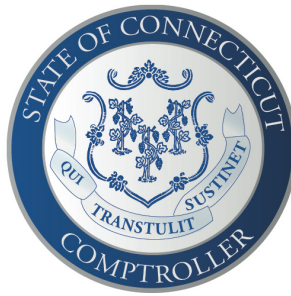


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STATE COMPTROLLER



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**Written Testimony  
Comptroller Kevin Lembo  
March 8, 2018**

**Concerning  
Senate Bill 262: *AN ACT CONCERNING CERTAIN REPORTING REQUIREMENTS OF THE  
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT.***

Good morning Senator Hartley, Representative Simmons, Senator Frantz, Representative Yaccarino and Members of the Commerce Committee:

Thank you for the opportunity to testify on Senate Bill 262: *AN ACT CONCERNING CERTAIN REPORTING REQUIREMENTS OF THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT.* This bill seeks to make changes to new reporting requirements established just last year through the cooperation of the Department of Community and Economic Development, the state Auditors and my office. One of the pillars of that legislation was to expand DECD's required reporting and analysis of business assistance programs from just tax credits to all forms of tax incentives. This bill looks to reverse that progress in relation to business assistance programs administered by other state agencies. My office is currently analyzing the full impact of this language. I appreciate concerns in relation to the administrative burden on DECD staff but we need to make certain that cutting back on the Department's requirements does not result in the elimination of relevant and important data related to business assistance programs in our state.

I look forward to continued discussions with the Committee and DECD on this issue.

**Concerning  
Senate Bill 263: *AN ACT ELIMINATING CERTAIN UNCLAIMED AND SELDOM CLAIMED  
TAX CREDITS***

I would like to express my support for Senate Bill 263: *AN ACT ELIMINATING CERTAIN UNCLAIMED AND SELDOM CLAIMED TAX CREDITS.* Over the last several years I have been a vocal advocate for improving and increasing our reporting and analysis of the state's tax credit, abatement and business assistance programs. My goal has always been, and continues to be, to provide policy makers with the information they need to ensure that our limited economic development funds are being put to their highest and best use. SB 263 seeks to eliminate some enterprise zone tax credits due to their limited utilization. These tax credits have not lived up to their promise, as seen by their limited utilization indicating a limited impact on business activity in these areas. If the data indicates a tax credit is not working we should take action to eliminate it. SB 263 seeks to do just that, I applaud the effort and support the bill.

Thank you for the opportunity to testify on these important topics.