

*TESTIMONY SUBMITTED TO THE COMMERCE COMMITTEE  
February 27, 2014*

*Claire Leonardi, CEO  
Connecticut Innovations*

**HB 5041 AAC INVESTMENT IN CONNECTICUT'S ADVANCED MANUFACTURING  
BUSINESSES**

Good morning Senator Lebeau, Representative Perone, Senator Frantz, Representative Lavielle and Members of the Commerce Committee. My name is Claire Leonardi and I am the Chief Executive Officer of Connecticut Innovations.

I appreciate the opportunity to testify and offer the following in **SUPPORT of HB 5041 AAC INVESTMENT IN CONNECTICUT'S ADVANCED MANUFACTURING BUSINESSES**

This bill seeks to assist Connecticut's manufacturing base by creating the Connecticut Advanced Manufacturing Fund, provide educational and training programs and research and collaboration to develop a workforce which is fundamental in this sector. This fund will help Connecticut cultivate the necessary workforce talent needed to provide innovative initiatives in the manufacturing sector. This fund will also help to make innovative and strategic investments necessary to grow and retain jobs in the state.

We know this is an exciting opportunity; because this is what we do every day. Connecticut Innovations works with many high tech manufacturers in the state; from assisting in start-up companies to funding for equipment, working capital and other infrastructure needs. Given the importance of the manufacturing sector in this state, it is not surprising that both DECD and CI have a strong focus in this area. We know from our work with universities that there is extensive research and product development in advanced and additive manufacturing available to our supply chain companies and many are reliant on those new technologies. This is the demand of the future and we will need to make sure our companies keep up.

We recognize that investment in research and development, new technology and workforce development is critical for the growth of our manufacturing base and fully support training for the long term development of a highly skilled workforce necessary for this industry to flourish. The creation of Manufacturing Enterprise Zones and leveraging federal grants for programs are critical components of this bill. Connecticut Innovations is looking forward to being a continuing partner to enhance CT's manufacturing sector.

I respectfully request the Committee's support for this bill.

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**HB 5042 AAC THE REGENERATIVE MEDICINE RESEARCH FUND**

Good morning Senator Lebeau, Representative Perone, Senator Frantz, Representative Lavielle and Members of the Commerce Committee. My name is Claire Leonardi and I am the Chief Executive Officer of Connecticut Innovations.

I appreciate the opportunity to testify and offer the following in **SUPPORT of HB 5042 AAC THE REGENERATIVE MEDICINE RESEARCH FUND**

This bill proposes to create a Regenerative Medicine Research Fund within Connecticut Innovations for the purpose of providing grants-in aid to eligible institutions for the purpose of conducting regenerative medicine basic, translational and clinical research. This bill will continue to fund innovation that builds our bioscience industry to create and retain jobs, improve healthcare outcomes and lower costs. Eligible institutions include non profit, tax-exempt academic institutions, hospitals conducting biomedical research and entities which conduct biomedical research including regenerative medicine research.

Regenerative medicine itself isn't new — the first bone marrow and solid-organ transplants were done decades ago. But advances in developmental and cell biology, immunology, and other fields have unlocked new opportunities to refine existing regenerative therapies and develop novel ones.

Regenerative medicine is a broad definition for innovative medical therapies that will enable the body to repair, replace, restore and regenerate damaged or diseased cells, tissues and organs. Regenerative medicine promises to extend healthy life spans, improve the quality of life and reduce healthcare costs. This broad field encompasses a variety of research areas including cell therapy, tissue engineering, biomaterials engineering, growth factors and transplantation science.

The Stem Cell program, as currently designed and which has resided at the Department of Public Health and administered by CI for the past 9 years has accomplished its goals of funding the best basic and translational stem cell research in Connecticut. As science is moving forward and new research and development for regenerative medicine is growing and changing it makes sense to move the stem cell program to Connecticut Innovations, Incorporated and evolve it into the Regenerative Medicine Research program. This will improve efficiency and oversight of the operations by uniting all aspects of the fund's administration and management. It will also be

possible to utilize some of the same governance processes which Connecticut Innovations, Incorporated has already developed for the Bioscience Innovation Fund.

