

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 21-193—sSB 936
Commerce Committee

**AN ACT CONCERNING REVISIONS TO CERTAIN ECONOMIC AND
COMMUNITY DEVELOPMENT-RELATED STATUTES**

TABLE OF CONTENTS:

§§ 1 & 2 — STATE HISTORIC PRESERVATION REVIEW BOARD

Increases board members' term lengths; shortens the required notice the board must provide to municipalities about National Register of Historic Places nominations; makes technical changes and corrections

§ 3 — DRY CLEANING ESTABLISHMENT REMEDIATION FUND

Makes several changes affecting the fund's eligible applicants, application requirements, and eligible uses

§§ 4-13, 21-24 & 26 — ELIMINATED BOARDS AND COMMISSIONS

Eliminates several boards and commissions and makes conforming changes

§§ 14 & 25 — DECD ANNUAL REPORT

Eliminates a requirement that DECD's annual report analyze business assistance programs not administered by the department, other than those administered by CI; changes the report's legislative hearing date

§§ 15-16 & 26 — ELIMINATED DECD REPORTING REQUIREMENTS

Eliminates various DECD reporting requirements

§ 17 — UNEXPENDED REGIONAL TOURISM DISTRICT FUNDS

Generally requires regional tourism districts to return unexpended state funds to DECD at the end of each fiscal year

§ 18 — CONNECTICUT ARTS COUNCIL FOUNDATION

Reconstitutes the foundation's board of directors by (1) eliminating the requirement that the council's board of directors serve as the foundation's board of directors and (2) establishing a new 16-member board for the foundation

§ 19 — FOIA EXEMPTION FOR CERTAIN ARCHAEOLOGICAL SITES

Allows the DECD commissioner to withhold certain archaeological site information without a withholding request from the person who discovered or reported the site

§ 20 — ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENTS

Allows DECD and CI discretion in enforcing existing law's provisions about relocation by entities receiving assistance from DECD- and CI-administered programs

OLR PUBLIC ACT SUMMARY

§§ 1 & 2 — STATE HISTORIC PRESERVATION REVIEW BOARD

Increases board members' term lengths; shortens the required notice the board must provide to municipalities about National Register of Historic Places nominations; makes technical changes and corrections

The act increases, from one to three years, the length of the State Historic Preservation Review Board members' terms and staggers the terms by requiring that half of the members appointed between July 1, 2021, and June 30, 2022, serve two-year terms. It also allows members to be reappointed to additional terms.

The act shortens, from 60 to 30 days, the required notice the board must provide to a municipality before considering whether to act on the nomination of a property in the municipality to the National Register of Historic Places. By law, the board must provide the notice to the municipal preservation board or, if there is no board, the municipality's chief executive officer. The act allows, rather than requires, the state historic preservation officer or her designee to attend public hearings held by municipal preservation boards on these nominations.

The act also makes technical changes and corrections, including changing the board's name from the State Historic Preservation Board to the State Historic Preservation Review Board, as is consistent with current practice.

EFFECTIVE DATE: Upon passage

§ 3 — DRY CLEANING ESTABLISHMENT REMEDIATION FUND

Makes several changes affecting the fund's eligible applicants, application requirements, and eligible uses

The act makes several changes to the Dry Cleaning Establishment Remediation Fund, which is administered by the Department of Economic and Community Development (DECD) and provides grants for eligible dry cleaning businesses to prevent, contain, and remediate pollution from hazardous chemicals the businesses use, in addition to other specified purposes.

EFFECTIVE DATE: Upon passage

Eligible Applicants

Under existing law, eligible grant applicants are (1) owners or operators of eligible dry cleaning establishments (i.e., those using tetrachlorethylene, Stoddard solvent, or other chemicals to clean clothing or other fabrics) and (2) owners of property that is or was occupied by these establishments. The act specifies that property owners are eligible if a dry cleaning establishment has (or was previously) operated on the property for at least one year before applying to the program, rather than one year before the application's approval as prior law provided.

The act additionally makes a certifying party, as defined in the state's Transfer Act, an eligible applicant if a dry cleaning establishment has (or was previously)

OLR PUBLIC ACT SUMMARY

operated on the property for at least one year before applying to the program. (A certifying party is responsible for investigating and remediating a parcel covered by the Transfer Act.)

