

TESTIMONY SUBMITTED TO THE GOVERNMENT ADMINISTRATION AND ELECTIONS COMMITTEE

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SB 604: AN ACT REQUIRING EXECUTIVE AND LEGISLATIVE REVIEW OF CERTAIN QUASI-PUBLIC AGENCY CONTRACTS AND AGREEMENTS

Senator Flexer, Senator Sampson, Representative Fox, Representative France and distinguished members of the Government Administration and Elections Committee. I appreciate the opportunity to present testimony on SB 604: An Act Requiring Executive and Legislative Review of Certain Quasi-Public Agency Contracts and Agreements.

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 certainly shares the committee's concerns with transparency and accountability. In fact, we welcomed the independent performance audit of the agency that was required as part of Public Act 16-3. However, we are quite concerned that SB 604 could seriously hamper 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, as well as the General Assembly in certain circumstances, SB 604 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. As the independent performance audit of the agency indicates, CI's investments have generated a significant economic return to the state. We fear that SB 604, 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 SB 604. I appreciate, in advance, your due consideration of them.