

Sec. 32-9I-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)