This bill transfers the responsibility for the portions of the administration of the Stem Cell Research Fund (now known as the “Regenerative Medicine Research Fund”) currently managed by the Department of Public Health (DPH) to Connecticut Innovations, Incorporated and provides funding for a two year extension of the program.

The Regenerative Medicine Research Fund will continue to support embryonic and human adult stem cell research, including basic research to determine the properties of stem cells, however its focus will now be expanded to fund and support regenerative medicine basic, translational and clinical research. Only by getting new potential therapies into the clinic do new regenerative medicine products and techniques become a reality.

We are supportive of this very important initiative and look forward to continue working with the administration and this committee on this bill.

**TESTIMONY SUBMITTED TO THE COMMERCE COMMITTEE***February 27, 2014**Claire Leonardi, CEO  
Connecticut Innovations***SB 23 AN ACT CONCERNING BENEFIT CORPORATIONS AND ENCOURAGING  
SOCIAL ENTERPRISE**

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Senator Lebeau, Representative Perone, and distinguished members of the Commerce Committee. My name is Claire Leonardi and I am the Chief Executive Officer of Connecticut Innovations.

I appreciate the opportunity to testify and offer the following in **SUPPORT of SB 23 An Act Concerning Benefit Corporations and Encouraging Social Enterprise.**

This bill provides Connecticut with the opportunity to support and develop new types of companies - social enterprises. Social enterprises are businesses that generate profits, while at the same time operate with the purpose of strengthening our communities, and finding solutions to difficult social issues. This bill, which brings a new type of business designation - the benefit corporation - to Connecticut, will empower current and future social entrepreneurs in Connecticut, and allow them to build and grow their businesses in an environment that is truly supportive of their innovative new way of doing business. The benefit corporation clears the legal hurdles social entrepreneurs face when they incorporate under existing business entities, while at the same time ensuring that they follow through in creating the social impact they profess to create.

There are many strong reasons to support growth in Connecticut's social enterprise sector. Chief among them, is that it is an area of great interest for the new generation of young entrepreneurs graduating from our State's universities, who want to build different kinds of businesses - businesses that solve problems, that don't focus solely on generating profits. Finding ways to keep our recent college graduates here in our state, and creating new and innovative businesses is something that is vital to the sustainability of Connecticut's economy, and our reputation as a state where people want to do business. By placing a strong focus on growing social enterprise in Connecticut, the state can set itself apart as *the* place in the U.S. to start these kinds of companies.

In addition to attracting and keeping innovative young entrepreneurs in Connecticut, enabling growth in this sector will also help us to address unmet social needs in our state through the use of private sector resources and capital, rather than relying solely on government support.

A strong social enterprise sector within our state will help us build sustainable, market-driven solutions to some of our most troubling social issues, while at the same time easing the increasing burden on our state government to provide more and more funding and support for social services throughout Connecticut.

I strongly urge this Committee to support this bill, and help make Connecticut a leader in the social enterprise sector.

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*Claire Leonardi, CEO*  
*Connecticut Innovations*

**HB 5276 AAC SUPPLEMENTAL FUNDING UNDER THE PRESEED FINANCING PROGRAM**

Good morning Senator Lebeau, Representative Perone, Senator Frantz, Representative Lavielle and Members of the Commerce Committee. My name is Claire Leonardi and I am the Chief Executive Officer of Connecticut Innovations.

I appreciate the opportunity to testify and offer the following in **SUPPORT** of **HB 5276 AAC SUPPLEMENTAL FUNDING UNDER THE PRESEED FINANCING PROGRAM**.

This bill allows Connecticut Innovations to provide follow-up funding to businesses that receive financial assistance under the preseed financing program. The ability for CI to provide follow on funding to support these companies allows for the potential to leverage the original investments in hopes of raising additional capital and make successful investments for the State of Connecticut.

This program has been very popular and these changes will improve the effectiveness of the program. By allowing us to invest an additional \$200,000 in select preseed companies that have hit their milestones, we will be in a better position to enable these companies to develop to the point of attracting outside investors.

CI's Pre-Seed Fund supports the formation of new Connecticut technology companies by providing the initial funding to turn ideas into early-stage technology companies. In addition to providing equity, our experienced team works with each pre-seed company to develop a commercially viable business.

I respectfully request the committees support for this bill.