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## Job Incentive Grant Program

### Sec. 32-9l-1. Statement of purpose

To implement the provisions of the job incentive grant program established pursuant to sections 32-9i to 32-9m, inclusive of the Connecticut General Statutes. (Effective October 3, 1991)

### Sec. 32-9l-2. Applications for job incentive grants

Applications for job incentive grants shall be made on forms prescribed by the Department and available at its office on written request. (Effective October 23, 1978)

### Sec. 32-9l-3. Requirements of eligibility for a job incentive grant

(a) **In General.** In order to be eligible for a job incentive grant, an applicant business must show that its business facility:

- (1) Is located in an eligible municipality;
- (2) Carries on a business activity which is a qualified business activity under the job incentive grant program;
- (3) Has undergone major expansion or renovation;
- (4) Will employ not less than five additional full-time employees or in the case of any business facility located in an enterprise zone designated pursuant to Section 32-70, of the statutes, will employ not less than three additional full-time employees as a direct result of major expansion or renovation; and
- (5) Was expanded or renovated as the result of a business decision in which the job incentive program was a significant incentive.

(b) **Eligible Municipality Requirement.**

(1) The term "eligible municipality" shall have the same definition ascribed to it as to an eligible municipality defined in section 32-9j of the statutes, as amended.

(2) The Department shall obtain from the Department of Labor, as soon after the commencement of each calendar year as it becomes available, a listing of all municipalities in the state which had a rate of unemployment described in the definition of an "eligible municipality" in section 32-9j of the statutes, as amended. The listing so obtained shall be designated by the Department as the list of eligible municipalities under the job incentive grant program for the calendar year in which the designation is made, and shall be made available on request to interested business and other persons.

(3) For the portion of each calendar year before the eligible municipality listing is made available to the Department by the Department of Labor, eligible municipalities shall be considered to be those contained in the eligible municipality listing for the preceding calendar year.

(c) **Eligible Business Activity Requirement.** Facilities which are used primarily for the manufacturing, processing or assembling of raw materials or manufactured products, for research, for industrial warehousing or for any combination thereof and which do not primarily serve the municipality in which they are located or in the case of any facility located in an enterprise zone designated pursuant to Section 32-70 of the statutes, used for services which meet the criteria as set forth in Section 32-9p-5 (h) (5) of the Regulations of Connecticut State Agencies are facilities which carry on a qualified business activity.

(d) **Major Expansion or Renovation Requirement.** An acquisition, a construction, a lease of at least three (3) years, or an expansion or renovation involving a substantial level of capital expenditure by the applicant business shall be deemed to

meet the major expansion or renovation requirement. Major renovation or expansion means the making of improvements or additions to the structure of a facility which involve capital expenditures which amount to 50% of current assessed value of the building, structure or part thereof being renovated or expanded.

**(e) Resulting Employment Requirement.**

(1) An applicant business must demonstrate that at least five new full-time employment positions have been created at the business facility at the completion of the firm's hiring program, which positions are a direct result of a major renovation or expansion. Notwithstanding provisions of this subsection, an applicant business located in an enterprise zone as designated pursuant to section 32-70, of the statutes, must demonstrate that at least three new full-time employment positions have been created at the business facility by the completion of the firm's hiring program, which positions are a direct result of a major renovation or expansion. The base employment figure, used in comparison to the number of new employment positions, will be the greater of either: (A) an average of the employment figures for the 24 months preceding the initiation of the hiring program or (B) the highest employment figures for any one week within a four week period prior to the initiation of the hiring program.

(2) The entire cost of the salaries of the employees whose positions were created by a major expansion or renovation of the business facility must be paid by the applicant business. Notwithstanding this provision, participation by employees in federal or state manpower training, education or apprentice training programs shall not disqualify those employees from being counted as eligible for the purpose of calculating the job incentive grant.

(3) The additional employees must be employed by the applicant business on a full-time basis. Employees will be considered employed on a full-time basis if their scheduled work week is at least thirty-five hours in length and if they are employed in positions which normally provide employment for the entire work year. Positions involving temporary or seasonal work or work which is cyclical or in which workers are subject to frequent layoffs are not positions for which a job incentive grant will be awarded.

(4) The additional employees need not be residents of an eligible municipality in order for an applicant business to qualify for a grant.

