



Innovative Chemistry for Energy Efficiency

**Testimony
of
Richard Nowak, CEO of Environmental Energy Services, Inc.
before the Commerce Committee
on Senate Bill 540
"An Act Increasing the Cap on the Insurance Reinvestment
Fund Tax Credit Program"**

February 19, 2015

Senator Hartley, Representative Perone, members of the committee. My name is Richard Nowak. I am the CEO of Environmental Energy Services, Inc. I am writing to fully endorse the passage of Senate Bill 540, "An Act Increasing the Cap on the Insurance Reinvestment Fund Tax Credit Program."

In 2012, our green technology company needed growth capital to supplement the capital provided by our incumbent investors. While our needs did not fit into the traditional bank financing model, with the help of the IRF program, we were able to access a critical investment in our business that has allowed us to grow, saving nine jobs and creating seven in this state. The IRF program continues to provide us with more than crucial capital, our funder has supported us with invaluable strategic and financial advice, as well as introductions to banks, potential strategic partners and investors, and is a trusted advisor as we seek to grow our business.

We have now qualified for the bank financing we need to continue our growth.

This \$200 million tax credit initiative to foster economic development has provided our company access to critical working capital that was not available through traditional sources of financing.

I understand that the \$200 million tax credit fund is now nearly exhausted. I strongly recommend this committee and the legislature authorize an additional \$200 million in these credits to continue this success story. We compete with companies nationally and internationally to increase revenues and create and retain jobs in Connecticut. This tax credit tool is essential in keeping our state ahead of the pack. It works and should be preserved. Thank you.