ADVANCE CT
CONNECTICUT

Metrics that Mislead

Choosing the Right Data for Location Decisions

JUNE 2026

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Data current as of May 2026.

ADVANCECT CONNECTICUT

About AdvanceCT

OUR **MISSION**

AdvanceCT is a nonprofit economic development organization that drives job creation and new capital investment in Connecticut through business attraction, retention, and expansion work.

OUR ROLE IN THE **ECONOMIC DEVELOPMENT ECOSYSTEM**

Economic development is the lifeblood of Connecticut's economy, and AdvanceCT plays a critical role in the state's business attraction and business retention efforts. We work to attract corporate investment and to support existing businesses as they expand. AdvanceCT works in close partnership with public and private organizations across the state to ensure new and existing businesses have the support they need to thrive in Connecticut.

WHAT **WE DO**

We focus on inclusive business development and business retention work in close collaboration with the Connecticut Department of Economic and Community Development, other economic development organizations throughout the state, and the private sector.

LEARN MORE AT **ADVANCECT.ORG**

ADVANCECT RESEARCH TEAM

Rachel Gretencord
Executive VP, Operations

Jessica Jackson
Vice President

Emily Vergara
Research Analyst

Ben Iannuzzi
Business Associate

Making Successful Location Decisions

A Smarter Framework for Evaluating Location Decisions

When taking their first pass at evaluating locations, stakeholders often look at the data that is most *readily available* — but that may not be the **right data**.

There are a number of pitfalls, including:

- Choosing **geographic delineations** such as state or Metropolitan Statistical Area (MSA) that are **not comparable**;
- Looking at **broad metrics** such as industry that **do not reflect the company's specific operations**;
- Considering **rankings that conflate relative position with actual performance** or that are not a good proxy for the factor of interest;
- Considering broad rankings that are **reputable but lack relevance** to the specific company or industry being evaluated.

Today's abundance of data means that companies need additional thought and discernment to ensure their decisions are based on the criteria most impactful for their business.

Size

Statewide averages are not representative of specific regions; regional totals and rank can be meaningless when comparing areas of varying size

Composition

Broad categorizations obscure differences in composition, leading to incorrect conclusions

Differentiation

Many metrics have little material variation across states, so rankings create false performance measures

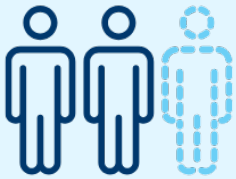
Relevance

Generalized rankings or defaulting to data that is readily available may not evaluate the factors that are most relevant to a particular business or industry

Site Selection Decisions Carry Significant Risk

Companies making a location decision face multiple pressures: time constraints, budget limitations, and challenges filtering overwhelming data to identify the most relevant decision criteria.

Many companies rely on state or regional rankings to narrow the field; but often, these comparisons lead to incorrect determinations and suboptimal investment choices. Mistakes can be costly:



CHOOSING BASED ON average wages rather than occupational availability CAN RESULT IN **hiring shortages or higher than expected labor costs.**

CHOOSING BASED ON general tax or business "climate" assessments without considering industry-specific regulations or incentives CAN RESULT IN **miscalculations of operating costs or regulatory burden.**

CHOOSING BASED ON metrics that are outdated or that are a poor proxy for the aspect to be measured CAN RESULT IN **overlooked factors that materially change business outcomes.**

In short, business risks for making the wrong decision are significant; it is worth considering what data most accurately measure your company's material decision-making criteria.

Statewide Metrics Hide More Than They Reveal about Locations

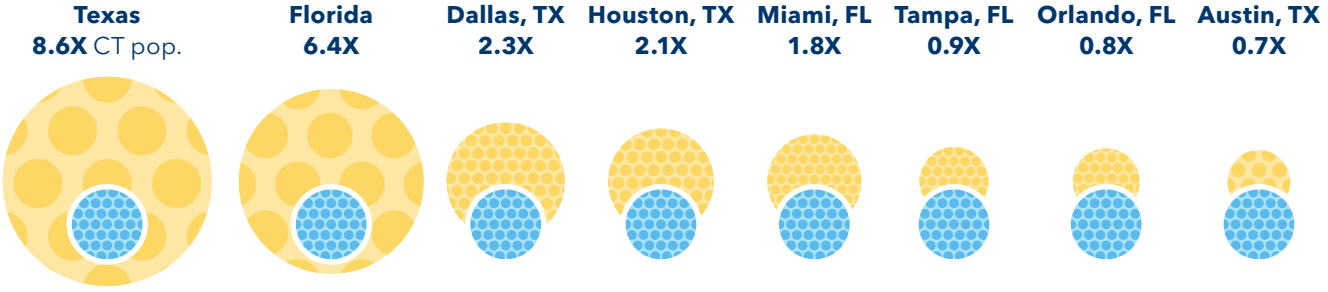
Commonly used site selection metrics can become misleading when geographic scale and density are not evaluated in context.

