill 795.

Calendar page 5 -- correction, calendar page 23, Calendar Number 115, <u>Substitute for Senate Bill 80.</u>

Calendar page 26, Calendar Number 260, <u>Substitute</u> for Senate Bill 823.

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Calendar page 29, Calendar 310, <u>Substitute for</u> Senate Bill 887.

Calendar page 30, Calendar 332, Substitute for Senate Bill 1086.

Calendar page 33, Calendar 428, Substitute for Senate Bill 850.

Calendar page 34, Calendar 449, <u>Senate Bill 1110.</u>
Calendar page 35, Calendar 470, <u>Substitute for</u>
Senate Bill 1126.

Calendar page 36, Calendar 497, <u>Substitute for</u>
<u>Senate Bill 1090</u>.

Calendar page 37, Calendar 511, Substitute for Senate Bill 455; calendar 516, Substitute for Senate Bill 838; and Calendar page 40, Calendar 558, Substitute for Senate Bill 1063.

Mr. President, that completes those items placed on the Consent Calendar, but there may be a correction.

#### THE CHAIR:

The machine is open if you'd like to vote.

#### THE CLERK:

Mr. President, there are two other items to be placed on the calendar.

## THE CHAIR:

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Please stand by.

## THE CLERK:

On calendar page 2, Calendar 129, <u>Senate Bill 775</u> and Calendar 159, <u>Senate Bill 938</u>.

Mr. President, I believe that completes the items to be placed (inaudible).

## THE CHAIR:

Please call for a roll call vote.

The machine is open.

#### THE CLERK:

The Senate is now voting by roll call on the Consent Calendar, will all Senators please return to the chamber. The Senate is now voting by roll call on the Consent Calendar, will all Senators please return to the chamber.

## THE CHAIR:

Have all Senators voted?

Senator Prague? Senator Prague?

If all Senators have voted, please check your vote. The machine will be locked. The Clerk will call the tally.

## THE CLERK:

Motion is on adoption of Consent Calendar Number 1.

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Total	Number	Voting	36

Those Voting Yea 36

Those Voting Nay 0

Those Absent/Not Voting 0

#### THE CHAIR:

## Consent Calendar 1 passes.

Senator Looney.

## SENATOR LOONEY:

Yes, Mr. President. Thank you, Mr. President.

Another item to mark as go from the list of items

previously marked passed temporarily. It's on

calendar page 31, Calendar 380, Senate Bill 1050:

THE CHAIR:

Thank you, sir.

Mr. Clerk.

## THE CLERK:

Turning to calendar page 31, Calendar Number 380, Substitute for Senate Bill 1050, AN ACT CONCERNING THE ESTABLISHMENT OF AN ACADEMIC DETAILING PROGRAM, favorable report of the Committee on Public Health and Higher Education. Clerk is in possession of amendments.

Senator Coleman of the 2nd in the Chair.

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THE CLERK:

On Page 21, Calendar Number 679, Substitute for Senate Bill Number 887 AN ACT CONCERNING CHANGES TO ECONOMIC DEVELOPMENT STATUTES. Favorable Report of the Committee on Government Administration and Elections.

#### DEPUTY SPEAKER McCLUSKEY:

The honorable Chairman of the Commerce Committee,
Representative Berger, you have the floor, sir.
REP. BERGER (73rd):

. Thank you, Mr. Speaker. I move for acceptance of the Joint Committee's Favorable Report and passage of the Bill.

## DEPUTY SPEAKER: McCLUSKEY:

The question before the Chamber is acceptance of the Joint Committee's Favorable Report and passage of the Bill. Will you remark, sir?

## REP. BERGER (73rd):

Yes, thank you, Mr. Speaker. The underlying Bill makes clarifying changes in various sections that are benefits for the Department of Economic and Community Development, clarifying in Section 4, manufacturing job definition, removes the Connecticut Economic Information System, antiquated originally posted in

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the 1990s, moves a SEE-CT report and also adds an Amendment to a tax amnesty program for our municipalities. I move its adoption.

## DEPUTY SPEAKER McCLUSKEY:

The question before the Chamber is adoption of Senate Bill, will you remark?

REP. BERGER (73rd):

Yes, Mr. Speaker. I'm going to call several Amendments, Senate Amendments "A", "B" and "C" in succession and I will urge the Chamber to reject each one of those Senate Amendments because in the wisdom of the House, we have an Amendment that clarifies all of the Senate Amendments. Usually it's vice-versa.

