

To: Senator LeBeau
Representative Berger
Members of the Commerce Committee

Date: 3/15/12

Re: Support for Raised House Bill No. 5466: **"AN ACT CONCERNING SOCIAL ENTERPRISE BUSINESSES"**

H.B. 5466 provides Connecticut with a tremendous opportunity to become an innovation and job creation hub, by empowering social entrepreneurs to build businesses that generate profits and have a powerful positive impact on their community.

In the aftermath of the financial collapse of 2008, with thousands of jobs lost and massive budget shortfalls, state and local governments have had to reevaluate the way they provide services to their constituents, and make some hard choices about which programs to keep and which programs to cut. As a result the people of Connecticut have been forced to deal with sustained high unemployment levels and cuts in critical government services. Traditional methods for solving our current economic woes have so far proven to be ineffective, opening up opportunities for new solutions. Enter, social enterprise.

Social enterprise allows a new type of entrepreneur to build small businesses that not only create jobs and generate wealth, but that also give back to their communities and foster sustainable economic growth. Instead of focusing solely on maximizing profits, social entrepreneurs take into account the effect their businesses have on their communities, and the planet. Operating their businesses in this way results in greater local investment, job creation, and accountability.

Social enterprise is not a cure-all, 'silver bullet' that will provide a solution to all of Connecticut's economic troubles, but it can certainly be part of the solution if H.B. 5466 is passed. Without engaging in a significant amount of legal wrangling, as of now there is no simple way to operate or create a social enterprise, due to the liability directors are exposed to from shareholders in the business entities currently available in Connecticut, and the lack of a clear standard (or metric) to measure social enterprises by. H.B. 5466 solves these problems, cutting away the red tape holding social enterprise back, and making it simple for aspiring social entrepreneurs to launch their businesses, thus creating more jobs, adding to the tax base, and strengthening their communities.

By passing H.B. 5466, Connecticut will significantly reduce the barriers to entry social entrepreneurs face in the marketplace, and provide its future small business leaders with a hybrid corporate entity that allows them to have a tremendous positive impact in their communities. I strongly urge this committee and the legislature as a whole to move forward on H.B. 5466. Empower social entrepreneurs, and let the residents of this state, and this country know that Connecticut is open for business, and supports fostering the strong communities and the job creation that social enterprise can provide.

Thank you for your consideration and please do not hesitate to contact me with questions.

Sincerely,

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