

**PA13-265**

SB1079

Commerce	898, 899, 981-982, 1002	5
House	10741-10742, 10761-10763	5
Senate	2223-2229, 2283-2285	10
		<b>20</b>

**H - 1180**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2013**

**VETO  
SESSION**

**VOL.56  
PART 31  
10451 - 10795**

further on the bill as amended? Representative  
Willis.

REP. WILLIS (64th):

Yes, Mr. Speaker. May I -- this resolution --  
bill be moved on the Consent Calendar.

SPEAKER SHARKEY:

The motion is to move this item to the Consent  
Calendar. Is there objection? Is there objection?  
So ordered. Will the Clerk please call Calendar 555.

THE CLERK:

Calendar 555, favorable report of the joint  
standing Committee on Planning and Development,  
substitute Senate Bill 964, AN ACT CONCERNING THE  
SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY.

SPEAKER SHARKEY:

Representative Aresimowicz.

REP. ARESIMOWICZ (30th):

Mr. Speaker, I'm about to list off a bunch of  
Calendar numbers that we will be placing on the  
Consent Calendar. It would be Calendar 555, Calendar  
578, Calendar 596, Calendar 679, Calendar 684,  
Calendar 692, Calendar 612, Calendar 665.

SB 964 SB 833  
SB 383 SB 900  
SJ 58 SB 1163  
SB 1079  
SB 709

SPEAKER SHARKEY:

If there's no objection, these items mentioned by

Representative Aresimowicz will be placed on the  
Consent Calendar. Will the Clerk please call Calendar  
591.

THE CLERK:

On page 22, Calendar 591, favorable report of the  
joint standing Committee on Judiciary, substitute  
Senate Bill 1040, AN ACT CONCERNING COUNTERFEIT AND  
NONFUNCTIONAL AIRBAGS.

SPEAKER SHARKEY:

Representative Anthony Guerrero.

REP. GUERRERA (29th):

Good evening, Mr. Speaker. I move acceptance of  
the joint Committee's favorable report and passage of  
the bill in concurrence with the Senate.

SPEAKER SHARKEY:

The question is acceptance of the joint  
committee's favorable report and passage of the bill  
in concurrence with the Senate. Will you remark, Sir?

REP. GUERRERA (29th):

Yes. This is a good bill and I would ask  
everyone to vote for it. Thank you.

SPEAKER SHARKEY:

Thank you, Sir. I believe there's an amendment.

REP. GUERRERA (29th):

law/gbr  
HOUSE OF REPRESENTATIVES

571  
June 5, 2013

Nine four.

SPEAKER SHARKEY:

Nine four previously designated as Senate A.

THE CLERK:

Senate Amendment A, substitute Senate Bill 158,  
LCO 5894.

REP. URBAN (43rd):

I move adoption.

REP. CAFERO (142nd):

Mr. Speaker. Mr. Speaker, we did not --

THE CLERK:

-- introduced by Senator Williams.

REP. URBAN (43rd):

Five eight nine four, I move adoption.

REP. CAFERO (142nd):

No. PT this. I mean I would request that.

Whatever you want to do.

SPEAKER SHARKEY:

The question is -- the question is PT. Without  
objection so ordered. Clerk please call -- will the  
Clerk please call Calendar 659. Six five nine. Yeah.

THE CLERK:

Bill number 1020, Bill number 1006, 963, 878,  
964, 833, 383, 900, Senate Joint 58, 1163, 1079, 709,

1040, 326, 803, 886, 1065, 983, 190 and 158 on the  
Consent Calendar.

SPEAKER SHARKEY:

Representative -- Representative Aresimowicz.

REP. ARESIMOWICZ (30th):

Mr. Speaker, I move adoption of the Consent  
Calendar.

SPEAKER SHARKEY:

Staff and guests to the well of the House.

Members take your seats. The machine will be opened.  
Open the board, Mr. Clerk. Open the board for the  
Consent Calendar. Staff and guests to the well of the  
House. Members take your seats. The machine will be  
opened for the Consent Calendar.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll. Will  
members please come to the well of the Chamber please.  
The House is voting immediately.

