

Commission on Economic Competitiveness

MEETING MINUTES

Friday, September 8, 2017

10:00 AM IN ROOM 2D OF THE LOB

I. CONVENE MEETING:

The meeting was called to order at 10:09 AM by Chairman Rep. Tong.

The following commission members were present:

Rep. William Tong, Joseph McGee, Commissioner Catherine Smith, Commissioner Kevin Sullivan, Rep. Cristin McCarthy Vahey, Seth Ruzi, Rep. Holly Cheeseman for Rep. Chris Davis, John Scott, Rodney Williams, Steven Glazer, Henry Teskey, Brian Flaherty for Joseph Brennan, Ellen Shemitz, Lori Pelletier, Matthew McCooe, Rep. David Yaccarino, Rep. Caroline Simmons

Absent were:

Sen. Joan Hartley, Sen. John Fonfara, Rep. Jason Rojas, Senator Scott Frantz

II. REMARKS BY THE CHAIRS:

Rep. Tong explained his frustration with the fact that the commission has not been able to meet more frequently due to inclement weather as well as the continuation of the special session.

Rep. Tong introduced new member John Scott and welcomed him to the commission.

III. UPDATE ON CONNECTICUT HEALTH DATA COLLABORATIVE (CHDC):

Joe McGee proceeded to provide an update on the CHDC. He explained that the group's main focus has been on creating a path towards establishing Connecticut as a global leader in precision medicine and personalized healthcare. He went on to explain that Connecticut has the potential to become a national leader in the growing field of precision medicine, which aims to tailor disease prevention and medical treatment to individuals' unique genetic code, environment and experiences.

He further explained that several pieces of legislation (PA 17-85; SA 17-20; and SA 17-2) have resulted from the work that the group has done while meeting over the last several months. It is his hope that these pieces of legislation will help continue to put CT on the track to becoming a global leader in the field of precision medicine.

Chairman McGee also explained that the Commission on Economic Competitiveness (CEC) and CHDC need to continue to analyze accompanying studies which can help provide economic, population, employment, etc. trend lines as well as an asset inventory of the bio tech industry.

Commissioner Smith shared the news that the company Amazon recently announced that it is searching for a location for a second east coast headquarters which will be a full equal to the online retailers Seattle offices and grow to 50,000 employees. She further explained that DECD has been preparing to submit a proposal in response to Amazon's RFP on behalf of the CT communities that fit the description of the location that Amazon is looking for.

Both chairman Tong and McGee encouraged Commissioner Smith to utilize this commission as a resource as DECD continues to work on their applications.

Rep. Simmons commented that Connecticut has the three main characteristics that Amazon has made clear they are looking for in a location: a dynamic educated workforce, office space at a reasonable price, and a strategic location that is close to an international airport. And for this reason CT should put its best foot forward in their application.

Mr. Williams expressed his belief that the high tech jobs such as the ones being discussed as part of CHDC's work do not benefit the minority population. He went on to explain the importance of properly training the workforce that is already in CT for future jobs that are going to become available. It is his opinion that we need to train these workers so that we don't have to look out of state for employees when job's become available. Mr. Williams believes that continuing to create jobs specifically for the minority community is important to the state's overall economic condition. Ms. Shemitz offered statistics to support Mr. Williams's comments.

In response to Mr. Williams's comments, Rep. Yaccarino stated that with the creation of high tech jobs other aspects of the economy are directly affected- for example in the service industry. He also expressed the need for the state to offer more venture capital tax credits which will directly affect the economy in Connecticut.

Rep. Tong also noted that with an increase in high tech jobs there is an added need for machine based jobs which are very beneficial to the middle class. He noted his recent site visit to Sonics and Materials, Inc. in Newtown, CT which consisted of many machine based factory type jobs that create physical parts to be used in the bio science field. He noted that many of these workers were middle class immigrants and minority people that through these jobs could support a family and continue to live in CT.

Commissioner Sullivan commented that improving the community college system in the state could help improve the qualifications that many of the types of workers Mr. Williams described would have to meet the demands of the new economy and workforce being discussed today.

Ms. Pelletier warned the commission that Amazon might not be the “panacea” to all of the state’s problems. She explained that with the potential arrival of Amazon other jobs may be lost as a result as workers may be replaced by machines and a new age “assembly line.”