Through you, Mr. Speaker, at this time we're the clarifying entity. With that said, the Clerk is in possession of LCO Number 6323.

#### DEPUTY SPEAKER McCLUSKEY:

Would the Clerk please call LĆO Number 6323 previously designated Senate Amendment Schedule "A".

THE CLERK:

LCO Number 6323, Senate "A" offered by Senator LeBeau.

## DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

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REP. BERGER (73rd):

Yes, thank you, and I urge rejection of Amendment, Senate Amendment "A", through you, Mr. Speaker.

## DEPUTY SPEAKER McCLUSKEY:

The question before the Chamber is rejection of Senate "A". Will you remark? The honorable gentleman from Woodstock, Representative Alberts, you have the floor, sir.

REP. ALBERTS -(50th):

Thank you, Mr. Speaker. I concur with the Chairman. I agree that we should reject this Amendment.

Thank you.

#### DEPUTY SPEAKER McCLUSKEY:

Thank you, sir for your remarks. Will you remark further on Senate "A"? Will you remark further? All those in favor of rejecting Senate Amendment Schedule "A" please signify by saying Aye.

#### REPRESENTATIVES:

Aye.

## DEPUTY SPEAKER McCLUSKEY:

All those opposed, Nay. Ayes have it. <u>Senate</u>
"A" is rejected. Representative Berger.

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REP. BERGER (73rd):

Yes, thank you, Mr. Speaker. The Clerk is in possession of LCO Number 6316. I ask that he call. DEPUTY SPEAKER McCLUSKEY:

Will the Clerk please call LCO Number 6316 previously designated Senate Amendment Schedule "B". THE CLERK:

LCO Number 6316, Senate "B", offered by Senator LeBeau.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Yes, thank you, Mr. Speaker. At this time, I'd like to urge rejection of Senate Amendment "B". Through you.

DEPUTY SPEAKER McCLUSKEY:

The question before the Chamber is rejection of Senate "B". Will you remark? Representative Alberts. REP. ALBERTS (50th):

Thank you, Mr. Speaker. Once again, we urge colleagues to reject Senate Amendment "B".

DEPUTY SPEAKER McCLUSKEY:

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Thank you, sir, for your remarks. Will you remark further on Senate "B"? Will you remark further on Senate "B"? If not, I'll try your minds.

All those in favor of rejecting Senate "B", please signify by saying Aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER McCLUSKEY:

All those opposed, Nay. Ayes have it. <u>Senate</u>
"B" is rejected. Representative Berger.

REP. BERGER (73rd):

Yes, thank you, Mr. Speaker. The Clerk has an Amendment, LCO Number 7737. I ask that he please call.

DEPUTY SPEAKER McCLUSKEY:

The Clerk please call LCO Number 7737 previously designated Senate Amendment Schedule "C".

THE CLERK:

LCO Number 7737, Senate "C", offered by Senator
LeBeau and Representative Berger.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

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Yes, Mr. Speaker. I ask the Chamber and urge them to reject Senate "C".

#### DEPUTY SPEAKER McCLUSKEY:

Will you remark on rejection of Senate "C"?
Representative Alberts.

## REP. ALBERTS (50th):

Thank you, Mr. Speaker. It's hard to believe the Senate got it wrong again for the third time, but we urge rejection. Thank you.

## DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks. Will you remark further on Senate "C"? Will you remark further on Senate "C". If not, all those in favor of rejecting Senate "C" please signify by saying Aye.

REPRESENTATIVES:

Aye.

## DEPUTY SPEAKER McCLUSKEY:

All those opposed, Nay. <u>Senate "C" is rejected.</u>
Representative Berger.

#### REP. BERGER (73rd):

Yes, Mr. Speaker, the Clerk is in possession of a House Amendment "A", LCO Number 8913. I ask that he call and I be allowed to summarize.

#### DEPUTY SPEAKER McCLUSKEY:

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Will the Clerk please call LCO Number 8913 to be designated House Amendment Schedule "A".

THE CLERK:

LCO Number 8913, House "A" offered by Representative Berger, Senator LeBeau et al.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Yes, thank you, Mr. Speaker. Just to clarify a couple of sections in the Bill. There is striking language that is duplicative in Senate Bill Number 271 in one section.