Connecticut

Population	3,688,496
Land Area	4,842.4 mi²
Density*	761.7 people/mi²

The state of Connecticut is comparable in size and density to many major metros.

Background dot patterns represent density. Conceptual illustration, not to scale. Circle size directly proportional to population size.



	Texas	Florida	Dallas, TX	Houston, TX	Miami, FL	Tampa, FL	Orlando, FL	Austin, TX
0.2X CT density		**0.6X**	**1.3X**	**1.2X**	**1.7X**	**1.8X**	**1.1X**	**0.8X**
54.0X CT land area		**11.1X**	**1.8X**	**1.8X**	**1.0X**	**0.5X**	**0.7X**	**0.9X**
		LARGER THAN CT				**SMALLER THAN CT**		

SOURCE: U.S. CENSUS BUREAU; STATE LAND AREA FROM CENSUS QUICKFACTS; STATE POPULATION FROM PEP JULY 1, 2025, VINTAGE 2025; METRO LEVEL DATA RETRIEVED FROM CENSUS REPORTER, ACS 2024, 1Y ESTIMATES.

Fifty-four Connecticuts could fit inside Texas by land area. Even the Dallas metro alone is roughly double Connecticut's size in both land and population. Yet many publications still rely on statewide data when comparing places on topics like cost of living and migration, even though those metrics vary dramatically across cities within larger states like Texas.

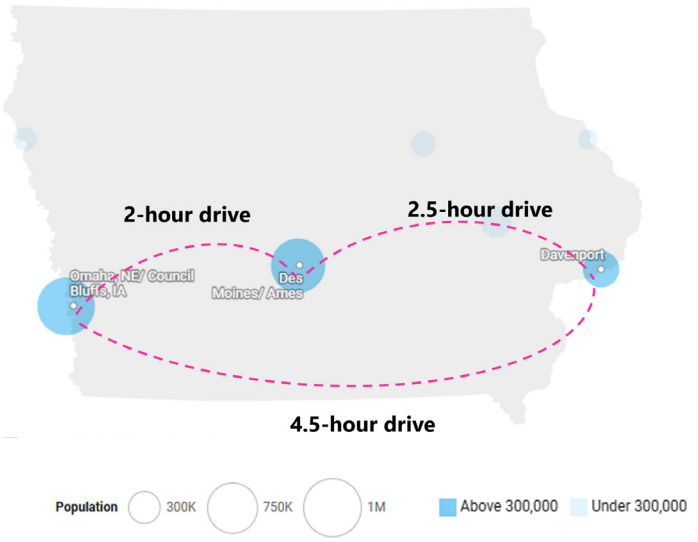
Connecticut is also far denser than these large states. In fact, both the New Haven and Stamford MSAs are denser than any of the metros pictured here. The broader point: state-level comparisons often pit apples against oranges, obscuring more than they reveal about the actual characteristics of a place.

Large-State Averages Often Fail to Reflect Business Reality

A company using Iowa's statewide average is averaging data across a geography 11.5X the size of Connecticut, including areas no one would realistically locate a business.

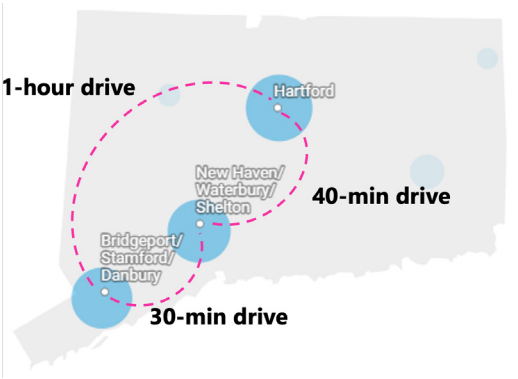
Iowa Population
(3,238,387)

No two population centers within 1 hour of each other



Connecticut Population
(3,688,496)

3.1 million people within a 1-hour drive



Created with Datawrapper

Maps above are not to scale.

Connecticut is small, dense, and economically concentrated, and most areas of the state have a significant workforce available within a reasonable driving distance.

Larger states combine rural and urban data into a single average that is not reflective of any particular area within the state. Apparent "low-cost" areas in large states are often too sparsely populated to be feasible business locations.

SOURCE: U.S. CENSUS BUREAU, 2025. STATE PROFILES, 2025.

Statewide Totals Do Not Reflect Accessible Labor Markets

Statewide totals may make Connecticut appear less than competitive in manufacturing.