**(f) Significant Incentive Requirement.** (1) The primary purpose of the job incentive program is to reduce unemployment in eligible municipalities. The job incentive program seeks to accomplish this purpose of providing job incentive grants to businesses as a means of inducing businesses to locate or expand business facilities in eligible municipalities. In view of the purpose and method of the program and the limited availability of funds for its implementation, the Department will award job incentive grants to those businesses which clearly demonstrate that the availability of the grant provided a significant incentive for the business to undertake the expansion or renovation of a business facility and that most clearly meet the goal of reducing unemployment and increasing income in the eligible municipality.

(Effective October 3, 1991)

**Sec. 32-9I-4. Application and grant limits**

(a) **Issuance.** Applications must be completed and submitted to the department prior to initiation of the firm's hiring program. Upon receipt of an application the Department shall undertake an evaluation to determine whether the business facility described in the application qualifies as a business facility and that the business facility would meet the requirements of eligibility for a job incentive grant provided

in section 32-91-3 if the business facility is expanded or renovated in the manner described in the grant application.

(b) **Use of Job Incentive Grant Monies.** The Department's policy in implementing the job incentive grant program shall be to make the most effective possible use of monies in the job incentive fund. To carry out this policy, the Department will seek to identify among eligible municipalities those in which the construction of a proposed business facility will have the greatest impact in reducing the unemployment level in the eligible municipality, and allocate job assistance grants accordingly. The Department will also take into consideration in the making of job incentive grants the number of unemployed persons in each eligible municipality and the seriousness of the need of eligible municipalities with higher number of unemployed persons for capital investment by private enterprise which creates full-time, relatively permanent employment opportunities. In order to assure that the benefits of the job incentive grant program accrue to a reasonable number of eligible municipalities throughout the state, no job incentive grant shall be awarded in an amount exceeding \$75,000.

(Effective December 20, 1984)

### **Sec. 32-91-5. Certificate of eligibility**

(a) Each business determined by the department to be eligible for a job incentive grant in accordance with section 32-91-4 (a) shall notify the Department as to the date on which the acquisition or physical construction, expansion, renovation or leasing of the business facility occurs. The notification shall be certified by an authorized officer of the applicant business and, if appropriate, shall describe the manner in which the expansion or renovation of the facility differs from that described in the business's application, including particularly any variation in the number or type of jobs expected to be created by the expansion or renovation. The notification shall be accompanied by documentation from the general contractor performing such expansion or renovation, or by the business's project manager if the work is performed by the business itself, affirming the commencement of such expansion or renovation.

(b) Upon receipt of a notification of commencement of construction described in section 32-91-5 (a) from a business the Department shall review the notification and the accompanying documentation and undertake such inquiries as it deems appropriate in the circumstances in order to confirm whether the business facility as then contemplated by the applicant business meets the requirements or a facility for which a job incentive grant may be awarded. If the Department determines that the facility meets such requirements it shall issue the applicant business a certificate of eligibility.

(c) The certificate of eligibility shall specify the number of full-time jobs expected to be created by the expansion or renovation at the business facility and the date or dates by which it is reasonably expected that the employees hired to fill such jobs will have commenced work. The Department shall determine such number and date (i) based upon the estimate given by the applicant business and the likelihood that the applicant's estimate will be achieved, (ii) in light of the Department's experience in administering the job incentive grant and similar programs and (iii) having consideration for all the facts and circumstances of each particular case.

(d) Upon the issuance of a certificate of eligibility the Department shall administratively segregate from available and previously unsegregated monies in the job incentive fund an amount equal to \$500 multiplied by the number of full-time jobs specified by the Department in the certificate of eligibility. In the case of an eligible

business facility located in an enterprise zone designated pursuant to Section 32-70 of the statutes, and used primarily for manufacturing, processing, or assembling of raw materials or manufactured products or for research or industrial warehousing for which not less than one hundred fifty full-time employees or thirty percent of the full-time employment positions created by the facility are held by (1) residents of such zone, (2) or residents of such municipality who, at the time of employment, were eligible for training under the federal comprehensive employment training act or any other training program that replaces the comprehensive employment training act, the department shall administratively segregate \$1500 multiplied by the number of full-time jobs specified by the department in the certificate of eligibility. Such monies shall remain segregated until disbursed to the applicant business or released in accordance with sections 32-9I-6 (e) and 32-9I-6 (f) from the set aside established pursuant to this paragraph.

