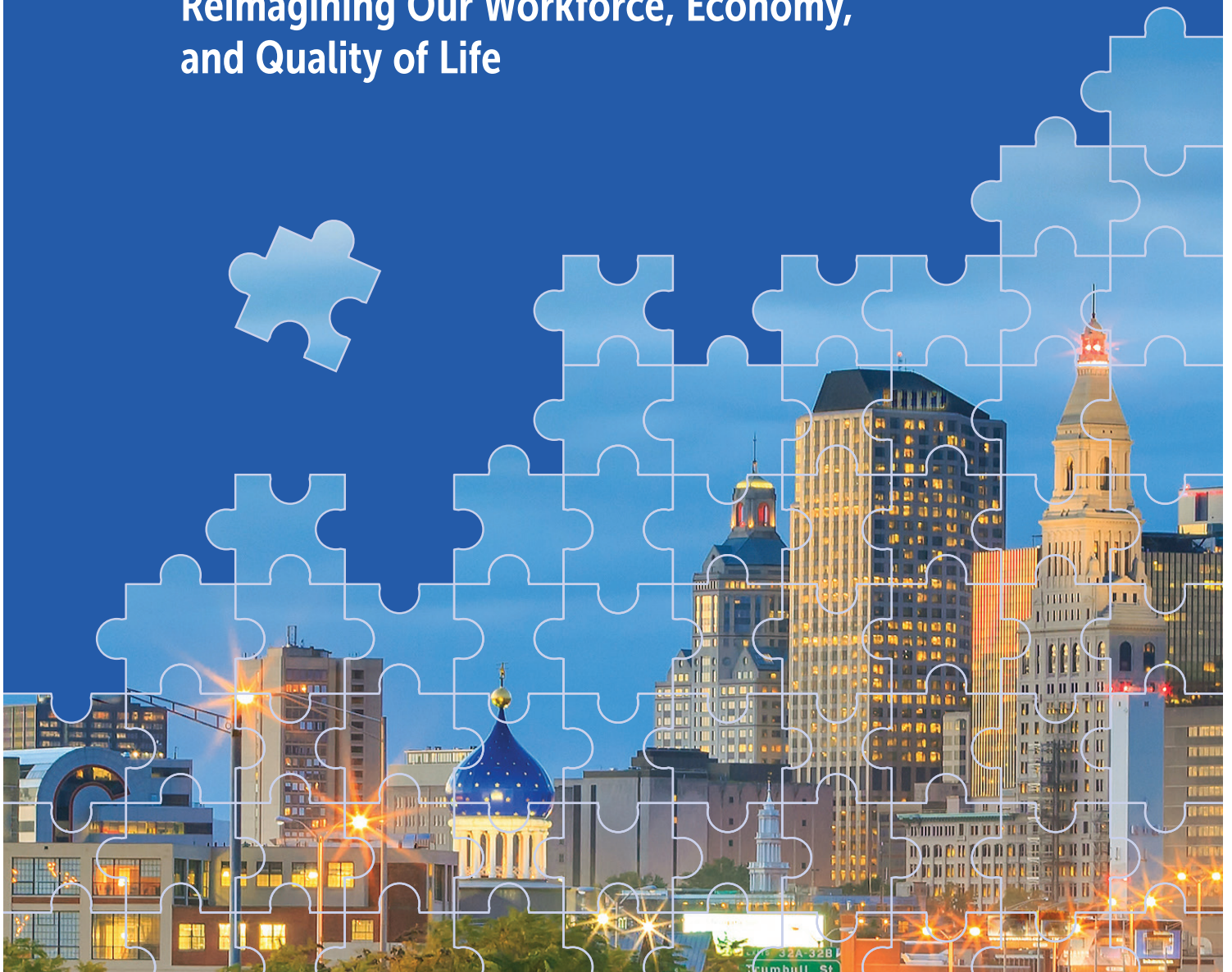


Developed by Economic Leadership LLC for the CBIA
Foundation for Economic Growth and Opportunity



OPPORTUNITY CONNECTICUT

Reimagining Our Workforce, Economy,
and Quality of Life



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OVERVIEW

The CBIA Foundation for Economic Growth and Opportunity, a 501(c)(3) organization created in 2023 to develop a response to the evolving needs of Connecticut's economy, engaged the national consulting firm Economic Leadership LLC to explore the state's economic challenges and opportunities.

The regional, national, and global economic landscape is undergoing **dynamic, rapid change** and the foundation's primary goal is charting a course for sustained economic growth that drives further predictability for all stakeholders and creates more opportunities for all Connecticut residents.

Over the past decade, Economic Leadership has worked with more than 30 state chambers of commerce across the country to research, develop, and implement a broad range of strategic economic action plans.

The firm's Connecticut research efforts spanned eight months and formed the framework for developing this **long-term roadmap** for boosting the state's economic competitiveness, retaining and attracting investment and talent, fostering innovation, expanding career pathways, and growing a vibrant economy.

As part of the research activities that shaped this economic action plan, the CBIA Foundation hosted more than 30 forums across the state in early 2024 that solicited ideas and perspectives from a diverse group of stakeholders, including business, nonprofit, education, and community leaders along with state lawmakers and administration officials.

In addition, Economic Leadership evaluated more than 25 reports and studies from 2018 to the present that addressed various aspects of Connecticut's economy, state government, and business climate. Those included:

- ▶ The 2021 CREATES Report that the state legislature directed the Lamont administration to conduct as a review of opportunities to improve state government service quality, delivery, and equity for residents and businesses, mitigate retirement risks, and reduce costs.
- ▶ The 2018 Commission on Fiscal Stability and Economic Growth and the Lamont-Bysiewicz Transition Policy Committee reports, featuring strategic recommendations addressing accountability in economic development, developing the talent and workforce to meet the needs of Connecticut's business community, and encouraging an urban renaissance.
- ▶ AdvanceCT's 2023 Future Ready States index, which benchmarked how states are navigating long-term challenges and addressing future economic success.

Fig. 1: Components of Competitiveness



- ▶ CBIA's annual surveys of Connecticut businesses covering those years, documenting economic challenges and opportunities and policy priorities for building a more competitive economic climate.

Shaped with the active participation and collaboration of those stakeholders, these recommendations provide the **structure and goals** that Connecticut's public and private sectors can **endorse, promote, and implement in collaboration**.

To best determine Connecticut's current competitive conditions, the firm examined the state's positioning within four categories: **business climate, workforce, infrastructure, and innovation**, addressing the following questions:

- ▶ What are Connecticut's economic trends over time and areas of economic inertia?
- ▶ How competitive is the state today, compared to peers?
- ▶ What industries drive Connecticut's economy and how are those industries changing?
- ▶ What industries are emerging as currently or potentially critical to Connecticut's economic future?

Next, we engaged stakeholders to understand the desired future:

- ▶ What does the business community need to succeed in Connecticut?
- ▶ What is realistic and achievable?

- ▶ What can be done to ensure that Connecticut residents share in any success?
- ▶ Where does opportunity lie and how are those sectors evolving?

Lastly, we explored the necessary actions for improving Connecticut competitiveness that will lead to the desired outcomes:

- ▶ What are potential specific actions that are proven, impactful, realistic, fundable, and timely?
- ▶ How do we measure success?
- ▶ How do we maintain momentum?

This economic action plan comes at an opportune time in the state's history:

1. The **bipartisan fiscal guardrails** adopted in 2017—and extended unanimously by the legislature in 2023—strengthened Connecticut's financial position exponentially and improved responsibility and accountability in the budget process.
2. There is a heightened appetite for more **public-private collaboration**. Historic social issues are now colliding with economic issues and vice versa, creating unlikely partnerships to solve challenges around childcare, housing, and other quality of life factors that significantly impact workforce growth.
3. Economic data from 2023 showed several bright spots, including 2.1 % GDP growth—the best of the Northeast states and 31st in the U.S.—and the addition of 18,400 jobs (1.1%). With this momentum in mind, leaders can help improve the trajectory of the state's economy and in turn, **create economic opportunity for all**.

Our research revealed a number of critical factors that frame Connecticut's current competitive position:

- ▶ Despite modest recent growth, primarily driven by foreign immigration, **Connecticut's population is projected to continue to age** and grow less than 5% over the next decade. Outmigration, especially of young professionals, remains a major concern. Growth has also been uneven across the state, limiting opportunity in many cities and towns.
- ▶ **Affordability has become a more critical determining factor** for business and population location and the state's cost of living and cost of doing business is high. CNBC's 2024 America's Top States for Business study ranks the state's cost of living 34th, while Connecticut remains the eighth costliest state in the country to run a business. These high cost burdens pose a severe risk to initiatives designed to attract and retain residents and businesses.

- ▶ The state's complexity, with 169 towns, no county government, and being one of the oldest states in the nation, has created an environment where **decision-making and business interaction is sluggish** and lacks the agility and efficiency other states have prioritized as incentives. This complexity impacts the ability to scale business and real estate investments in multiple locations throughout the state. What worked in one town would not work in the next.
- ▶ While academic excellence is one of the state's competitive advantages, prioritizing four-year college education for all has resulted in **severe shortages of workers** for most Connecticut jobs that do not require a four-year degree. Companies in critical sectors such as construction and manufacturing are often forced to relocate or expand to secure trained workers.
- ▶ The state has a **rich history of innovation**, long supported by localized academic excellence. Today's innovation economy is mobile and dependent on the location choices being made by talent and entrepreneurs.
- ▶ The Northeast region of the United States is facing fierce competition from states in the Sun Belt, where leaders are aggressively working to maintain a **low cost of living and low cost of doing business**. Connecticut is not immune to the impacts of this regional threat.

The recommendations in the strategic pillars outlined in this action plan are designed to boost the state's competitiveness and its ability to retain and attract business investment and talented people.

They represent a **long-term, strategic approach**, focusing on the fundamentals of a successful competitive economy and providing policy continuity across election cycles and different administrations to drive generational change.



We are in a better position than we've ever been, and it would be a sin if we didn't leverage that.

2024 economic competitiveness forum attendee

To ensure successful implementation, broad impact, and sustained success, the plan has:

- ▶ A limited number of specific and realistic actions
- ▶ Clear implementation responsibility
- ▶ Balances expectations with resources
- ▶ Aligned stakeholder expectations
- ▶ Continuously measured results, with and adjustments when needed
- ▶ Sustained, engaged leadership



2024
AMERICA'S TOP STATES FOR BUSINESS

CONNECTICUT



Rank	Category	Grade	Rank	Category	Grade
4	Education	A	29	Infrastructure	C+
9	Quality of Life	B	34	Cost of Living	C-
20	Workforce	D+	39	Business Friendliness	C-
22	Access to Capital	C+	39	Economy	D
25	Technology & Innovation	C	43	Cost of Doing Business	D

COMPETITIVENESS TRENDS

To improve competitiveness, you must acknowledge that the world is changing at a rapid pace.

The national and global megatrends that created unprecedented uncertainty and competitive headwinds across the U.S. are also creating new prospects for bold regions to flourish. Change is always disruptive, but that **disruption is accompanied by opportunity**.

With foresight, leadership, resources, and targeted strategic actions, the next few years can be a time of accelerated growth that propels Connecticut into the top half of the country economically and provides greater and more meaningful opportunities for all residents.

What are the trends impacting our future?

The **demographic shifts** we are experiencing today were predicted for three decades. Nationally, our population will continue to age and diversify, while family size will continue to decline.

The birth rate has halved over the past two generations, and our domestic labor force growth is certain to continue to fall.

Connecticut will be forced to compete for population and labor force growth by some combination of retaining more high school and college graduates, attracting more domestic immigrants, encouraging higher labor force participation from existing residents, and welcoming more foreign-born workers.

While some states in the Northeast are experiencing growth, it is minimal. The Southeast and the Mountain West are the largest benefactors of these migration trends, and the economies of states in these regions are proving it.

Technological advancements are changing every industry's future.

In manufacturing, the steady permeation of the Internet of Things and energy transformation are joined by emerging areas like artificial

intelligence and spatial computing, simultaneously displacing and creating millions of jobs.

Logistics, one of the fastest growing sectors in Connecticut in recent years, is being altered by big data, product sensors, autonomous vehicles, drones, and process automation.

Successfully taking advantage of these and other shifts demands that states encourage and support automation, upskill existing employees, and align their available and ready product mix (buildings and sites) to meet new demands.

Connecticut must leverage its **legacy of innovation** to embrace and stay in front of these advancements.

Geopolitics and geo-economics have reshaped American business since the early 1990s, but we are now experiencing unexpected change. The emphasis on free-trade globalization has been the norm, and the bipartisan public policy of the past 35 years has rapidly unraveled.

Most experts believe that the underlying superpower tensions between the United States and China will force multinational companies to alter their labor sources, production capacity, supply chains, and logistics options. **Reshoring, nearshoring, and new trading alliances** will disrupt existing plans and create opportunities.

The United States' new industrial policy, including massive investments in **targeted manufacturing sectors**, is creating new jobs and additional domestic capacity. With sufficient labor, the deep roots of Connecticut's role in national defense will continue and should see strong manufacturing growth because of these changes.

Minimizing risk is rising as a locational decision factor. The COVID-19 pandemic, the recent rise in major weather disruptions, the refocusing on crime, worker health, and almost universal political discourse have reinforced risk factors as companies determine their **long-term growth strategies**.

According to economist Elliot Eisenburg, the number of annual weather disasters exceeding \$1 billion, after steadily rising over the past decade, reached a record 28 in 2023. Insurance rates now reflect this change.

American health and life expectancy began declining pre-pandemic and recent declines in mental health, exemplified by an 80-year high in suicide rates, is impacting worker availability and productivity.

To its advantage, Connecticut is a relatively low-risk state, when considering these types of issues.

Business timeframes are much shorter. The decision cycles for making investment decisions are compressed and **key competitiveness issues** include ready-to-occupy buildings, ready-to-build sites, short and certain review and permitting processes, and rapid responses from economic development professions.

Connecticut's complex and **burdensome permitting environment** is significantly impacting decision cycles for businesses—often driving investment and expansion opportunities to other states.

Leadership is even more important to success, and complexity requires collaboration. As the risk trend shows, the issues critical to business growth and profitability have expanded. To remain competitive, **states must address issues** that require greater cooperation between groups engaged in economic, community, and workforce development, as well as those involved in housing and childcare issues.

It is critical that CBIA Foundation leadership engage with leaders from other groups that might not have traditionally been collaborators and work to find creative solutions to improve the state's economic competitiveness.

By looking at the potential impacts of emerging trends, along with thorough analysis of the qualitative and quantitative inputs, the

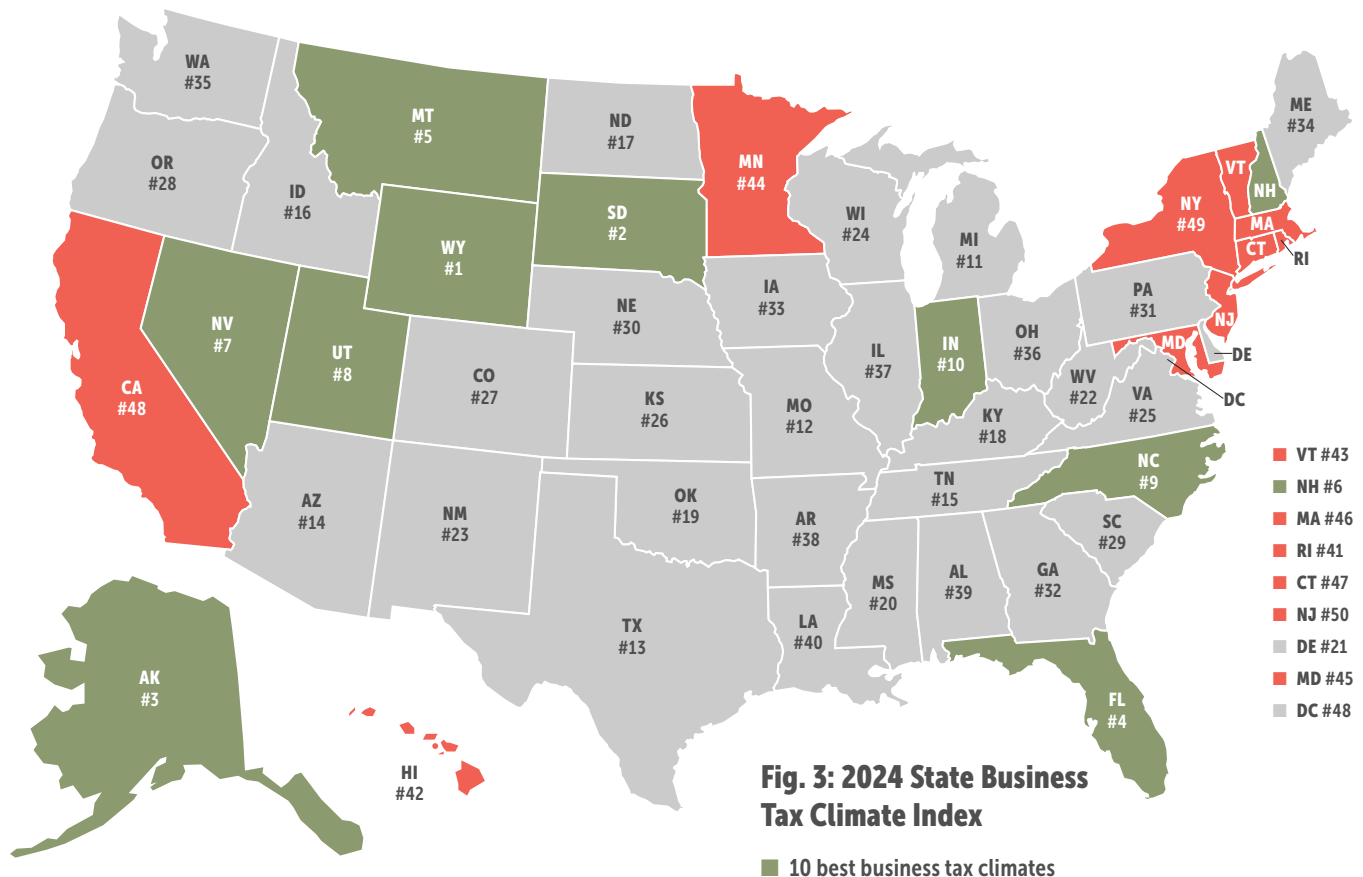


Fig. 3: 2024 State Business Tax Climate Index

- 10 best business tax climates
- 10 worst business tax climates

Source: Tax Foundation

Note: A rank of 1 is best, 50 is worst. D.C.'s score and rank do not affect other states. The report shows tax systems as of July 1, 2023 (the beginning of fiscal year 2024).

recommendations outlined in this economic action plan are grouped in three strategic pillars:

- ▶ **Business climate**
- ▶ **Workforce and education**
- ▶ **Quality of life**

1. BUSINESS CLIMATE

In almost every study conducted in other states by Economic Leadership's research team, workforce was the top issue brought to the attention of leaders wanting to change a location's competitiveness. For Connecticut, this was not the case. While workforce was a resounding second in terms of priorities for this action plan, the overall business climate was consistently declared the main priority for shaping and driving the CBIA Foundation's activities.

In the discussions with stakeholders regarding Connecticut's business climate, several themes emerged, including:

- ▶ A highly burdensome regulatory environment
- ▶ Public sector inefficiencies
- ▶ Lack of coordination of economic development activities
- ▶ Desire for continued support of innovation

Older states are known for having antiquated laws and regulations and Connecticut is no different from neighboring Northeast states in facing this challenge.

The differentiator is the regular review and examination of these items, designed to omit or update outdated guidelines and maintain competitiveness—creating an environment of continuous improvement that fuels growth and a healthy economy.

C-suite leaders, human resource professionals, educators, manufacturers, entrepreneurs, service providers, developers, investors, and everyone in between cited the complex, inflexible, and arduous nature of Connecticut's rules and regulations as a point of frustration and overall concern with continuing to do business in the state.

At a recent CBIA board of directors meeting, three board members noted that while they had not abandoned their Connecticut facilities, they had expanded in South Carolina because "it was just easier."

There are obvious areas presenting competitiveness challenges,



We need to be thinking about more taxpayers and less taxes.

2024 forum attendee

including taxation, licensing, insurance, and permitting—all fundamental pieces for starting and running a business. Companies operating in Connecticut for decades, even centuries, are somewhat used to these pressures and have chosen to remain loyal to calling the state home. Nevertheless, many are growing restless.

Courted by other states—both neighboring and popular regions in the Southeast and Sun Belt—executives from numerous Connecticut companies feel neglected, taken for granted, and unappreciated as other new, external prospects are given attention and efficiencies not offered to legacy companies or industries.

While the current economic development landscape has improved in recent years, many initiatives lack resources and are often misaligned with the private sector—in turn, curbing accelerated growth from existing and new business investments.

By closely examining the regulatory environment while also nurturing the business retention, recruitment, and attraction strategy, Connecticut can greatly improve the ease of doing business and increase the desire to invest and grow in technologies and services by legacy and new businesses alike.



GOAL: Improve Connecticut's overall business climate and the state's reputation as a place to do business.

RECOMMENDATIONS

Business Climate

- ▶ Review current statutes and regulations related to Connecticut's business climate to identify and eliminate redundancies and out-of-date policies, regulations, and procedures.
- ▶ Reduce tax code complexity and the overall tax burden on Connecticut businesses and residents (e.g., restore the pass-through entity tax credit, eliminate temporary corporate surcharge).
- ▶ Reduce the number of occupations requiring licensing and explore reciprocity for licenses from other states.
- ▶ Implement more quality options for health insurance coverage at a more affordable cost for small businesses, especially micro-businesses and their employees.
- ▶ Encourage coordination at the executive level by implementing quarterly cabinet meetings with CBIA and other stakeholders to

discuss economic challenges and opportunities. (For example, in Minnesota, the Governor’s Council on Economic Expansion—featuring 15 business, nonprofit, and labor leaders and members of the governor’s cabinet—recommends policies and strategies that support shared economic prosperity.)

Support Public Sector Efficiencies

- ▶ Promote public sector investments in technology to create clear “front doors,” automate standard processes, and place more business resources available online in a single location—particularly important given today’s remote work environment—including a functional Jobs.CT.Gov website where both employers and job seekers can connect. (There were numerous forum comments regarding the lack of a single state website detailing programs and incentives, with current sites featuring incomplete or incorrect information. A Bridgeport manufacturer who did not qualify for a program based on a state agency’s website, was told by a state employee that they met the criteria and were eligible.)
- ▶ Support the implementation of the 2021 CREATES Report recommendations related to state employee workplace reforms, including capping overtime impacts on pensions.
- ▶ Collaborate with local and state officials to create statewide review timelines for new projects and applications—as well as separate timeline requirements or filters for renewals—with an online tracker to view progress, feedback, and status. (Forum attendees cited many examples of slow permitting, long response times, and difficult to navigate processes. For instance: the Department of Economic and Community Development’s Project Labor Agreement requirements for solar and cannabis and the lack of a coherent, transparent listing of state business programs; Department of Energy and Environmental Protection citing businesses cited for storm water runoff issues while a remedy permit was pending review, the length of time and complexity with reforming the Transfer Act, and legacy permit backlogs; Department of Motor



**We need
consistency,
predictability,
and transparency
in regulations.**

2024 forum attendee

Vehicles CDL licensing processing times; Department of Labor’s prevailing wage standards; Department of Transportation project design and release processes; Public Utilities Regulatory Authority appeals processes.)