SPEAKER SHARKEY:

Have all the members voted? Have all the members  
voted? Members please check the board to make sure  
your vote is properly cast. If all the members have  
voted the machine will be locked and the Clerk will

take a tally. Will the Clerk please announce the tally.

THE CLERK:

On the Consent Calendar, Mr. Speaker.

Total Number Voting	146
Necessary for Adoption	74
Those voting aye	146
Those voting nay	0
Absent and not voting	4

SPEAKER SHARKEY:

The bill -- or the Consent Calendar passes.

Representative Aresimowicz.

REP. ARESIMOWICZ (30th):

Mr. Speaker.

SPEAKER SHARKEY:

Mr. Majority Leader.

REP. ARESIMOWICZ (30th):

Mr. Speaker, I move we adjourn sine die.

SPEAKER SHARKEY:

The motion is to adjourn sine die. Seeing no objection, so ordered.

(On motion of Representative Aresimowicz of the 30th District, the House adjourned at 12:02 o'clock a. m.,

**S - 659**

**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
2013**

**VOL. 56  
PART 8  
2153 - 2500**

If there's no objection, I ask this item be placed on Consent.

THE CHAIR:

Seeing and hearing no objection, so ordered.

Mr. Clerk.

THE CLERK:

On Calendar Page Number 24, Calendar Number 526,  
Substitute for Senate Bill Number 1079, AN ACT  
INCREASING THE MANUFACTURING APPRENTICESHIP TAX  
CREDIT, Favorable Report from the Commerce Committee.

THE CHAIR:

Senator LeBeau.

SENATOR LeBEAU:

Good evening, Mr. President.

I move acceptance --

THE CHAIR:

Good evening.

SENATOR LeBEAU:

-- of the joint committee's Favorable Report and  
passage of the bill.

THE CHAIR:

On acceptance and passage, will you remark?

SENATOR LeBEAU:

Thank you, Mr. President.

Just one second, please.

What this, what this bill does, it increases the maximum amount for the Manufacturing Apprenticeship Tax Credit and as a result, we hope will stimulate, help to stimulate the economy. The -- and -- and what it does, it does that in two ways; it increases the tax credit for manufacturers from 4 to 6 dollars per hour and it raises the annual cap on the total amount of credit a business can claim for this purpose from 4,800 to 7,500. So you have a 50 percent increase in both the credits and also in the -- the total amount that a business can claim.

One of the -- the things that we've discovered over the last year -- and I think everybody in this Circle has had this experience -- is we've heard the following tale. And the tale goes something like this: There are jobs out there, and the jobs are for manufacturers; however, we don't have the skilled manufacturers, we don't have the skilled people to take those jobs.

And this program can help with that in the sense of allowing an apprenticeship. This, along essentially with the Step Up program and the other business-credit programs that we have can help to help particularly small businesses -- although it's not limited to small businesses -- can help small businesses particularly to have an opportunity to train people on the job and in the, in the process take that tax credit and to -- to give them, to cut some of the costs. Because when you train somebody on the job, it's an expensive proposition, and that's because the person who is doing the training is -- is usually somebody who is actually on the line and is taken off the line or is slowing down what their production to train somebody else. And the other person is really not engaged in the production directly but is in the, in the -- the training process.

So this is a really good bill that helps manufacturing. And we all know that, how important manufacturing is. And it's appropriate that we bring this bill out today, Manufacturing Day in the State of Connecticut, Manufacturing Day in -- in the Capitol. And this is a very good bill to help manufacturing. It's something that the manufacturers of the state have asked for, from CBIA, from the large

manufacturers to the small manufacturers, to the New Haven Manufacturers Association, small manufacturing associations, virtually everybody supports this bill. And I hope that the Senate will, also, tonight.

Mr. President, thank you.

THE CHAIR:

Thank you, Senator.

Senator Frantz.

SENATOR FRANTZ:

Thank you, Mr. President.

