**JOHN B. LARSON**
FIRST DISTRICT, CONNECTICUT

**HOUSE DEMOCRATIC CAUCUS**
CHAIR

**COMMITTEE ON WAYS AND MEANS**
SUBCOMMITTEE ON TRADE
SUBCOMMITTEE ON SELECT REVENUE MEASURES

**DEMOCRATIC STEERING COMMITTEE**

# Congress of the United States
## House of Representatives
Washington, DC 20515–0701

**WASHINGTON OFFICE:**
106 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
202–225–2265
202–225–1031 (FAX)

**DISTRICT OFFICE:**
221 MAIN STREET, SECOND FLOOR
HARTFORD, CONNECTICUT 06106
860–278–8888
860–278–2111 (FAX)

**INTERNET ADDRESS:**
http://www.larson.house.gov
**TOLL-FREE NUMBER (IN STATE ONLY):**
888–716–4734

Thank you to the Finance, Revenue and Bonding Committee for allowing me to submit testimony today on Representative John Fonfara's proposed legislation, S.B. 447, to establish a tax credit for businesses that hire Promise Zone Residents or invest in a Promise Zone. For the record, my name John B. Larson, and I am the U.S. Representative for the First Congressional District of Connecticut, home to the North End Promise Zone.

**S.B. 447 – An Act Establishing a Tax Credit for Businesses that Hire Promise Zone Residents or Are Located in a Promise Zone.**

I commend Representative Fonfara for introducing this bill which provides powerful economic incentives to both invest in the North End and deliver jobs and opportunities for its residents.

While the designation of a Promise Zone does not come with direct new funding, it does allow applications from Promise Zones to receive priority consideration in existing federal grant programs, access to technical assistance, service volunteers, and other federal staff support. The designation has already helped secure at least $20 million of a $40 million investment plan from the Capital Region Development Authority for development in the Zone—but more than anything, we need jobs in the North End.

Whatever outcomes in community violence, education, poverty, or health we hope to achieve will not be possible if residents cannot find employment. We cannot continue to do nothing in the face of great socioeconomic disparities. We must create new jobs and incentivize the hiring of North End residents.

I have had the opportunity to meet directly with residents of the Zone, and wanted to especially mention the good work of the "06120" group: a coalition of residents, advocates, faith groups, and organizations that represent the interests of one of the poorest zip codes in both the state and the country. They are an

PRINTED ON RECYCLED PAPER

extraordinary group of residents looking to empower themselves and their neighbors.

I invited the 06120 group to Washington, DC last year to meet directly with federal agencies and My Brother's Keeper – the White House's signature program to build more ladder of opportunity for boys and young men of color who face especially tough odds and obstacles in trying to reach their full potential.

The 06120 members were able to hear what kinds of funding opportunities the North End would receive priority consideration for, but more importantly, it gave the agencies a chance learn directly from residents the issues their community has faced and the grassroots efforts they have organized to bring about local solutions.

It inspired me to work with Democratic Senator Bob Casey (D-PA) and Republican Chairman of the House Appropriations Committee, Representative Hal Rogers (KY-05) to introduce a similar bill in the United States Congress to offer federal tax credits for businesses that employ Promise Zone residents and bonus depreciation for businesses that make an investment of equipment or property in the Zone.

I commend Mayor Luke Bronin and Senator Fonfara's efforts to strengthen the economy of the North End and the overall city of Hartford at large. Their bill will provide real economic incentives to spur hiring of Zone residents and offer businesses a reason to make an investment. The potential combination of a state and federal tax incentive is the key to our efforts to help the residents of the North End and improve their economic, health, and educational outcomes. When the Promise Zone program was first introduced, the government made a pledge, that a child's zip code should never determine his or her destiny. I believe these efforts to create more jobs and spur new hiring is a step forward in fulfilling that promise.

Thank you to the Committee again for raising this important issue and for allowing me to submit testimony on this bill.