



**TESTIMONY PRESENTED TO THE APPROPRIATIONS COMMITTEE**

*February 27, 2023*

*Alexandra Daum, Commissioner  
Department of Economic and Community Development*

*Governor's Fiscal Year 2024-2025 Budget Recommendation*

Good afternoon, Senator Osten, Representative Walker, Senator Berthel, Representative Nuccio and members of the Appropriations Committee. My name is Alexandra Daum, and I am commissioner of the Department of Economic and Community Development (DECD). I appreciate this opportunity to appear before you concerning Governor Lamont's proposed FY 2024-2025 budget for economic and community development.

Our mission at DECD is to develop and implement strategies to increase the state's economic competitiveness. We do this by attracting and retaining businesses and jobs, revitalizing neighborhoods and communities, and preserving and promoting Connecticut's arts, cultural, and tourism assets.

**AGENCY SUMMARY**

<b>Personnel Summary</b>	<b>FY 23 Authorized</b>	<b>FY 24 Recommended</b>	<b>FY 25 Recommended</b>
<i>General Fund</i>	86	94	94
<i>Cannabis Social Equity and Innovation Fund</i>	0	13	13
<b>Financial Summary</b>	<b>FY 23 Authorized</b>	<b>FY 24 Recommended</b>	<b>FY 25 Recommended</b>
<i>General Fund</i>			
Common Appropriations	41,366,365	10,259,581	10,223,641
Other Current Expenses	10,336,516	12,509,481	12,660,376
Pmts to Other Than Local Govts	0	600,000	600,000
General Fund Total	51,703,481	23,369,062	23,484,017



*Tourism Fund*

Other Current Expenses	4,878,222	5,227,291	5,227,291
Pmts to Other Than Local Governments	4,865,006	4,845,853	4,845,853
Pmts to Local Governments	3,721,044	3,721,044	3,721,044
Tourism Fund Total	13,464,272	13,794,188	13,794,188

*Cannabis Social Equity  
and Innovation Fund*

Common Appropriations	0	4,556,068	8,956,068
Other Current Expenses	0	1,243,932	1,243,932
Cannabis Social Equity and Innovation Fund Total	0	5,800,000	10,200,000
TOTAL-ALL FUNDS	65,167,753	42,963,250	47,478,205

Over the past two years, our department has been busy implementing the various new and existing programs funded through the FY 22-23 budget. This includes **legacy programs**, such as our Brownfield Remediation and Revitalization program, the Connecticut Manufacturing Innovation fund, and our various arts, culture, and tourism programs and grants, as well as **new programs**, such as the CT Communities Challenge program, the new and improved Small Business Express program, standing up the Social Equity Council as well as the Community Investment Fund 2030, and various Covid-related recovery programs.

The Governor's FY 2024-2025 budget recommendations maintain funding levels for our core programs and enhances funding levels for critical investments in the state's economic development assets. This includes:

**Expansions**

- \$5,800,000 in FY 24 and \$10,200,000 in FY 25 to provide positions and funding to support the Social Equity Council (SEC) as well as make the Cannabis Social Equity and Innovation Fund an appropriated fund. The amount available to the SEC is based upon projected revenues.
- \$4,450,821 in FY 24 and \$4,595,901 in FY 25 for the Capital Region Development Authority (CRDA), in addition to their base appropriation, to serve as a bridge to allow both the XL Center and Convention Center to return to pre-pandemic event funded levels as well as fund the new Bushnell South Garage and support operating deficits at Rentschler.
- \$600,000 to restore funding for the Municipal Regional Development Authority (MRDA) Account and three positions.



- \$192,006 in FY 24 and \$197,766 in FY 25 for two grant-trained positions in DECD so the state can capture its fair share of the unprecedented federal funding currently available for state economic development.
- \$150,000 in one-time General Fund support to the Greater Hartford Community Foundation for the Travelers Championship for FY 2024.
- \$150,000 in annual funding for the Greater Hartford Community Foundation, shifted from the General Fund to the Tourism Fund.
- \$219,088 for increased Statewide Marketing funding in the Tourism Fund to support continued expansion into new markets and maintaining a year- round marketing presence.

### **Reallocations**

- A reallocation of \$450,000 in funding for the Women's Business Development Council (WBDC) from Office of the State Comptroller to DECD.

We are confident that the Governor's proposed budget adjustments will provide DECD with the necessary and sufficient funds to carry out our mission, and to fund some of DECD's most important programs. I respectfully request the committee's support and thank you for your time and consideration. I am happy to answer any questions you may have.