State	2024 Manufacturing Jobs	National Rank
Connecticut	156,600	#28
Missouri	285,500	#16
Pennsylvania	565,300	#6

A one-hour drive time reveals significantly different results that are more reflective of how businesses actually operate.

Region	2024 Manufacturing Jobs	Manufacturing Employment Concentration
Pittsburgh, PA	81,000	0.92
St. Louis, MO	103,500	1.00
Hartford, CT	131,500	1.15

*State and regional data represented are from an actual client request.

Pennsylvania is a large state and **ranks #6 nationally** for manufacturing jobs; but the manufacturing employment concentration in the Pittsburgh region is **lower than the national average**.

Connecticut is a small state with a mid-tier rank for overall manufacturing jobs; but there are **more manufacturing jobs within a one-hour drive of Hartford than either Pittsburgh or St. Louis** and the Hartford region has a **higher concentration of manufacturing employment**.

SOURCE: LIGHTCAST, 2024–Q1 2026 RELEASE.

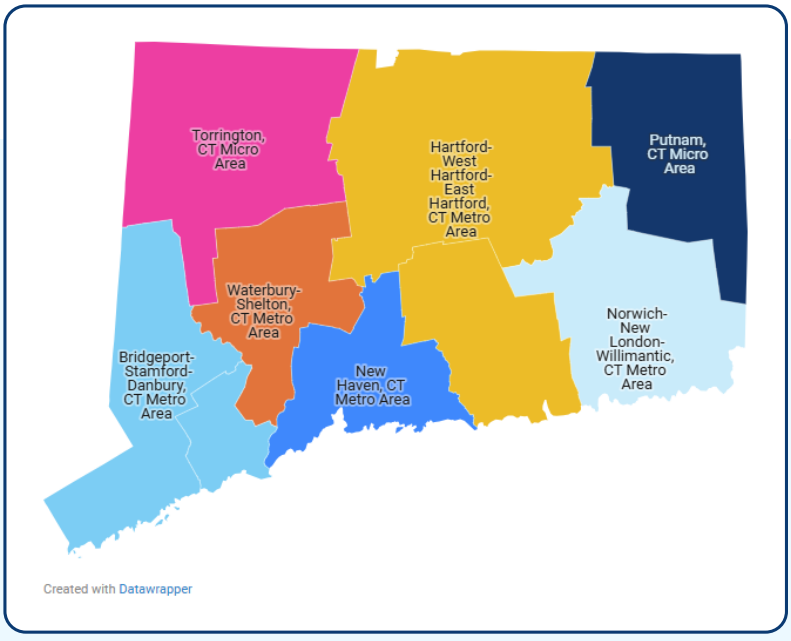
MSA Boundaries Distort Regional Assets

When beginning a site search, many decision makers start with filtering by Metropolitan Statistical Area (MSA).

MSAs are regions designated by the U.S. Census Bureau, and have large amounts of statistically validated data on thousands of metrics readily available, making them an easy and appealing way to start a search.

However, **MSAs are not the same size**, and as a result, suffer from the same comparison issues as different-sized states.

Under this approach, Connecticut is often immediately eliminated from consideration due to having many small MSAs that carve up our population and assets, making none of our MSAs appear competitive.



Commuting Patterns vs. Comparable Markets

An MSA consists of a central urbanized core with at least 50,000 people plus surrounding counties with high economic and social integration to that core.[1] The Census Bureau examines metrics like commuting patterns, employment ties, and population density instead of political boundaries such as town or state lines.

Connecticut is different from many other states, because it is densely populated and its economic ties and commuting flows spread into neighboring large metros (New York, Boston). As a result, the state has separate, small MSAs because no single core dominates.[2]

SOURCE: [1]U.S. CENSUS BUREAU, 2025. [2]MARKETMAPS, 2025.