Indeed, it is a proud day here in the State Capitol for anybody interested in manufacturing, because it -- it is, in fact, Manufacturing and -- and Engineering Day here in the Capitol. And I hope everybody had a chance to walk around through the Capitol facility, itself, here and see all of the different companies that had their wares on display.

And Sikorsky had a beautiful helicopter out here in the, in the north lawn, which took off in the middle of the afternoon, creating quite a spectacle.

The apprenticeship bill, tax credit bill is a very good one, and Senator LeBeau has worked very hard on this for a long time and done a, another excellent job to bring the bill to where it is today before the Chamber. I expect that it will pass here, as well as -- as well as in the House and be signed into law. It is a good bill that reflects the reality of the workplace and manufacturing today.

In Connecticut, which is one of the great manufacturing states of all time in the history of the United States of America, today, believe it or not, there is a disconnect between the job opportunities and the -- the ability of the educational institutions to create a -- an establishment where -- where students can acquire the skills that will allow them to walk right into the workplace.

The apprenticeship programs that we have here in Connecticut as well as other states do a great job of bridging that gap. And this is what this bill is all about in that it provides the employer a break, going from \$4 to \$6 per hour and raising the cap to \$7500 per hour [sic] or 50 percent of -- of those wages.

If you look abroad, if you look to a country like Germany who has for over a hundred and fifty years staked the future of their economy the entire time on the apprenticeship program, you'll see huge successes. And they are the undisputed leaders in so many different areas, whether you're talking about aircraft technology and automobile technology, cameras, photography, et cetera, et cetera. In -- in aerospace, they give us a pretty good run for the money -- I still think Connecticut is the best -- but this is, this is the model example of the apprenticeship program for the rest of the world. And we have that right here in Connecticut; it just needs to be supported, and that is exactly what this bill does today.

Mr. President, I want to thank you for letting me say this in the Circle, that Senator LeBeau and the rest of the Commerce Committee, you've done a great job bringing this forth. And I hope that everybody supports it in the Circle.

Thank you.

THE CHAIR:

Thank you, Senator.

Will you remark further on the bill?

Senator Linares.

SENATOR LINARES:

Thank you, Mr. President.

And I would like to thank Senator LeBeau -- LeBeau and Senator Frantz for their leadership in the Commerce Committee on this issue.

It's fitting as it is Manufacturing Day here at the Capitol. It's my understanding that over 1400 jobs are available in manufacturing across the state, and one of problems that we're having is that there aren't people that are trained or are qualified to fill those positions. And I think that this apprenticeship program will help solve that problem. And it will, it will definitely improve the business climate in the State of Connecticut and ultimately help create more jobs. And I am in full support.

Thank you.

THE CHAIR:

Thank you, Senator.

Senator McLachlan.

SENATOR McLACHLAN:

Thank you, Mr. President.

I stand in strong support of the program before us today. We had manufacturers here at the State Capitol this morning and spent a good part of the day with us. All of them were talking about the importance of us doing everything we can to help them find qualified, trained employees. And this is one great way to go about it. It's a good move for us here in the State of Connecticut, and I thank the leadership for bringing it forward.

Thank you, Mr. President.

THE CHAIR:

Thank you, Senator.

Will you remark further on the bill? Will you remark further on the bill?

Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President.

I rise in the support of the bill. I want to thank Senator LeBeau and Senator Frantz for their leadership on the Commerce Committee.

And I just wanted to echo something that Senator Linares said which is so true, and I think surprising to many, as I toured a number of our businesses last year, focusing on manufacturing business. And at the height of one of the worse recessions that we all we know we faced, with an unemployment rate that is higher than the national average, small, medium-sized manufacturers in the State of Connecticut are saying to us then and now that if we could find 5 more or 10 more or 20 more people, we'd have them hired and employed tomorrow. And the Apprenticeship Tax Credit, it was one of the several pieces that they asked for and said this can help us get people to work right now. So I just thought Senator Linares made an extraordinarily good point on that.

