Overview

This bill makes changes to a 1999 law passed to require increased reporting of business subsidies, specifically with respect to the wage and job goal progress of the subsidized projects. Among other changes, the bill provides some additional exemptions from the definition of a business subsidy and broadens the permissible purposes of a subsidy.

Section

1. **Business subsidy.** Provides that this term does not include any subsidy of less than $100,000, rather than the current $25,000. Adds exemptions for other subsidies, including assistance for historic preservation districts, tax increment financing for hazardous substance districts, and funds from conduit bonds. Broadens the exemption of assistance for job training.

2. **Public purpose.** Current law requires a subsidy to meet a purpose other than increasing the tax base. This section provides that increasing the tax base may be part of the public purpose, but may not be the entire public purpose.

3. **Subsidy agreement.** This section gives the grantor of a subsidy the ability to waive, after a public hearing, the general statutory requirement that a subsidy recipient agree to continue operations for at least five years at the location where the subsidy is being given.

4. **Wage and job goals.** Current law requires all subsidies to include wage and job goals. This section allows those goals to be set at zero after a public hearing at which it is determined that job retention and creation are not purposes of the subsidy.

5. **Public notice and hearing.** Rather than the current requirement that the subsidy agreement itself be made available to the public, provides for a summary to be provided. Allows a single hearing to be provided regarding a recipient of multiple non-state subsidies. Provides for the treatment of the IRRRB like a local grantor for the purposes of the notice and hearing provisions.

6. **Failure to meet goals.** Permits clawback dollars to be credited to the contaminated site cleanup
and development account rather than the grantor, at the choice of the grantor.

7 **Reports by recipients to grantors.** Changes reporting requirements for certain types of financial assistance agreements not considered business subsidies. Requires that wage and job information be reported for these exempt assistance only when job creation or retention are goals for the assistance.

8 **Reports by grantors.** Clarifies terms.

9 **Compilation and summary report.** Changes the due date for the DTED compilation report from July 1 to August 1. Clarifies terms.

10 **Economic grants.** Creates a clawback requirement for any appropriation rider in an appropriation to the department of trade and economic development for a grant to a particular business or class of businesses.