

STATEMENT OF ROBERT W. SANTY, PRESIDENT AND CEO OF THE CONNECTICUT ECONOMIC RESOURCE CENTER IN FAVOR OF SB 121 AAC THE PROVISION OF DEVELOPMENT SERVICES TO REGIONAL ECONOMIC DEVELOPMENT DISTRICTS AND AUTHORITY TO PURSUE ECONOMIC DEVELOPMENT STRATEGIES.

Senator LeBeau, Representative Berger and members of the Committee, my name is Bob Santy and I am President and CEO of the Connecticut Economic Resource Center, Inc. Many of you know I have appeared before this Committee numerous times over the last decade in support of strengthened regional economic development in the state. Because of your leadership, we have made considerable progress in this area, and the state is encouraging regions to cooperate in developing and implementing Comprehensive Economic Development Strategies (CEDs). This is critical to our economic growth, because economic activity occurs regionally, and their needs to be better alignment between our economic development activities and our economic activity.

This bill will ensure that regional economic development districts have the resources to maintain and grow these efforts. It makes no sense to incentivize a region to create a CEDs, and then not fund its implementation. Currently, many of the regional Economic Development organizations are run on a shoe string and do not have sustainable sources of revenues. Other states with a long history of regional economic development have created Districts that have succeeded over a number of years. Here in Connecticut, we are just starting, and the Economic Development Districts (EDD) we are creating still do not even have access to the \$50,000 to \$75,000 in federal EDA money that usually accompanies the designation as an EDD. The Districts are not asking that the state fully fund their organizations, but only fund a portion – in order to conduct the strategic activities that the state is asking the region to create.

Last week the Connecticut Institute for the 21st Century released its latest report in a series called “Framework for Connecticut’s Fiscal Future”. This report on Improving Delivery of Public Services makes a number of recommendations about delivering public services at the appropriate scale. The report laments the “ineffective myriad of state, local and education structures that are excessive, overlapped, non-aligned and competing for the same precious dollars.” Redefining regional structures and enhancing incentives for cooperative approaches to service delivery is at the heart of the Institute’s recommendations. SB 121 will help achieve a more rational approach to delivering economic development programs at the right scale- consistent with economic activity.

I urge your favorable action on SB 121.

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