

***TESTIMONY SUBMITTED TO FINANCE, REVENUE AND BONDING
COMMITTEE
March 13, 2014***

*Claire Leonardi, CEO
Connecticut Innovations*

**SB 28 AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE
GOVERNOR'S BUDGET.**

Senator Fonfara, Representative Widlitz and Members of the Finance Committee. My name is Claire Leonardi and I am the Chief Executive Officer of Connecticut Innovations.

Thank you for the opportunity to provide the following comments regarding **Section 7 of SB 28 AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET** relating to changes in **Connecticut Innovations Angel Tax Credit Program**.

This program, developed to encourage investment in high technology and risky companies, has been very successful. These investors are critical co-investors with CI in our earliest stage investments. We appreciate the committee and the administration's willingness to extend this very important program for an additional two years.

The 2011 Jobs Bill lowered the threshold of investment from \$100,000 to \$25,000. Lowering the investment threshold had an immediate impact. The number of angels making investments quadrupled in the first full year of the change. We have more than doubled our investment in early stage high tech companies; invested \$55 million and leveraged an additional \$141 million in private investments; increased job in our current portfolio to almost 1,000; provided investments to 56 new companies and provided 63 companies with growth capital through follow on investments.

We look forward to continue working with this committee and the administration to make this program attractive to investors as our neighboring states enact or ramp up their own programs.

Thank you