Applications

By law, applicants must make grant requests to the DECD commissioner. The act specifies that (1) these requests must be made when he announces a request for applications and (2) their frequency is at his discretion. For applications submitted on or after October 1, 2021, it also requires applicants to demonstrate to the DECD commissioner's satisfaction that they can match any grant up to \$10,000 before receiving one. (By law, grant applicants must bear all pollution costs that are less than \$10,000.)

Eligible Uses

Existing law establishes allowable uses for the grants (e.g., containing and removing or mitigating environmental pollution). The act additionally allows applicants to use grants for environmental site assessments relating to the pollution. Separately, it allows DECD to use the fund for legal services relating to disbursing money from the fund.

Under prior law, the commissioner could provide a grant when the applicant provided satisfactory documentation that services have been or will be completed. The act eliminates the authority to provide grants for services that are not yet completed.

§§ 4-13, 21-24 & 26 — ELIMINATED BOARDS AND COMMISSIONS

Eliminates several boards and commissions and makes conforming changes

The act eliminates the Culture and Tourism Advisory Committee, Commission on Connecticut's Future, Small Business Advisory Board, Sports Advisory Board, and Committee for Restoration of Historic Assets in Connecticut and makes conforming changes, as shown in the table below. Generally, these changes consist of replacing seats on other state boards and commissions that were previously held by representatives of the eliminated boards and commissions.

Eliminated Boards and Commissions Conforming Changes

§	Duty	Appointee Under Prior Law	Appointee Under the Act
6	Membership on State Commission on Capitol Preservation and Restoration	Culture and Tourism Advisory Committee member, appointed by the chairperson	Historic Preservation Council member, appointed by the chairperson
7	Membership on Connecticut Capitol Center Commission	Culture and Tourism Advisory Committee	Historic Preservation Council chairperson

OLR PUBLIC ACT SUMMARY

§	Duty	Appointee Under Prior Law	Appointee Under the Act
		chairperson or designee	or designee
9	Membership on advisory committee to State Library Board	Culture and Tourism Advisory Committee executive director	Historic Preservation Council chairperson or designee
10	Membership on advisory panel on acceptance by state of certain works of art for purposes of a credit against the estate tax	Culture and Tourism Advisory Committee chairperson	Connecticut Arts Council chairperson
11	Membership on Face of Connecticut Steering Committee	Culture and Tourism Advisory Committee chairperson	Connecticut Tourism Council member, appointed by the chairperson
13	Advise DECD commissioner in designating "Connecticut Treasures" locations	Culture and Tourism Advisory Committee	State historian

EFFECTIVE DATE: Upon passage

§§ 14 & 25 — DECD ANNUAL REPORT

Eliminates a requirement that DECD's annual report analyze business assistance programs not administered by the department, other than those administered by CI; changes the report's legislative hearing date

By law, DECD must submit an annual report on the department's activities by February 1 to the governor; state auditors; and the Appropriations, Commerce, and Finance, Revenue and Bonding committees. Among other things, the report must analyze business assistance programs the department administers.

Prior law required DECD to also analyze business assistance or incentive programs it does not administer. The act limits this requirement to only those business assistance programs administered by Connecticut Innovations, Inc. (CI).

By law, the state auditors must evaluate DECD's annual report as part of their audits of the department, which generally occur biennially. The act appears to eliminate a requirement that the auditors' evaluation cover DECD's analysis of CI's business assistance programs.

Prior law required the Appropriations, Commerce, and Finance, Revenue and Bonding committees to individually or jointly hold one or more hearings on the report's business assistance analyses annually by March 1. The act instead requires the committees to hold these hearings within 60 days after the auditors complete their evaluation of DECD's annual report. Under the act, the hearings must also cover the auditors' evaluation. (PA 21-2, June Special Session, § 286, (1) restores the annual hearing requirement but makes the hearing deadline April 1 rather than March 1 (2) eliminates this act's requirement that the hearing cover the auditors' evaluation and (3) additionally requires that it cover specified data on the Small Business Express program.)