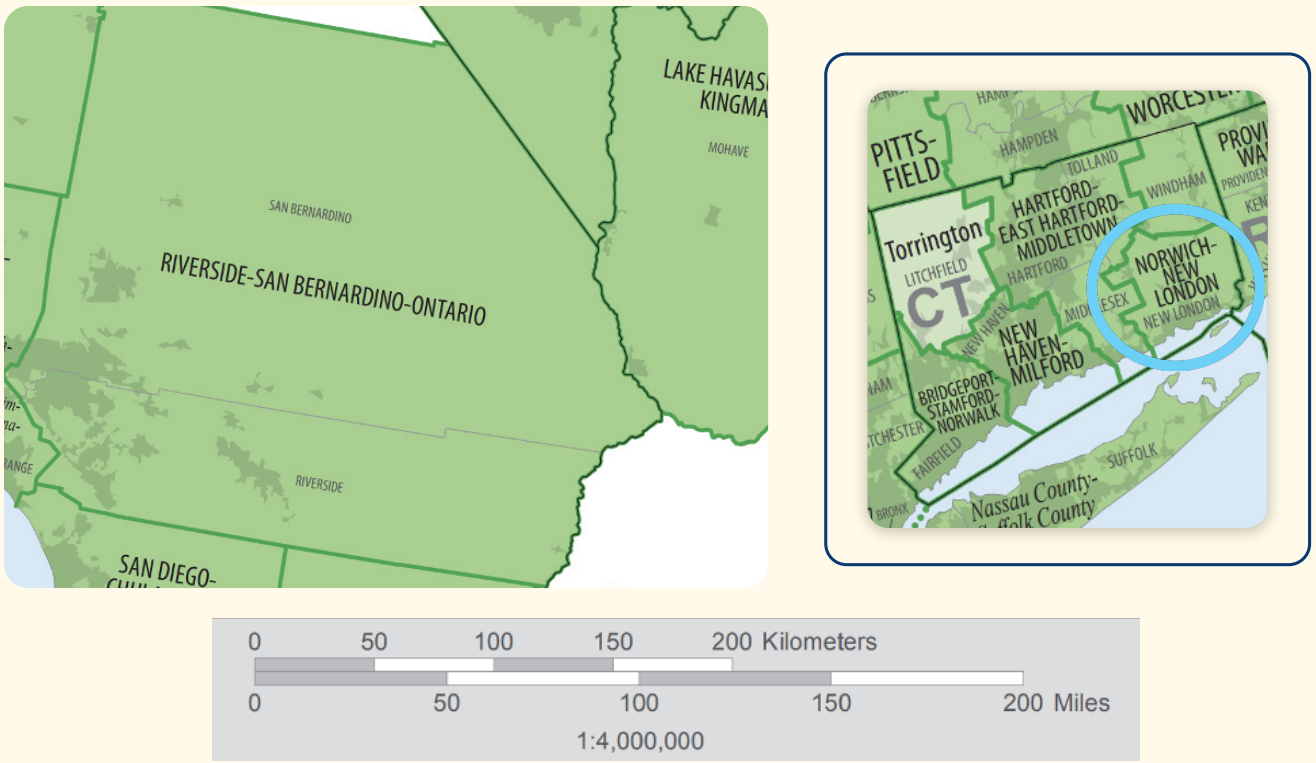
MSA-Based Screening Can Lead to False Conclusions

Riverside–San Bernardino–Ontario MSA

27,277 square miles[1]
4.74 million population[2]

Norwich–New London MSA

598 square miles[1]
0.28 million population[2]



The Riverside-San Bernardino-Ontario MSA in California is 45.6x larger than the Norwich-New London, CT MSA by area and 16.9x larger by population.

Driving roughly 220 miles across the Riverside–San Bernardino–Ontario MSA can take about 4 hours, while crossing the compact Norwich–New London–Willimantic, CT MSA is closer to 35 miles and takes only 45 minutes.

If the state of Connecticut had a single MSA, it would rank 17th by population[3] and slightly outside the top 20 by area.[4]

Starting a site selection analysis by filtering by MSA population means that Connecticut is often eliminated in the first round.

SOURCE: [1]CENSUS REPORTER, ACS 2023. [2]U.S. CENSUS BUREAU, 2024. [3]STATISTA, 2023. [4]STATISTA, 2010 (MOST RECENT AS OF DEC. 2025).

