



Joan McDonald  
Commissioner



State of Connecticut  
Department of Economic and  
Community Development

***TESTIMONY SUBMITTED TO THE PLANNING AND  
DEVELOPMENT COMMITTEE***

***March 3, 2008***

***Joan McDonald, Commissioner  
Department of Economic and Community Development***

***HB 5635 AN ACT CONCERNING THE RETENTION OF BUSINESSES IN  
MUNICIPALITIES.***

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The Department of Economic and Community Development (DECD) offers the following comments in **opposition** to House Bill 5635 *An Act Concerning the Retention of Businesses in Municipalities*.

While DECD recognizes the intent behind HB 5635, we would respectfully submit that this bill will hinder DECD's ability to carry out its mission to attract, retain and grow businesses in Connecticut.

DECD currently works very closely with municipalities whenever a prospective business is looking to move or expand within the State. It has been DECD's policy to retain or relocate any business requesting assistance first and foremost within their existing municipality. However, our mission also requires us to preserve and grow jobs here within the state.

The reality is that business decisions are dictated by many variables and sometimes an entity's needs are beyond what a municipality may have to offer in terms of space, existing location or cost to do business.

HB 5635 impairs DECD's flexibility to seek other viable alternatives for businesses to remain or expand within Connecticut. Timing is also critical to many business decisions and this bill imposes a time restriction upon DECD to make a decision, by allowing a municipality the right of last refusal. In situations where a Connecticut company is being actively courted or is potentially looking to relocate outside of the state timing is of utmost importance to DECD's ability to work with that company in order to preserve jobs.

Thank you for your consideration of the Department's views on this bill, we would respectfully urge the committee to take **no action** on this bill.