- ▶ Build on the successes of the Regional Sector Partnerships and QuantumCT to drive more in-state regional collaboration at the academic and municipal levels, including properly resourcing and leveraging the Connecticut Council of Governments to share administrative services and take advantage of federal grants that position Connecticut as a net importer of federal dollars.

Drive an Economic Development Focus Across All State Agencies

- ▶ Create a single economic development vision and supporting policies via the following:
 - Re-establish the chief operating officer role and/or create a Secretary of Commerce empowered to oversee all economic development related activities (housing, transportation, education, environment and energy, planning) including coordinating interagency teamwork and communication (a 2019 Lamont transition team recommendation).
 - Expand DECD ombudsman authority and staff size to expedite economic development-related permits and applications handled by all state agencies.
 - Streamline and increase focus and resources on business retention functions to improve growth and retention rates, with an emphasis on better support and encouragement of legacy companies and small and mid-size businesses.
- ▶ Establish a narrative around the benefits of doing business in Connecticut that targets existing and new businesses as well as entrepreneurs, investors, site selectors, and brokers.
- ▶ Expand alignment with other economic development stakeholders, including DECD, AdvanceCT, CBIA, and local/regional chambers of commerce, and coordinate messaging designed to enhance the state’s reputation.

Catalyze Innovation

- ▶ Build on Connecticut’s strength of innovation and research and development leadership by enhancing and securing important policies, such as a best-in-nation R&D tax credit for both established and early-stage companies that will support and attract continued innovation.

- Implement policies and incentives for capital investment to include a suite of financial tools that facilitate automation, including shortening depreciation schedules on equipment to match federal levels, a new capital innovation tax credit, increasing the cap on business tax credits to best in nation level to unleash stranded tax credits.



Educational opportunities are excellent here but do not match the skills needed by employers.

2024 forum attendee

- Proactively engage leaders and stakeholders in high-tech, high-growth sectors like advanced manufacturing and biotech to facilitate job growth and investment.
- Revise state programs to incentivize investments by mid-size firms (100-1,000 employees) beyond the JobsCT Tax Rebate Program to stop mid-size companies from expanding in other states. The Manufacturing Innovation Fund and Small Business Boost Fund mostly apply to companies with less than 100 employees.

by 23,000 (-1.2%) over the same period. With 1.3 job openings for every unemployed person, Connecticut has a critical need for creative policymaking and programs to attract younger, skilled workers to grow the talent base.

The state's population also tends to be more educated than the workplace demands. There are high levels of job openings that only require high school or no formal education.

However, the pressing demand on educators to focus on sending students to four-year colleges has dampened student interest in important vocational and technical programs or even in exploring entry-level careers in key industries across the state.

By examining the ways educators and schools are reviewed, funded and rewarded, new pathways for students and other disconnected youth and adults can be created, improving workforce participation while also satisfying company hiring needs.

Apprenticeships and internships must also be prioritized to help demonstrate career opportunities to students at a variety of touch points throughout K-12 and to bridge the gap between business and education leaders as partners in sustained growth (see Fig. 4)

There is also work needed to improve the narrative around building a career in Connecticut across all sectors.

While rankings and statistics can be selectively shared, we must take a realistic look at these figures and create a compelling narrative

2. WORKFORCE AND EDUCATION

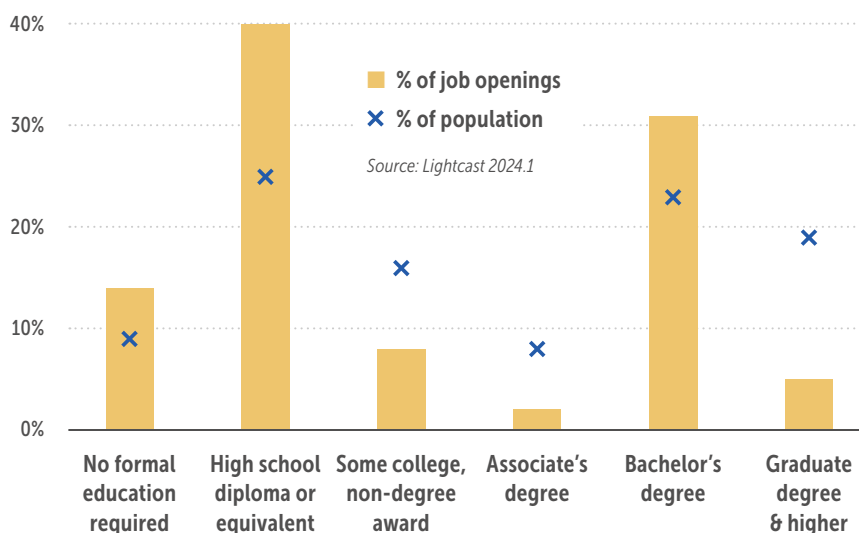
Even before the pandemic, labor markets were tightening across the country due to a combination of demographic and economic forces.

While Connecticut's population saw some post-pandemic momentum after a decade-plus of stagnation, it requires close monitoring during the next three-five years to determine its future trend.

The state's aging workforce presents a huge threat, with over 27% of the existing workforce aged 55 and older, the third largest proportion of older workers in the country.

Connecticut has 93,000 job openings as of June 2024—23,000 more (33%) than before the pandemic—while the labor force has declined

Fig. 4: Connecticut Average Annual Job Openings vs. Educational Attainment, 2023



to address the weakest points of perception and reputation while the harder work is being done to create long-term change. Connecticut must retain its existing workforce and attract talent from outside the state.

With talent prioritizing quality of life factors in relocation decisions, tourism partners have a unique opportunity to help change that narrative. Visitors spending time in Connecticut are exposed to lifestyle assets often attractive in relocation decisions.

A consistent narrative among business and tourism stakeholders will move the needle on reputation and ultimately support hiring managers in marketing job location.

Connecticut is one of 18 states yet to recover 2019 levels of employment through 2023. Net employment declined by 0.7% in Connecticut from 2019 to 2023, compared with a national average gain of 2.1%, with the state ranked 38th in the country for job growth over this period.



GOAL: Grow Connecticut's strong academic legacy, creating an educational environment for all students to discover, thrive, and advance career opportunities at various skill levels and entry points with employers.

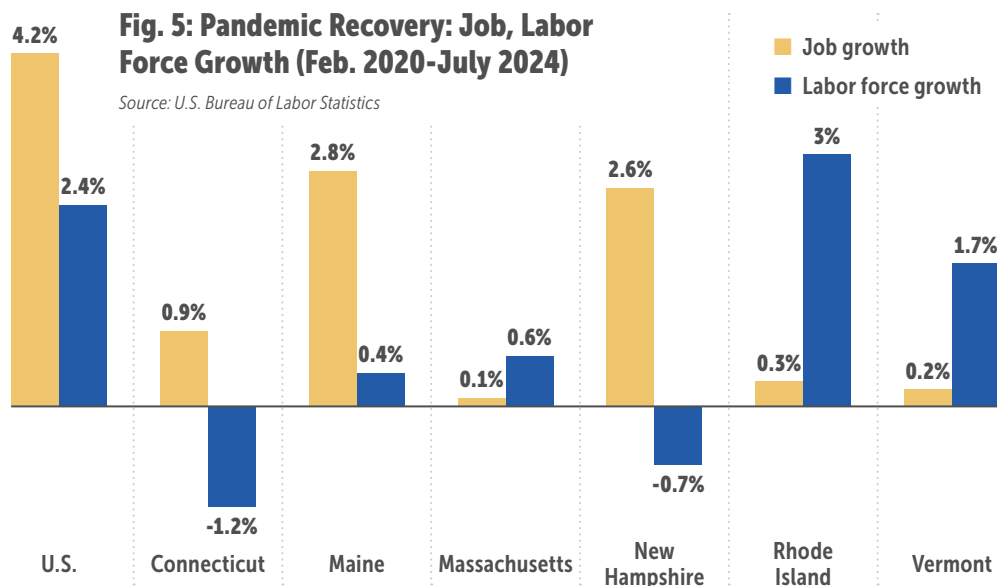
RECOMMENDATIONS

Strengthen Operational and Funding Conditions

- ▶ Reimagine Connecticut's graduation standards to promote rigor, relevance, student choice, and alignment with both higher education and workforce requirements.
- ▶ Update the state report card to evaluate, fund, and rate schools with a broader, more flexible grading model that aligns education system values with desired economic outcomes, including more

Fig. 5: Pandemic Recovery: Job, Labor Force Growth (Feb. 2020-July 2024)

Source: U.S. Bureau of Labor Statistics



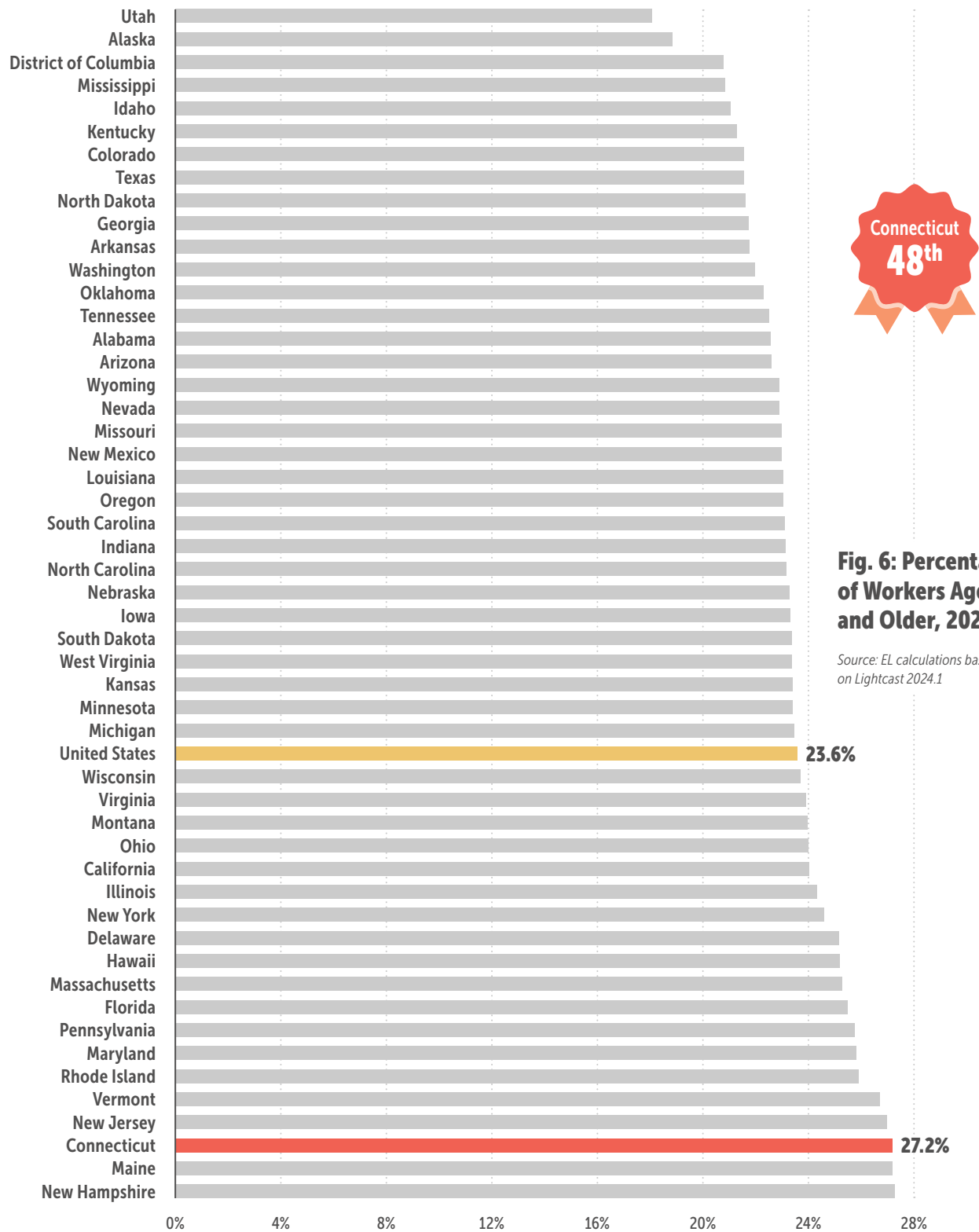
experiential learning at all grades (K-6 = field trips and business speakers in schools; 7-9 = community service; 10-12 = work-based learning, including internships and apprenticeships).

- ▶ Inventory and align Connecticut's post-secondary opportunities to make it easier for students and families to identify programs that provide in-demand skills, certifications, and job functions needed by the state's employers.
- ▶ Expand tax credits for qualified apprenticeship training programs across targeted industry sectors.
- ▶ Expand Regional Sector Partnerships to leverage regional collaboration to seek new funding sources to upskill and train workers, particularly at the federal level.
- ▶ Appropriate state resources to Connecticut's Preschool through 20 Workforce Information Network to allow for dedicated staff and expanded research capacity to assess the outcomes of state-funded initiatives, including workforce training programs, and support the



We are donating talent to other states.

2024 forum attendee



creation of an offtrack early warning system. (e.g., Rhode Island partnership featuring the Department of Labor, Governor's Workforce Board, and Office of the Postsecondary Commissioner).

- ▶ Develop a clear, interactive workforce development program heat map of Connecticut to increase awareness among businesses and candidates of available resources (similar to the Manufacturing Skills for Connecticut website).

Increase Student Engagement

- ▶ Create more opportunities for disconnected youth, strengthening pathways to sustainable employment.
- ▶ Advocate for multi-year investments in programs that integrate transitional employment with case management and other support services that drive skills development and support sustainable career pathways.
- ▶ Implement policies that drive more dual enrollment and high-quality work-based learning experiences in our high schools (e.g., earning course credit for WBL, allowing 15 year-old students to participate in paid internships, and removing other barriers to participation).
- ▶ Create an Office of Post-Secondary Success within the State Department of Education to work with school districts and post-secondary institutions to monitor student outcomes and more effectively coordinate and promote state programs that seek to support successful transitions after high school into a post-secondary, such as the FAFSA Completion Challenge, dual credit programs, the Roberta Willis Scholarship Program, and Connecticut Automatic Admissions Program.
- ▶ Ensure all school systems can provide real-time data visibility around student engagement; understand each student's post-secondary aspirations and their progress toward completing necessary access milestones; and share information with post-secondary systems to support successful transitions after high school.



Our workforce development system is incredibly disjointed.

2024 forum attendee

Improve Collaboration with Business

- ▶ Increase collaboration with education and workforce stakeholders that expands awareness of opportunities for the business community to participate in finding innovative solutions for funding and improving education and training outcomes.
- ▶ Establish a CEO Leadership Workforce Council to meet with the Governor and education/workforce leaders every six months to prioritize efforts to create a world-class PK-20 education system that prepares students for successful careers.
- ▶ Develop a statewide externship program for educators, especially those involved in college/career guidance, at Connecticut companies that expands awareness of available careers.

Expand the Workforce Pipeline

- ▶ Explore and recommend state immigration policy and program changes to further develop the working age population.
- ▶ Expand second chance programs and initiatives to better support the transition of returning citizens to the workforce.
- ▶ Make competitive investments and leverage tourism and lifestyle partners to target visitors as potential talent to relocate to Connecticut.



Teachers and schools struggle to make changes with the way the state report card works.

2024 forum attendee

Drive the Workforce and Talent Attraction Narrative

- ▶ Establish positive messaging about living and working in Connecticut geared toward internal (retention) and external (attraction) audiences.
- ▶ Increase awareness of careers in skilled trades and manufacturing and other in demand jobs through earned and owned media channels.

3. QUALITY OF LIFE

Connecticut’s quality of life was cited repeatedly as the reason businesses and residents decided to relocate or stay in the state. Picturesque towns, miles of coastline, and safe communities to live and raise a family are a trademark of the state.

While previously enough to retain residents, the changing nature of work and the overwhelming ideal of an alternative quality of life in other parts of the country are posing significant risks to this once unbeatable environment.

Employees want short commutes. Residents and businesses want affordable, reliable energy. The American dream of homeownership is real, and childcare is no longer just a problem for parents to address.

To remain competitive, these four areas require the attention of private and public sector leaders to create intentional change that is transformative to quality of life for current and future residents and businesses.



Goal: Improve critical quality of life factors to retain and attract residents and businesses.

RECOMMENDATIONS

Transportation

Connecticut’s infrastructure is some of the oldest in the country. Financing continues to be approved, but funds are rarely spent in a timely manner—often at the frustration of both businesses and residents.

Based on an August 2024 report from the State Treasurer’s Office, \$6.1 billion in Bond Commission-approved funding still hadn’t been issued, a backlog more than six times the size of Connecticut’s projected transportation borrowing this year.



Our business is turning down work left and right because we have no one to do it.

2024 forum attendee

Fig. 7: Cost of Living & Disposable Income by State

State	Cost of Living ¹	Cost of Living Ranking	Disposable Income ²	Disposable Income Ranking
Hawaii	\$55,491	1	\$9,551	50
Massachusetts	\$53,860	2	\$26,470	5
California	\$53,171	3	\$23,790	12
New York	\$49,623	4	\$29,001	2
New Jersey	\$49,511	5	\$24,474	10
Alaska	\$48,670	6	\$21,219	26
Maryland	\$48,235	7	\$25,397	8
Washington	\$47,231	8	\$30,894	1
Connecticut	\$46,912	9	\$26,825	4
Oregon	\$46,193	10	\$20,515	31

¹To determine the total cost of living, yearly expenses for housing, healthcare, taxes, food, and transportation were factors. Data sources include C2ER, KFF, MIT Living Wage Calculator, and the U.S. Census Bureau.

²To calculate the disposable income, the total cost of living was subtracted from the average salary.

Source: *Forbes Advisor Analysis*

Transparency regarding transportation spending must be improved and a more open dialogue should be created between the Department of Transportation and the business community. U.S. News & World Report’s 2024 Best States rankings placed Connecticut 45th in its transportation rankings, citing more than 33% of roads in poor condition (compared to the national average of 18.3%).

In addition to the status of roads and highways, the lack of “last mile” transportation was regularly cited as a barrier to employment.

Traditional hubs like Stamford, Hartford, Bridgeport, and New Haven all offer excellent connectivity, but employers shared stories of employees struggling to get to work on time because of the limitations of public transit schedules.

Many large employers have chosen to bypass public transit options and corral resources to provide other ways to get employees to work on time.

- ▶ Create more visibility around the funding and status of current and future transportation projects.
- ▶ Create a quarterly business community-Department of Transportation working group to:
 - Review and prioritize transportation projects and provide feedback.

- Facilitate roundtables with DOT and/or stakeholders to address challenges and opportunities for improving overall networks.

- Explore separating DOT into two entities—transportation operations versus transportation projects—to provide increased expertise and focus on improving transit services. Lengthy processing of several activities and operational improvement opportunities, including public project design reviews, project bid process, timeliness of releasing projects, asphalt



We have a great rail system that is being underutilized.

2024 forum attendee

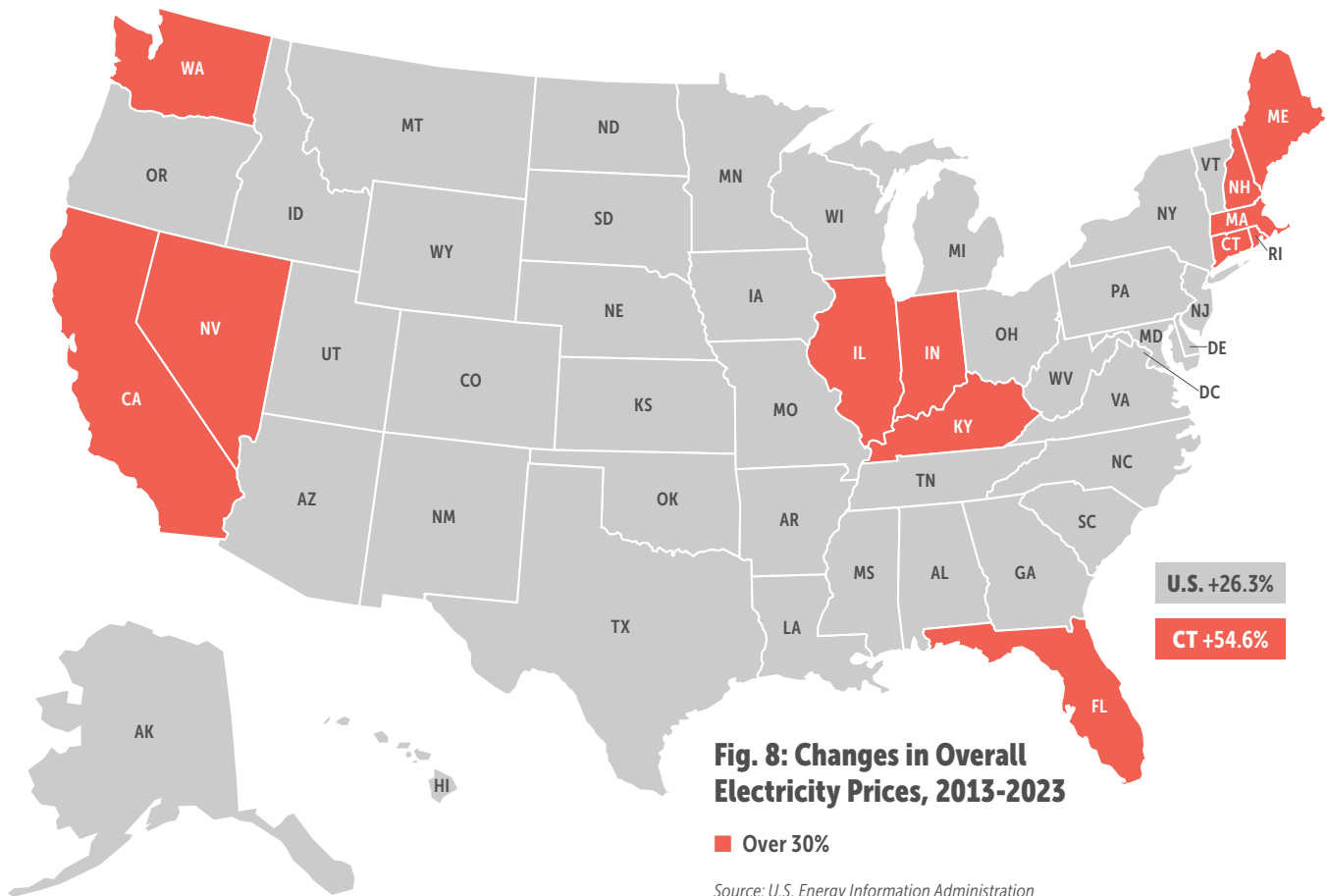
recycling, last mile transit, public transit discount for all students (not only public universities), bus licenses, tourism signage requests, train frequency.