OLR PUBLIC ACT SUMMARY

EFFECTIVE DATE: Upon passage

§§ 15-16 & 26 — ELIMINATED DECD REPORTING REQUIREMENTS

Eliminates various DECD reporting requirements

The act eliminates the following DECD reporting requirements:

1. annually report to the governor and legislature with recommendations for, among other things, improvements in vocational educational programs and executive and legislative action to improve job innovation and development programs (§ 15);
2. biennially submit a strategic plan to the governor and legislature on arts, culture, and tourism (§ 16); and
3. maintain a registry of small business concerns owned and controlled by veterans and service-disabled veterans and annually report the number of such businesses to the Veterans' Affairs Committee (§ 26).

EFFECTIVE DATE: Upon passage

§ 17 — UNEXPENDED REGIONAL TOURISM DISTRICT FUNDS

Generally requires regional tourism districts to return unexpended state funds to DECD at the end of each fiscal year

The act generally requires regional tourism districts to return any unexpended state funds to DECD at the end of each fiscal year, beginning with FY 21, other than funds used to establish or administer a matching grant program for certain tourism marketing activities. Under the act, DECD must (1) deposit the returned funds in the Tourism Fund and (2) use the funds to support statewide marketing. The act also eliminates a requirement that the central district's office be located within DECD.

By law, the state has three regional tourism districts (eastern, central, and western) composed of member municipalities. DECD must, within available appropriations, distribute tourism funding evenly among the three districts.

EFFECTIVE DATE: Upon passage

§ 18 — CONNECTICUT ARTS COUNCIL FOUNDATION

Reconstitutes the foundation's board of directors by (1) eliminating the requirement that the council's board of directors serve as the foundation's board of directors and (2) establishing a new 16-member board for the foundation

The act revamps the membership of the Connecticut Arts Council Foundation's board of directors by eliminating prior law's requirement that the council's board of directors also serve as the foundation's board of directors. It instead establishes a new 16-member board (15 voting and one nonvoting) as follows:

1. five gubernatorial appointees serving four-year terms, one of whom must be the head of a statewide arts organization;

OLR PUBLIC ACT SUMMARY

2. six legislative appointees serving three-year terms (one appointment by each of the six legislative leaders);
 3. three members appointed by the DECD commissioner, each serving a three-year term;
 4. the DECD commissioner as an ex-officio member; and
 5. a DECD employee responsible for arts and culture, designated by the commissioner as a nonvoting member.
- EFFECTIVE DATE: October 1, 2021

§ 19 — FOIA EXEMPTION FOR CERTAIN ARCHAEOLOGICAL SITES

Allows the DECD commissioner to withhold certain archaeological site information without a withholding request from the person who discovered or reported the site

Prior law allowed the DECD commissioner to withhold from disclosure under the Freedom of Information Act (FOIA) information relating to the location of certain archaeological sites if the person who discovered or reported the site requested the withholding in writing. If granted, the exemption applied through the following July 1, but the requestor could annually request one-year extensions.

The act instead allows the commissioner to withhold the information without a request from the person who discovered or reported the site. It similarly eliminates prior law's limitations on the exemption's term, thus allowing it to apply permanently.

By law unchanged by the act, the exemption applies to sites listed on the National Register of Historic Places or the state register of historic places, or sites DECD is considering listing, whenever the department determines that disclosure would create a risk of destruction or harm to the sites.

EFFECTIVE DATE: Upon passage

§ 20 — ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENTS

Allows DECD and CI discretion in enforcing existing law's provisions about relocation by entities receiving assistance from DECD- and CI-administered programs

Under prior law, a business could not receive economic development assistance from a DECD- or CI-administered program unless it agreed not to relocate from Connecticut for 10 years after receiving the assistance, or for the term of a state loan or loan guarantee, whichever was longer. If it relocated before the period expired, it had to repay the entire amount of the assistance plus 5%. (If the business relocated within the state, it had to offer its current employees jobs at the new location if available.)

The act grants DECD and CI discretion to not require these terms for certain businesses. The discretion applies to businesses that receive (1) up to \$50,000 in financial assistance from the department or CI, respectively, and are "eligible small businesses" (see below) or (2) assistance from programs funded entirely by the federal government.

Under the act, an "eligible small business" is one that (1) employed no more

OLR PUBLIC ACT SUMMARY

than 100 full-time employees on at least 50% of its working days during the preceding 12 months, (2) has operations in Connecticut, (3) has been registered to conduct business for at least 12 months, and (4) is in good standing with all state and local taxes.

EFFECTIVE DATE: Upon passage