

Reinventing Connecticut

An Agenda for Action in the Special Session on Jobs



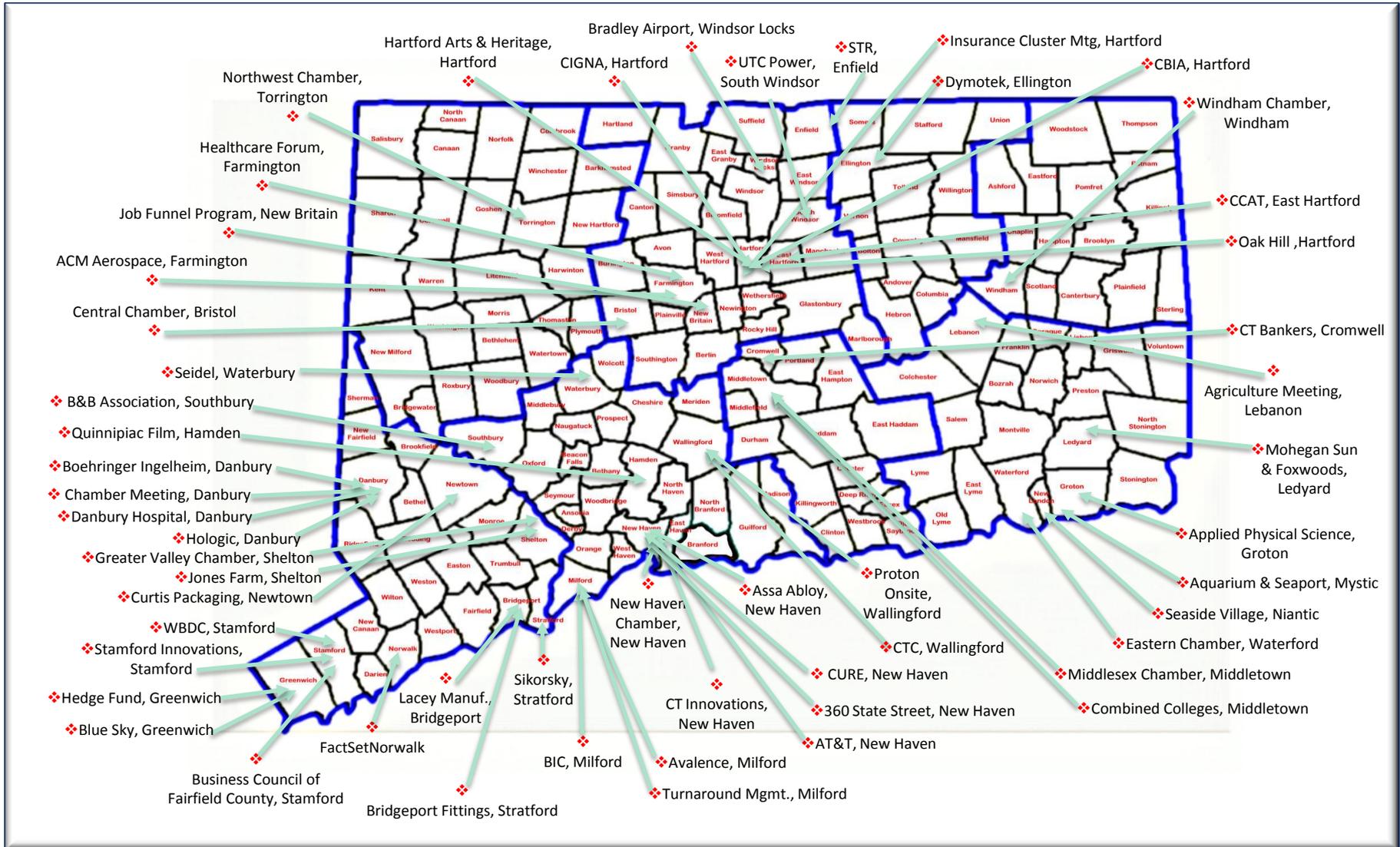
*Making Connecticut
More Competitive...*

October 20, 2011

DRAFT

Between June 27th – October 3rd , 2011, we have met with over 350 companies across Connecticut

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- Small Businesses need help
- Regulatory environment is a hindrance to economic development:
- Entrepreneurs don't believe that they have the freedom to innovate
- We need to do a better job of how we educate and train people to meet the needs of employers
- It is too often too difficult to do business with the state

The Special Session Will Focus On Solutions in These Areas

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- Supporting Small Business growth : **New Small Business Express package (\$180 million for the next two years) will support small business growth**
- Addressing our Regulatory Environment: **Critical permitting processes streamlined**
- Supporting Innovation : **\$25 million in investments for startup company loans, investments and grants**
- Focusing on Workforce Development: **Short and long term strategies developed; new equipment to train manufacturing skills**
- Enhancing the State's Economic Development Tools

We've heard it time and time again from our small businessmen and women: we need help. We're trying to grow jobs, but the state is making our lives too difficult. That's got to stop. We know small businesses create jobs, and it's our job to help them do their jobs.