- Improve last-mile transportation options for employees—including on-demand transportation, route pooling, and public transit improvements.
- Consider rezoning opportunities around transit hubs and employer locations.

Energy

Energy costs play an important role in the overall cost of doing business as well as the cost of living for residents.

As technology has advanced, so has the demand for power. Connecticut businesses, especially large energy users like manufacturers, cited cost and reliability as challenges to doing business.



Based on U.S. Energy Information Administration data, Connecticut consumers endured a 54.6% increase in overall energy costs over the last decade, one of the highest in the country. This cost burden also plays a significant role in the state's overall cost of living.

The requirements for affordable, reliable power have become a major factor in site selection with 74% of Site Selectors Guild members noting utilities and infrastructure as one of the top drivers of location decisions.

With decades of rising energy demand expected, public sector leaders and energy providers must work collaboratively to identify solutions. Energy leaders must have a "seat at the table" in the discussions on how to fund, structure, and implement the modernization of Connecticut's energy infrastructure.

The Lamont administration's 2040 clean energy goals, including eliminating carbon emissions and expanding existing renewable energy

programs, are ambitious. For instance, U.S. News & World Report's 2024 Best States rankings placed Connecticut's renewable energy usage at 7.45%, trailing the national average of 12.4%.

Without a stable regulatory landscape and secure, predictable cost-recovery mechanisms in place for grid investments, energy partners are unable to devote resources to improvements, narrowing

spending priorities to focus primarily on maintenance until such an environment can be established.

Connecticut also needs additional affordable renewable energy sources to help meet its clean energy goals, including further exploration of small scale nuclear power generation.

- Improve collaboration between regulators, utilities, and the private sector to address the state's most pressing challenges related to the resiliency, reliability, and availability of energy.
- Convene industry, regulators, and a bipartisan group of policymakers to develop a vision and multi-decade strategy for traditional and emerging energy infrastructure that supports

demand forecasts, comprehensively examines clean energy goals and renewable portfolio standards, reduces ratepayer costs, and provides future predictability and stability.

- Explore public-private partnership models that fund infrastructure investments to meet Clean Energy 2040 targets.
- Work with energy partners to educate stakeholders on the economic impact and critical need for utilities.
- Build awareness of options for businesses through the procurement process to make energy more affordable, especially for small businesses.

Housing

Housing is a top-of-mind issue across the country, with both affordability and availability being key factors. Connecticut is not immune to this challenge and efforts to address supply often hit roadblocks with some local planning and zoning boards or residents leery of development or change in a town's landscape.

Additionally, the higher costs of building in Connecticut (materials, land, labor costs, lack of access to public water and sewer in some communities) discourages developers from expanding housing stocks.

If these issues are not addressed, it will paralyze growth in the state, with the greatest impact on young to mid-career talent wanting to achieve home ownership, raise a family, and most importantly, build careers and lives in Connecticut.

Given the desirability of the state as a place to live, home prices have historically been high. However, the pandemic and remote work caused housing prices to jump even higher.

Despite wages growing during the post-pandemic period, the cost of housing has grown faster than most goods.

This trend is particularly troubling in high-cost states like Connecticut.

Connecticut experienced the 11th highest increase in housing prices of any state since the start of the pandemic. While these gains in the housing market can be a positive for those who already have purchased their home and intend to stay, it makes it more difficult for first time homebuyers.

Inflation in the housing market also accelerates rates for renters. Rent prices have followed the spike in home values in recent years. About 35% of households in the state spend more than 30% of their income on housing (mortgage or rent).



**Infrastructure
should be treated
as an investment,
not a liability.**

2024 forum attendee

When compared to the rest of the nation, Connecticut ranks 42nd in terms of its housing cost burden.

Public and private stakeholders in the real estate and development community must come together to address the housing crisis in Connecticut.

The lack of consistency in planning and zoning regulations across towns is extremely prohibitive as it restricts developers and investors wanting to scale.

Large employers in every part of the state expressed major concerns about their abilities to grow their workforces in Connecticut due to the cost and availability of housing (see Fig. 9).

- ▶ Evaluate existing zoning processes throughout Connecticut and recommend ways to streamline the approval and appeals processes, including incentivizing best-in-state performers.
- ▶ Facilitate discussions between government officials, private developers, investors, and business groups to problem solve and identify potential development or redevelopment sites for housing, including adaptive reuse, conversions, mixed use, and transit-oriented development.
- ▶ Consider first-time homebuyer incentives to attract and retain people seeking to move or become homeowners in the state.
- ▶ Work with business owners, municipal officials, and local chambers of commerce to activate main streets and downtown corridors and encourage development of nearby underused parcels and enhance the appeal and vibrancy of those areas.
- ▶ Create workshops or other annual events with experts in land use and real estate to educate planning and zoning board members, including training for newly elected/appointed officials.
- ▶ Develop and execute a public awareness campaign highlighting the need for increased and more diverse housing development to educate residents on the benefits to their communities.
- ▶ Identify publicly owned land suitable for workforce housing development projects and work with state and local officials to unlock that land for new development.



**Our company is
in a dire situation
with workforce
housing.**

2024 forum attendee

Childcare

Another major expense for residents that impacts their ability to participate in the workforce is childcare, with both cost and availability significant challenges.

Childcare Aware of America estimates that across the United States there are not enough slots in childcare facilities for all children with parents in the workforce. If a working parent is able to secure a spot in childcare, the cost can be another barrier.

These challenges can leave talented workers on the sidelines when they choose to stay home with children, especially women.

For instance, Connecticut's labor force participation rate for women is 59.8%, with the rate for men at 69.2% (the state's overall labor participation rate is 64.4%, above the national rate of 62.7% and 19th best in the nation). And while women aged 16-24 represent a greater percentage of the labor force than their male peers, female participation falls markedly after age 25 (see Fig. 10).

In focus groups across the state, employers of every size stressed the importance of childcare, also confirming that the issue is one company leaders had not traditionally prioritized.

Employers with jobs requiring in-person attendance, specifically manufacturing jobs, reported decreased productivity due to employees being unable to find childcare.

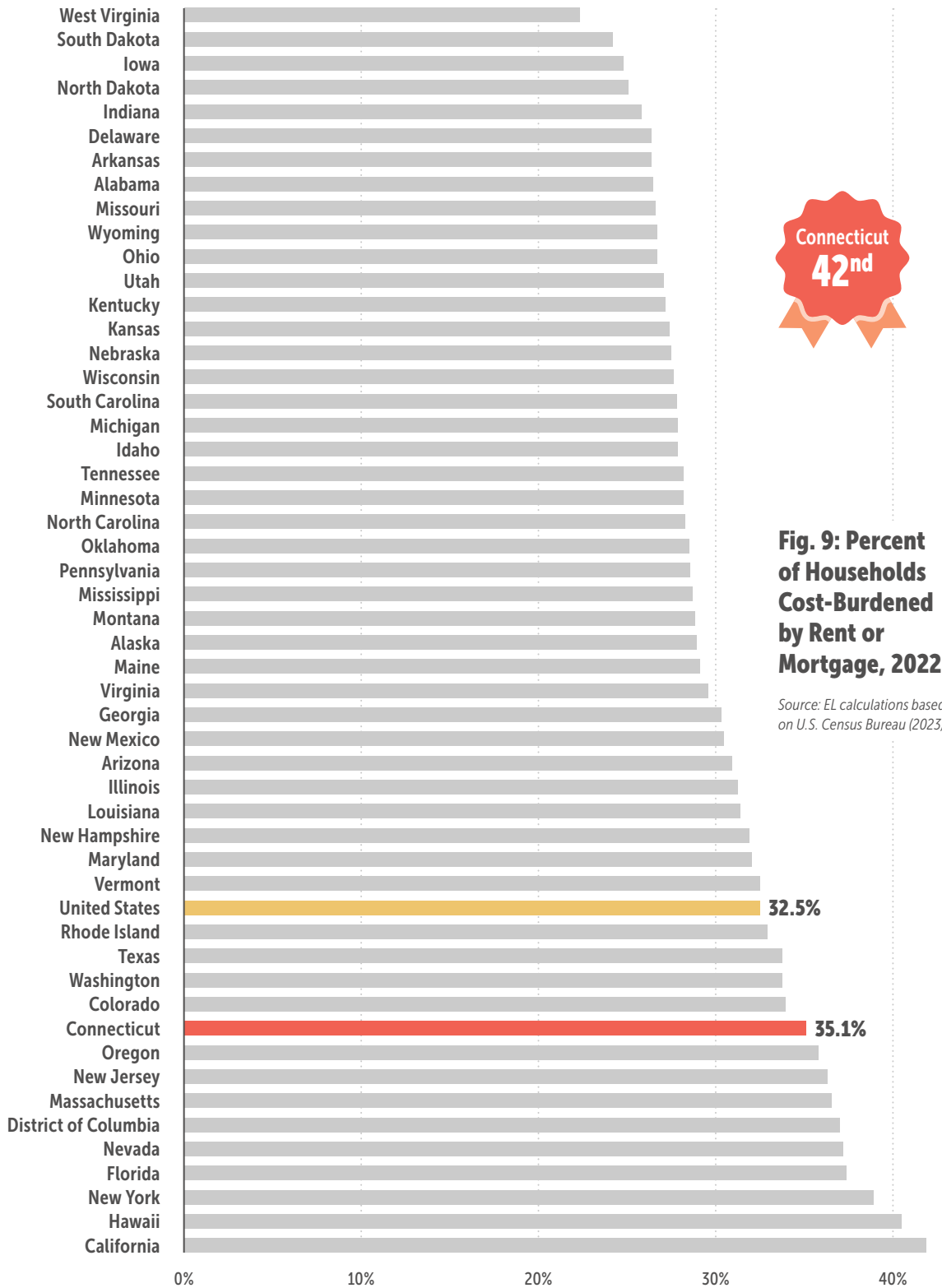
There is an appetite in the state to explore new solutions—from revising childcare center guidelines to employee benefits—to give residents the safety and security they need to participate in the workforce.

Based on median household incomes in the state, childcare for one infant can account for about 12% percent of annual income for a married couple and 45% for a single-parent household in Connecticut. Obviously, in households with multiple children under the age of five, these percentages increase.

The percentage of income required also varies dramatically if the parent is single or a member of a racial minority. For many households in the state, this cost is higher than annual housing or college costs.

Based on CBIA's recommendations to the Governor's Blue Ribbon Commission on Child Care, recent legislation established a public-private tri-share pilot program to help address childcare affordability in New London County, a region of the state recognized as having limited access to childcare options.

This innovative partnership program, currently under development by the state Office of Early Childhood, shares the cost of childcare equally



between the employee, employer, and the state, and is modeled on similar successful programs in other states like Kentucky and Michigan.

It is critical that the business community continues to collaborate with advocates in the childcare community to raise awareness of this issue and seek public sector support to identify solutions.

- ▶ Support the rollout of a statewide, tri-share public-private cost sharing model, specifically working to engage the private sector.
- ▶ Collaborate with other state organizations focused on childcare to improve resources, including licensing and regulations for childcare centers and support policies to enable new facilities and staffing solutions.
- ▶ Consider a permanent state-level child tax credit to offset the cost of childcare.
- ▶ Focus ongoing efforts in childcare advocacy on birth to three years of age.
- ▶ Cultivate philanthropic investment in early childhood education, especially for one-time catalytic investments in systems and facilities.
- ▶ Support policies and incentives to expand toddler care in family childcare homes and center-based settings.

KEY PERFORMANCE INDICATORS/ MEASUREMENT

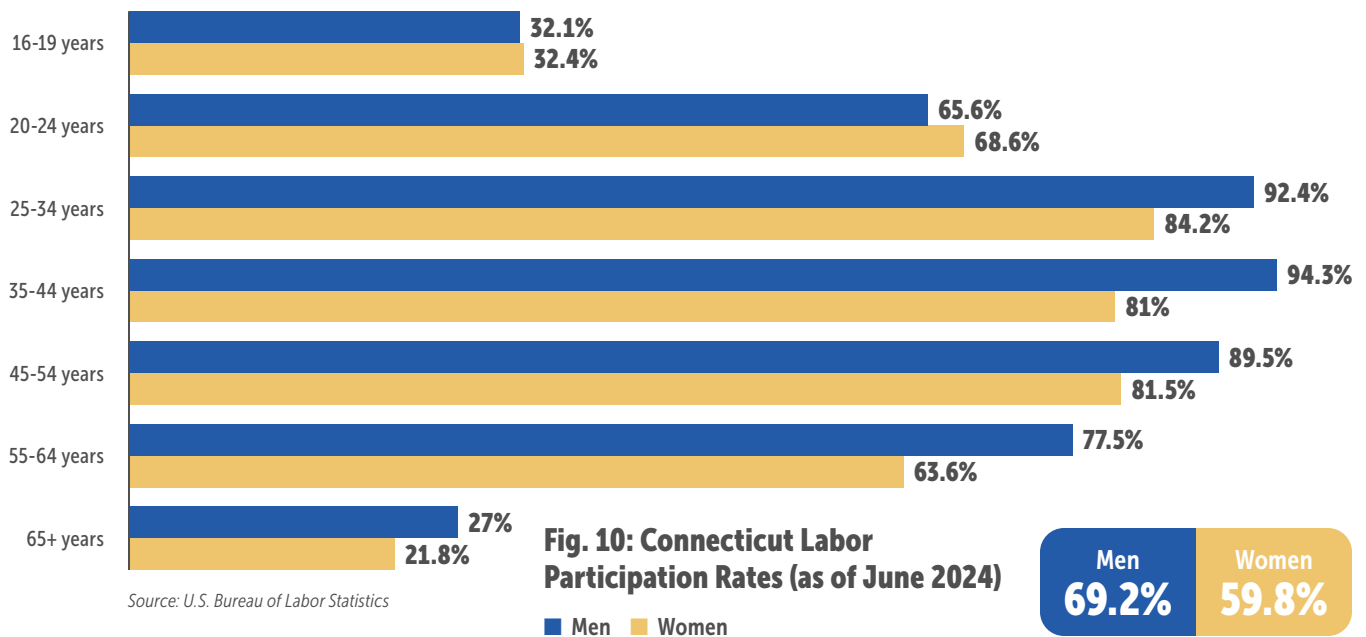
“What gets measured, gets managed” is a famous quote from Peter Drucker’s 1954 book *The Practice of Management*.

Key strategic priorities always need to be measured. While CBIA currently has an economic dashboard on its website, Economic Leadership suggests having key performance indicators specific to this economic action plan tracked via a dashboard that is visible to all.

This is important for maintaining stakeholder engagement, for transparency to citizens throughout the state, and for continuously monitoring progress. Measurement recommendations:

- ▶ Report on action plan progress quarterly to CBIA’s board of directors and the CBIA Foundation’s advisory board.
- ▶ Expand the online CBIA dashboard to include additional KPIs related to the action plan.
- ▶ Bring together key stakeholders annually to share progress, align priorities, and foster engagement around goals.

In addition, we recommend the adoption of additional KPIs to monitor progress of this work.



Overall Economy

- ▶ GDP growth
- ▶ Job growth
- ▶ Labor force participation
- ▶ Median wage growth
- ▶ Ratio of business startups to closings
- ▶ Personal income growth

Business Climate

- ▶ State agency permitting review and response timeframes
- ▶ Overall business tax burden ranking
- ▶ State legal climate ranking
- ▶ Cost of doing business ranking

Workforce and Education

- ▶ Labor force growth
- ▶ Labor force participation rate
- ▶ Women's labor force participation rate
- ▶ Net in-migration vs. out-migration of taxpayers
- ▶ Enrolment in technical and vocational schools and Regional Sector Partnership pipeline programs
- ▶ Retention rates for high school and college graduates
- ▶ Number of internships, apprenticeships, and other high school work-based learning experiences
- ▶ CTE enrollment and number of CTE concentrators

Infrastructure

- ▶ Annual funds deployed in transportation investment
- ▶ Number/value of state projects completed
- ▶ Percentage change in energy costs
- ▶ Grades for infrastructure condition by type

Housing

- ▶ Annual new housing starts
- ▶ Breakdown of housing starts by type (single family detached, townhome, apartment, condominium, etc.)
- ▶ Percentage of households cost-burdened in housing

Childcare

- ▶ Tri-share participation numbers (both residents and employers)
- ▶ Total number of childcare slots available
- ▶ Staffing and wage levels for professionals

Regional Comparisons: While it is important to compare Connecticut's performance with all states, there should be close benchmarking against states in the Northeast, especially neighboring New York and Massachusetts.

Intentional Change: Creating a More Competitive Connecticut

Global competition is fierce, and the Northeast is a target.

Companies will continue to seek out states where it is simply **easier to grow and do business** and people will continue to look for ways to improve their quality of life through a **lower cost of living**.

To stand out and compete regionally, **Connecticut must adjust course**.

Through thoughtful, intentional collaboration, there is an opportunity to improve the competitiveness of Connecticut.

By focusing on the key pillars of this plan—business climate, workforce and education, and quality of life factors important to attracting and retaining population—public and private sector leaders in the state have the chance to **create an environment** that provides **greater economic opportunities** for all.

APPENDIX I: BEST PRACTICES

In **Arizona**, every state agency is required to review all its rules every five years, to target any that should be repealed or changed. This statute helps Arizona maintain one of the least-complex regulatory codes in the country.

Arizona also created an online portal enabling people who live and work under its regulations to make recommendations, and it has exceeded its target to reduce red tape.

Over a two-year period, the state removed 1,100 regulations, saving businesses an estimated \$79 million.

In 2018, **Virginia** established a Regulatory Reduction Pilot Program, focusing on the state Department of Professional and Occupational Regulation and the Department of Criminal Justice Services.

After the three-year pilot, DPOR had amended or eliminated 27% of its regulations while DCJS altered 14% of its regulations.

A 2022 law enacted in Virginia expanded this reform effort to other state agencies.

In **Ohio**, Lt. Gov. Jon Husted led the use of a Deloitte tool called RegExplorer to conduct an analysis of the state's administrative code and eliminated 2.2 million words' of unnecessary and outdated regulations as of the end 2023.

According to reporting by Axios, the eliminated regulatory requirements will save 58,000 hours of labor over the next decade.

The **Texas** Sunset Commission and its sunseting process is a key legislative oversight tool that has significantly streamlined and improved Texas government since it was created by the legislature in 1977.

It promotes a culture of continuous improvement in state government by providing an objective, nonpartisan public forum for evaluating the need for state agencies and their effectiveness, efficiency, and responsiveness to the public.

Key outcomes include \$1 billion in state and federal savings and revenue gains since 1977, as well as an ROI of 16:1 for every dollar appropriated by the commission since 1985.

In 2017, **New Hampshire** Gov. Chris Sununu created the Department of Business and Economic Affairs to refocus the divisions of economic development and travel and tourism, placing them into a new agency.

The BEA includes a Council of Partner Agencies with representatives from state economic development entities such as the Community

Development Finance Authority, Business Finance Authority, New Hampshire Housing Finance Authority, and the Community College system.

The council's mission is to foster better coordination of the state's economic development efforts.

Travel and Tourism serves as the lead marketing department for the state, running annual efforts to attract both visitors and potential talent.

Workforce and Education: New Ways to Recognize and Award Schools and Students

Many states are changing the definition of success for schools, educators and students. Updated in 2022, **Wisconsin's** School Report Card is a comprehensive tool providing information about the performance and progress of public schools and districts across the state.

Managed by the Wisconsin Department of Public Instruction, the report card promotes transparency, accountability, and continuous improvement in education.

Kentucky has a similar accountability system with an emphasis on students' experiences in career pathways, which often involve internships, co-ops, or other work-based learning opportunities during high school.

Tennessee's education report card evaluates schools based on multiple indicators of success, including career readiness, industry certifications earned by students, and participation in work-based learning experiences like internships or apprenticeships.

The Tennessee Department of Education oversees the development and publication of these report cards, which are designed to be transparent and accessible to parents, educators, policymakers, and the public.

Key features of the Tennessee Report Card include school performance, college and career readiness, student engagement, and equity and access.

Just like signing days for athletes, **Missouri** STEM Signing Day celebrates Missouri high school seniors as they make their commitments to study a STEM field—science, technology, engineering or mathematics—at a four-year or two-year college or technical school.

The Missouri Chamber Foundation's Missouri Mathematics and Science Coalition launched Missouri STEM Signing Day in 2019 to raise awareness of STEM pathways for students beyond high school.

Infrastructure: Getting Projects Underway More Quickly and Efficiently

More states are undertaking project procurement based on factors other than just the upfront costs.

For example, on a “time plus money” or “A+B” value proposition, bidders are encouraged to include additional resources into a project to achieve faster completion.

Public entities are also increasingly examining the total cost of ownership for a given project—including maintenance and operating costs—and incorporating performance-based metrics into the contract to ensure the delivery of services.

This includes the greater use of public-private partnership procurement approaches. These procurement models are often referred to as “best value procurement” approaches, where the relevant agency makes award decisions based on a variety of factors to maximize outcomes beyond simply the lowest upfront cost.

Virginia’s Office of Public-Private Partnerships is responsible for developing and implementing a statewide program for project delivery.

The office, located in the Virginia Department of Transportation, works with a range of government stakeholders, including VDOT, Department of Rail and Public Transportation, Department of Aviation, and the Virginia Port Authority to focus on public-private partnerships across all modes of transportation.

It also includes non-transportation projects such as solar energy development and cell towers/wireless projects in collaboration with a range of state agencies.

Indiana utilizes a design-build best value screening process that looks at managing risk, schedule, cost, lifecycle performance, design solutions and market considerations, among others, to analyze whether to move forward with best value procurement.

For larger scale infrastructure projects, states are increasingly undertaking value assessments to determine whether private financing models will generate greater benefits to communities than traditional procurement.

Another approach is to not only look at best practice procurement for individual projects, but to consider best practice procurement for a portfolio of projects.

For example, in 2012 **Pennsylvania** adopted a PA Rapid Bridges bundling project to tackle system-wide repair needs.

This nearly \$900 million public-private partnership replaced more than 550 poor condition bridges over five years—a feat that would have taken an estimated 8-12 years under traditional procurement practices.

Georgia had similar success with a bundled design-build approach that repaired 24 off-system bridges in two years, at a total cost of \$39.6 million.

Ohio launched the Transportation Review Advisory Council Dashboard, which provides transparent information about transportation projects funded by the state.

The dashboard allows users to view project details, funding allocations, and progress updates. It also includes interactive maps to visualize project locations and timelines.