In a second section, very important for the Chamber to understand, it's going to allow DECD, back in '07, Mr. Speaker, this Chamber, both in the House and the Senate, authorized \$50 million in bonding for the sub base under the Manufacturing Assistance Act, MAA.

This will allow now, and it was never anticipated to provide money to the federal government under this program, but we need to now amend the law so that we can provide that funding and waive certain requirements of MAA, just for the sub base bonding authorization of \$50 million.

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Now, the language on this is provided, has been provided through the CHRO and the Office of State Elections. It's also important to understand that all federal contracting rules and procurement procedures will be followed in accordance with their guidelines.

There is also a technical change, which will allow the Capitol City Economic Development Authority to issue bonds. They were due to sunset on their bond authorization. This will allow (inaudible) to issue their bonds and move forward on the Capitol projects.

And lastly, it removes the sunset day for DECD. The only Department in the State of Connecticut that actually, when enacted, had a sunset date of 2013. This will remove that. I move adoption.

The question before the Chamber is adoption of House Schedule "A". Will you remark? The honorable gentleman from Watertown, Representative Williams, you have the floor, sir.

REP. WILLIAMS (68th):

DEPUTY SPEAKER McCLUSKEY:

Thank you, Mr. Speaker, and good evening. Just a quick question, through you to Representative Berger.

DEPUTY SPEAKER McCLUSKEY:

Please proceed.

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REP. WILLIAMS (68th):

Representative Berger, through the Speaker, I'm wondering, I remember a few years ago when we did this legislation, I thought that the Legislature had authorized \$100 million for the sub base. You're indicating here that it is \$50 million. Am I incorrect in that belief? Through you.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Yes, through you, Mr. Speaker. As far as the content of this Bill is concerned, we are using a figure of \$50 million from MAA.

DEPUTY SPEAKER McCLUSKEY:

Representative Williams.

REP. WILLIAMS (68th):

Thank you, Mr. Speaker. And is Representative Berger urging rejection or acceptance of this particular Amendment? Through you.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Yes, and thank you for that clarification,
Representative Williams. We will, I am urging support

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and passage of this important House Amendment.

Through you.

DEPUTY SPEAKER McCLUSKEY:

Representative Williams.

REP. WILLIAMS (68th):

Thank you, Mr. Speaker. I thank Representative
Berger for his answers. As we get into the late hour,
it's sometimes very confusing, so, thank you for his
hard work and I urge adoption.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks. Will you remark further on House Amendment Schedule "A"? Will you remark? The honorable gentleman from Woodstock, Representative Alberts, you have the floor, sir.

Thank you, Mr. Speaker. If I may, a couple of questions to the proponent of the Amendment.

DEPUTY SPEAKER McCLUSKEY:

Proceed, sir.

REP. ALBERTS (50th):

REP. ALBERTS (50th):

Thank you, Mr. Speaker. Sections 501 through 504, I believe the proponent mentioned, will add the Department of Defense to the list of entities that may

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receive grants, in this case from the State of Connecticut.

And as we just discussed, there is a reference of \$50 million in general obligation bonds.

Is it not correct that there is no fiscal impact because no additional general obligation bonds are authorized? Through you, Mr. Speaker.

## DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Through you, Mr. Speaker. That is correct.

DEPUTY SPEAKER McCLUSKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker. And it was touched upon briefly about Section 505 in terms of extending the sunset date. As I understand it, there is a current unallocated balance of funds of \$3 million for parking projects in Hartford, and \$5,120,000 for riverfront infrastructure development projects in Hartford.

By virtue of moving this Amendment and accepting it, and it becoming eventually part of the Bill, would we not be able to allocate those funds? Through you, Mr. Speaker.

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DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Yes, through you, Mr. Speaker. Passage of this.

Amendment will allow them to continue the bonding for continuation of economic development projects in the City of Hartford. Through you.

DEPUTY SPEAKER McCLUSKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker. I urge my colleagues to accept the Amendment.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks. Will you remark further? The gentle lady from Noank,

Representative Wright, you have the floor, madam.

REP. WRIGHT (41st):

Thank you, Mr. Speaker. I rise in support of this Amendment and thank the Co-Chairs for their leadership in protecting this demonstration of commitment to keep the sub base in Groton.

This Amendment helps us protect the base and the significant \$3 billion annual economic contribution to the state's economy, and I urge support.

