



1616 P Street, NW Suite 210
Washington, DC 20036
(202) 232-1616
www.goodjobsfirst.org

Contact: Michelle Lee (202) 232-1616 ext. 210 or mlee@goodjobsfirst.org

Report: Connecticut Economic Development Subsidies Are Costly and Poorly Monitored

Washington, DC, October 24, 2011 – Connecticut’s major economic development expenditures are high in cost, poorly monitored and may be undermining the public goods that actually constitute the state’s competitive advantage for jobs, according to a report released today by Good Jobs First.

The report entitled, *Connecticut Economic Development Subsidies: Costly and Blunt*, found that corporate income tax credits can have high cost-per-jobs figures (one cost taxpayers \$169,667 per job) and that some companies getting subsidies don’t meet job creation promises. The report recommends that the state’s existing programs be thoroughly evaluated and that the state adopt better online transparency of costs and benefits before considering new spending. The full report is available at www.goodjobsfirst.org.

“Connecticut can spend less and get more by adopting safeguards that are well established in other states,” said the report’s co-author Greg LeRoy, executive director of Good Jobs First. “Preserving public goods like education and infrastructure that benefit all employers is a critical priority for states as federal aid for economic development declines.”

“As this report shows, we’ve been spending more and more taxpayer money on corporate tax breaks,” said Jon Green, Executive Director of Connecticut Working Families. “But those incentives have not generated long-term sustainable job growth. We need to do better. If we don’t create standards for job creation, job quality, and transparency, we’re just throwing money at the problem.”

“Citizens for Economic Opportunity urges greater transparency and enforcement of Connecticut development expenditures,” said Karen Schuessler, CEO’s Executive Director. “Taxpayers cannot afford the \$306 million in corporate tax credits that were spent in 2009, especially since many of these businesses do not meet their job creation goals. It is not fair that subsidies are so readily given to corporations when a senior citizen on a fixed income or a disabled person has to jump through hoops to receive vital and life sustaining services.”

Founded in 1998, Good Jobs First is a non-profit, non-partisan research center promoting accountability practices in economic development and smart growth for working families. Headquartered in Washington, DC, it has a project office in New York.