Promoting New Housing Development

South Dakota’s House Bill 1033, adopted by the state legislature in 2022, provided \$200 million for the development of infrastructure for workforce housing.

Funds are to be used for infrastructure (such as streets and water and sewer lines) that support housing development. The measure established that half of the funding will be via grants and half will be made through a revolving loan fund.

West Virginia’s new BUILD WV program provides a 10-year property tax credit, a tax exemption for purchasing construction materials, and a potential business and occupation tax exemption for housing projects as small as six units in approved districts around the state.

As of fall 2023, there are nine approved BUILD WV districts.

As an example of one approach, **Maine** and **Montana** recently eliminated single-family zoning.

Maine lawmakers passed legislation in 2022 allowing accessory dwelling units and duplexes in all zones.

In 2023, the Montana legislature passed a set of bills that allows ADUs and duplexes in single-family zones and encourages multi-family and mixed-use development in commercial zones of towns and cities.

Minnesota has implemented various initiatives to increase affordable housing options.

One notable program is the Challenge Program, which provides zero interest loans to developers and organizations that commit to creating affordable housing in areas with job growth. Loans are available for new construction or redevelopment projects with as few as four units.

Additionally, the state has allocated funding for the creation and preservation of affordable housing units through programs like the Minnesota Housing Finance Agency and the Greater Minnesota Housing Fund.

Childcare

More states are offering incentives to businesses that supply or subsidize childcare. These include **Mississippi, Georgia, and West Virginia**.

Iowa also operates a grant program for companies that provide childcare onsite or enter into agreements with childcare operators. The Child Care Business Incentive Grant Program program in Iowa, established in 2022, has made over \$75 million in grants, creating more than 10,000 childcare slots.

Massachusetts launched the Common Start initiative, designed to create a universal childcare system accessible to all families in the state.

This initiative proposes to fund childcare through a combination of public subsidies, employer contributions, and family co-payments based on a sliding scale.

Massachusetts also focuses on improving wages and professional development opportunities for childcare providers to attract and retain qualified staff.

In 2022, 70% of **New Mexico** voters approved a constitutional amendment to guarantee a right to early childhood education.

Those voters placed early care and education in the same category as K-12 education, recognizing it as a public good worthy of state investment.

Amendment 1 opened a consistent funding source previously reserved for K-12—the state’s Land Grant Permanent Fund—to early learning.

was heavily concentrated on certain parts of the economy.

Businesses that served people in-person, such as restaurants and tourism, suffered while operations that distributed goods or went remote fared much better (see Fig. 11).

Job growth in other sectors has been strong enough to carry the economy.

Nationally, we are in a period of “renormalization.” Many of the economic trends that spiked abnormally are reverting to their prior course.

There are some long-term workforce trends that existed before the pandemic and those will continue to be challenges going forward.

In Connecticut, economic measures like real GDP and employment are close to but still below pre-pandemic levels.

Establishments represent the number of business locations with payroll in an area. One company can have multiple establishments.

Establishment growth has been robust in recent years. Establishments in Connecticut have grown the most in tech services, finance, services for the elderly and disabled, and consulting companies (see Fig. 12).

Connecticut is one of 18 states (and 38th in the country) that had not recovered to 2019 employment levels. Net jobs declined by 0.7% in Connecticut from 2019 to 2023, compared with a national average gain of 2.1%.

The states that have grown the fastest during this time are those in the Southeast and the Mountain West.

Other Northeastern states like New York and Massachusetts fared worse than Connecticut in terms of employment change.

It is important to note that these jobs are geographically measured where the payroll is processed. So remote workers or commuters who may have moved into Connecticut during this time but are employed outside the state are not counted in these numbers.

Commuting patterns and remote work are discussed later in this report.

Data on job openings clearly illustrate that employment in the state could have grown if companies were able to find enough workers.

Connecticut experienced large gaps in the rate of job openings compared to the level of hires in 2021 and 2022. In 2023, job openings declined as the economy tightened in the wake of federal monetary policy.

However, despite this tightening, there is still a large gap between potential jobs and actual hires in the state (see Fig. 13).

APPENDIX II: WORKFORCE ANALYSIS

The Great Workforce Challenges

This section examines the workforce trends that have developed since the onset of the pandemic and how these forces have played out in the Connecticut economy.

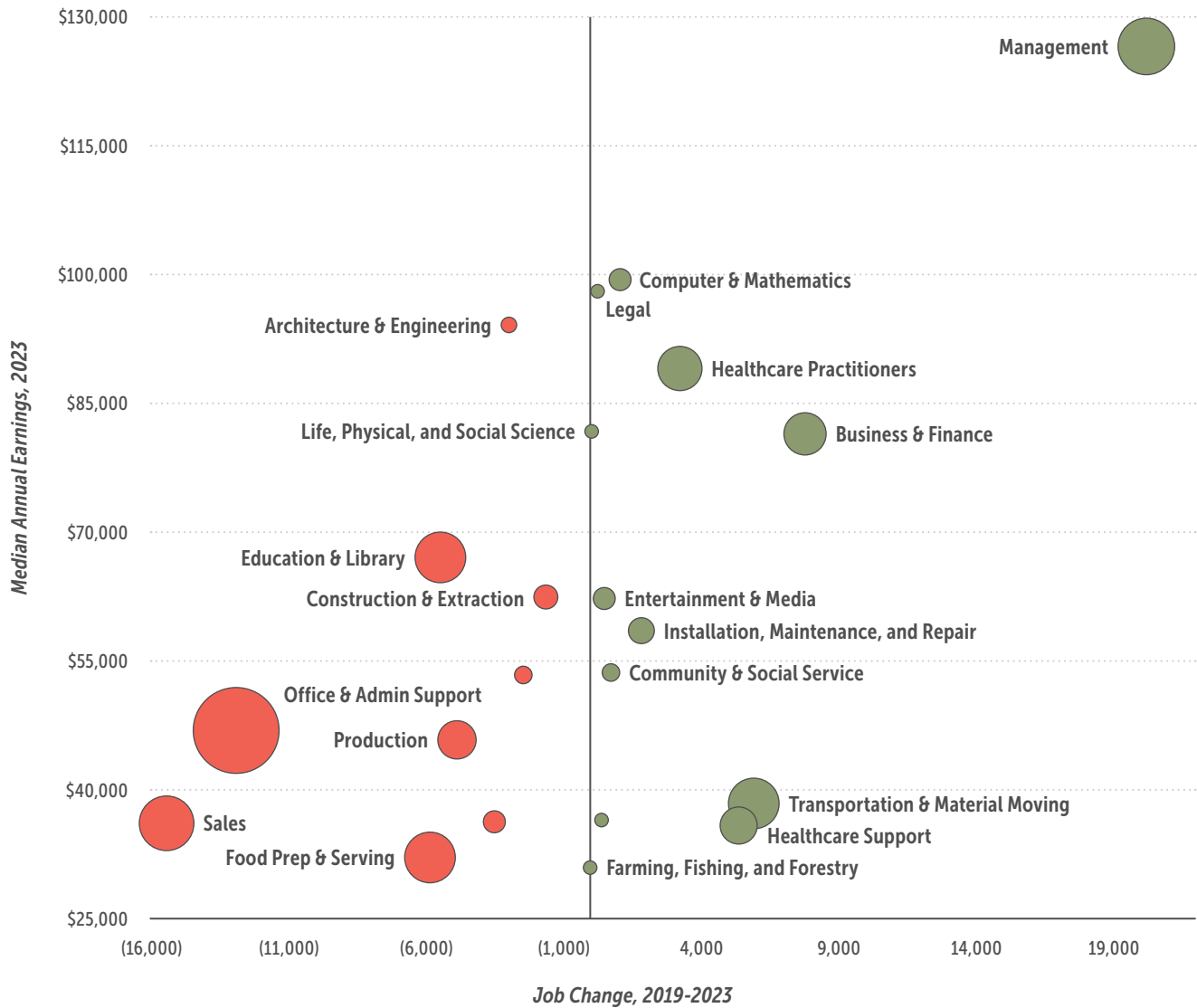
This review provides additional context for the deep dive into occupations to see where the greatest potential exists for developing workers to meet employment needs.

The COVID-19 pandemic caused a unique disruption to the economy and exacerbated an already shrinking labor pool.

This recession differed from previous declines because its impact

Fig. 11: Connecticut Post-Pandemic Job Change by Occupation, Wage

Source: EL calculations based on Lightcast 2024.1



Job postings data indicates that Connecticut companies are still aggressively looking for workers to fill their openings. Unique online monthly job postings for the region spiked in 2021 to over double those posted in 2019.

The number of unique jobs posted monthly in the region has come down in recent months but remains elevated.

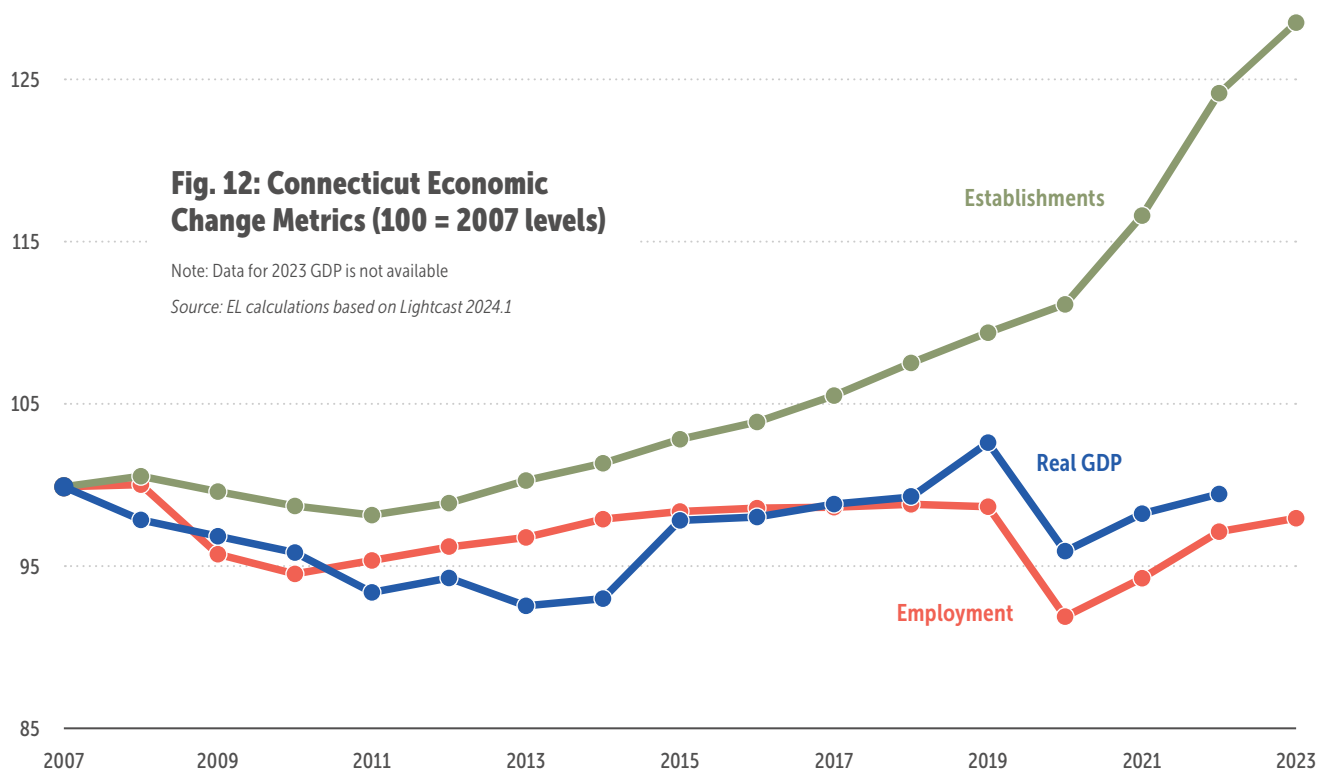
The median advertised wage on job postings increased from \$21.97 to \$27.51 an hour from February 2021 to January 2024.

This 25% increase also highlights the continuing strong demand for workers.

Unfortunately, when businesses started looking to rehire or expand their workforce, they found fewer applicants.

Manufacturers we spoke with noted that before the pandemic they would get an average of 10 applicants for each job posting.

Today, the same firms said they were lucky if they got two applicants—despite offering higher wages.



Even before the pandemic, labor markets were tightening across the country due to a combination of demographic and economic forces.

One economic force that has created challenges for Connecticut's economy is its geographic position as a bedroom community to the larger markets of New York and Boston.

This results in many residents working outside of the state. These major metro areas may be able to offer wages that Connecticut firms have difficulty matching, creating a challenge for retaining many residents within the state's workforce.

Almost all occupation groups in the state have a higher number of resident workers than the number employed in the state, illustrating out-commuting (see Fig. 14).

From 2019 to 2023, there were over 12,600 jobs lost in the state. However, the number of resident workers increased by about 1,500 people.

The proliferation of remote work has likely increased this phenomenon. Workplace flexibility has given many individuals the chance to relocate, and areas with high quality of life amenities like Connecticut have seen influxes.

Using one-year survey data from the American Community Survey at the U.S. Census Bureau, the remote work trend is more pronounced in Connecticut than the national average.

In 2022, the state had the nation's 17th highest rate of working from home. The top occupations that work from home in Connecticut are tech, business, finance, and media jobs (see Fig. 15).

A positive trend for the state is the prime working-age population (people aged 25 to 54). Led by Tolland and Litchfield, from 2019 to 2023 all but two Connecticut counties had gains in prime age population (see Fig. 16).

The 1.8% increase in this population cohort was the 26th highest in the country during this time.

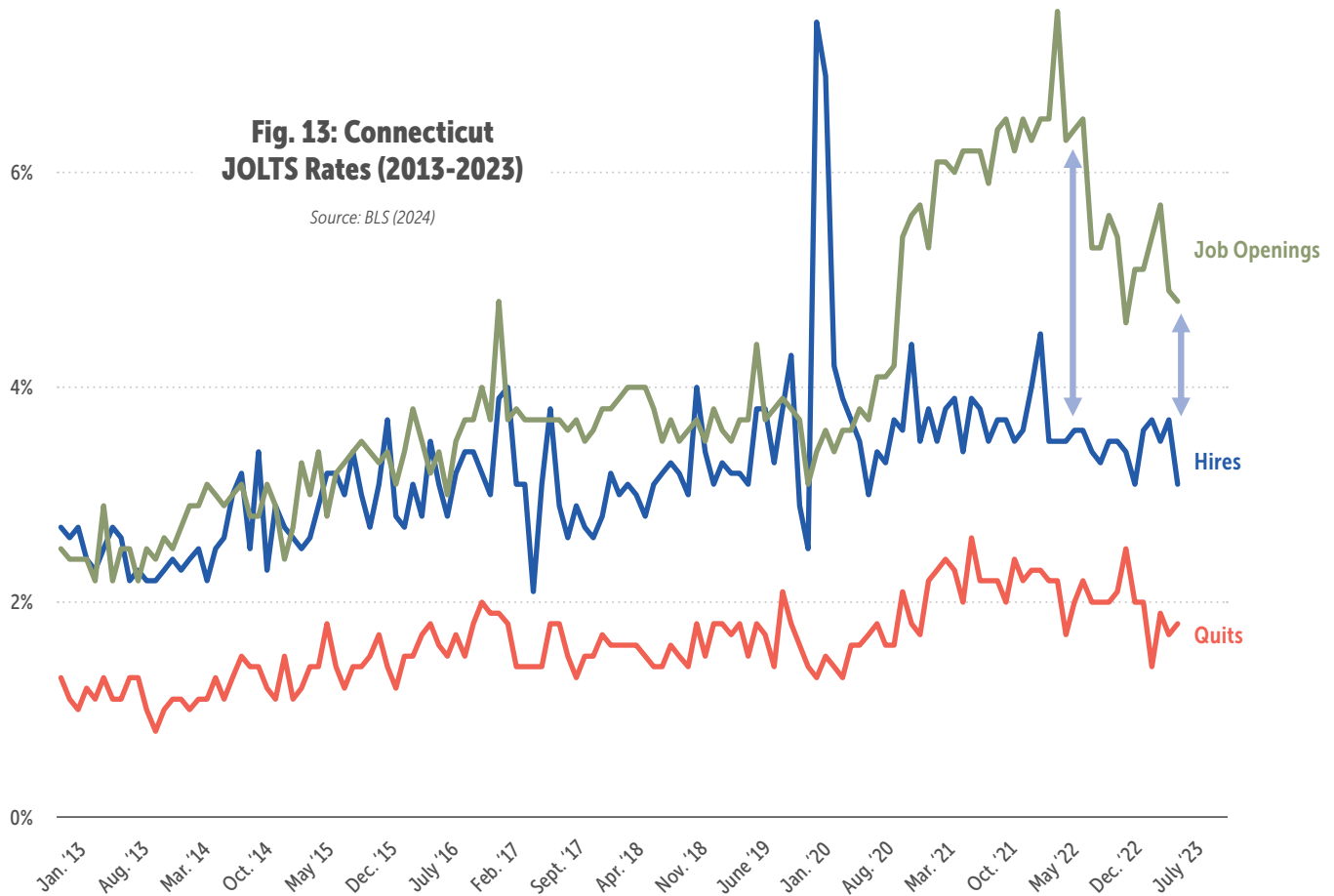
Another challenging economic force is the low number of unemployed workers in the job market.

Demographic shifts, including an aging and retiring workforce, low birth rates, and limited immigration meant that people are leaving jobs with fewer workers behind to replace them.

When the economy reopened following the pandemic disruptions in 2020, the labor market became even tighter. The United States has

Fig. 13: Connecticut JOLTS Rates (2013-2023)

Source: BLS (2024)



about 1.1 job openings for every unemployed person, with Connecticut at 1.3 (see Fig. 17).

As of July 2024, Connecticut's unemployment was the 28th highest of all states at 3.6%, roughly one percentage point higher than the previous year and seven-tenths of a point below the national rate. Unemployment rates varied from 4.3% in New Haven County to 3.5% in Middlesex and Litchfield counties. Full employment is often cited at 4%.

Unemployment data only counts those residents who are actively seeking employment. Those who have stopped looking for work are no longer counted in the labor force.

Connecticut's labor force participation rates are the 19th best in the country. However, historical data reveals that the percentage of residents participating in the labor force is still below pre-pandemic levels and has diverged from the national trend of labor participation rate recovery.

As of July 2024, the state's labor force was 23,300 people (-1.2%) below pre-pandemic levels. Connecticut's 93,000 job openings represented a 33% increase over pre-pandemic levels.

Many factors contribute to the national decline in the labor force participation, including the aging of the U.S. population and women reaching peak participation in the 1990s.

According to research from the Institute for Emerging Issues' Talent First Economics report, the opportunity to improve labor force participation involves programs that connect groups that face challenges in accessing the workforce.

These groups include:

- ▶ Families with young children
- ▶ Transitioning military veterans and their families
- ▶ People who have been involved with the justice system

- ▶ Youth who are not in school nor working
- ▶ People with disabilities/neurodiversity

To understand the dynamics at play in Connecticut, U.S. Census Bureau microdata can offer some insight to the demographic labor force changes.

Data on the prime-age labor force participation rates by gender show a small downward trend in prime age male participation.

Prime age participation for women in Connecticut has risen slightly in the last decade. Overall, prime age women participate in the workforce at lower rates than men. Childcare availability and cost, discussed later in this report, may play a role in this gap.

Young workers were responsible for some of the pandemic decline in labor force participation rates. This demographic has been participating less in the workforce over time.

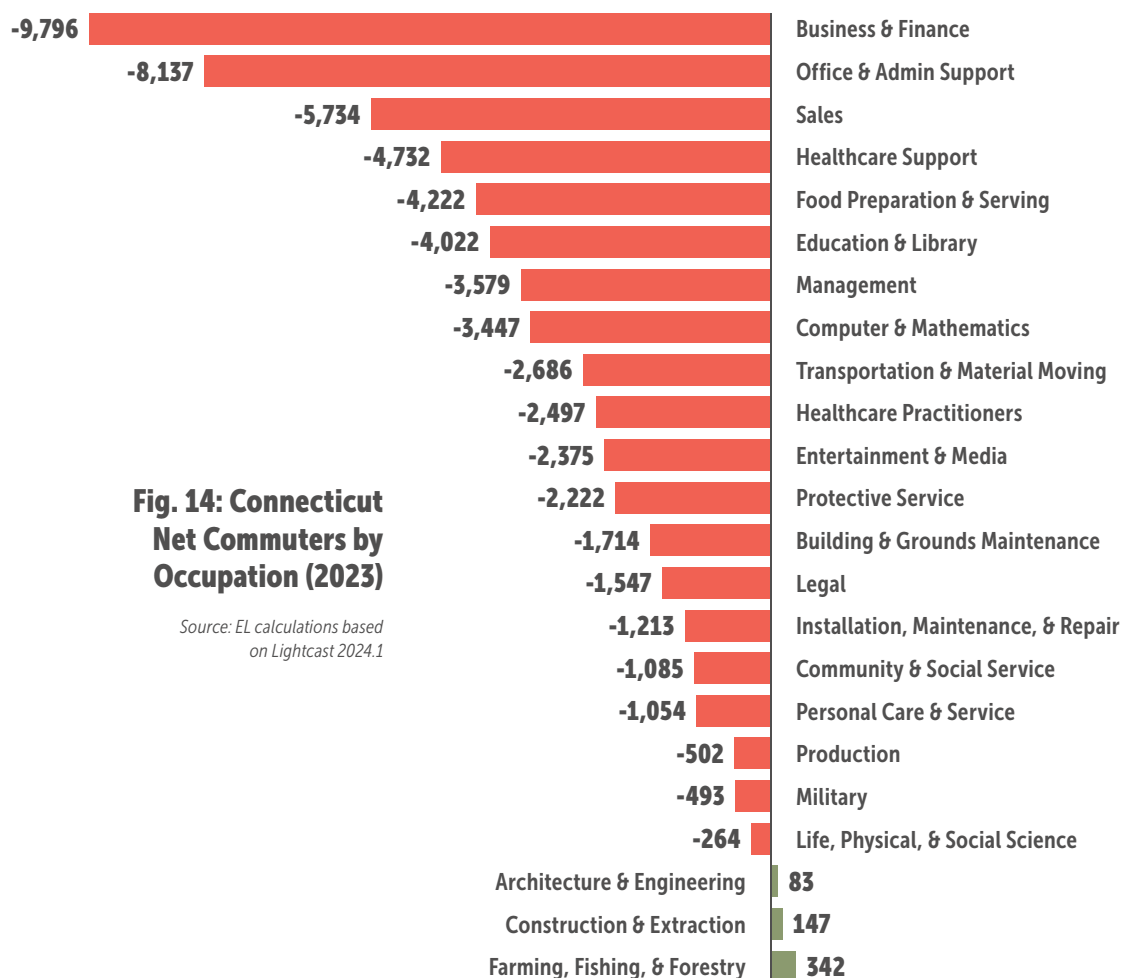
For residents aged 55 to 75, the labor force participation rate has seen a downward trend in recent years. This is consistent with the national demographic trend of Baby Boomers aging out of the workforce, leading to many retirements (see Fig. 18).