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DEPUTY SPEAKER McCLUSKEY:

Thank you, madam, for your remarks. Will you remark further? The gentleman from the Park City, Representative Caruso, you have the floor, sir.

REP. CARUSO (126th):

Thank you, Mr. Speaker. Mr. Speaker. I rise in support of the Amendment, and I also have an amendment that I'm not going to call about brownfields, Mr. Speaker.

It's an important issue. I'm not going to call it, but it's high time this Legislature seriously looks at the issue of brownfields. Thank you, Mr. Speaker.

#### DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks. Will you remark further? The gentleman from Hartford, Representative Green, you have the floor, sir. REP. GREEN (1st):

Thank you, Mr. Speaker. Mr. Speaker, through you a couple of questions to the proponent of the Amendment.

#### DEPUTY SPEAKER McCLUSKEY:

Please proceed, sir.

REP. GREEN (1st):

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Thank you. There's some language here on Lines 98 to 106 that talks about the United States

Department of the Navy and other eligible applicants, should not be required to submit an application for financial assistance.

Can the proponent tell me what application they do not need to submit?

## DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

## REP. BERGER (73rd):

Through you, Mr. Speaker, just as a clarifying point to the question. That's an application for the U.S. Navy to the State of Connecticut or the federal government.

Through you.

## DEPUTY SPEAKER McCLUSKEY:

Representative Green.

## REP. GREEN (1st):

Thank you, Mr. Speaker. I'm not sure why we have to have that language if they don't, well, let me ask it this way.

Is there currently a practice or a process where, for whatever kind of assistance the Navy needs, that

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they currently have to apply for it? Through you, Mr.

Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Yes. Through you, Mr. Speaker, it's not a federal, the requirements is not on the federal side, but it is on our state side that we ran into the problem, through you, Mr. Speaker, and this would under MAA, would only apply to the sub base in its waiver portion, which is required, which certain requirements under the State of Connecticut's rules and language. Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Green.

REP. GREEN (1st):

Thank you. The gentleman in his explanation of the Amendment talked about some job qualifications, or at least efforts to employing individuals, and that we would have to follow federal guidelines.

And could the gentleman tell me, in terms of trying to employ individuals and trying to have a diverse workforce, does the federal guidelines allow them to have specific strategies, to hire, for

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example, people with certain incomes, women, or minorities, or does the federal government prevent from funds received from them, to be able to have those sort of efforts to hire people of color?

Through you, Mr. Speaker.

# DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

### REP. BERBER; (73rd):

Yes, through you, Mr. Speaker. The hiring process must follow all the non-discrimination laws that are currently provided for in hiring process for federal and state projects.

#### DEPUTY SPEAKER McCLUSKEY:

Representative Green.

# REP. GREEN (1st):

Thank you. I'm not sure if I understood the answer, but maybe I can ask it a different way.

If they were to receive this funding, and whoever might have some responsibilities for hiring, could they for example say, we want to hire a certain percentage of individuals, say, in the New London are. If they were to see the money, could they target an employment, have an employment strategy to hire, say

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just those residents in the New London area? Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Through you, Mr. Speaker, I do not believe that it's specific to that area on hiring for the specific job associated with expansion in that sub base area.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Green.

REP. GREEN (1st):

Thank you. I'm just trying to get clear on whether or not if they were to receive federal money, and the community decided that they wanted to increase the employment opportunities for people who have been disenfranchised, could, if they received the contract, come up with a specific plan that says we're going to target a strategy. We're going to have a strategy to target, to hire specific individuals, whether it's from a community, certain gender, certain race.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

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REP. BERGER (73rd):

Through you, Mr. Speaker, yes, they could.

DEPUTY SPEAKER McCLUSKEY:

Representative Green.

REP. GREEN (1st):

Thank you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks. Will you remark further on House Amendment Schedule "A"? Will you remark further on House "A"?

If not, I'll try your minds. All those in favor please signify by saying Aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER McCLUSKEY:

All those opposed, Nay. The Ayes have it. House "A" is adopted.

Will you remark further on the Bill as amended?
Will you remark further on the Bill as amended? If
not, will staff and guests please come to the Well of
the House. Members please take your seats. The
machine will be opened.

THE CLERK:

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The House of Representatives is voting by Roll Call. Members to the Chamber.

The House is voting by Roll Call. Members to the Chamber, please.

# DEPUTY SPEAKER McCLUSKEY:

Have all the Members voted? Have all the Members voted? Will the Members please check the board to determine if your vote has been properly cast.

