

TESTIMONY SUBMITTED TO THE GOVERNMENT ADMINISTRATION AND ELECTIONS COMMITTEE

February 26, 2018

By Matt McCooe, CEO
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HB 5178: AN ACT REQUIRING EXECUTIVE AND LEGISLATIVE REVIEW OF CERTAIN QUASI-PUBLIC AGENCY CONTRACTS AND AN ANNUAL REVIEW OF EACH QUASI-PUBLIC AGENCY

SB 180: AN ACT REQUIRING EXECUTIVE AND LEGISLATIVE REVIEW OF CERTAIN QUASI-PUBLIC AGENCY CONTRACTS

Senator Flexer, Senator McLachlan, Representative Fox, Representative Devlin and distinguished members of the Government Administration and Elections Committee. I appreciate the opportunity to present testimony on two bills before you here today: HB 5178 and SB 180.

As you know, Connecticut Innovations (CI) is the leading source of financing and ongoing support for Connecticut's innovative and growing companies. By offering flexible financing, strategic guidance and introductions to valuable partners, we stimulate and promote technological innovation and encourage the development of new products and inventions. We enable promising businesses to attract capital and talent, and help Connecticut's economy grow and thrive.

CI shares the committee's desire to ensure transparency and accountability. However, we are quite concerned that HB 5178 and SB 180 could seriously inhibit our ability to operate effectively. As you know, organizations such as CI were established as quasi-publics to provide them with greater autonomy and flexibility outside of the state bureaucracy, thereby allowing them to carry out their public missions more efficiently. By requiring that all employee and service contracts be reviewed by the Attorney General, SB 180 is especially onerous and would substantially impair our ability to operate effectively. While HB 5178 may be slightly less burdensome, it, too, runs counter to the rationale of establishing CI as a quasi-public in the first place.

We at CI strive to be as entrepreneurial as possible, while remaining good stewards of the taxpayers' money. Over the years, CI's investments have generated a significant economic return to the state. We fear that HB 5178 and SB 180, by decreasing our flexibility and autonomy, will inhibit our ability to take advantage of important opportunities and reduce our chances for continued success.

Thank you for allowing me to share our thoughts on these bills. I appreciate, in advance, your due consideration of them.