



Testimony of Marie C. O'Brien, President
Connecticut Development Authority

To The
Commerce Committee

March 6, 2008

Senate Bill No. 392 AN ACT EXTENDING ECONOMIC DEVELOPMENT
PROGRAMS

Senator LeBeau, Representative Berger and distinguished members of the Commerce Committee. I would like to thank you for the opportunity to speak in support of Raised SB 392, An Act Extending Economic Development Programs, negatively impacting one of the most important tools of the Connecticut Development Authority (CDA.)

CDA's value as a member of the state's economic development team is directly related to its status as a quasi-public entity, offering special financing, financial expertise and technical and analytical resources necessary to achieve the state's growth goals in workforce diversity, business and job creation, and increased tax revenues. CDA accomplishes this mission through streamlined and flexible programs which provide debt financing and investment capital to help businesses grow in Connecticut. CDA stimulates business investment and creates jobs by financing companies and projects that contribute to Connecticut's economy, technology base, intellectual capital, and urban infrastructure.

One of the tools the CDA uses to achieve these goals is the Tax Incremental Financing program (TIF). This program is aligned with the responsible growth principals currently being worked on in collaboration with our other state partners. The focus on redevelopment of our community centers and neighborhoods and the encouragement of the reuse and rehabilitation of existing infrastructure rather than the construction of new infrastructure in undeveloped areas is one of the many ways we use this very important tool.

The existing statutory language eliminates this program as of July 1, 2008. If no action is taken on this issue and the date is not extended, then this important program will cease to exist. We are respectfully requesting substitute language which will extend the date to July 1, 2011.

The substitute is attached.

Thank you for the opportunity to comment.

**Amendment
Raised Bill No. 392**

“AN ACT EXTENDING ECONOMIC DEVELOPMENT PROGRAMS”

Strike Section 1, paragraph (f) lines 124 and 125 and insert the following in lieu thereof:

“No commitments for new projects shall be approved by the authority under this section on or after July 1, 2011.”

In line 126, strike “(f)” and insert “(g)” in lieu thereof

Strike Section 2, paragraph (k) lines 375 and 376 and insert the following in lieu thereof:

“No commitments for new projects shall be approved by the authority under this section on or after July 1, 2011.”

Strike Section 3, lines 377 through 382.