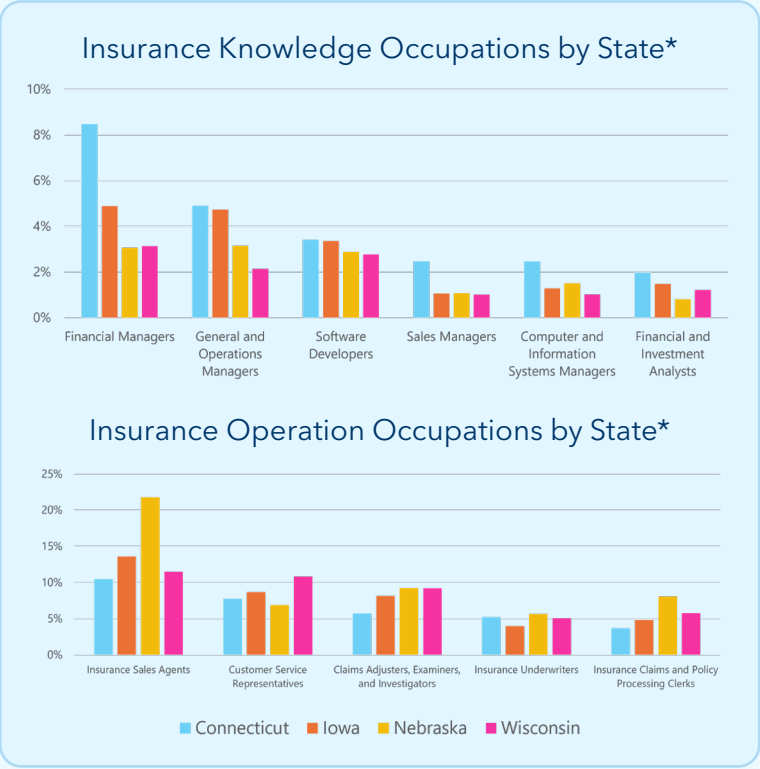
Comparing Workforce on Equal Terms

Headline metrics often mask important differences across labor markets and industries. Like size, comparing metrics with different underlying composition can skew results and lead to incorrect findings. Industry composition is different in each state.

Take, for example, the four states with the highest concentration of insurance jobs. At first glance, Connecticut appears to be much more expensive. However, **this metric does not directly measure cost of operating in each state**. Instead, it is an amalgamation of the earnings for each type of worker and the occupational mix present in each state. Connecticut has a high concentration of knowledge jobs, while the other states have more operations jobs.

	Connecticut	Iowa	Nebraska	Wisconsin
Avg Earnings per Job	$190,928	$126,945	$111,312	$120,101

SOURCE: LIGHTCAST, 2024 – Q1 2026 RELEASE.



Occupation Mix Within Industries Can Distort Apparent Labor Costs

Looking solely at industry earnings or average wages distorts perceptions of labor costs. In this example of insurance occupations, Connecticut appears costlier in part because it has more high-skilled, high-paying jobs (e.g. financial managers, software developers), while other states have a higher concentration of lower-paying jobs (e.g. sales agents, processing clerks). Occupational mix can vary by region, even within a single industry.

SOURCE: LIGHTCAST, 2024–Q1 2026 RELEASE. *PERCENTAGE REPRESENTS THE PERCENTAGE OF THE TOTAL INSURANCE INDUSTRY WORKFORCE.

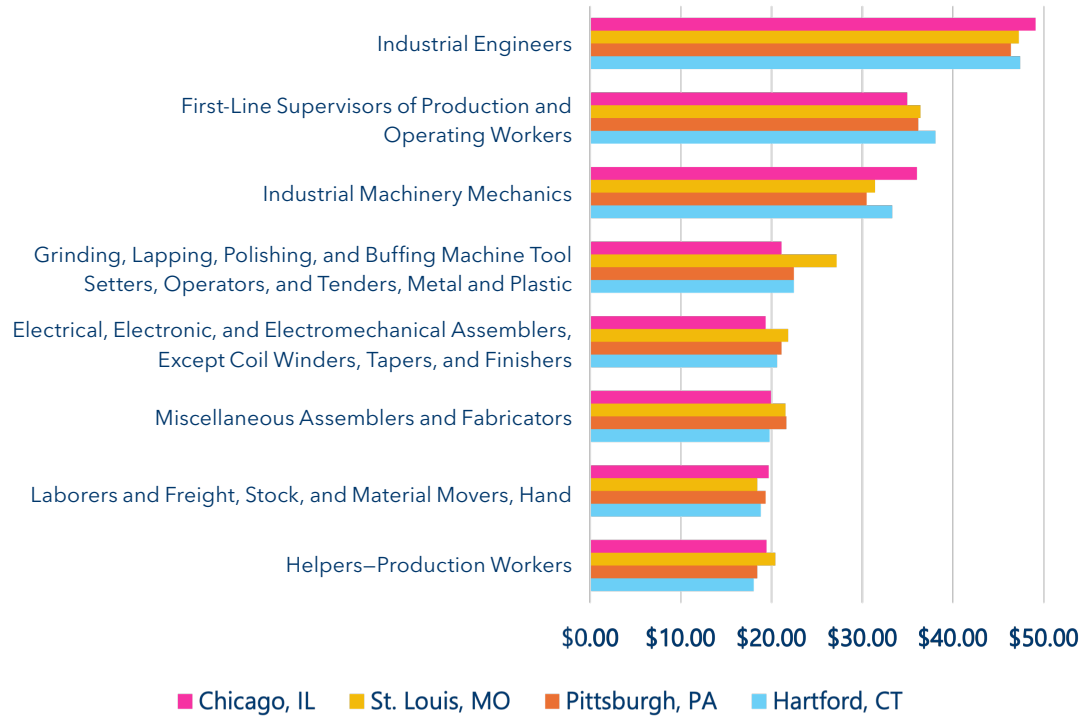
Occupation-Level Comparisons Provide More Accurate Cost Benchmarks

At first glance, Connecticut appears to be high-cost for manufacturing jobs.