The decline in younger age cohorts from 2013-2023 signals alarm for the entry-level workforce in the coming years (see Fig. 19).

Connecticut's migration and population trends shifted after the pandemic. In the years before COVID, the state was experiencing losses in its middle age and child demographics while the older age brackets were growing.

Fig. 14: Connecticut Net Commuters by Occupation (2023)

Source: EL calculations based on Lightcast 2024.1



Since 2019, however, the state has increased its population in most age brackets from 40 and younger.

Some of this increase might be from a shift in migration patterns. Net migration rates for domestic taxpayers had been negative from 2012 to 2020, as more people moved out of the state than into the state.

In 2020, this trend began to wane and in 2021 the net value flipped to positive. Although it is only a one-year figure, Connecticut was one of the few high tax states that saw positive migration during this time (see Fig. 20, Fig. 21).

The risk of retiring workers is one that is likely to continue to contribute to the state's workforce challenges. In 2023, over 27% of the state's existing workforce was aged 55 and older. This was the third largest proportion of older workers in America.

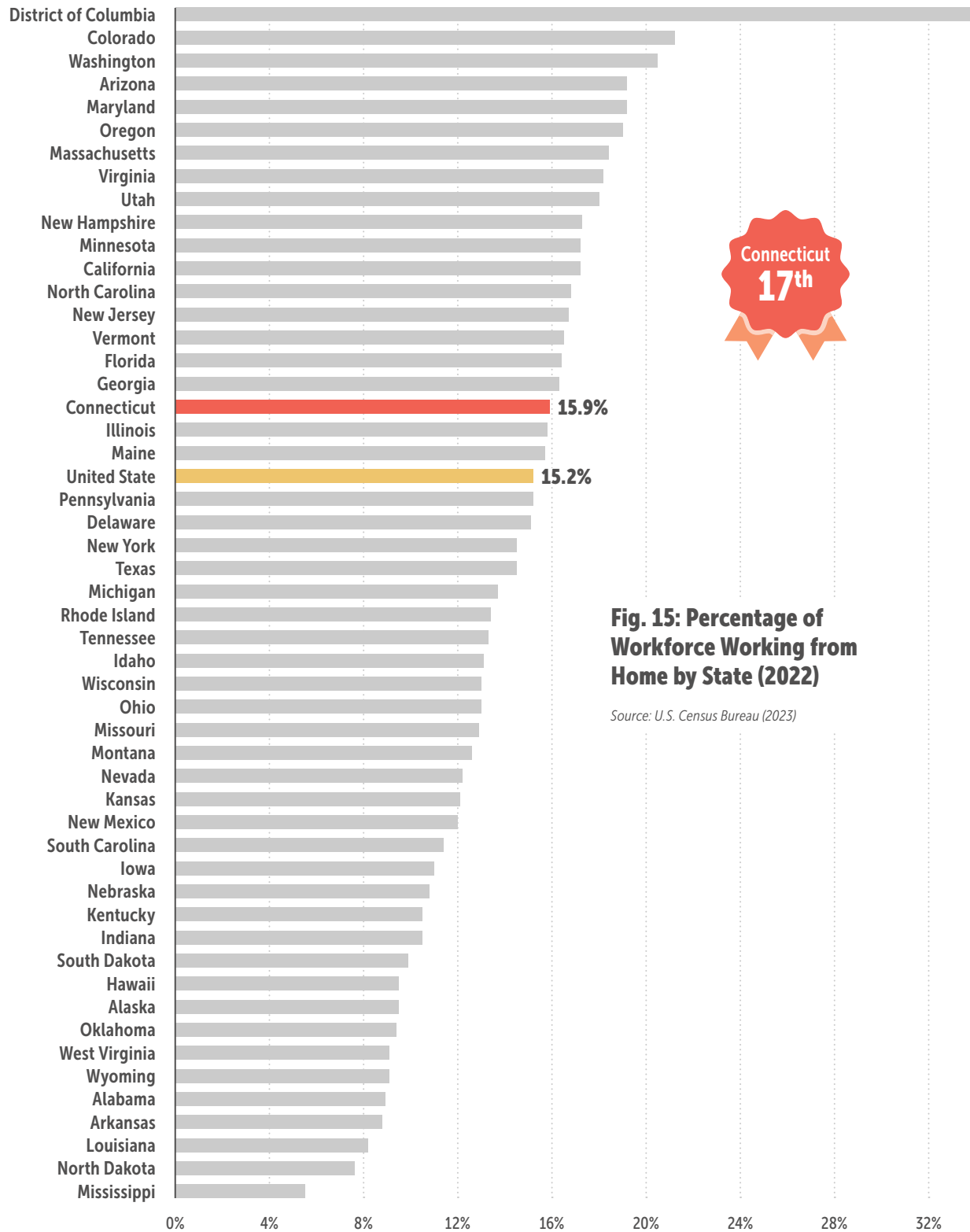


Fig. 15: Percentage of Workforce Working from Home by State (2022)

Source: U.S. Census Bureau (2023)

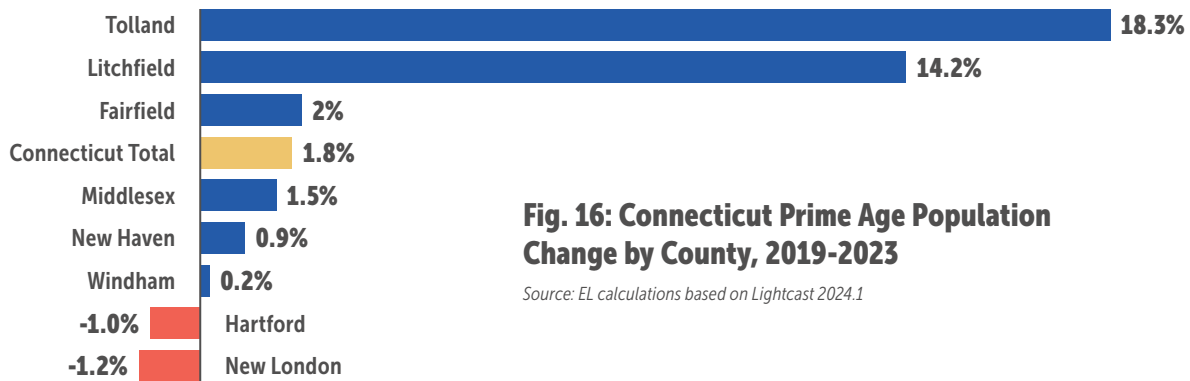


Fig. 16: Connecticut Prime Age Population Change by County, 2019-2023

Source: EL calculations based on Lightcast 2024.1

Connecticut companies will have to deal with replacing their aging workforce in the coming years.

Employers are also competing with the opportunities that workers have to strike out on their own. Technology has enabled more people to start their own companies or perform gig work. Nationally, self-employment rates have risen steadily over the last two decades.

Connecticut has experienced this rise as well, at even higher rates than the national average. During the pandemic these self-employment rates spiked and continue to increase (see Fig. 22).

Overall, the state has high levels of self-employment, ranking eighth nationally. Self-employment varies dramatically in the state based on occupation type.

Many construction and farming jobs are conducted as contract work. There are also high levels of self-employment in management, business, and the sciences as more workers can strike out and build their own consulting firms in these industries.

Not only do firms in Connecticut have to compete with other companies for talent, they must compete against talent choosing to work for themselves.

With all these demographic shifts creating a smaller pool of talent, employers are looking to foreign born workers to fill important roles.

During the height of the pandemic, international migration to the U.S.

slowed, contributing to workforce shortages and U.S. Census Bureau data reveals that foreign born individuals are accounting for an increasing percentage of the population.

People born outside the U.S. are contributing at even higher rates to Connecticut's workforce, and their work contributions continue to rise. Foreign born workers will likely need to remain as an important resource for driving the state's economy moving forward.

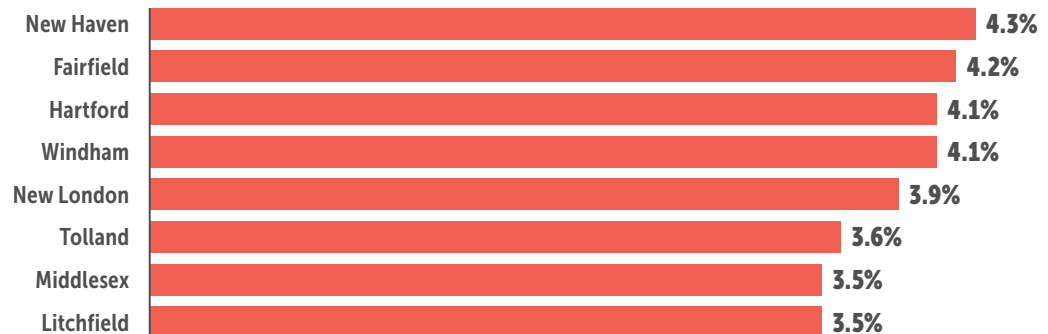
The state is already reliant on this talent source for several occupations. Foreign born workers accounted for high rates of the textile, agricultural, maintenance, science, and construction workforces in 2022 (see Fig. 23).

As workforce challenges continued alongside increased consumer demand, employers boosted wages to recruit and retain employees.

Average annual earnings in Connecticut have elevated to levels higher than would have been predicted before the pandemic. This increase in wages has added pressure on lower-margin enterprises that have had trouble competing with rising wages in other industries (see Fig. 24).

Fig. 17: Unemployment Rate by County, May 2024

Source: BLS (2024)



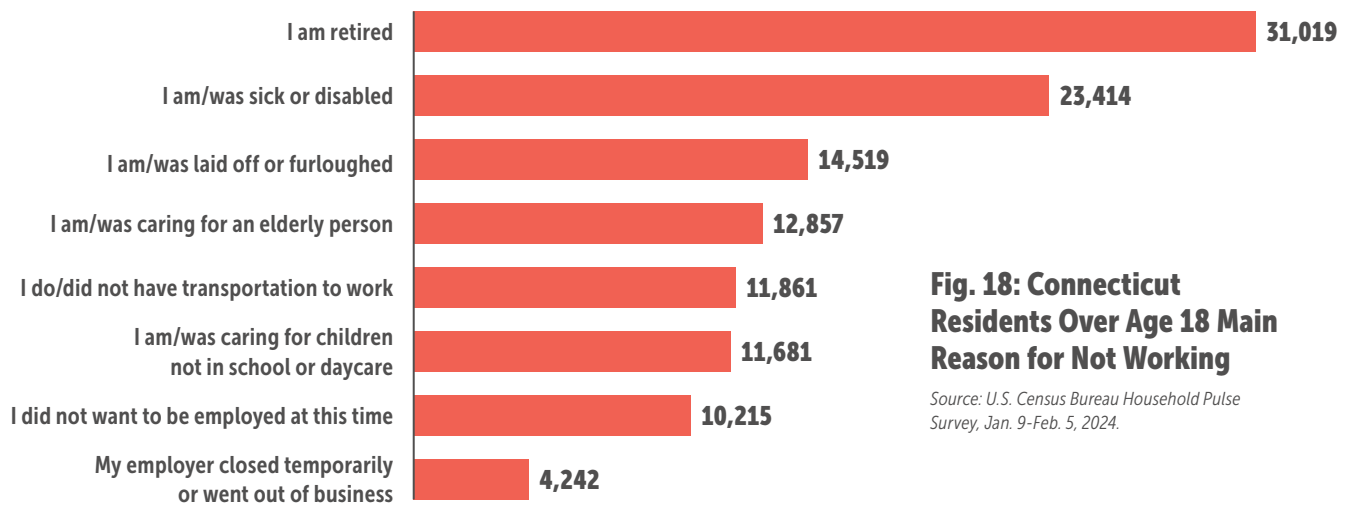


Fig. 18: Connecticut Residents Over Age 18 Main Reason for Not Working

Source: U.S. Census Bureau Household Pulse Survey, Jan. 9-Feb. 5, 2024.

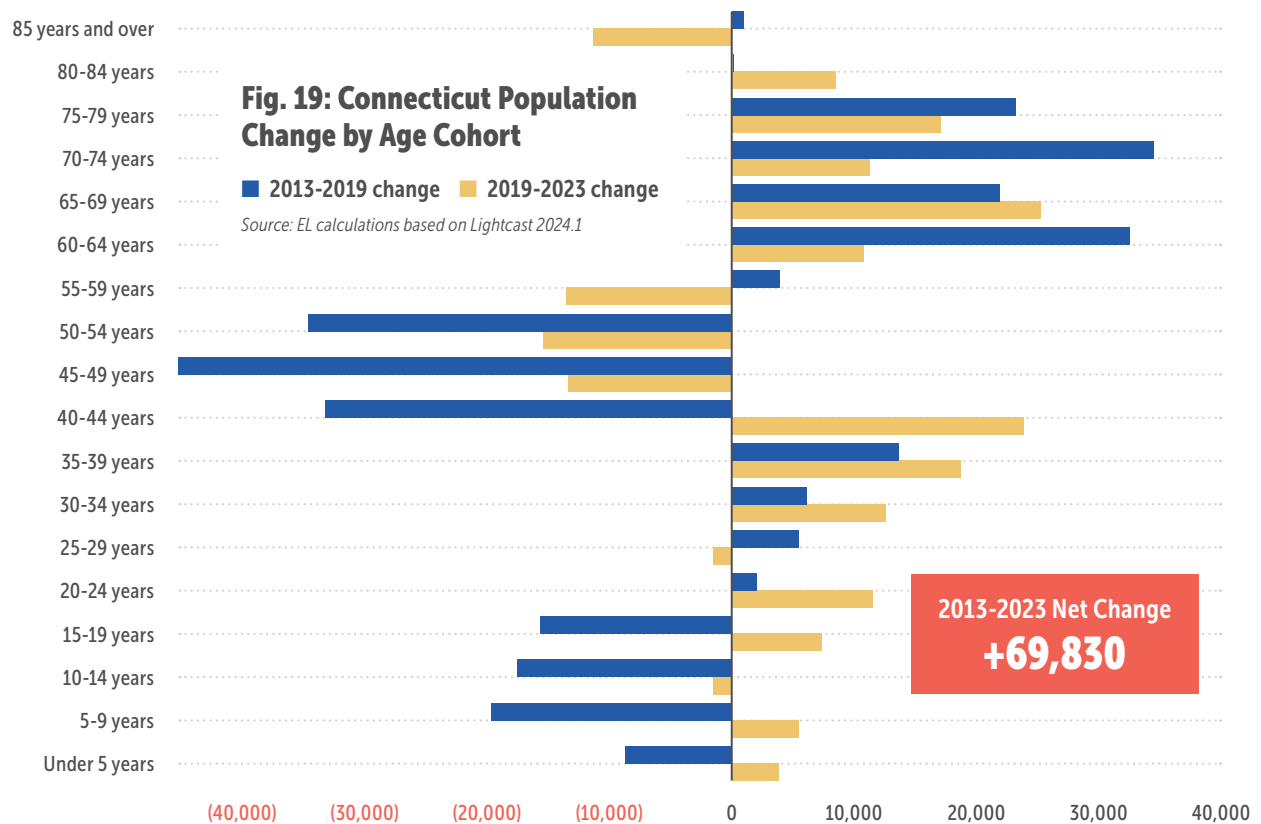


Fig. 20: Connecticut Net Migration Change in Domestic Taxpayers

Source: EL calculations based on IRS (2023) and Lightcast 2024.1

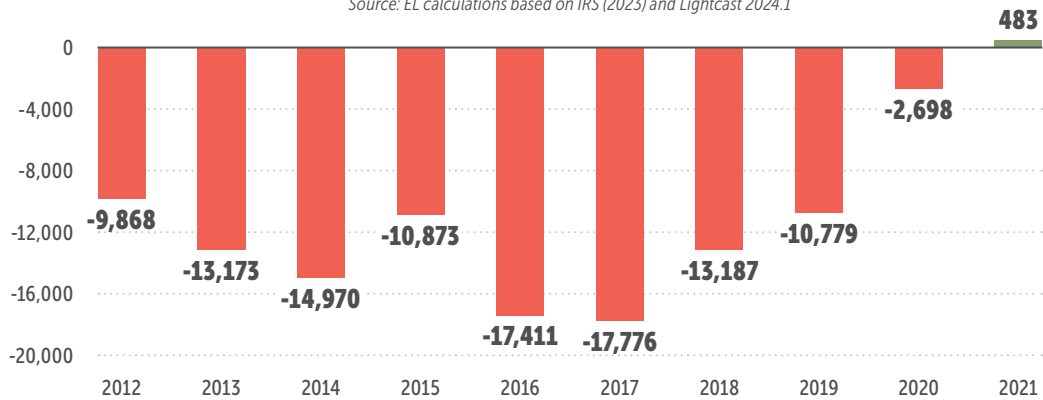
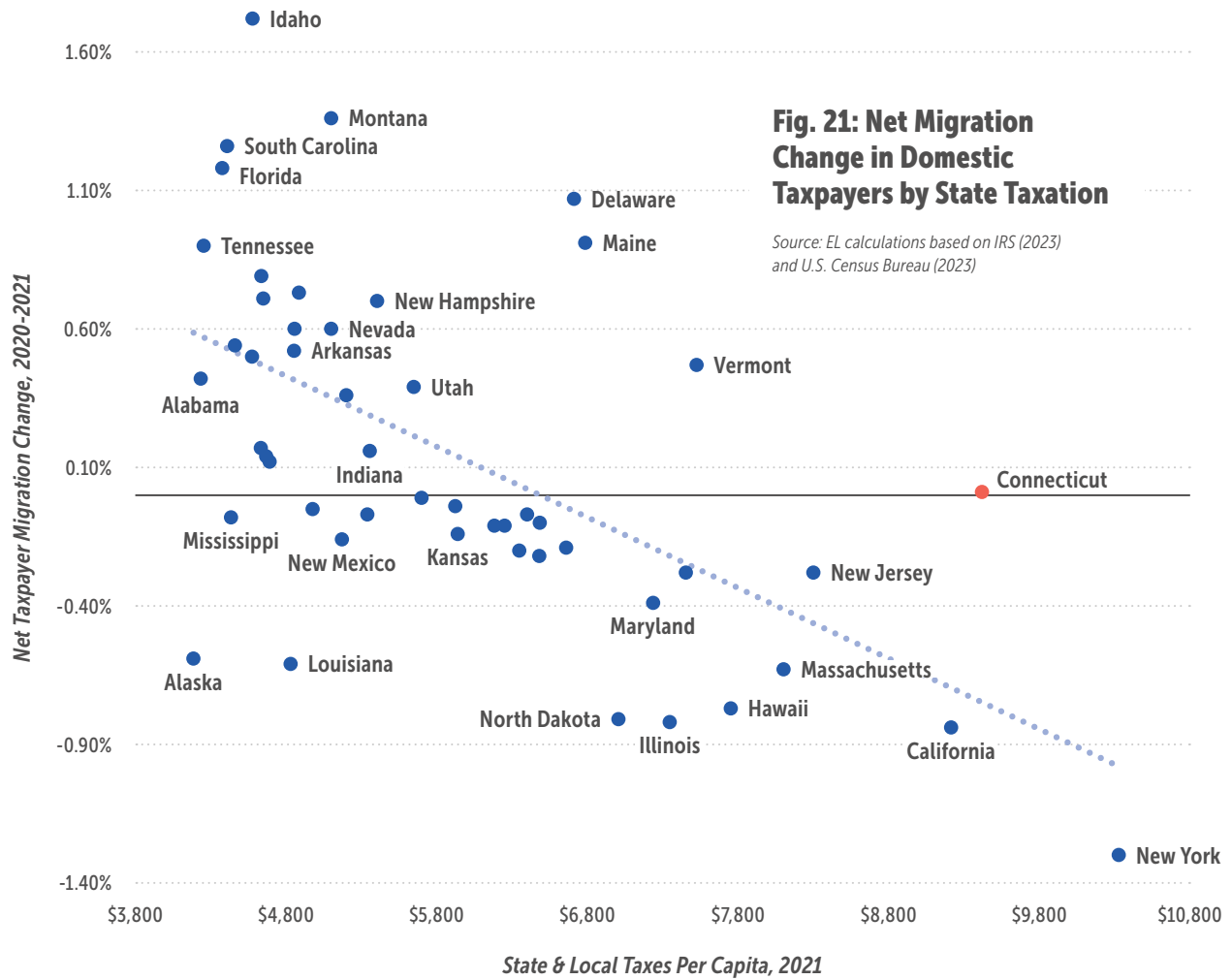


Fig. 21: Net Migration Change in Domestic Taxpayers by State Taxation

Source: EL calculations based on IRS (2023) and U.S. Census Bureau (2023)



