

# FOCUS ON ECONOMIC GROWTH



Connecticut   
*still revolutionary*

# Economic Strategic Framework



**SMALL BUSINESS IS ...**

**Big Business**

# How We Support Small Business



# Financial Assistance

- Small Business Express Program (EXP)
- Economic Development and Manufacturing Assistance Act
  - Low-interest loans
  - Loan forgiveness
- Subsidized Training and Employment Program (Step Up)
- Job Expansion Tax Credit Program (JET)



# Small Business Express Program

**Express package is in place with \$260 million available for small business!**

- The Small Business Express Program (EXP) supports the retention and growth of small business
- Combination of loans and grants
- EXP incorporates a streamlined process
  - One-page, online application
  - Expedited review process
  - Visit [www.DECD.org](http://www.DECD.org)



# EXP

## Matching Grant

- Eligible to companies that have been in existence for at least 1 year and have 100 or less employees
- Grant amounts from \$10,000 to \$100,000
- Businesses must match grant funds dollar for dollar
- Eligible uses include training, working capital, purchase of new machinery and equipment, construction or leasehold improvements, and relocation costs



# EXP

## Job Creation Loan

- Eligible to companies that have been in existence for at least 1 year and have 100 or less employees
- Loan amounts from \$10,000 to \$300,000
- 4% interest rate for a term of up to 10 years
- Eligible uses include training, marketing, and working capital
- Loan forgiveness and deferral periods may be applied based on job creation levels



# EXP

## Revolving Loan

- Eligible to CT companies that have been in existence for at least 1 year and have 100 or less employees
- Loan amounts from \$10,000 to \$100,000
- 4% interest rate for a term of up to 10 years
- Eligible uses include purchase of new machinery and equipment, construction or leasehold improvements, relocation costs, and working capital



# STEP UP (DOL)

**Promoting job creation and worker opportunity for small businesses and unemployed workers**

- Subsidized Training and Employment Program – \$5 million per year for two years
- Small Manufacturer Training Grant Program – \$5 million per year for two years
- Both programs apply to new hires
- Eligible small businesses can utilize one program for each eligible new hire



# STEP UP for VETS (DOL)

**Helps former military personnel find new employment**

- Similar to the Step Up wage subsidy program except that it is open to any company, regardless of size
- Helps pay a new employee's salary for the first six months of employment
- Provides employers with up to \$20 per hour, for a maximum of \$12,000 over a 180-day period

*Visit [www.stepct.com](http://www.stepct.com) for more info*

*Visit [www.veterans.ct.gov](http://www.veterans.ct.gov) for education and housing info,  
job listings, and more*

# Job Expansion Tax Credit Program (JET)

\$20 million available in tax credits through JET!

- Employers receive \$500 per month for each new job
- Incremental credit for hiring the unemployed, disabled, and veterans at \$900 per month
  - Companies with under 50 employees must create at least one new job
  - Companies with 50 to 100 employees must create at least five new jobs
  - Companies with over 100 employees must create at least 10 new jobs
- Companies must complete application before hiring! Deadline for applications

**12/31/13**

# Manufacturing Reinvestment Account (MRA)



- An IRA for Connecticut's manufacturers
- Manufacturers with 50 or fewer employees can deposit a max of \$100,000 for 5 years in an interest-bearing MRA to save for:
  1. Training, developing or expanding workforce
  2. Purchase of machinery, equipment, or facilities
- Corporation taxes on MRA are deferred until withdrawn for eligible purposes and tax rate on withdrawal is 3.5%, rather than 7.5%

# Technical Assistance

- Small Business Development Center (SBDC)
- CONNSTEP
- Connecticut Center for Advanced Technology (CCAT)
- Procurement Technical Assistance Program (PTAP)
- Turnaround Management Assistance
- Site Selection Assistance
- Energy Conservation & Load Management Assistance; CPACE (CEFIA)

# Small Business Development Center

- The newest economic development tool, the Small Business Development Center (SBDC), is a 5-year, \$11.6 million program of financial and technical assistance for businesses with 500 or fewer employees
- 11 centers across the state provide small businesses and emerging entrepreneurs with business counseling and other resources like classes, training and workshops
- Visit [ctsbdc.com](http://ctsbdc.com) or call 855-4CT-SBDC for more info



# Permit Ombudsman

- The Office of the Permit Ombudsman, within DECD, expedites regulatory state agency (Department of Energy and Environmental Protection; Transportation, etc) approvals for certain projects
- Its mission is to enhance Connecticut's competitiveness by coordinating state permits and advancing significant qualified real estate and business development projects
- The Permit Ombudsman serves as a catalyst for the creation and expansion of businesses and jobs



# Supporting Innovation

- Connecticut Innovations is stimulating more startup activity:



- Increasing our investments in pre-seed, early stage companies
- Supporting young companies with capital, mentoring
- CTNext – Innovation Ecosystem



# Investing in our Workforce

- Next Generation Connecticut – UConn
- Investing in Connecticut's Technical High School System
- Establish/expand manufacturing technology programs in 3 community colleges – \$10 million/year for two years
  - Modeled after the successful Asnuntuck Community College model



# Tax Amnesty (DRS)

- Ends November 15
- 75% of interest forgiven
- No penalties or criminal prosecution
- Can be completed on-line
- For more information visit [www.makeitrightct.com](http://www.makeitrightct.com)

# Conclusion

- To successfully grow jobs, we need to:
  - Focus on our strengths
  - Concentrate on highest-growth opportunities
  - Build talent to meet the needs of emerging growth areas
  - Invest for the future, using our state resources in a targeted manner



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