However, Connecticut has the **5th highest concentration of engineers in the U.S.**, and over half of them work in manufacturing. This drives up average wages in CT's manufacturing sector.

State	Avg. Earnings per Job
Connecticut	$123,576
Illinois	$107,567
Pennsylvania	$96,355
Missouri	$92,085

Median Hourly Earnings Within 1-Hour Drive

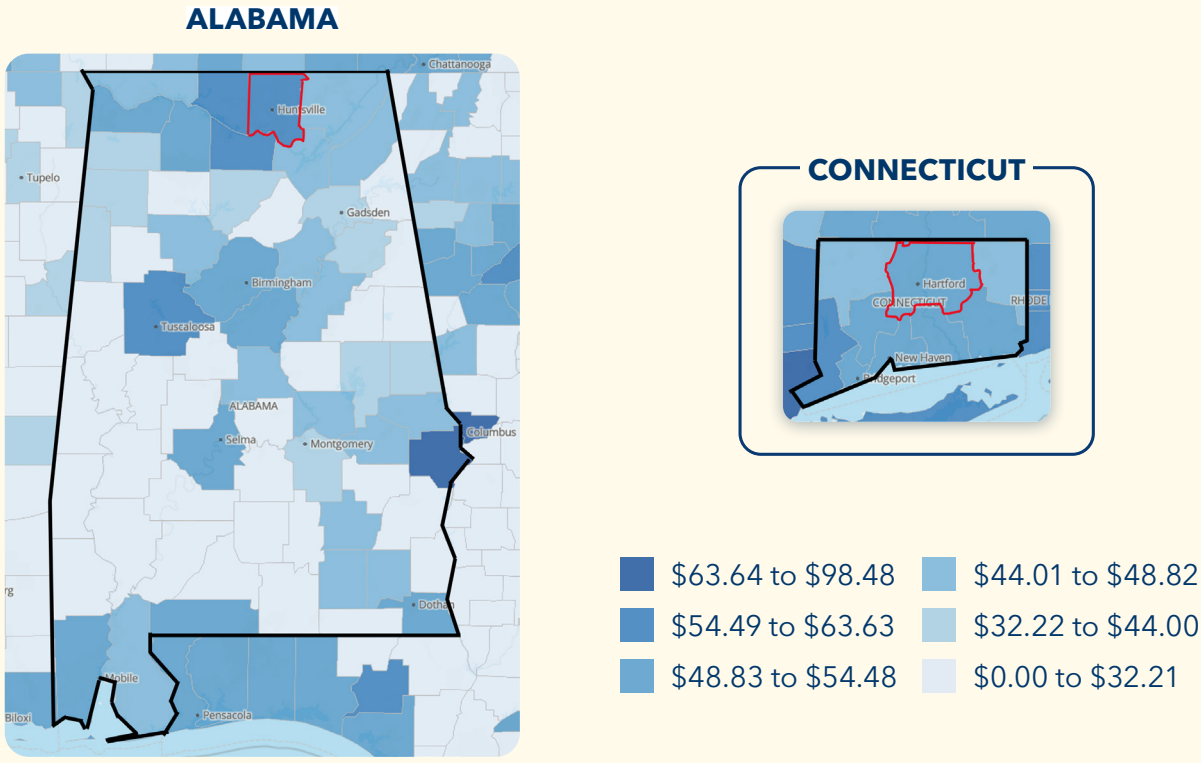


When compared by occupation, CT's wages are competitive with other manufacturing hubs.

SOURCE: LIGHTCAST, 2024–Q1 2026 RELEASE.

Statewide Wage Averages Obscure Regional Labor Market Conditions

Average Hourly Earnings for Mechanical Engineers, by County



	Capitol Planning Region, CT	Madison, AL
Avg Hourly Earning	$53.50	$55.08
Employment Concentration	1.84	4.44
# of Jobs	1,765	1,871
# of Resident Workers	1,600	1,353

Average hourly earnings for mechanical engineers are $54.07 in Connecticut, and $51.00 in Alabama.*

Roughly one-third of mechanical engineers in these states are employed in the two highlighted counties.

Despite lower concentration, Connecticut has a comparable workforce, with lower county-level wages and strong regional talent availability.

*Statewide averages are not representative of actual company experience in states with diverse sub-regions.

SOURCE: LIGHTCAST, 2024–Q1 2026 RELEASE; ADVANCECT CALCULATIONS.