(e) In the event that the entire balance in the job incentive fund has been administratively segregated, certificates of eligibility will continue to be prepared but the Department shall suspend their issuance pending the availability of monies in the job incentive fund. Once such monies again become available the Department shall resume the issuance of certificates of eligibility in the order of priority in which they would have been issued had monies continued to be available in the job incentive fund.

(f) Neither the issuance of a certificate of eligibility nor the payment of a job incentive grant to an applicant business shall disqualify the business from applying for or receiving other job incentive grants including state and/or federal manpower training assistance, with respect to the same or other business facilities as long as the business facility for which the subsequent job incentive grant is claimed is a facility which meets the requirements of eligibility for a job incentive grant established in section 32-9I-3.

(g) Each certificate of eligibility shall expire on the last day of the twenty four month period following the day on which the certificate of eligibility is issued.

(h) Any facility which has been issued a certificate of eligibility shall notify the Department of any change in fact or circumstance which may bear on the continued qualification as a business facility for which a certificate has been issued. Failure to comply with this requirement may result in the revocation of the certificate by the Department.

(Effective October 3, 1991)

### **Sec. 32-9I-6. Grant payments**

(a) In order to receive a job incentive grant payment from the monies administratively segregated on its behalf, the applicant business shall submit to the Department a notice specifying the date upon which the expansion or renovation of the business facility was completed and the date upon which all of the employees filling the positions created by the expansion or renovation commenced work. The notice shall have attached a copy of the certificate of occupancy for the facility or documentation acceptable to the department from the project manager certifying the acquisition or leasing of the facility or the completion of the capital improvements being made thereto. The notice shall be certified by an authorized officer of the applicant business and shall confirm that the facility was expanded or renovated in accordance with the descriptions theretofore submitted to the Department or describe the manner in which the actual expansion or renovation differed from that approved by the Department in the issuance of its certificate of eligibility.

(b) The notice shall be submitted to the Department not earlier than three months following the date on which the last employee hired as a result of the expansion or renovation actually commenced work. The notice shall state that each of the positions for which a job incentive grant is claimed was filled by a full-time employee for such three month period and is a position which qualifies for the award of a job incentive grant under Section 32-91 of the General Statutes and section 32-91-3 of the Regulations of Connecticut State Agencies as amended by section 2 of these regulations.

(c) Upon receipt of a notice of completion of construction from an applicant business pursuant to section 32-91-6 (a), the Department shall review the certificate of eligibility issued to the business in the manner prescribed in section 32-91-5 (b) for the review of notifications as to the commencement of construction. The Department shall modify the certificate of eligibility to reflect the results of the expansion or renovation actually undertaken and completed by the business or any other material change in the facts relevant to the Department's determination of eligibility for a job incentive grant. The certificate of eligibility shall also be modified by the Department if it finds that the facts as stated therein are not in accordance with the facts as determined by the Commissioner or if the application or any information submitted to the Department by the applicant business failed to fully and fairly disclose facts relevant to the determination of eligibility of the business facility for a job incentive grant.

(d) The Department may revoke a certificate of eligibility if it finds, after a hearing, that the business facility described therein fails in any respect to meet the eligibility requirements established pursuant to sections 32-91 to 32-91 inclusive of the General Statutes or for any reason which under section 32-91-6 (c) would warrant a modification of the certificate of eligibility.

(e) Job incentive grant payments shall be made in an amount calculated by multiplying \$500 or, in case of any business facility located in an enterprise zone designated pursuant to Section 32-70 of the statutes, and used primarily for manufacturing, processing, or assembling of raw materials or manufactured products or for research or industrial warehousing for which not less than one hundred fifty full-time employees or 30% of the full time employment positions created by the facility are held by (1) residents of such zone, or (2) residents of such municipality who, at the time of employment, were eligible for training under the federal comprehensive employment training act or any training program that replaces the comprehensive employment training act, \$1500 times the number of jobs specified in the final certificate of eligibility, as modified by the Department in accordance with Section 32-91-6 (c). The Department shall advise the State Treasurer of its determination to make a job incentive grant payment, and shall direct the State Treasurer as custodian of the job incentive fund to disburse the amount of the approved grant to the business entitled to receive the grant.

(Effective October 3, 1991)

### **Sec. 32-91-7. Job incentive program report**

The Department shall submit to the Governor and the General Assembly on or before March first of every even numbered year, a report on the implementation of the job incentive grant program. The report shall evaluate the effectiveness of the program in stimulating and encouraging the creation and growth of jobs in areas of high unemployment.

(Effective December 20, 1984)