If all the Members have voted, the machine will be locked. Will the Clerk please take and announce the tally.

#### THE CLERK:

Senate Bill Number 887 as amended by House "A".

Total Number Voting 146

Necessary for Passage 74

Those voting Yea 145

Those voting Nay 1

Those absent and not voting 5

#### DEPUTY SPEAKER McCLUSKEY:

# The Bill as amended is adopted.

Will the Clerk please call Calendar Number 5, excuse me, my apologies.

JOINT STANDING COMMITTEE HEARINGS

**COMMERCE PART 2**337 – 676

2009

RON ANGELO: Good morning, Senator LeBeau, distinguished members of the Commerce Committee. My name is Ron Angelo. I'm the deputy commissioner of the Department of Economic and Community Development. Commissioner McDonald was unable to be here this morning, due to a prior commitment, but sends her regards.

I'm here this morning to offer comments in support of <u>Senate Bill 887</u>, an Act Concerning Technical Changes to Economic Development Statutes.

As the title implies, this bill is meant to address technical issues in several different economic development statutes. These proposed changes will increase efficiency in the ease of implementation of impacted programs. I would like to briefly summarize the proposed changes.

Section 1 and 2 pertain to our Enterprise Zone Program. We are requesting that all data collected for reporting purposes be for certified companies only. This means we would only collect data from companies actually receiving benefits under the Enterprise Zone Program.

We are also requesting to change two reporting dates. We are doing so - doing this so we can maximize the data that is being collected and reported.

We are also requesting that a report that requires the commissioner to evaluate the enterprise and hybrid zones be consolidated into DECD's five-year strategic plan.

Section 3 also pertains to enterprise zones. This allows municipalities with enterprise

zones to fix the assessment on residential properties whose income does not exceed a specified limit. Currently, the statute specifies that median family income for the municipality, in which the property is located, must be used.

The statute is mute to the source of this data. DECD and HUD both use area median income, AMI, to determine income limits for housing programs. This would codify existing practice, by clarifying the statute to conform to other statutes presently used to determine AMI.

Section 4 modernizes Section 32-3725, by changing the reference from the Standard Industrial Classification, SIC, Manual, to the North American Industrial Classification, NAICS, Manual.

SIC codes were discontinued in 1997; therefore, the statute needs to be updated. DECD now uses NAICS codes to determine a company's area of expertise.

Section 5 amends the statutes to remove the Connecticut Economic Information System and the Connecticut Economic Information System Steering Committee.

Due to a lack of funding and a lack of adequate technology, the Connecticut Economic Information System was never created and, therefore, the steering committee was never created.

This statute dates back to the early 1990s. Now, because of advances in computer technology, DECD is able to obtain the necessary economic statistics we need and store them onsite in our own databases.

Section 6 proposes to move two reporting requirements, the Bio-Diesel Program and the Fuel Diversification Program into the agency's annual report to maintain consistency.

This proposed change is consistent with Section 32-1m(b), which requires that any annual report that is required from the department, by any provision of the general statutes, shall be incorporated into the agency's annual report.

Thank you for your time and consideration of my comments.

SENATOR LEBEAU: Thank you. Thank you, Ron. Good to see you.

RON ANGELO: Good to see you too, sir.

SENATOR LEBEAU: Let me first ask you on this bill, and I'll go back to the bill we were talking about previously with the president of the CDA.

Sections 1 and 2, you requested all data for reporting purposes be for certified companies only. That is those companies that are actually receiving benefits.

RON ANGELO: Yes.

SENATOR LEBEAU: Now, so that means that there are some companies and enterprise zones that are not receiving benefits.

RON ANGELO: Yes.

SENATOR LEBEAU: Okay. I guess the thing I would say is, wouldn't we want to know that?

Wouldn't we - at least the number of - like

for instance, we have an enterprise zone in East Hartford. And I'd be interested in knowing the number and perhaps the name of those companies just - just list them - of those companies that are not receiving benefits, because it gives an idea of how effective - to some degree - how effective the enterprise zone is or is not; and particularly if they're - you know, what kind of company they are: Whether they are commercial; whether they're retail; whether they're insurance; whether they're manufacturing; finance; bank. I'd be interested in knowing that information.

And if I were looking at kind of evaluating enterprise zones - which is what we're trying to get at here - I would find that data to be important. If all I know is: There's an enterprise zone. There's one business that's getting enterprise zone benefits. If there are 20 businesses that are not - that's significant to me.