Again, I want to thank the leadership for this bill. And let's hope we continue to work to bring back manufacturing, which I think, as Senator Frantz noted out, Connecticut has an extraordinarily proud history in that field.

Thank you.

THE CHAIR:

Thank you, Senator.

Will you remark further?

Senator LeBeau.

SENATOR LeBEAU:

Thank you, Mr. President.

And I -- I would like to thank the Senators that spoke and the Minority Leaders, Senator Linares, Senator McLachlan, and particularly Senator Frantz, who's been a -- a strong ally. As the Ranking Member in the Commerce Committee, we've done some good; again, another good year of good work. We're not done yet,

but we, I would like to thank them for their help. And this has been a bipartisan effort, and I very much appreciate that; we're all working together.

We all recognize the importance of manufacturing, both for in the, in the past, in the present and in the future. And -- and even in the last couple of years, while the economy has been teetering and not necessarily doing well, one of the places that actually increased jobs was in manufacturing.

I believe we're on the edge of a renaissance in Connecticut, and it's time we started talking about that. We are on the edge of a manufacturing renaissance, and I agree with Senator Frantz entirely that we, that, you know, we have to compete really strongly with Germany on precision manufacturing, but we've got some of the greatest things going on in the state.

And those of you who were downstairs today and saw some of the manufacturing, from pasta to -- to chocolate, to precision manufacturing, saw some of the, some wonderful products that are being produced here. I'll end it at that.

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

THE CHAIR:

Is there objection to place this item on a Consent Calendar?

Seeing none, so ordered.

Mr. Clerk.

THE CLERK:

On Calendar Page 25, Calendar Number 527, Substitute for Senate Bill Number 1131, AN ACT CONCERNING CHANGES TO THE CONNECTICUT HISTORIC HOME TAX CREDIT, Favorable Report of Commerce Committee.

THE CHAIR:

THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, if the Clerk would now proceed to read the items placed on the Consent Calendar today, before calling for a vote on that Consent Calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Beginning on Calendar Page 3, Number 146, Senate Bill Number 959; also on Calendar Page 3, Number 165, Senate Bill 327.

On Calendar Page 8, Number 303, Senate Bill Number 1018.

On Page 22, Calendar Number 511, House Bill 6243.

On Page 23, Calendar Number 517, House Bill 6453.

On Page 24, Calendar Number 525, House Bill 6457; also on Page 24, Calendar Number 526, Senate Bill 1079.

On Page 25, Calendar Number 527, Senate Bill 1131; also on Page 25, Calendar Number 529, Senate Bill 965. Finally, on Page 25, Calendar Number 531, Senate Bill 986.

On Page 29, Calendar Number 562, House Bill 5387.

On Page 35, Calendar Number 39, Senate Bill 597.

On Page 40, Calendar 210, Senate Bill 817.

THE CHAIR:

Mr. Clerk, on Page 35, have you also seen Calendar Number 44, Senate Bill 809?

A VOICE:

Yeah.

THE CHAIR:

(Inaudible) wrong. Okay. Okay; I apologize, sir.

Please proceed.

THE CLERK:

On Calendar Page 40, Number 210, Senate Bill 817.

On Page 41, Calendar 254, Senate Bill 1013.

On Calendar Page 42, Number 271, Senate Bill 1072;  
also on Page 42, Calendar Number 286, Senate Bill  
1113.

On Page 44, Calendar 364, Senate Bill 1014.

On Page 46, Calendar Number 397, Senate Bill 992; also  
on Page 46, Calendar 406, Senate Bill 1129. And  
finally, on Page 46, Calendar 407, Senate Bill 383.

THE CHAIR:

Mr. Clerk, I ask for a roll call vote. The machine  
will be open for the Consent Calendar.

THE CLERK:

Immediate roll call vote has been ordered in the  
Senate on the Consent Calendar. Immediate roll call  
vote has been ordered in the Senate; Senators please  
return to the Chamber.

THE CHAIR:

All members have voted: all members voted? The  
machine will be closed.

Mr. Clerk, will you please call the tally.

THE CLERK:

On the Consent Calendar.