Rep. McCarthy Vahey questioned if the CHDC is seeking to achieve their goals through a regional approach with the assistance and resources of surrounding states and also if Connecticut is behind in the bio science industry as compared to progress made in other states?

Chairman McGee answered that the goals put forth by the CHDC are regional in nature as a viable transportation infrastructure is key to supplying a workforce capable of meeting the demands of the bio science industry. He also commented that Connecticut is not behind other states in progress in this sector of the economy as he explained that precision medicine is the number one major at the Yale School of Medicine.

Rep. Cheeseman commented on the need for private funding to help improve the state’s economic competitiveness due to the fact that the state has a limited amount of resources. She expressed the need to bolster the middle class by providing good paying sustainable jobs as not everyone is going to be qualified to work in the bio science field.

Brian Flaherty pointed out that there is a great sense of anticipation in the state surrounding the current economic climate. Job creation is increasing in Connecticut and in order to attract companies such as Amazon this increase needs to continue while also continuing to improve our state’s infrastructure.

Commissioner Sullivan discussed the lessons learned from the 2016 presidential election and the importance of not displacing or “leaving behind” a large number of workers for “the next big economic solution.”

Rep. Tong followed up Commissioner Sullivan’s points and cautioned that the state be careful and smart when attempting to entice businesses to CT so as to ensure that any state monies invested in private businesses stay in the state for an extended period of time.

Seth Ruzzi replied that the state should continue to pursue worthy economic investments and not be too cautious about companies leaving the state after receiving state funds. He noted that while Starwood did leave the state after receiving state funds, the net gain for the state was positive.

Steven Glazer noted the importance of the community college system in creating a hub of young talent for employers to consider as well as supplying an affordable option to higher education which can lead to a degree at a four year university.

Matt McCooe commented on the importance of incentivizing venture capital firms to invest in CT businesses and the need to offer affordable office space to businesses seeking to relocate in order to remain competitive in landing some of these companies in CT.

IV. CONNECTICUT 500 ORGANIZATIONAL PROCESS:

Rep. Tong explained the flexibility that has been awarded to the commission in creating the goals and structure of the CT 500 project. He also recommended that CHDC's organizational process be duplicated and applied to the 500 project. He offered the idea that the project focus on two growth industries one being advanced precision manufacturing.

Commissioner Smith and Rep. Tong engaged in a dialogue regarding the need to not duplicate work that is already being done by other state departments many of which are tasked with the same goals as the CT 500 project. Rep. Tong made the point that he views the commission as a bridge between working groups/projects that already exist and the legislative leaders in an effort to create a "larger filter" of information to policy makers.

V. MEMBER IDEAS FOR UPCOMING PRESENTATIONS, RESEARCH AND ANALYSIS:

Commissioner Shemitz questioned that while the goals of the commission are clear the process in her opinion needs to be more clearly defined. Establishing shared goals and the processes to achieve such goals is key.

Mr. Teskey expressed his belief that the commission can shed light on the progress and accomplishments the state is making in the field of advanced precision manufacturing. He pointed out that many people have never heard of or know what is done by his employers at General Dynamics. He believes that informing people about what his company and other similar companies provide to the state and how they play such an integral role in the state's economy will help grow the field and thus the state's economy as a whole. He also explained that his employer has been hiring thousands of workers from specific programs that provide specific skills that Electric Boat is seeking. Many of these programs are offered through community colleges in the state, and his employer seeks to hire local CT citizens as they are more willing to stay in the state and thus remain with the company that originally hired them.

Rep. Tong, Commissioner Smith, and Commissioner Sullivan again engaged in a conversation regarding the role of this commission as it relates to working groups and other projects that are already in place throughout various state agencies. Rep. Tong made it clear that he envisions this commission as a conveyor of information between such working groups, business leaders in the state, and legislative leaders. The commission in his opinion should focus on broadening awareness of the great work that state agencies are already doing. Commissioner Smith expressed her fear that the commission may emulate work that is already being done and she also cautioned that having too many "people at the negotiating table" could negatively affect progress.

VI. ANNOUNCEMENT OF TIME AND DATE OF NEXT MEETING:

- FRIDAY, OCTOBER 6TH, 2017 AT 10:00 AM IN ROOM 2D OF THE LOB

VII. ADJOURNMENT:

The meeting was adjourned at 12:17 P.M. by Chairman Rep. Tong.

Tom Spinella

Administrator