



House of Representatives

General Assembly

File No. 374

February Session, 2018

Substitute House Bill No. 5443

House of Representatives, April 10, 2018

The Committee on Commerce reported through REP. SIMMONS of the 144th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING A STATE MARKETING STRATEGY BY THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (*Effective from passage*) (a) Not later than October 1, 2019,
2 and within available appropriations, the Commissioner of Economic
3 and Community Development shall develop and implement a state
4 marketing strategy that includes the following components: (1)
5 Outreach to start-up businesses, entrepreneurs and other business
6 owners encouraging them to include positive portrayals of the state as
7 a good place to do business in video testimonials and social media
8 posts; (2) a social media photo competition highlighting the strengths
9 and beauty of the state; (3) a regular, but not less than weekly,
10 newsletter or social media campaign that highlights positive business
11 news in the state and resources for businesses, and that is directed at
12 business leaders, chambers of commerce, industry and trade
13 associations, economic development organizations, legislators,
14 entrepreneurs, business incubators and other business networks; (4)

15 highlighting of the institutions of higher education in the state; (5) a
16 "Connecticut Comeback" campaign targeting former residents between
17 the ages of thirty and forty-five and encouraging such former residents
18 to move back to Connecticut through the use of personal testimonials,
19 nostalgia and updates on new initiatives and opportunities in the state;
20 and (6) a media engagement campaign that includes, but need not be
21 limited to, engagement with newspaper editorial boards and other
22 print, television and social media networks to showcase positive
23 stories of businesses that are growing within and moving into the
24 state. The commissioner shall consult the business community and the
25 Connecticut Economic Resource Center in the process of developing
26 such marketing strategy.

27 (b) The commissioner shall examine the feasibility of including the
28 following components in the marketing strategy described in
29 subsection (a) of this section: (1) Enhancement of the Department of
30 Economic and Community Development's Internet web site to
31 consolidate all positive business information on one page, including
32 video testimonials attesting to the state's strengths, and, if possible,
33 incorporating elements from the state's Amazon.com headquarters
34 proposal; (2) improvement and promotion of print marketing materials
35 at airport lounges; (3) an increase in the number of state officials that
36 attend trade shows in order to compete with the large presence of
37 business recruiters from other states; and (4) an update to the state's
38 "Still Revolutionary" logo or the design of a new logo. Any such
39 component the commissioner concludes to be feasible shall be
40 included in the marketing strategy described in subsection (a) of this
41 section.

42 (c) Prior to implementing the marketing strategy described in
43 subsection (a) of this section, the commissioner shall: (1) Review the
44 state's current marketing efforts and analyze the return on investment
45 from such marketing efforts, including, but not limited to, how much
46 of the state's new business and jobs and economic growth is
47 attributable to each other state and country in which the state currently
48 advertises; and (2) depending on the findings of such review, consider

49 implementing such marketing strategy in a more narrow, focused
50 approach centered on a smaller number of states and countries.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

CE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Department of Economic & Community Development	GF - Cost	At least \$500,000	At least \$500,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a cost of at least \$500,000 annually to the Department of Economic and Community Development (DECD) to develop and implement a marketing strategy which must include outreach to businesses to provide positive portrayals of the state and various social media campaigns.

It is anticipated that DECD will incur costs of at least \$500,000 to meet the minimum requirements of the bill. The cost may range up to \$5 million depending upon the scope of the various marketing and social media campaigns outlined in the bill. These estimates are based on expenditures that DECD incurred with the development and implementation of the "Still Revolutionary" campaign.

In FY 12, DECD reported to the Appropriations Committee expenditures of \$515,000 related to strategic consulting, market research, and industry outreach. The agency also spent approximately \$7.7 million on media placements and \$3.8 million on other related marketing expenses for a total of \$12 million in statewide marketing expenditures for FY 12.

The bill also requires DECD to (1) examine the feasibility of including various components in the marketing strategy and (2) reviewing the state's current marketing efforts. It is anticipated that DECD can accommodate these provisions within existing resources.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis

sHB 5443

***AN ACT CONCERNING A STATE MARKETING STRATEGY BY THE
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT.***

SUMMARY

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/27/2018)