Total Voting	36
Voting Yea	36
Voting Nay	0
Absent, not voting	0

THE CHAIR:

The Consent Calendar passes.

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, at this point, having concluding the day's business, would certainly yield the floor to any members for purposes of announcements or committee meeting or -- or other points of personal privilege.

THE CHAIR:

Are there any point -- points of personal privilege or announcements? Are there any personal privileges or announcement?

Senator McKinney.

SENATOR McKINNEY:

Thank you, Madam President.

Madam President, as fate would have it, we came close yesterday to being able to celebrate the birthday of two of our members. Yesterday we celebrated the birthday of Senator Slossberg; today, we get to celebrate the birthday of Senator Len Fasano, so --

THE CHAIR:

All right.

SENATOR McKINNEY:

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**COMMERCE  
PART 3  
716 - 1066**

**2013**

REP. PERONE: Next is Eric Gjede, to be followed by Bill Ethier.

ERIC W. GJEDE: Good afternoon.

My name is Eric Gjede; I'm Assistant Counsel with the Connecticut Business and Industry Association, and I want to thank you for allowing me to take -- make a couple, brief comments today in support of Bill 1079, AN ACT INCREASING THE MANUFACTURING TAX CREDIT, and House Bill 5018, AN ACT ESTABLISHING A TAX CREDIT FOR BUSINESSES THAT PROVIDE SCHOLARSHIPS FOR MANUFACTURING TRAINING PROGRAMS.

Senator Bill 1079 increases the tax credit to reflect the high cost of training apprentices as well as the increased need to train more workers to fill vacant, high-paying, manufacturing positions. The dollar values on this tax credit have not been increased since 1994, and by giving this small boost to the credit, we're giving manufacturers a tool to train apprentices that will develop into future, high-income taxpayers and help provide a workforce that will be critical to the future of manufacturing in this state.

House Bill 5018 establishes a tax credit for businesses that are financially supporting manufacturing training programs through scholarships. We need to promote these training programs and make it easier for our future workforce to participate. Providing incentives to businesses to donate and provide financial support ensures their viability. And this proposed tax credit would help provide job opportunities as well as the transfer of skills that are critical to manufacturing in this state.

So I want to thank the committee for taking such

a serious look at the problem of a skilled-labor shortage faced by the manufactures in the state, and I think that these two bills are a good first step towards addressing this problem.

Happy to take any questions.

REP. PERONE: Thank you.

I really don't have question; it's more -- more a comment. I mean, I have (inaudible) the other day, I've had a chance to see, you know, visit some manufacturing locations, as well as CCAT. And -- and I -- I don't think the time has been any more critical to have a, sort of a clear pathway to -- to employment in the, in the manufacturing fields, given the growing complexity of -- of the needs of -- of manufacturers.

The -- the -- I think that, you know, some of the equipment is getting very sophisticated, and I think that having a, you know, having these programs in -- in place (A) it'll definitely lead to jobs but (B) also it'll -- it's lead to creating a really, as I say, robust talent base here in the state.

So I -- I really do appreciate your -- your comments on these two bills.

I'd like to open it up for questions, comments?

Hearing none, thank you, very much.

ERIC W. GJEDE: All right.

REP. PERONE: Appreciate (inaudible).

ERIC W. GJEDE: Thank you.

REP. PERONE: Bill Ethier, followed by Jean Schaefer.



## CONNECTICUT

TESTIMONY OF  
 NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)  
 BY  
 ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR  
 SUPPORTING

**SB-390, AA MAKING PERMANENT THE JOB EXPANSION TAX CREDIT PROGRAM;  
SB-1079, AA INCREASING THE MANUFACTURING APPRENTICESHIP TAX CREDIT;  
HB-5018, AA ESTABLISHING A TAX CREDIT FOR BUSINESSES THAT PROVIDE  
 SCHOLARSHIPS FOR MANUFACTURING TRAINING PROGRAMS;  
HB-5302, AA REQUIRING A COST-BENEFIT ANALYSIS OF PROPOSED STATE-FUNDED  
 ECONOMIC DEVELOPMENT CAPITAL INVESTMENTS**