State Cost of Living Averages Can Be Driven by a Single Urban Market

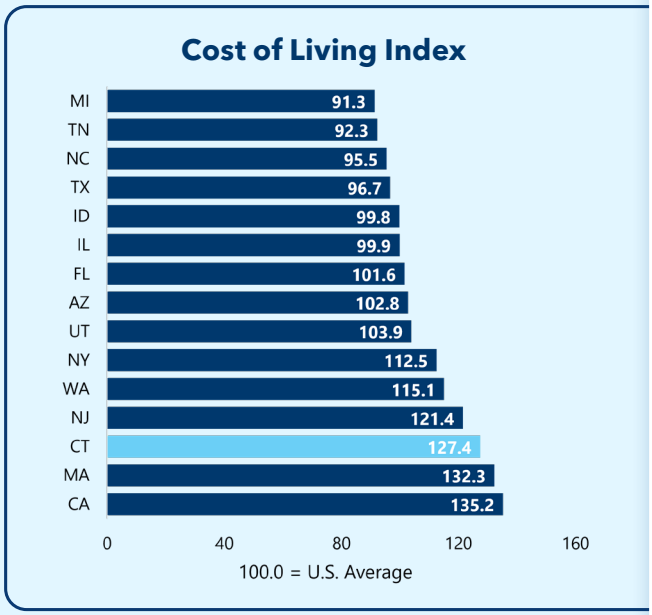
State and Urban Area Cost of Living Comparisons

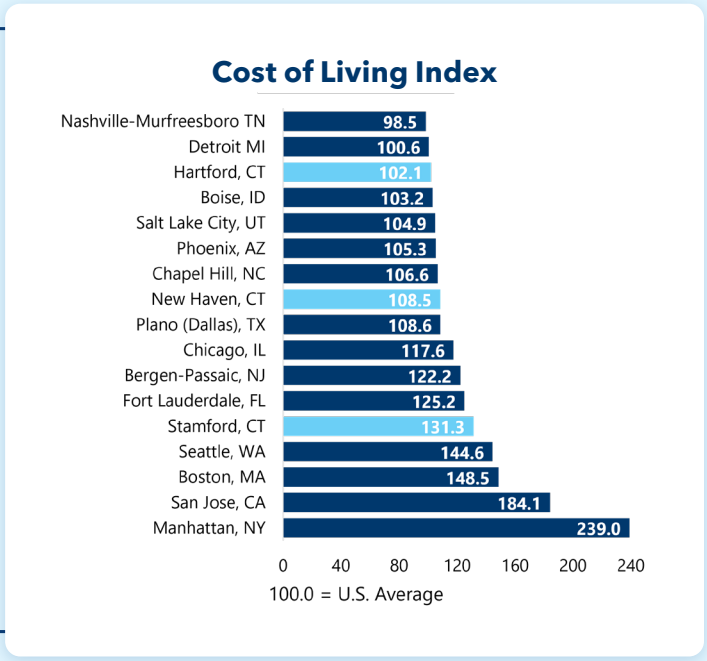
State	State COLI	High-Cost Urban Area	Lower Cost Urban Area
Washington	115.1	Seattle (144.5)	Kennewick-Richland-Pasco (96.0)
New Jersey	121.4	Bergen-Passaic (122.2)	Morristown (107.3) Newark-Elizabeth (113.9)
Connecticut	127.4	Stamford (131.3)	Hartford (102.1) New Haven (108.5)

State Cost of Living Index (COLI) averages can mask major urban-level variation.

Although Connecticut appears high-cost at the state level, several major U.S. urban areas exceed the cost of any Connecticut area, emphasizing the importance of evaluative residential affordability at the local level.

SOURCE: THE COUNCIL FOR COMMUNITY AND ECONOMIC RESEARCH, 2026.





A company looking at the state cost of living index would see Connecticut is 27.4% above the U.S. average. However, if the business is considering the Hartford area in Connecticut, in actuality, cost of living is only 2.1% above the U.S. average.

SOURCE: C2ER COST OF LIVING, 2025; ADVANCECT CALCULATIONS.

