

TESTIMONY PRESENTED TO THE COMMERCE COMMITTEE
March 10, 2011

Bonnie Del Conte, President and CEO

CONNSTEP

HB 6383 AN ACT CREATING AN ECONOMIC DEVELOPMENT GRANTS PROGRAM

Good morning, Senator Lebeau and Representative Berger, Senator Frantz, Representative Camillo and members of the Commerce Committee. I am Bonnie Del Conte, President and CEO of CONNSTEP and I am here to testify in regards to Governor Malloy's proposed *House Bill 6383, An Act Creating an Economic Development Grants Program*.

While I am not opposed to the intent of this proposal to consolidate the nine economic development programs, all of which were previously listed as line items in the DECD budget, and I applaud the consolidation as an effort to streamline the administrative operations functions at DECD. I am here to seek some clarification on the impact that this proposed language of this bill will have with regards to determining the operating budget for my program.

Under HB 6383 there are nine (9) programs listed to have their funding consolidated into this proposed Economic Development Grants Program, yet only seven (7) subdivisions describe the programs and purposes. The language within subdivision (4) of subsection (A) of section (1) refers reads, "*to provide training for small and medium-sized businesses in high-performance work practices*". Our

interpretation of this language is that it refers to the CONNSTEP program as it was originally written in 1993; the year when CONNSTEP became a program of DECD.

As most of you are all familiar with our services for the Connecticut manufacturing industry, I would like to request the opportunity to meet with you and representatives from the administration to develop language that more appropriately aligned and better describes the depth and breadth of our programs in order better classify CONNSTEP as a powerful economic development driver for the state.

Additionally, I request further clarification on the language contained in subsection (C) of section (1) reading “The commissions shall prescribe the manner in which an entity shall submit an application for grant awarded as part of the grants program developed pursuant to this section, provided such application procedure includes (1) a request for proposal, or (2) a competitive award process.” Does this language now stipulate that the \$2.517 million allotted in this grant is now open to all nine organizations to compete equally for the funding, or is each program’s proposal to be within the original 2010 line item budget amount? Under the consolidation, it appears that the combined budget of \$2.517 represent each of the program’s original budget for 2010, less a 15% reduction across all. Also, can competition mean outside of the 9 programs listed in the consolidation?

And lastly, subsection B of section 2 specifies award to various entities that are, in total, above and beyond the recommended budget for 2011-2012 of the \$2.517

million. Is the funding for these programs over and above the \$2.517? If not, is any portion of these awards to be considered as part of the \$2.517 total and to what amount?

Thank you for your consideration of my comments. I would like to request the opportunity for further discussion the Committee and Administration of the language to obtain clarification and decide if additions or changes need to be made to the bill.

Thank you.