



Department of Economic and
Community Development

Connecticut
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Catherine H. Smith
Commissioner

TESTIMONY BEFORE THE COMMERCE COMMITTEE
3/15/16

RE: HB 5573: AN ACT CONCERNING AN EXTENSION OF THE FIRST FIVE PLUS PROGRAM

Senator Hartley, Representative Perone, Senator Frantz, Representative Camillo and members of the Commerce Committee. Thank you for the opportunity to testify in support of HB 5573: An Act Concerning the Extension of the First Five Plus Program.

As you are aware, our mission at the Department of Economic and Community Development (DECD) is to develop and implement strategies to increase the state's economic competitiveness. We do this by attracting and retaining businesses and jobs, revitalizing neighborhoods and communities, and preserving and promoting cultural and tourism assets.

House Bill 5573 will improve the agency's ability to effectively and efficiently negotiate business assistance deals, strengthen our efforts to attract and retain businesses, and create good paying jobs here in Connecticut. Specifically, the legislation seeks to extend the First Five Plus Program – which is scheduled to sunset at the end of June – through fiscal year 2019 and to increase the number of slots in the program from fifteen to twenty.

The First Five Plus Program has been immensely successful. To date, thirteen companies have received assistance through the program. These companies have agreed to leverage the \$256 million in state assistance they were provided with an additional 1.3 billion in private capital – a better than five to one ratio. Further, they have committed to retain more than 13,500 jobs and to create between 2,600 and 5,264 jobs. Ten of the companies have already created almost 2,900 jobs – significantly more than the minimum total for all thirteen companies. All are making significant progress and are fully expected to meet their capital investment and job commitments.

Our assistance programs and incentives have been created to provide the agency with the tools necessary to compete for the business and jobs that the state needs to maintain and strengthen our position in the global economy. Without the First Five Plus Program, DECD would be unable to vie with other states for larger company expansions. If we wish to stay competitive in this arena, we must implement HB 5573.

Thank you for considering the department's comments on this critical piece of legislation.