BEFORE THE  
 COMMERCE COMMITTEE  
 MARCH 12, 2013

*A non-profit, non-partisan organization founded in 1943, NFIB is Connecticut's and the nation's leading small-business association. In Connecticut, NFIB represents thousands of members and their employees. NFIB membership is scattered across the state and ranges from sophisticated high technology enterprises to "Main Street"-small businesses to single-person "Mom & Pop" shops that operate in traditional ways. NFIB's mission is "To promote and protect the right of its members to own, operate, and grow their businesses." On behalf of those small- and independent- job-providers in Connecticut, I offer the following comments:*

NFIB/Connecticut supports SB-390. While for most small businesses, the availability of this tax credit will not be the determining factor in whether to expand and hire new employees, in the current time of economic uncertainty, making permanent this important tax incentive sends a positive message about our state's business climate and will hopefully encourage our small-business community to continue to invest and expand here in Connecticut. Making the credit permanent will also help these businesses with their planning process for the future.

NFIB/Connecticut supports SB-1079, which would expand the dollar amount for manufacturing apprenticeship tax credits. This is a common-sense adjustment to reflect increasing wages and employer costs over time. Furthermore, NFIB also suggests amending the bill so that such a tax credit is allowed to be taken by small businesses that operate as "pass through" entities. Many small businesses owners, including those in the manufacturing sector, prefer to operate their businesses as "pass through" entities, i.e. sub-



## CONNECTICUT

chapter S corporations, Limited Liability Companies, etc. The traditional "corporation" (i.e. C-corps) is quickly becoming a thing of the past, especially in the small business sector. Good tax policy dictates that tax credits for apprenticeship training should be available to all corporate entities, not just limited to a select few.

NFIB/Connecticut supports 5018. Passage of this legislation would help incentivize small businesses engaged in the manufacturing sector to invest in their future workforce. It is becoming increasingly difficult to find students who are not only interested in going into manufacturing, but also who have the requisite skills demanded by employers. Allowing for these small manufacturing businesses to "give back" in the form of scholarships while also receiving a modest tax break is a positive measure that will hopefully serve to enhance workforce development.

NFIB/Connecticut supports HB-5302. NFIB/Connecticut supports this bill as a means of promoting transparency and fiscal accountability within state government, specifically, for major capital investments in economic development initiatives. Small business owners routinely utilize metrics, examine potential return on investments and perform cost-benefit analyses when making business decisions; it only makes sense that major state economic development programs are subject to similar analyses. This is a common sense approach that not only provides for additional transparency in the legislative process, but also can also ultimately result in better-administered economic development programs and state investments. Bills such as HB-5302 encourage us. Too often, laws and regulations are passed without a full understanding of their short and long term impact on Connecticut's business climate as well as the state coffers.



7

Testimony of Eric W. Gjede  
Assistant Counsel, CBIA  
Before the Commerce Committee  
Hartford, CT  
March 12, 2013

**Testifying in Support of SB 1079 An Act Increasing The Manufacturing Apprenticeship Tax Credit**

Good Afternoon Senator LeBeau, Representative Perone, and members of the Commerce Committee. My name is Eric Gjede and I am assistant counsel at the Connecticut Business and Industry Association (CBIA) which represents more than 10,000 large and small companies throughout the state of Connecticut.

CBIA supports SB 1079 because it increases the manufacturing apprenticeship tax credit to reflect the high cost of training apprentices in the manufacturing trades and the importance of manufacturing to the state's economy.

The manufacturing apprenticeship tax credit is an important tool for small and mid-sized manufacturers. Despite the prolonged period of high unemployment in the state, small and mid-sized manufacturers often do not have the resources to recruit enough skilled workers to fill vacant positions. Increasing this tax credit will help manufacturers expand apprenticeship programs, which in turn, will provide more apprentices with skills critical to the future of manufacturing in Connecticut.

We urge the committee to support SB 1079.