RON ANGELO: Right. What we do know - there is a list, certainly, of the companies that exist within the enterprise zone. But the companies that are certified and collecting benefits -

SENATOR LEBEAU: Right.

RON ANGELO: - that information is collected by a municipality and then passed on to DECD for our report.

For reporting purposes, we - we want to make sure we are tracking, specifically, for this - this section, for this technical change. We just want to make sure that we are including only companies that are certified in receiving benefits - enterprise zone benefits - in the report. Right now, that is all we are receiving anyway. So a municipality is

collecting data on only the certified companies, as far as job retention and such and then submitting that data to DECD.

So in essence, we're not collecting data on companies that aren't certified. We do know who they are. There is a list of those companies within the enterprise zone, but for the reporting purposes, we're only looking for those that are actually getting enterprise zone benefits.

SENATOR LEBEAU: I have this distinction - I'm just concerned that as part of the report, you include the companies - not in depth, not the data on those companies - but just the fact that they're there, and they're not receiving benefits.

RON ANGELO: We're only reporting on the ones that are certified as it is -

SENATOR LEBEAU: Okay.

RON ANGELO: - because that's the only -

SENATOR LEBEAU: And I understand that because they're the only ones that really have an - why should they report if they're not -

RON ANGELO: That's correct.

SENATOR LEBEAU: Why should they just answer to the State unless they're receiving some benefit from the State.

RON ANGELO: Correct.

SENATOR LEBEAU: I guess I would like to see that as part of the report. I'd like to see the companies that are not receiving benefits in an enterprise zone. Maybe should - let me

bounce that off of you and just say, what do you think about that?

RON ANGELO: Well, certainly, the more data you collect, the better. We'd certainly like to know what's going on within the enterprise zone from all different types of companies. Typically, those companies that are included in an enterprise zone are smaller, possibly manufacturing in nature. And I think it's important to keep track of those.

I think there are things that we can - we can do, and processes we can undertake to track those companies and determine exactly what's going on in the enterprise zone, as a whole. But for reporting purposes for this section, we would like to keep it only for certified and possibly in another avenue determine some of the other natures of the businesses over there.

SENATOR LEBEAU: Glad I got you. Thank you very much. Further questions Representative Johnston? Who is standing on their head over there? Representative Mazurek is standing on his head.

REP. JOHNSTON: It must be my neighbor to my right.

SENATOR LEBEAU: Yes, that's the guy. He's always playing around over there.

REP. JOHNSTON: Thank you Mr. Chairman. I think Representative Mazurek was innocent of that one. Ron, thank you for coming before us.

I've got a question on Section 3, pertaining to the median family income. Can you describe to me what the area - median income - how large an area are we talking about?

RON ANGELO: Well, HUD's using region. So basically, like, Hartford region, Stamford region. They are still using median family income, but now it's inclusive to a region. HUD came up with that formula. We just are trying to make sure that all of our programs are consistent.

As you can imagine, there'd be quite a difference between Hartford area median income and Stamford area median income. Those are too different. So instead of looking individually at the median family income, the Feds started with the process of encompassing the regions, the areas. And we have found that, frankly, to be more effective with all of our housing programs and like to be consistent.

REP. JOHNSTON: Where I live, we're part of a rural enterprise zone, and it's a number of the old manufacturing mill towns around the river, quite frankly. And it's not every town in the region. It's only specific centralized manufacturing regions. And so when I look at some of our housing classifications that you reference, quite frankly, we end up falling in with the Worcester and Massachusetts and Boston, Massachusetts classifications at times.

And so I'm looking at a small area in northeastern Connecticut. And I think that enterprise zone was crafted very carefully to those very poor small rural towns. And so what I'm curious is: What would be our median family incomes in those towns versus the area median income? And could this not possibly bounce a region that might have qualified based upon some of those income limits, if you lump them into a region, quite frankly, that's as diverse as going into Boston from

Northeastern Connecticut, which are two different worlds?

RON ANGELO: I can certainly get that answer for you and see how the two would factor in, but we have seen on the housing side, that the use of the area median income has actually been more beneficial, certainly, to rural areas. You've got the 50 percent/80 percent. And they will typically be getting into that higher range, using the area median income. But I do not have the figure for your area and how the two would compare. I can get - but I can get that for you.

