

Commission on Economic Competitiveness

MEETING MINUTES

Thursday, November 5, 2015

10:00 AM IN ROOM 2D OF THE LOB

I. CONVENE MEETING:

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

The following commission members were present:

Rep. William Tong, Joseph McGee, Commissioner Kevin Sullivan, Commissioner Catherine Smith, Rep. McCarthy Vahey, Joseph Brennan, Jeffrey Hyde, Ellen Shemitz, Steven Glazer, Seth Ruzi, Lori Pelletier, Heather Somers.

Absent were:

Rodney Williams

II. REMARKS BY THE CHAIRS:

Chairman Rep. Tong offered introductory remarks and expressed that it is the co-chairs intent to hold three more meetings before the end of the year.

III. REMARKS BY REPRESENTATIVE SHARKY, SPEAKER OF THE HOUSE OF REPRESENTATIVES:

Speaker Sharkey gave the charge for the commission and focused his remarks on the hectic nature of the legislative session and the need for a permanent commission such as this group made up of members from primarily the business community to give “real time” suggestions to the legislature on proposals which may affect the state’s economic competitiveness.

Commission members then accepted the Speaker’s charge. Several members expressed their willingness to assist the legislature while also looking forward to being more involved throughout the legislative process in discussing innovative ways to improve the state’s economic competitiveness.

IV. OVERVIEW OF UNITARY/COMBINED REPORTING BY JEFFREY HYDE:

Commission member Jeffrey Hyde offered a presentation to the commission regarding a review of the facts, opinions, and conclusions on unitary/combined reporting.

A copy of this presentation can be found on the Commission's website by clicking on the link entitled "**Overview of Unitary/Combined Reporting by Jeffrey Hyde**" under the November 5, 2015 meeting tab.

Following the presentation a discussion took place regarding how this change in reporting would affect the state's overall economic competitiveness. Several commission members expressed their concern that switching to mandatory unitary combined reporting could possibly result in businesses leaving the state and having an overall negative effect on our state's competitiveness, while others explained that this type of reporting is the most fair and accurate way for businesses to report and is a practice that is currently utilized by many other states.

V. PRESENTATION BY DEPARTMENT OF REVENUE SERVICES COMMISSIONER KEVIN SULLIVAN CONCERNING THE STATE'S TAX POLICY AND ITS RELATIONSHIP TO BUSINESS AND ECONOMIC DEVELOPMENT:

Commission member Kevin Sullivan offered a presentation to the commission regarding the State's tax policy and its relationship to business and economic development.

A copy of this presentation can be found on the Commission's website by clicking on the link entitled "**Connecticut State Tax Basics- Presentation by Commissioner Sullivan of the Department of Revenue Services**" under the November 5, 2015 meeting tab.

Following the presentation a discussion took place concerning the economic tax policy in Connecticut with a focus on determining which policies are in place for competitive reasons to assist the economy in growing versus antiquated policies which negatively affect the state's competitiveness and thus need to be discarded or modified. Commissioner Sullivan concluded that while the state's overall tax policies are not anti-business the state can do better to relieve the burden on its citizens and businesses thus improving the states competitiveness as a result.

VI. ANNOUNCEMENT OF TIME AND DATE OF NEXT MEETING

Rep. Tong explained that the commission will meet again in early December at which point McKinsey & Company will address the commission and discuss the development of a market analysis of Connecticut's economy and the critical steps required to develop a transformative economic plan.

VII. ADJOURNMENT:

The meeting was adjourned at 1:35 PM by Chairman Rep. Tong.

Tom Spinella

Administrator