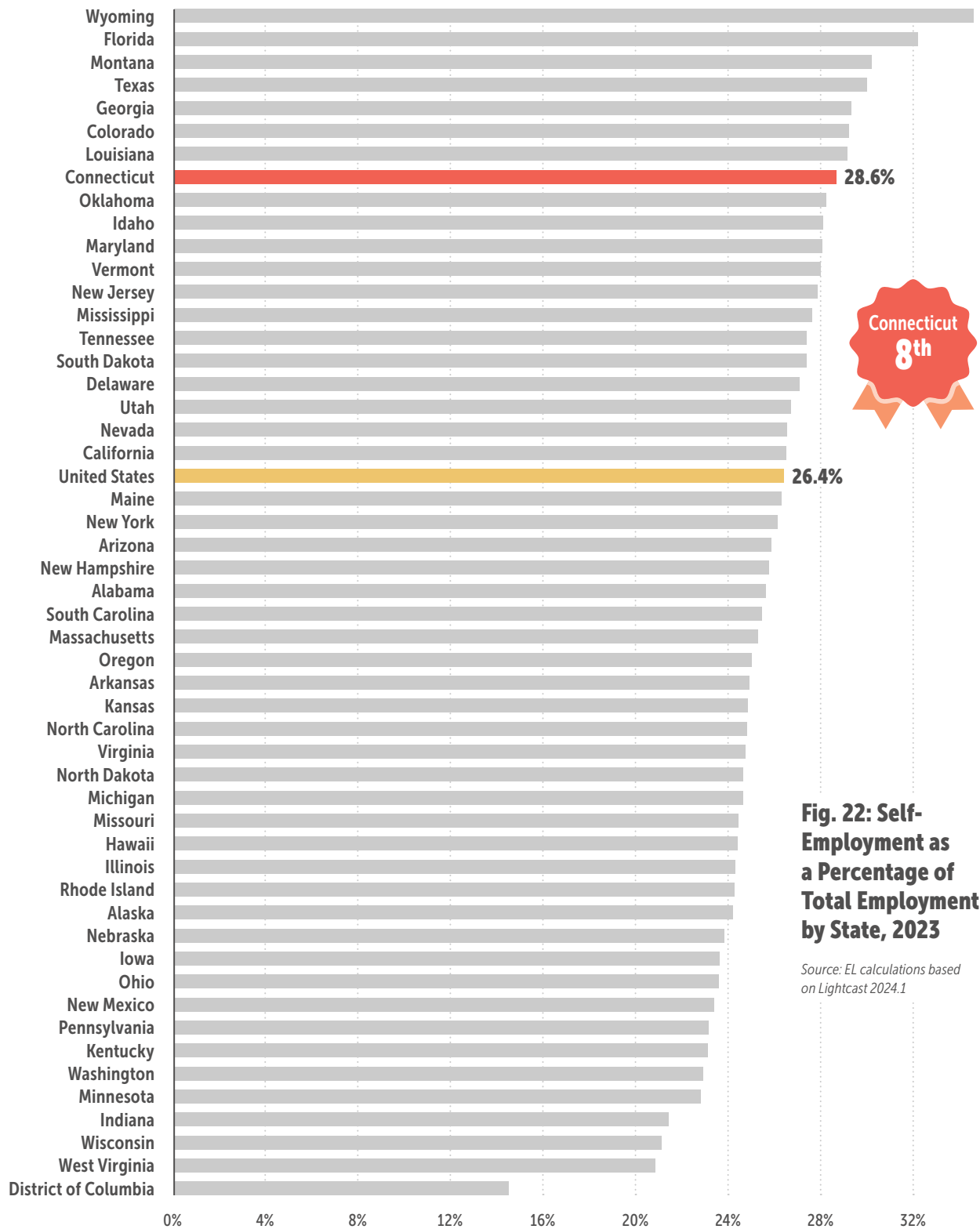
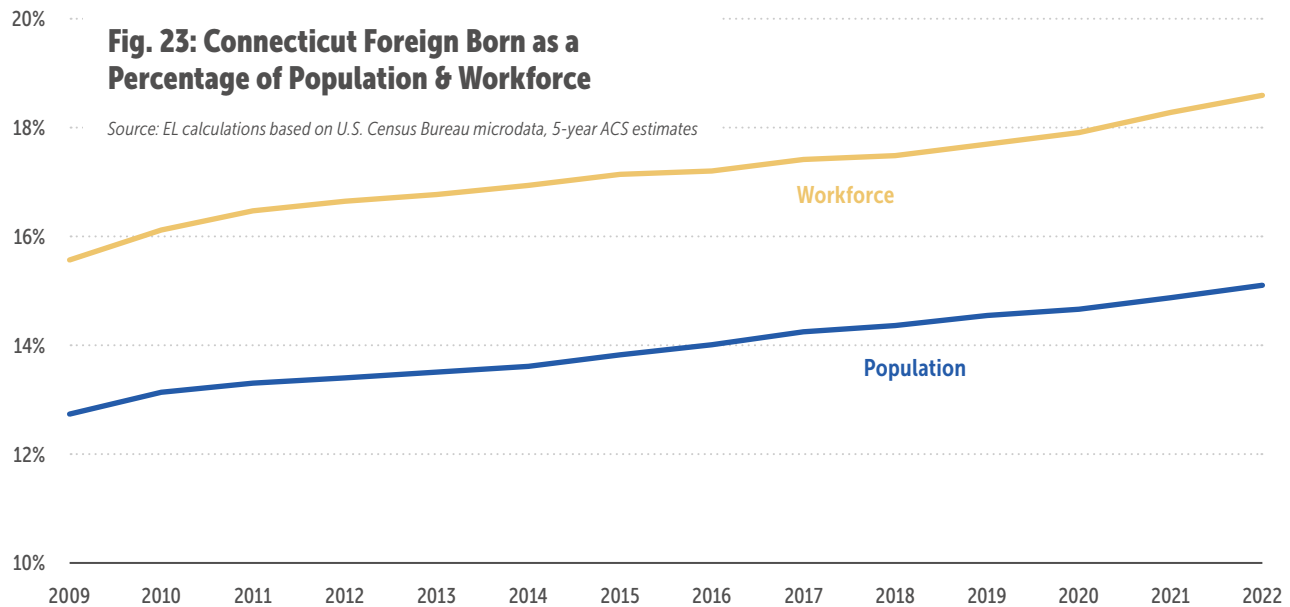


Fig. 22: Self-Employment as a Percentage of Total Employment by State, 2023

Source: EL calculations based on Lightcast 2024.1



The median hourly earnings across all jobs in the state is \$25 per hour. Six of the state's counties have a higher median wage than the national average. Overall, earnings for jobs in Connecticut are high, with the state having the sixth highest median wage in the country in 2023.

Workers will balance their offered wages with the cost of goods and services in an area. A cost-of-living index can be applied to the median wage to compare the different costs across the U.S.

Connecticut's cost-of-living adjusted median wage is \$19.76 an hour, more than \$2 below the national median. The higher cost of living and reduction in purchasing power might dissuade younger and/or less wealthy workers from taking jobs in the state.

Connecticut's median hourly earnings fall to 32nd in the nation when the cost of living is taken into account (see Fig. 25).



What makes clusters unique is not just that companies with similar or complementary interests, competencies, and needs congregate around each other. It's that an entire value chain exists within a cluster: suppliers, manufacturers, distributors, academic institutions, researchers, and workforce training, as well as those who provide relevant support services.

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APPENDIX III: INDUSTRY ANALYSIS

Industries Driving/Emerging

Traded clusters are groupings of industries that serve markets (domestic or international) outside of a specific geography, in this case outside the state of Connecticut (see Fig. 26).

These exporting clusters typically generate the funds that support local clusters such as entertainment, retail, and personal services.

Traded clusters usually contain a supply chain that supports the industry via suppliers, infrastructure, specialized training, and machinery.

Focusing on traded clusters in a state economic development strategy narrows efforts to those industries which are most likely to thrive in the state.

This is particularly important as the competition for investment and jobs is intense. Studies have shown that assets that support clusters are more efficient and cost effective than shotgun marketing or providing subsidies to individual companies.

Traded clusters often account for less than 40% of a state's employment. However, they are usually responsible for 50% or more of a state's income and innovation.

To determine the current state of traded clusters in Connecticut, employment and wage data for over 680 six-digit NAICS code industries within the state was collected. These industries were then grouped into 53 exporting clusters.

The cluster groupings are very closely related to those provided by U.S. Cluster Mapping, a project of the Harvard Business School. Those cluster groupings have not been updated to reflect the most recent iteration of NAICS codes. Therefore, data from Lightcast (formerly EMSI Burning Glass) and their conversion of the Harvard clusters using 2022 NAICS codes was used.

A few technology-related sectors were moved from the business services cluster to the technology cluster. These clusters were then evaluated on recent growth, location quotients, wages, and total employment.

Employment concentration ratios offer an understanding of the relative importance of an industry in an economy. Concentration values greater than 1.00 indicate that jobs in that industry are more concentrated than

the national average and the industry is a significant part of a region's economic base.

Industries with high concentration often generate more of an economy's exports and wealth. This can reveal what clusters are strongest in Connecticut, attracting significant money from outside the state by exporting goods and services.

Concentration values when mapped alongside employment growth can show which clusters are thriving or declining. Fig. 27 demonstrates where a cluster may fall on the map and how that corresponds to its strength and growth.

Positioning on the map provides one piece of intelligence to support the choices that state economic development organizations make in deploying marketing and personnel resources. Tracking the recent data from 2023 against a 2019 baseline provides insight into how the clusters have performed in the COVID and post-COVID era.

Mapping Connecticut's clusters in this way reveals an economy with a diverse set of specialties. There are several clusters that are highly concentrated in the state with varying employment sizes (denoted by size of bubbles on the chart).

Unfortunately, most of the top concentrated clusters have reduced their net jobs since 2019. These legacy clusters include aerospace, insurance, metalworking, and education. Aerospace and defense manufacturing slowed nationally during this time, due to reduced air travel demand, which may have impacted the state's performance.



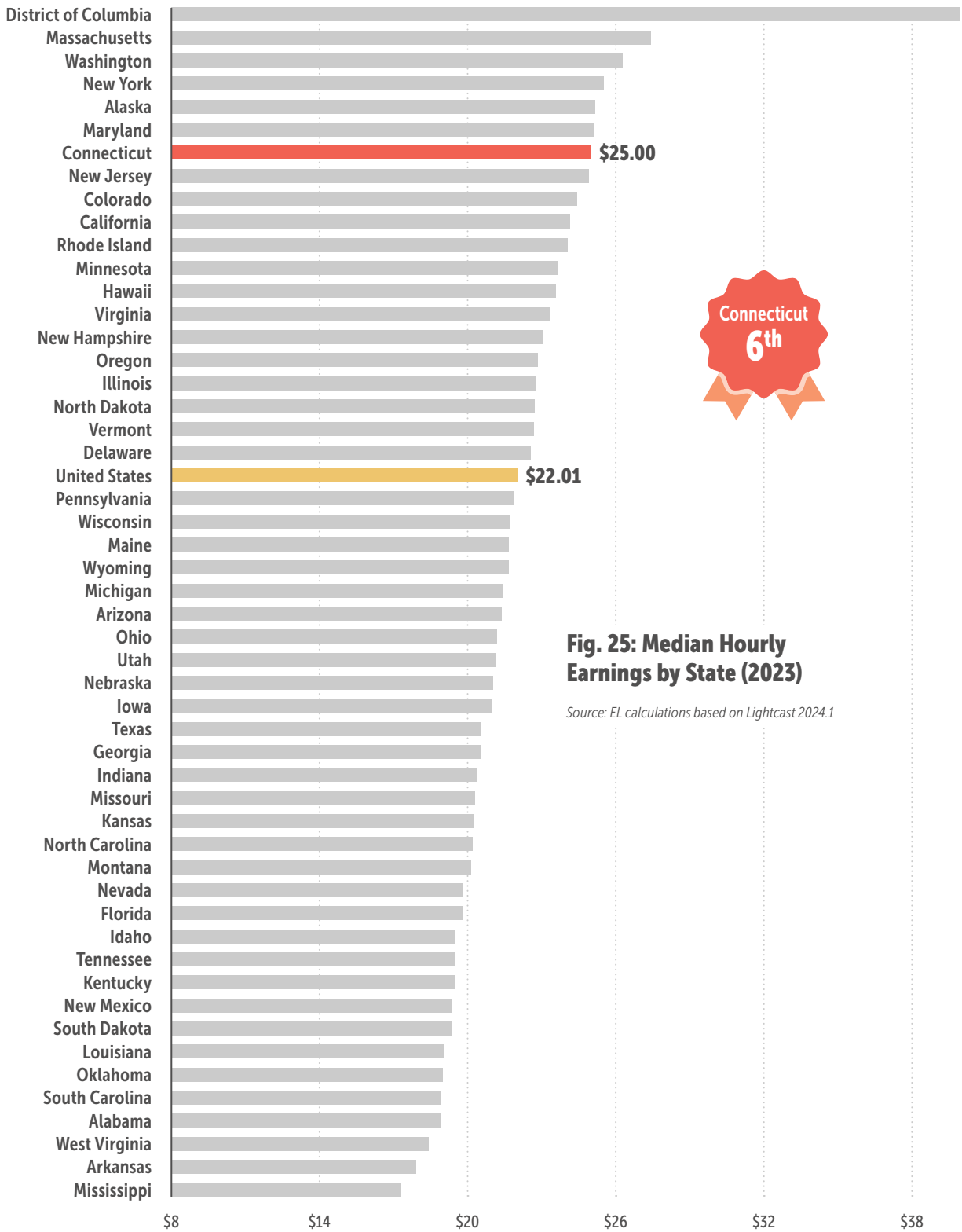


Fig. 26: Cluster—A Regional Concentration of Related Industries

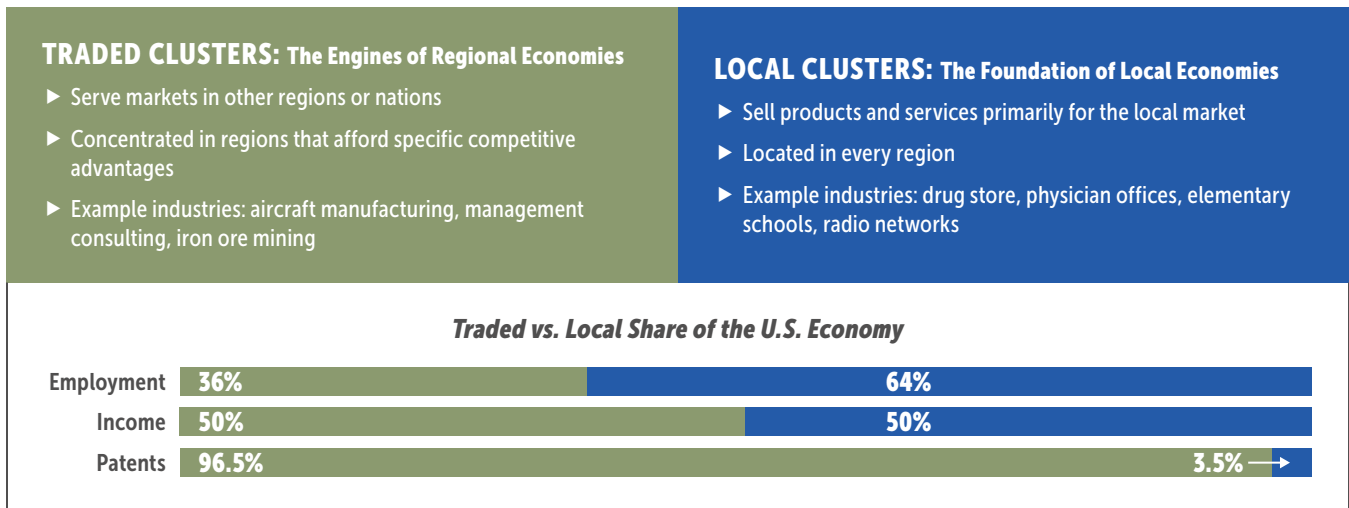


Fig. 27: Connecticut Traded Cluster Map

Source: EL calculations based on Lightcast 2024.1

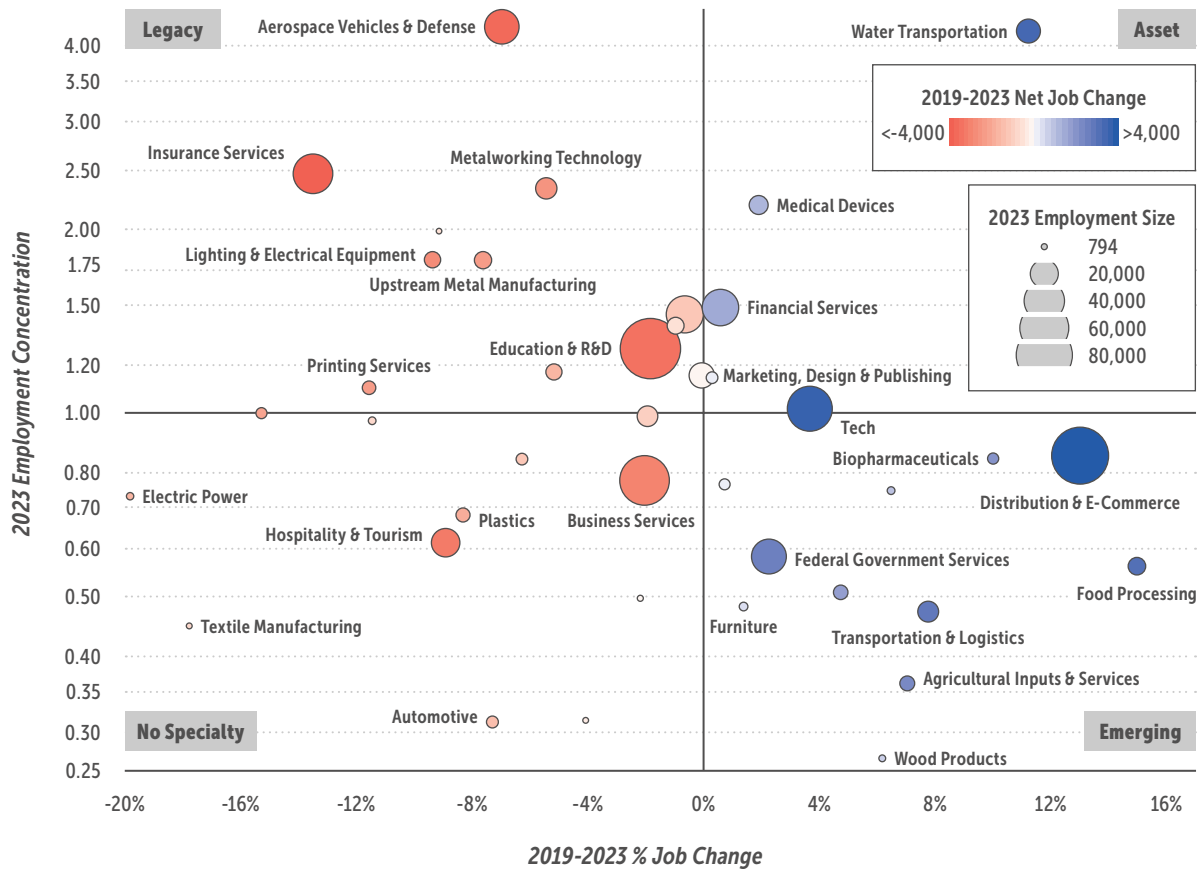
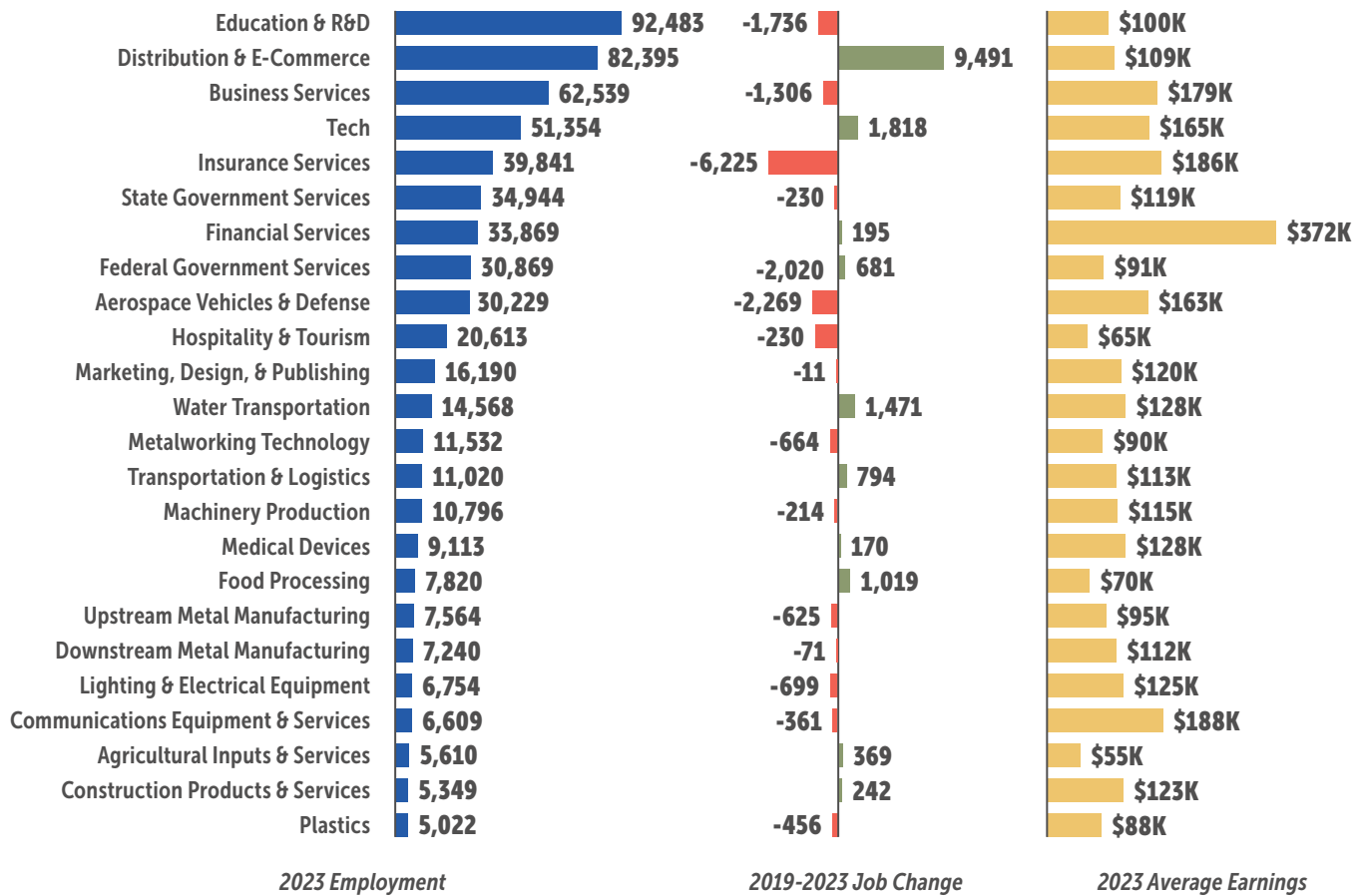


Fig. 28: Top Traded Clusters by Employment in Connecticut

Source: EL calculations based on Lightcast 2024.1



Two highly concentrated clusters—medical devices and water transportation—added jobs in this timeframe. Water transportation growth was driven by the ship building and repairing subsector.

Medical devices added about 170 net new jobs in this period. A related cluster, biopharmaceuticals, registered as an emerging cluster in the state. This cluster benefited from large investment during the COVID-19 pandemic and is predicted to continue to grow nationally in the next 10 years.

The data revealed other asset clusters (strong and growing) in tech and financial services. The tech cluster added over 1,800 net new jobs since 2019. The biggest contributors to this growth were data processing and hosting services, software publishers, and semiconductor machinery manufacturing.

The largest contributor to the financial services cluster is portfolio management and investment advice. There is also a group of emerging clusters (lower LQs but growing) that includes distribution and e-commerce, food processing, biopharmaceuticals, and transportation and logistics.

Food processing growth has been driven by frozen dessert manufacturing, cheese production, snack food manufacturing, and breweries.

Education and R&D, distribution and e-commerce, business services, tech, and insurance services are the largest employing traded clusters in Connecticut. Note: The healthcare cluster is also a major employer, but it is not included with traded clusters since the market served by healthcare is primarily inside the state of Connecticut.

Among the top employing clusters, job changes were mixed from 2019 to 2023.

Education and R&D lost more than 6,200 jobs; this decline was sparked mainly by job losses at private universities and colleges. The hospitality cluster also lost jobs, likely impacted by the COVID-19 pandemic.

The research and development portion of the education and R&D cluster experienced strong growth during this period, but not enough to offset the higher education losses.