REP. JOHNSTON: Thank you, I do appreciate that. And I know that with the housing, it actually in some regards - I know with - like CHFA, because we were lumped into a bigger region that had higher cost for housing, actually, the loan amounts that they would loan to people in our region went up because of those higher incomes. And so I guess - and I'm glad you're going to look into it because my fear would be now, that if area median income went up versus our municipal median income, then possibly you could have the exact opposite effect. Instead of it benefiting us by having more homeowners have access to a larger loan amount, in this case, it might bounce us out of a program that's based upon lower income limits and trying to target aid to those who truly need the aid.

So that analysis would be very helpful to me, and I think this committee, before we move forward with this. Ron, thank you.

SENATOR LEBEAU: Thank you, Representative. Any further comments, questions? While I've got you, Ron, do you want to comment on 6422, an Act Concerning Foreign-owned Companies

Domiciled in Connecticut; and regarding the availability of the data that is in - that is available from the Secretary of State's office; and whether this could be something that could be fairly easily done by the Secretary of State's office; and whether it would take a lot of computer programming?

RON ANGELO: I am told that it is already done.

The Secretary of State already has this data in some form. We would just like to get it into our shop and be able to - to use it in our database for our purposes.

SENATOR LEBEAU: She's one sharp lady. So I'm sure she's ahead of the curve on that one. Any further questions? Thank you very much.

Representative Urban, do I see Representative Urban in the House? Okay.

Speaking for the mayor of the city of Hartford, David Panagore. I hope I didn't kill that David, in terms of your name. If it was Italian it would be Penagore. Right? But it looks Greek.

DAVID PANAGORE: Senator, good morning. Good morning, members. It is Greek. And an explanation, my grandfather thought the silent "e" was the most important thing in the English language. So he put a silent "e" on the end of "Panagarass."

SENATOR LEBEAU: Okay.

DAVID PANAGORE: Good morning, Senator. Good morning, members. For the record, my name is David Panagore, director of Development Services for the city of Hartford, appearing on behalf of the city and the mayor, offering written testimony on H.B. 5921, an Act







State of Connecticut
Department of Economic and
Community Development

# TESTIMONY PRESENTED TO THE COMMERCE COMMITTEE February 17, 2009

Ron Angelo, Deputy Commissioner
Department of Economic and Community Development

# SB 887 AAC TECHNICAL CHANGES TO ECONOMIC DEVELOPMENT STATUTES

Good morning Senator LeBeau, Representative Berger, and members of the Commerce Committee. My name is Ron Angelo and I am the Deputy Commissioner of the Department of Economic and Community Development (DECD).

I am here this morning to offer comments in support of SB 887, An Act Concerning Technical Changes to Economic Development Statutes.

As the title implies, this bill is meant to address technical issues in several different economic development statutes. These proposed changes will increase efficiency and ease the implementation of impacted programs. I would like to briefly summarize the proposed changes.

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Section 3 also pertains to Enterprise Zones. This allows municipalities with enterprise zones to fix the assessment on residential properties whose income does not exceed a specified limit. Currently, the statute specifies that median family income for the municipality in which the property is located must be used. The statute is mute as to the source of this data. DECD and HUD both use Area Median Income (AMI) to determine income limits for our housing programs. This would codify existing practice by clarifying the statute to conform to other statutes presently used to determine AMI.

Section 4 modernizes Section 32-327(5) by changing the reference from the Standard Industrial Classification (SIC) Manual to the North American Industrial Classification (NAICS) Manual. SIC codes were discontinued in 1997 therefore the statutes need to be updated. DECD now uses NAICS codes to determine a company's area of expertise.

Section 5 amends the statutes to remove the Connecticut Economic Information System and the Connecticut Economic Information System Steering Committee. Due to lack of funding, a lack

of interagency cooperation, and a lack of adequate technology, the Connecticut Economic Information System was never created and therefore the steering committee was never created. This statute dates back to the early 1990's. Now, because of advances in computer technology, DECD is able to obtain the necessary economic statistics we need and store them on-site.

Section 6 proposes to move two reporting requirements (the Biodiesel Program & the Fuel Diversification Program) into the agency's annual report to maintain consistency. This proposed change is consistent with Section 32-1m subsection (b) which requires that "any annual report that is required from the department by any provision of the general statutes shall be incorporated into the [agency's] annual report".

Thank you for your time and consideration of my comments.