Initiatives To Assist Small Businesses:

- **Small Business Express Package –\$50 million/yr**
 - Revolving Loan Fund
 - Job Creation Incentive Program
 - Job Creation Matching Grant Program
- **STEP UP – \$10 million/yr -- Subsidized Training and Employment, excluding retail.**
- **Streamlining and Expediting the Permitting Process -**
 - Executive Order to require that agencies to either eliminate or consolidate duplicative and burdensome regulations with specific milestones for delivery (inventory, analysis, reductions)
 - Hire consultant to perform LEAN analysis at DAS, DECD, DOT and DEEP, to focus on systemic changes to permitting process, creating specific timeframes for critical processes. Include study of bus licensing at DPS.
 - Pre-Permitting
 - Pilot program based on New York's – Build Now Program. Identify three properties to pre-permit and market them.
- **Job Creation Tax Credits (Program already capped at \$20 million)**
 - Consolidates and Increases existing credits: Employers receive \$500 per month for new job (– up from current \$200) when they hire
 - Incremental credit for hiring of Un-employed, Disabled , and Veterans (\$900/month)
- **Cut the business entity tax (payments will now be good for two years, vs one)**
- **Manufacturing Reinvestment Account**
 - Increase eligibility from 50 to 100 companies

Even though our regulatory environment was designed with the best of intentions, the simple fact is it's outdated and too often unworkable. We can and will make it easier to do business with the state, without jeopardizing the health and safety of our citizens.

Initiatives to Improve Regulatory Environment:

- **Brownfields - \$20 million**
 - Create website specifically dedicated to Connecticut Brownfields, separate from agency websites
 - Create program to identify, remediate and market five state-owned Brownfields.
 - Charge Brownfield Workgroup with reviewing all Brownfield programs in order to consolidate and streamline
 - Create a program to competitively identify, remediate, and sell for development up to five state owned properties
- **Permitting Process**
 - **STC Reform**
 - DECD Commissioner or Designee to State Traffic Commission (STC) for significant Economic Development Projects
 - Application be deemed approved if the STC had not acted within 60 days of submission
- **Captive Insurance Unit at the Department of Insurance – Industry Funded**
- **Improve information technology portal to make it easier for businesses to work with the State (Up to \$1 million)**

Put simply, we should be doing everything we reasonably can to spur innovation and entrepreneurship. Right now, we're not doing that. We should be giving people the tools they need so that if they have a smart idea they can grow it into a business – right here in Connecticut.

Initiatives to Support Innovation:

- **CI – Spur Innovation and Entrepreneurships to grow the jobs of the future - \$25 million/Year**
 - Build Innovation Centers in key cities to connect entrepreneurs with the mentors, talent, support, ideas, services and capital they need to grow
 - Create vital statewide resources to increase deal flow and accelerate growth, including and IP Factory, Proof of Concept Center and Mentor Network
 - Provide matching dollars for SBIR grants
 - Launch and support Startup Connecticut
- **Reducing “Angel” Investment threshold from \$100,000 to \$25,000 (no cost)**
 - Increase the number of investors in high tech and emerging technology startups within existing cap
- **- Boiler/Furnace Replacement Program focused on Not-For-Profit, Community Providers and Housing Authorities facilities - \$5 million**

Our state's talent is one of our greatest strengths and we need to take action to ensure that continues. Nothing is more frustrating than hearing from CEOs that they have jobs, but can't find workers in Connecticut with the right skills. We must do a better job of training and re-training our citizens for the 21st century economy and stop bemoaning the loss of the 20th century economy.

Initiatives to Drive Workforce Development:

- Amend Higher Education Strategic Plan to include recommendations for developing/enhancing educational offerings to match the needs of employers over the next several years
- Create task force to develop plan on how to improve states current training programs to meet current needs in manufacturing. Also, study barriers to utilizing volunteers to teach mfg evenings in community colleges or VoTech schools. Report due by 2/1/2012.
 - Members: DECD, DOL, Legislative Appointments, minority firms, Higher Education/community colleges, vo-tech schools and labor representatives
- Require Board of Ed's to inform middle school students and parents of availability of vo-techs and regional agricultural science and technology education centers

Capital Investments:

- \$10 million/year for two years to establish and/or expand manufacturing technology programs into 3 community colleges (Modeled after Asnuntuck but serving the needs of the individual communities)
- \$10 million/year for two years to establish and/or expand manufacturing technology programs into 3 vo-techs (Modeled after Asnuntuck but serving the needs of the individual communities)

Getting economic development assistance from the state should be as simple as clicking a mouse, sending an email, or picking up the phone. Right now it's not. Soon it will be.

Initiatives to Enhance Development:

- With DRS and OPM, assess all tax credit programs with a goal of making any required changes in next full legislative session
- Authorize a Second First Five in 2011/12 (Cost included in MAA request)
- \$5 million – Farmland Restoration Program, and Wine Festival Permits
- Allow Airport Authority to designate new Development Zones at any of the airports in their purview
- Fix it First Bridges. STO Bond Authorization - \$50 Million
- \$340 million – Replenish Manufacturing Assistance Act (MAA) over next two years. Of these funds, \$60 million will be prioritized for small business assistance , but may be used for other purposes if allocation is not exhausted
- (\$100 million) – Will be removed from Urban Renewal Act (URA) authorization to save future state funds