Most of the tourism jobs have recovered from the pandemic, like those at marinas. The hotel industry, however, is still over 2,000 jobs below its pre-pandemic job levels.

While the top employing clusters in the state tend to be knowledge-based clusters like tech and insurance, the state also has a strong mix of manufacturing clusters like aerospace, metalworking, machinery production, and plastics. These high skill jobs—be they in tech or advanced manufacturing sectors—provide high compensation (see Fig. 28).

Nineteen clusters in the state added a net of 20 or more jobs in the last five years.

The distribution and e-commerce cluster added the most employment, almost 9,500 net new jobs. Most of this job growth came from the general warehousing and storage industry. This industry spiked during COVID as online shopping became a crucial way for consumers to receive goods.

The transportation and logistics sector also grew during this time. Freight transportation, particularly long-distance trucking, added jobs to meet this growing demand.

Growth is also occurring in several manufacturing-based clusters like food processing, construction products, medical devices, biopharmaceuticals, small electric goods, and appliances.

Connecticut has added a variety of jobs in construction products in the lime, pipe fitting, concrete, and mineral wool manufacturing industries (see Fig. 29).

The state has 19 clusters with employment concentrations higher than the national average. Overall, the state appears to have a productive balance of high-skill, advanced manufacturing and high-wage, knowledge-based clusters (see Fig. 30).

Fig. 29: Fastest Growing Clusters in Connecticut

Source: EL calculations based on Lightcast 2024.1

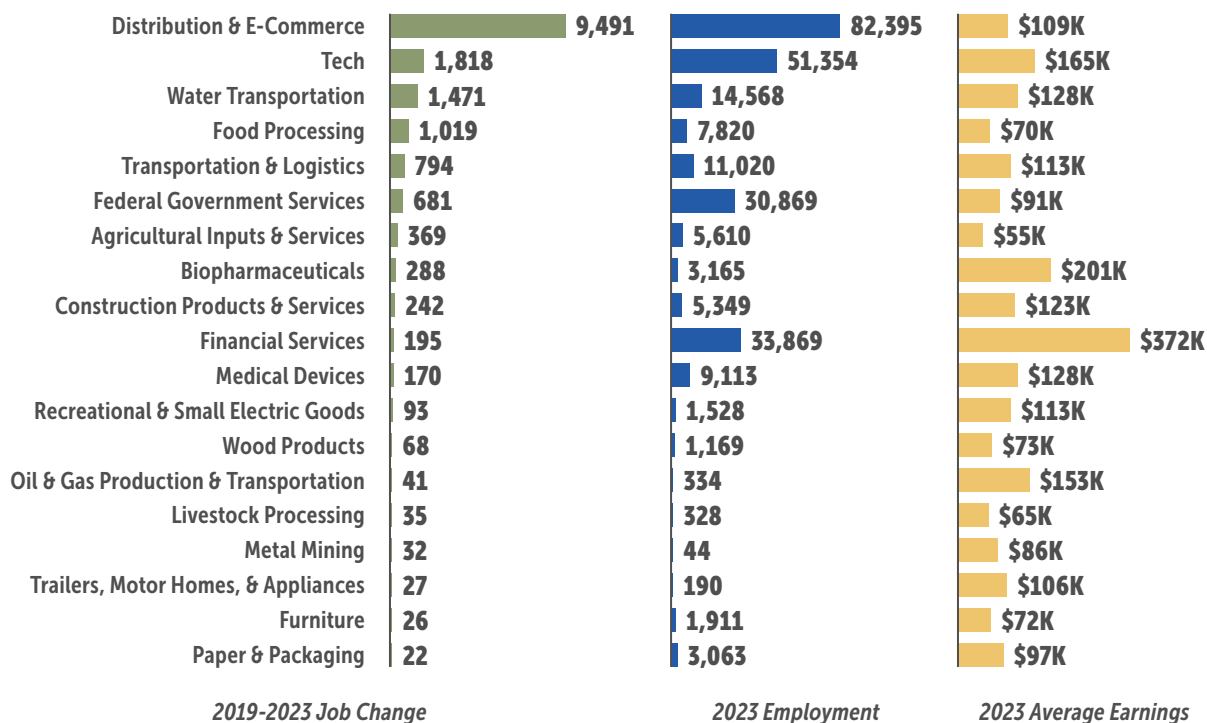
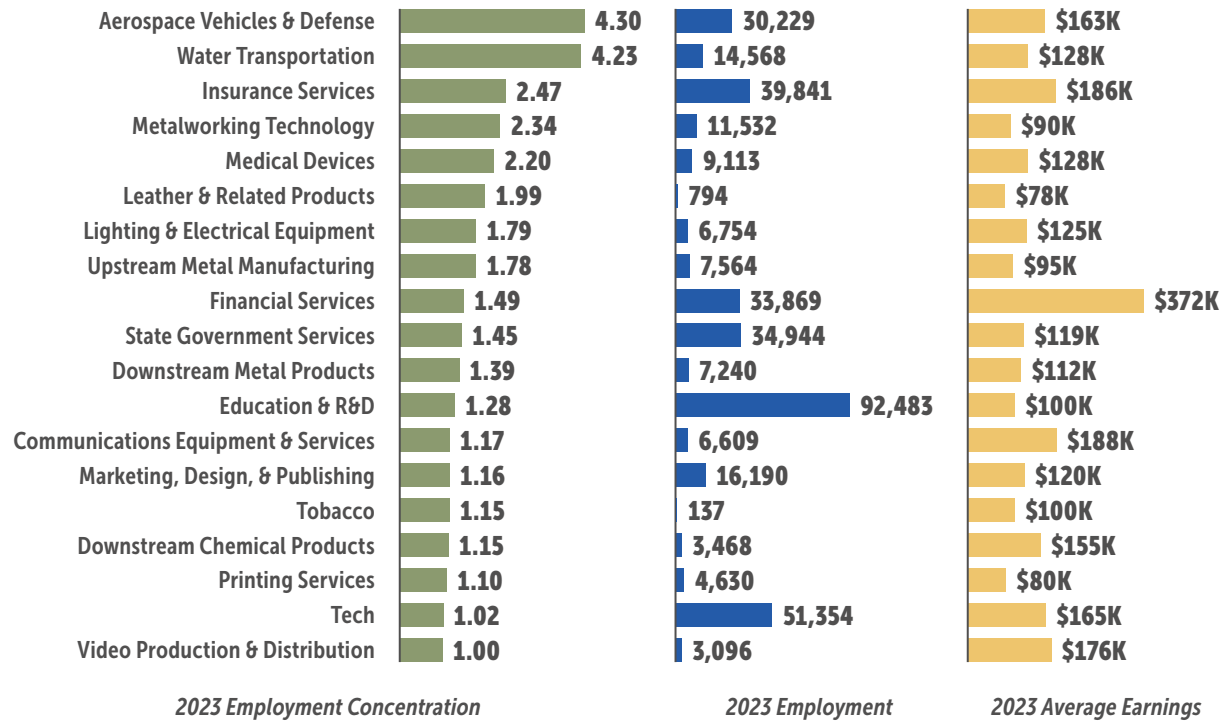


Fig. 30: Traded Clusters with Highest Concentration in Connecticut

Source: EL calculations based on Lightcast 2024.1



Predictive models generated by Lightcast review five-, 10- and 15-year historical job trends to make estimations for future growth.

Based on these models, the next five years will be a time of recovery for Connecticut. Only a few clusters are predicted to lose a significant number of jobs during this period.

These clusters include financial and insurance services. These are top clusters in the state and offer high wages. Jobs in these fields have been shifting toward lower cost and lower taxation markets in the Southeast in recent years.

Other top employers like hospitality and tourism, business services, and education are predicted to recover and continue to add jobs.

Outside of water transportation and aerospace, manufacturing based clusters are predicted to have small job changes in the coming years (see Fig. 31).

For traded clusters, a number of economic development opportunities are grounded in industries with long histories in the state. With continued support these clusters can continue to generate jobs and contribute significantly to the state's economy:

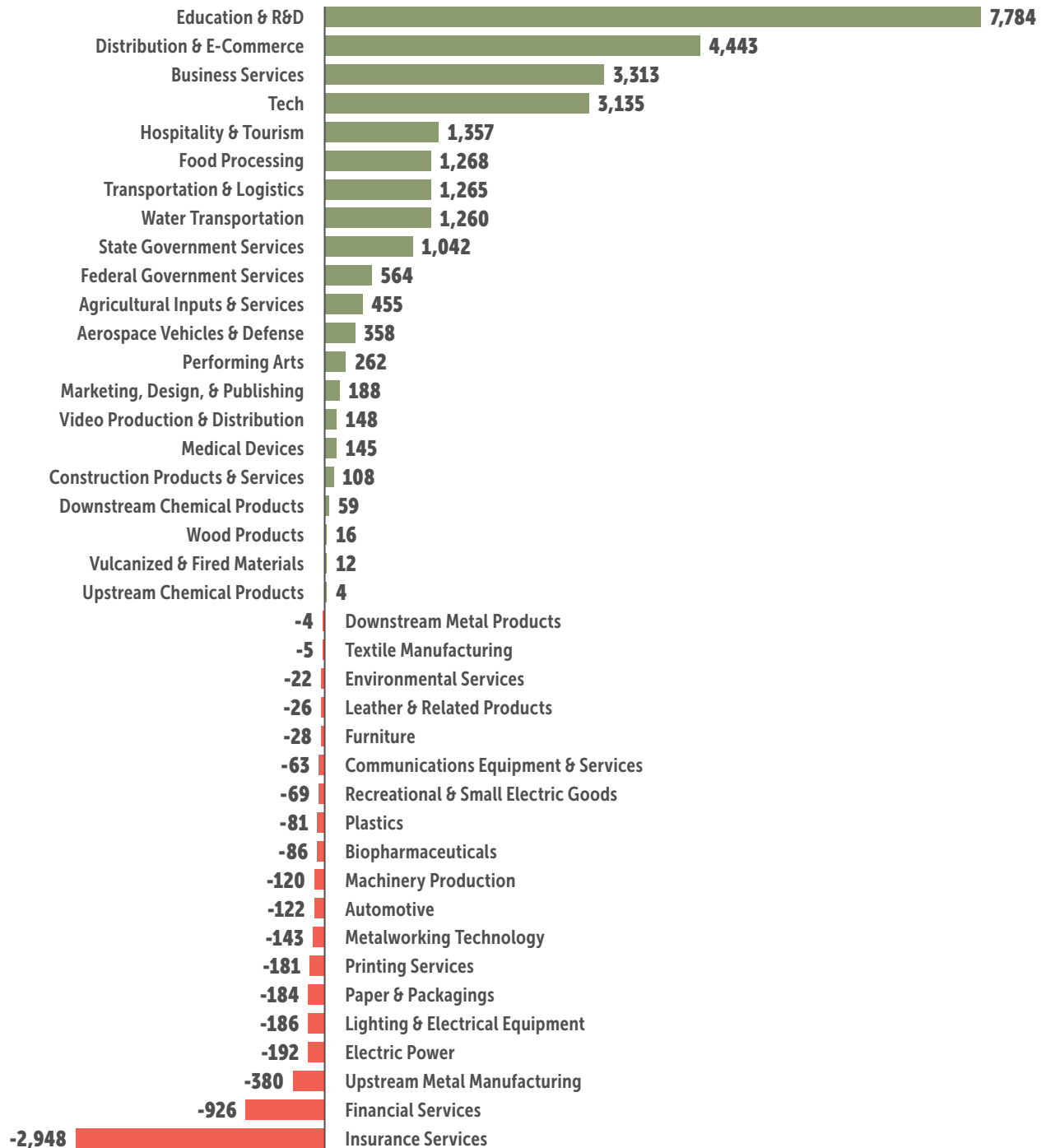
- ▶ Aerospace vehicles and defense
- ▶ Water transportation
- ▶ Medical devices
- ▶ Insurance services
- ▶ Financial services
- ▶ Metalworking technology
- ▶ Metal and plastic products
- ▶ Lighting and electrical equipment

In addition to these industries, the state's economic future can be enhanced by focusing on and devoting resources to the following emerging industries:

- ▶ Tech
- ▶ Distribution and e-commerce
- ▶ Business services
- ▶ Biopharmaceuticals
- ▶ Construction products and services
- ▶ Food processing

Fig. 31: Predicted Traded Cluster Employment Change in Connecticut

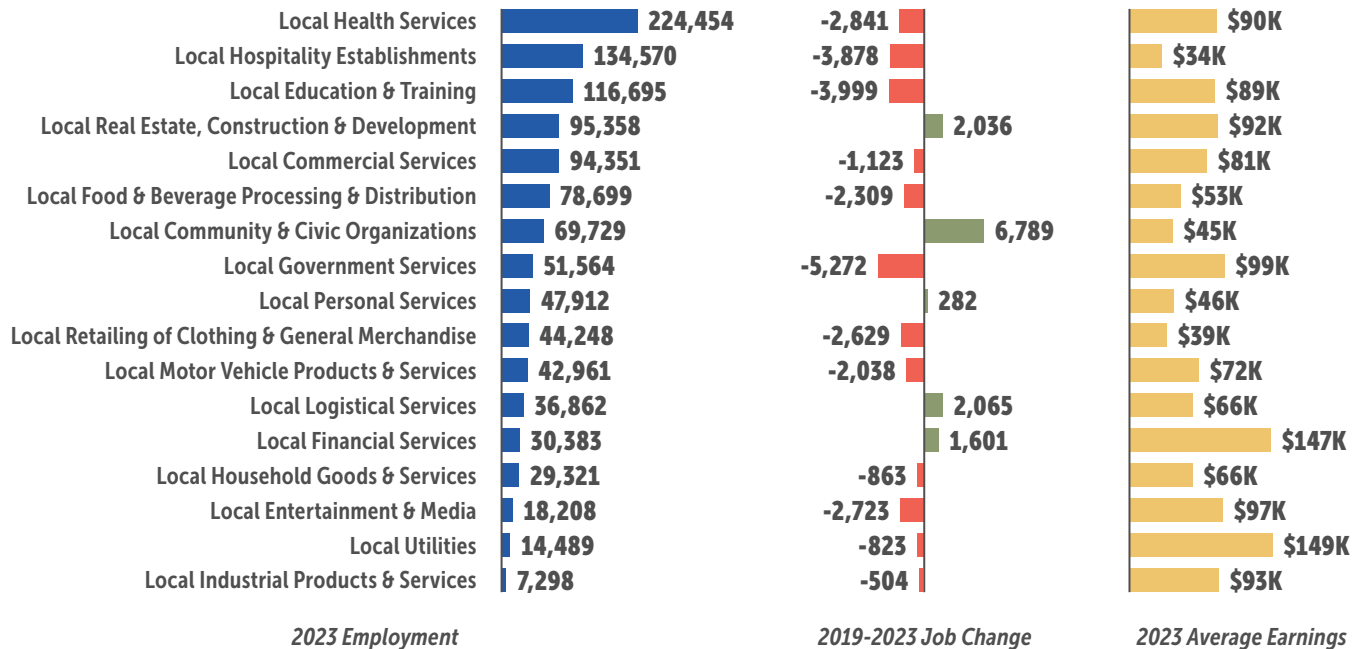
Source: EL calculations based on Lightcast 2024.1



2023-2028 Job Change

Fig. 32: Local Clusters in Connecticut

Source: EL calculations based on Lightcast 2024.1



Local Clusters

While economies are driven by traded clusters, local (non-exporting) clusters account for a large portion of total employment. These are also experiencing workforce challenges.

Without well-functioning local clusters it can be often difficult to recruit traded clusters to a region.

Local clusters were in general more impacted by the pandemic lockdowns. While consumers still needed and spent money on goods that kept traded clusters operating, local event venues, restaurants, and many non-essential operations suffered.

The pandemic and its aftermath appear to have impacted many of Connecticut's local clusters.

Local community and civic organizations have added the most workers since 2019. This has been driven by support services for the elderly and people with disabilities. Local health services is the top local cluster in terms of employment (see Fig. 32).

The average wages for most local clusters are lower than for most traded clusters, which can make attracting and keeping workers difficult.

Jobs Demand

By analyzing labor market data, the jobs that have the largest demand and offer the best opportunities for residents and workforce training programs are identified.

Looking at the top job postings by occupation, data shows demand is strong in healthcare (particularly nursing), food service, tech, maintenance, business operations, and retail. The results show shortages across many occupations, industries, and skill levels (see Fig. 33).

Another data point that can illustrate demand is the average number of annual openings. This is a calculation of the jobs needed to be added each year to replace retiring workers and keep pace with growth.

When this data is combined with an automation index (an occupation is more likely to be automated if the value is higher than 100), the results show that many of the jobs with the highest number of openings are those most likely to be automated in the future.

A top goal in workforce efforts is to train for and provide jobs that offer long-term career opportunities.

Occupations with high annual openings and a lower automation index offer better long-range opportunities.

In Connecticut, this includes healthcare practitioners, tech workers, engineers, scientists, and business operations specialists.

This data can also be used to determine the jobs most at risk of automation, and where workers in those fields might need to be upskilled for the jobs of the future (see Fig. 34).

Many occupations with the highest number of annual openings are lower paying.

Economic developers also want to create opportunities for local workers to earn higher wages. Some jobs in the state with a high demand for workers and wages above \$50,000 are in tech, finance, sales, management, and engineering.

The state has high needs for administrative clerks, material movers, motor vehicle operators, home health aides, and food service workers but these positions do not offer a median annual wage that is above average.

These high-demand, lower wage positions will likely need to automate more in the future to stay competitive (see Fig. 35).

To determine the entry level jobs in the state that offer the best opportunity for workers, occupations were filtered for those with earnings greater than \$60,000 per year, a net job change of better than -750 since 2019, and lower predictions of automation.

The occupation list was also expanded from the three-digit SOC codes to the five-digit to get a more granular understanding. This list of top demand entry jobs in Connecticut offers insights into the best options for recruiting, reskilling, or upskilling workers.

In this group of strong demand and strong opportunity, the list is dominated by knowledge-based occupations that often require a bachelor's degree or higher (denoted in blue). The potential wages for these jobs in the state are high. The average software developer in the state earns over \$110,000 per year.

Many of the top demand jobs have experienced net growth in the state since 2019, but some have seen net employment decline. However, even though overall jobs are declining, the rate of retirement and turnover still requires several new applicants each year.

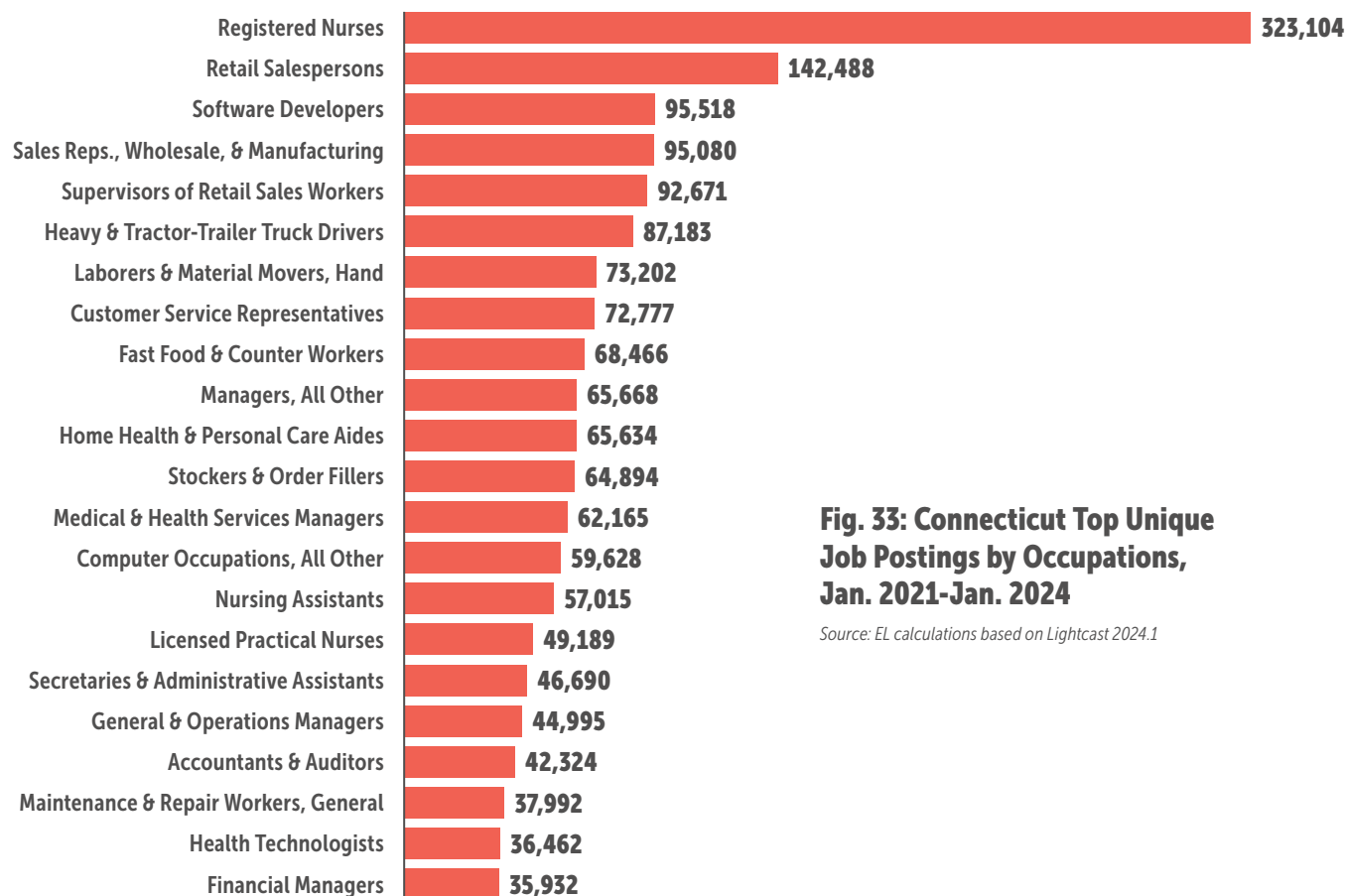
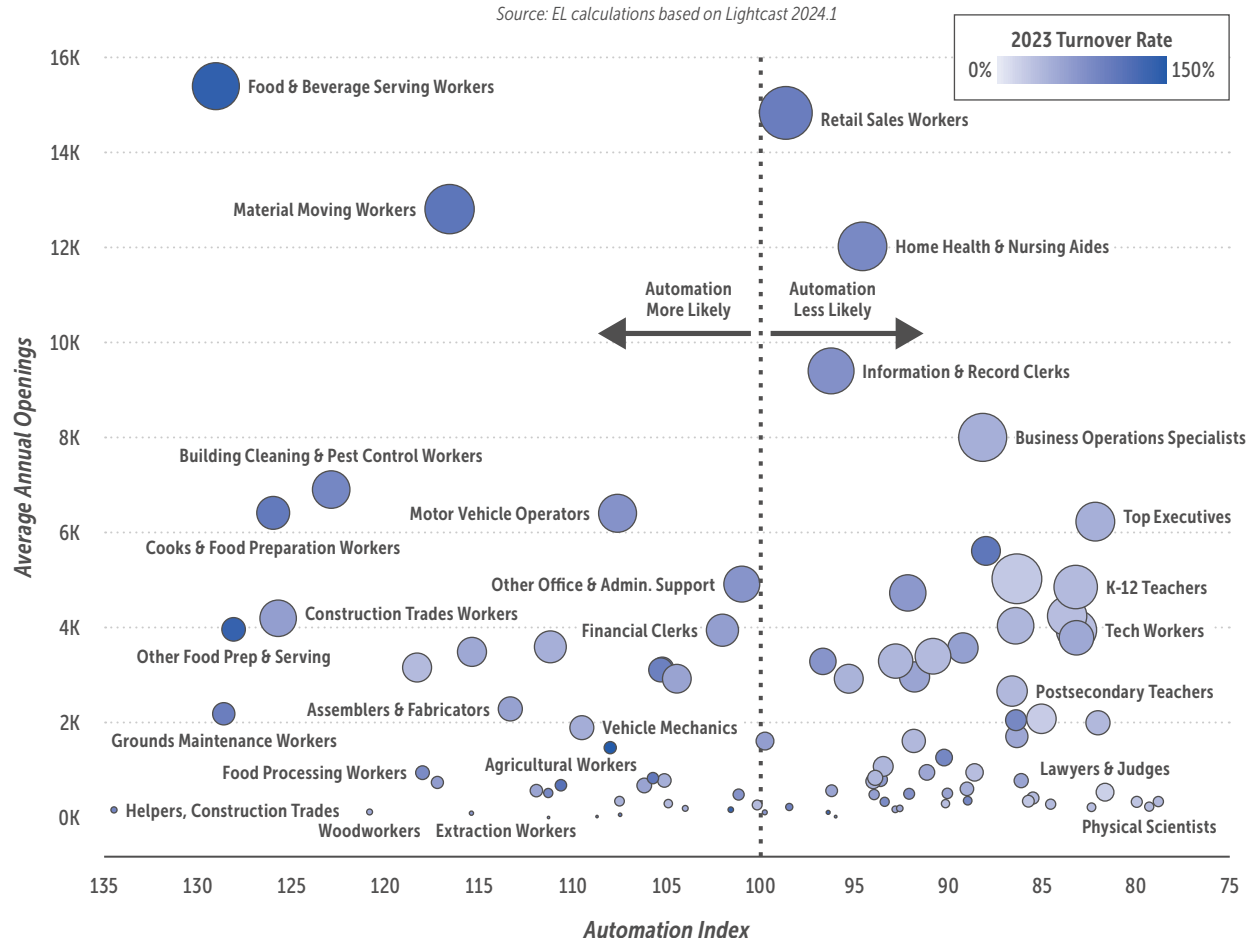


Fig. 33: Connecticut Top Unique Job Postings by Occupations, Jan. 2021-Jan. 2024

Source: EL calculations based on Lightcast 2024.1

Fig. 34: Connecticut Top Occupations by Openings & Automation Index

Source: EL calculations based on Lightcast 2024.1



The demand from nursing is driven less by total increases in nursing positions in Connecticut than by high turnover and retirement.

