



Catherine H. Smith  
Commissioner

**TESTIMONY SUBMITTED TO THE COMMERCE COMMITTEE**  
**3/13/14**

Re: **SB 304 AN ACT MAXIMIZING JOBS FOR STATE WORKERS BY REQUIRING LOCAL CONSTRUCTION HIRING REPORTS BY RECIPIENTS OF ECONOMIC DEVELOPMENT FUNDS**

**HB 5517 AN ACT CONCERNING A STUDY OF CONNECTICUT MANUFACTURING WORKFORCE NEEDS**

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Senator LeBeau, Representative Perone, Senator Frantz, Representative Lavielle and members of the Commerce Committee. Thanks for the opportunity to present testimony on two of the bills before you here today.

SB 304 calls for businesses receiving financial assistance for construction projects from DECD, in amounts that require legislative approval, to file a letter outlining the steps they plan to take to contract with Connecticut companies, within 30 days of receiving approval of said assistance. It would also subsequently require these businesses to file reports concerning employment and wage information for each of the businesses contracted to perform such construction work. DECD continues to work diligently to make Connecticut as attractive a place as possible for the creation of new jobs and businesses. While the legislation is well-intentioned, the department has concerns that these additional requirements may dissuade some larger companies from considering the state, as we do not believe this type of reporting is required by others.

Those concerns aside, the legislation requires a level of detail and specific timeframes that are unwieldy. First, businesses are unlikely to be prepared to consider with whom they might contract until their agreement with DECD is finalized. As a result, 30 days lead time for filing with DECD is likely to be insufficient. In the interests of simplification and fairness to businesses already in the pipeline, we would advise that the legislation apply only to businesses that filed applications for financial assistance after the effective date of the legislation. Finally, the level of detail in the suggested reporting is too involved. All contractors are required to report regardless of size or scope of work, making a burdensome effort for the applicant.

HB 5517 would require DECD to conduct a study, which would include a survey of “all” manufacturing businesses in the state, to determine the manufacturing sector’s workforce training needs. We consider such a proposal as unworkable – it would be logistically impossible for DECD to survey each and every manufacturer in the state. Even if such an endeavor were practicable, we are concerned that this initiative would only further stretch the limited resources and personnel we currently have at our disposal. Finally, we view this legislation as essentially unnecessary. During his Jobs Tour and in the subsequent months since, Governor Malloy and I have engaged scores of manufacturers



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across the state on their workforce needs; and we actively participate in the CETC Advanced Manufacturing Subcommittee as well as numerous manufacturing association meetings. The Advanced Manufacturing Fund legislation (HB5041) that this committee has raised was informed by those conversations and contains a component that seeks to assist companies with those needs.

Thanks for allowing me to share some thoughts on these pieces of legislation. I appreciate, in advance, your due consideration.