While many top demand occupations traditionally require a bachelor's degree, this requirement is evolving—albeit slowly—as human resources departments shift to a greater focus on skills rather than degrees.

Only five of the top demand occupations (those shaded in light blue in Fig. 36) don't typically require a bachelor's degree for an entry-level position. Data from postsecondary institutions in Connecticut reveals increased completions in business, health, and science fields to help meet these workforce demands.

Other fields of study that correlate to top demand jobs have declined or remained steady in recent years—including education, engineering, math, and computer science (see Fig. 37).

In Connecticut, the population tends to be more educated than the workplace demands.

For most categories, the population is more educated than the number of job openings associated with each education level. There are high levels of job openings that only require high school or no formal education.

The chart below (Fig. 33) shows the top demand list of jobs that generally do not require a bachelor's degree or higher level of education. To keep the list extensive, the median wage requirement was reduced to \$50,000 and the likelihood of future automation was increased.

The state has several high demand jobs that do not require a bachelor's degree or higher. Many of these jobs—like machinists, mechanics, electricians, CNC tool operators, pipefitters, and industrial machinery mechanics—support the manufacturing industry in Connecticut.

The list also includes legal, tech, finance, and business support occupations (see Fig. 38).

This data may be helpful in showing students and parents opportunities in skilled trades. If students enter the trades or protective services, they could be earning as much as a human resources specialist or marketing analyst with half as much schooling required.

When Connecticut's postsecondary completions data is analyzed for degrees and certificates less than a bachelor's degree, health studies is the top field of study.

However, these have seen a large decline in program completions in recent years. This makes filling roles like licensed practical nurses even more difficult.

Other relevant training completions in the state (like mechanical repair) have remained flat or declined while the demand for these jobs remains high (see Fig. 39).

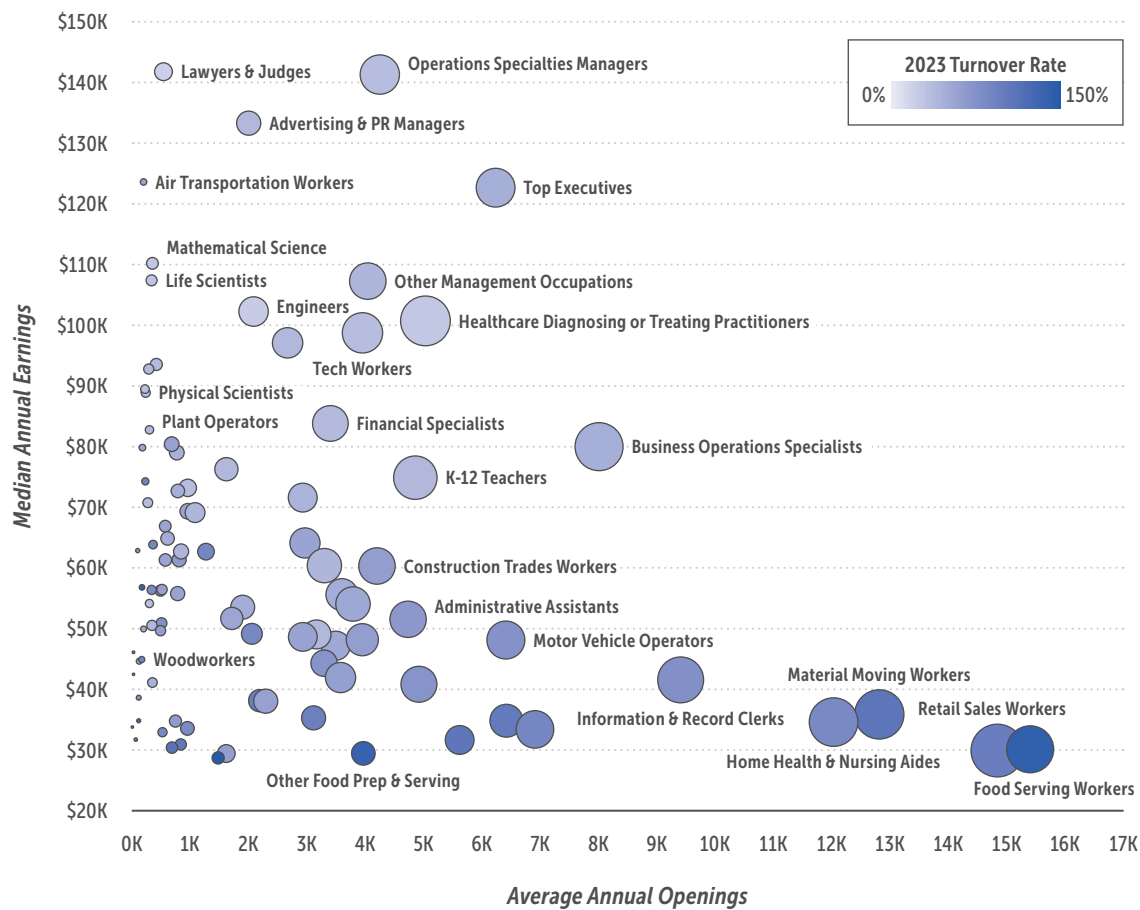
APPENDIX IV: ATTENDEE QUOTES SHARED DURING JAN.-FEB. 2024 ECONOMIC COMPETITIVENESS FORUMS

Timing of the economic action plan:

- ▶ "There is a palpable sense of change right now."
- ▶ "We are in a better position than we've ever been, and it would be a sin if we didn't leverage that."
- ▶ "We are worried about parts of the state being forgotten."

Fig. 35: Connecticut Top Occupations by Openings & Annual Earnings

Source: EL calculations based on Lightcast 2024.1



Connecticut's business climate:

- ▶ "We need to be thinking about more taxpayers, not more taxes."
- ▶ "Everything is always a just a 'limp in.' We just put a toe in the water."
- ▶ "We want stability and predictability."
- ▶ "We need consistency and predictability in regulations."
- ▶ "It is clear the regulatory agencies are not talking to each other."
- ▶ "Too much focus on relationships and not setting up process policy or systems to get things done."
- ▶ "Lack of precision and strategic function across agencies."
- ▶ "Interactions with the government are a constant cycle of friend and foe."
- ▶ "We are lucky to still be here—our plant is operating at 2X the cost compared to other states."
- ▶ "Shrinking size of agency staff—less experienced staff, lack of historical knowledge."

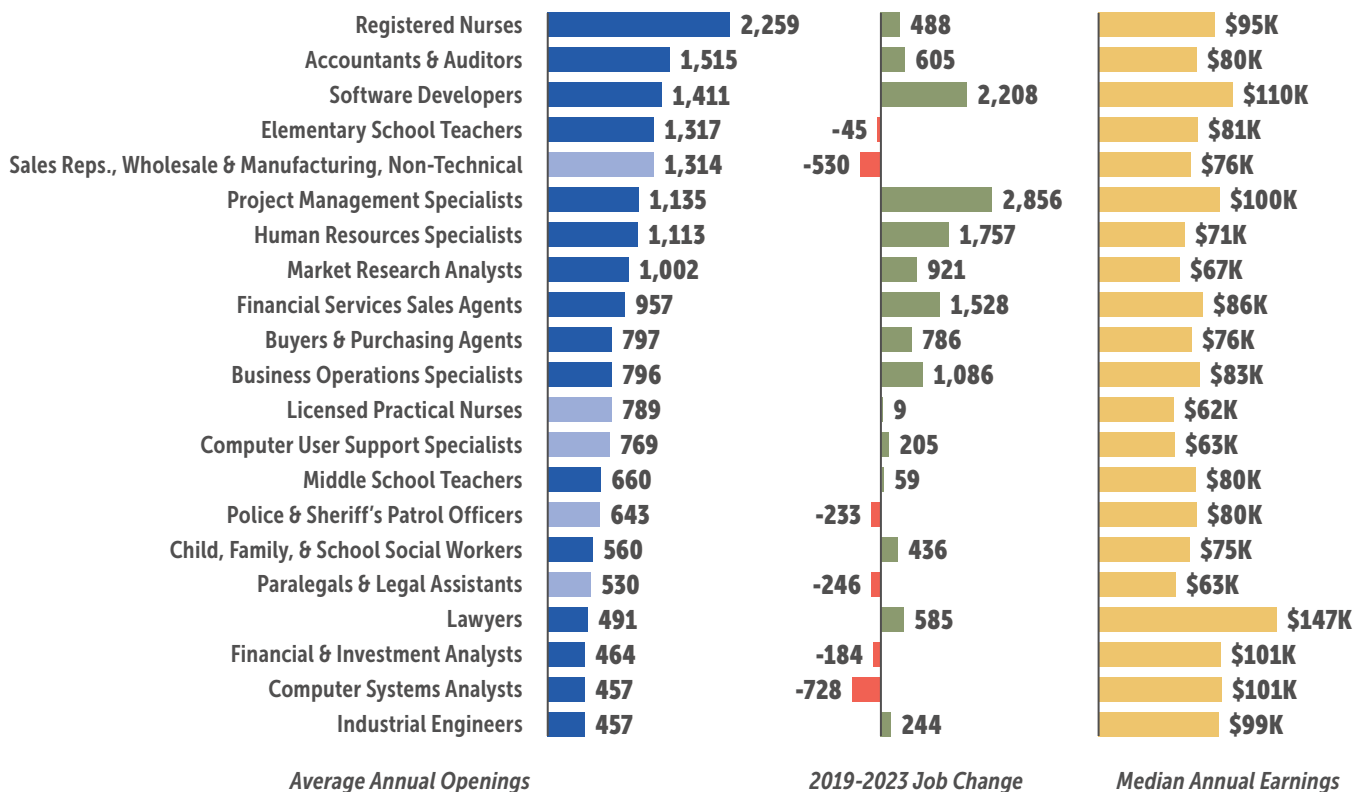
- ▶ "The state's return to office requirement is impacting the pace of government work getting done."
- ▶ "Need for synergies and shared services—lack of this in the state."
- ▶ "Our workforce development system is incredibly disjointed."
- ▶ "Playing field needs to be leveled a bit—state tends to focus on big players."

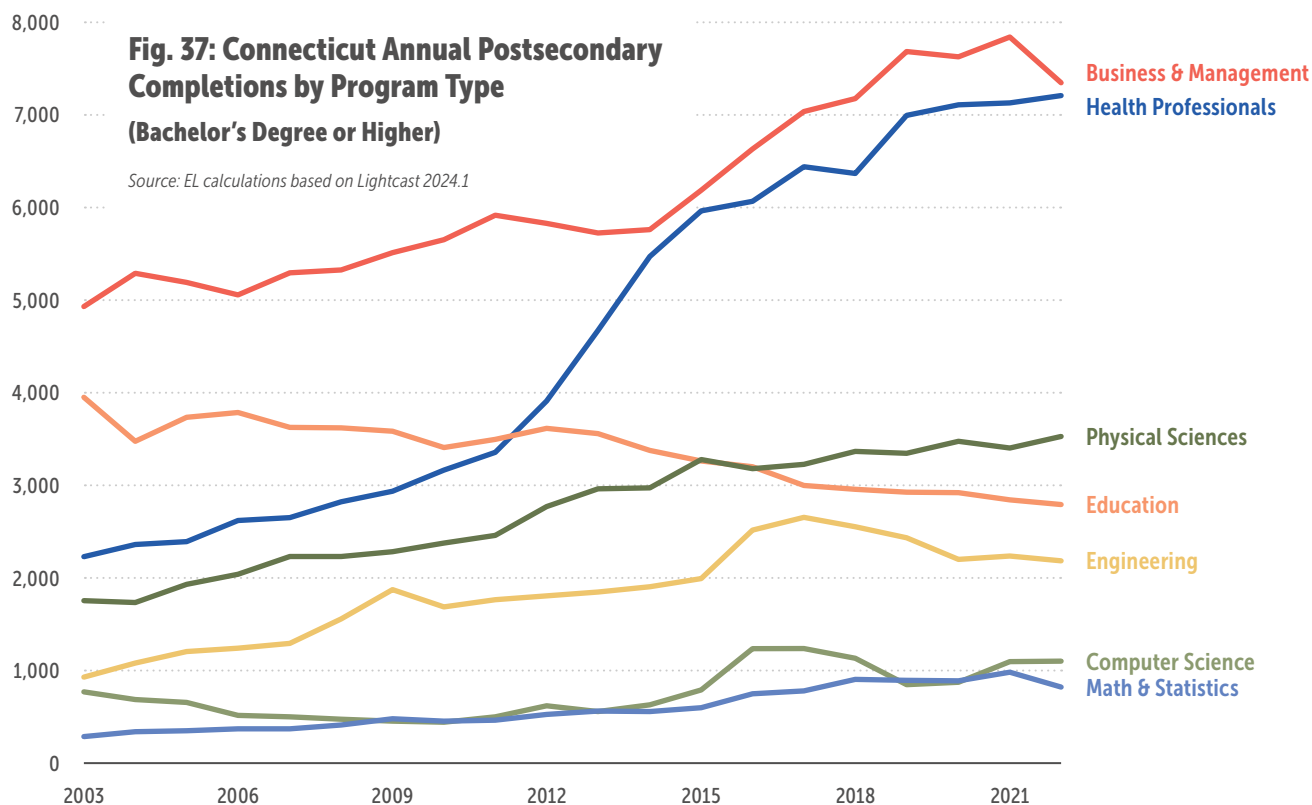
Agency coordination/permitting/process issues:

- ▶ "No one can get a meeting."
- ▶ "It's too hard—we don't have the time to do this and still do our day jobs."
- ▶ "Permitting process is a nightmare, especially in individual municipalities—no technology to talk between departments, no communication between those entities."
- ▶ "Different agencies ask for the same thing—taking up a lot of the day-to-day."

Fig. 36: Connecticut Top Entry Level Occupations by Demand, Growth, & Wages

Source: EL calculations based on Lightcast 2024.1





Education & workforce:

- ▶ "Educational opportunities are excellent here but do not match the skills needed by employers."
- ▶ "No alignment—so many workforce resources but no one knows where to go."
- ▶ "We are donating talent to other states."
- ▶ "Better schools relied on too long."
- ▶ "Our business is turning down work left and right b/c we have no one to do it."
- ▶ "The education establishment is resistant to change."
- ▶ "Industry clusters need to help develop the training programs, along with faculty."
- ▶ "I am going to go to private universities because public institutions take too long."
- ▶ "Education and healthcare are much better here—attractive to families."

- ▶ "Lack of career readiness—need to show you can make good money in those roles, not college."
- ▶ "Make state attractive for current workforce."
- ▶ "Teachers and schools struggle to make changes with the way the state report card works."
- ▶ "Certifications and renewal—still not happening, getting caught up."
- ▶ "Hard to attract second career educators because they give up Social Security benefits if they become a teacher."
- ▶ "Enable the enlightened: here's how you get on the journey and keep people moving along."

Redevelopment projects:

- ▶ "Not worth it—painful to do business."
- ▶ "Our cities need to get fixed—our small towns can maintain character while growing and providing new housing and things to do."

Transportation:

- ▶ “Infrastructure should be treated as an investment, not a liability.”
- ▶ “Bus system is not reliable.”
- ▶ “Public sector’s ability to get things done is steadily eroding.”
- ▶ “We have a great rail system that is being underutilized.”

Housing:

- ▶ “Locals are a huge obstacle.”
- ▶ “Used to be if you move here, you’ve made it.”
- ▶ “We thrive or fail with our community.”
- ▶ “No housing in communities where people work—but they can’t get there.”
- ▶ “Our company is in a dire situation with workforce housing.”

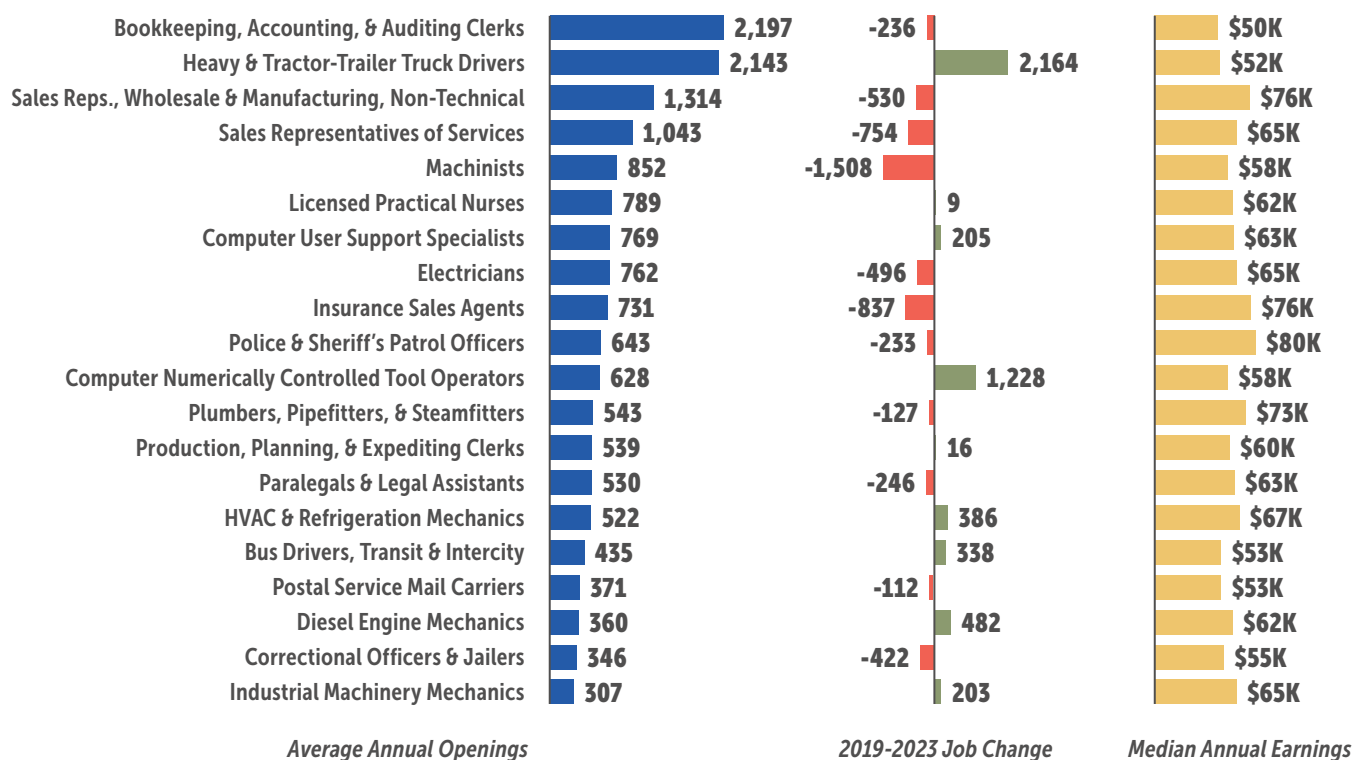
- ▶ “Executive order on affordable housing—land use around train stations—can be zoned up to 300 units.”
- ▶ “Housing costs—employees can’t go on PTO because of housing experience.”

APPENDIX V: SOURCES

- ▶ AdvanceCT, 2021 Annual Report
- ▶ AdvanceCT, 2023, Future Ready States
- ▶ BDO, State R&D Tax Credits
- ▶ Broadband Now, 2024, Internet Service and Availability Report
- ▶ Childcare Aware of America, 2023, Annual Price of Care: 2022 Child Care Affordability

Fig. 38: Connecticut Top Occupations by Demand, Growth, & Wages
(Requiring less than a bachelor’s degree)

Source: EL calculations based on Lightcast 2024.1



- ▶ College for TN, Career Finder
- ▶ Connecticut General Assembly, 2018, Commission on Fiscal Stability and Economic Growth Report 2.0
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