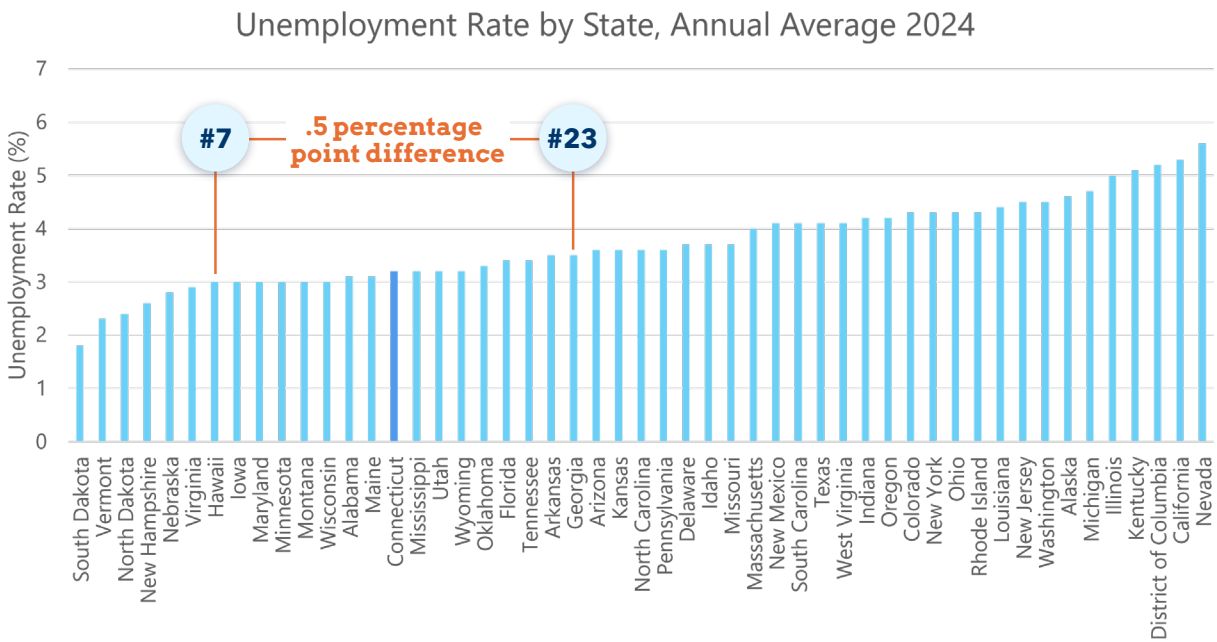
Measuring Meaningful Difference

Not all ranking differences reflect meaningful operating advantages between states or regions. When the underlying metric has little variation across locations, a ranking creates the appearance of meaningful separation where little exists. Before a ranking drives a location decision, ask whether the difference is large enough to matter.

Rankings Magnify Marginal Performance Differences

Rankings can artificially amplify marginal differences into seemingly meaningful gaps. Twelve out of 50 states have unemployment rates between 3% and 3.2%. This means **a shift of 0.2%**, which would likely be unnoticeable to residents and businesses, could move a state up or down more than **10 slots in rank**.

The difference between the #7 ranked state and the #23 ranked state is half a percentage point. A difference this small could be within an estimate's margin of error, yet it could lead a company to eliminate a state entirely from consideration.



SOURCE: BUREAU OF LABOR STATISTICS, 2025.

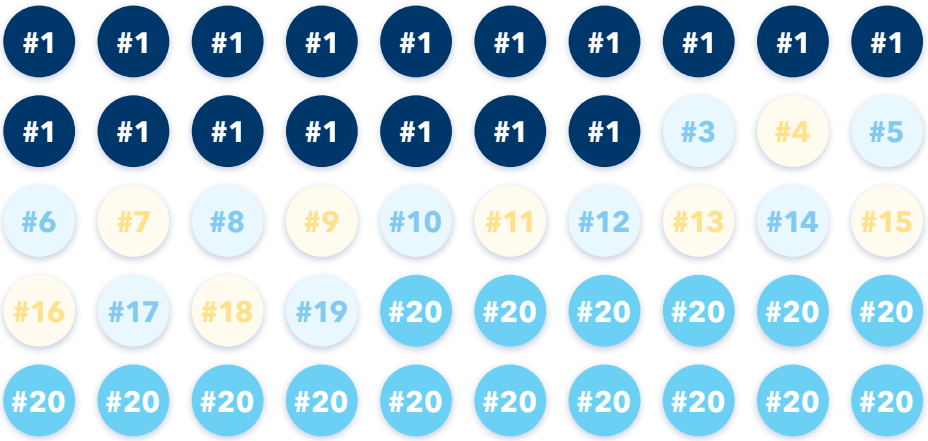
Ranking Ties Reduce Comparative Insight

Government Credit Rating, 2025[1]

U.S. News and World Report

17 states are tied for **#1**

16 states are tied for **#20**



33 states **(66% of all states)** are concentrated in just **two rank positions**.

Consider Government Credit Rating in a 2025 state ranking: **17 states share the top position** and **16 share 20th place**. When a third of all states occupy the same rank, the metric offers no basis for differentiation.

Large clusters limit decision-relevant insights. When dozens of states share the same score and rank, the ranking provides little useful differentiation for location decisions.

SOURCE: [1]U.S. NEWS AND WORLD REPORT, 2025.

Rankings May Not Reflect What Matters to Your Business

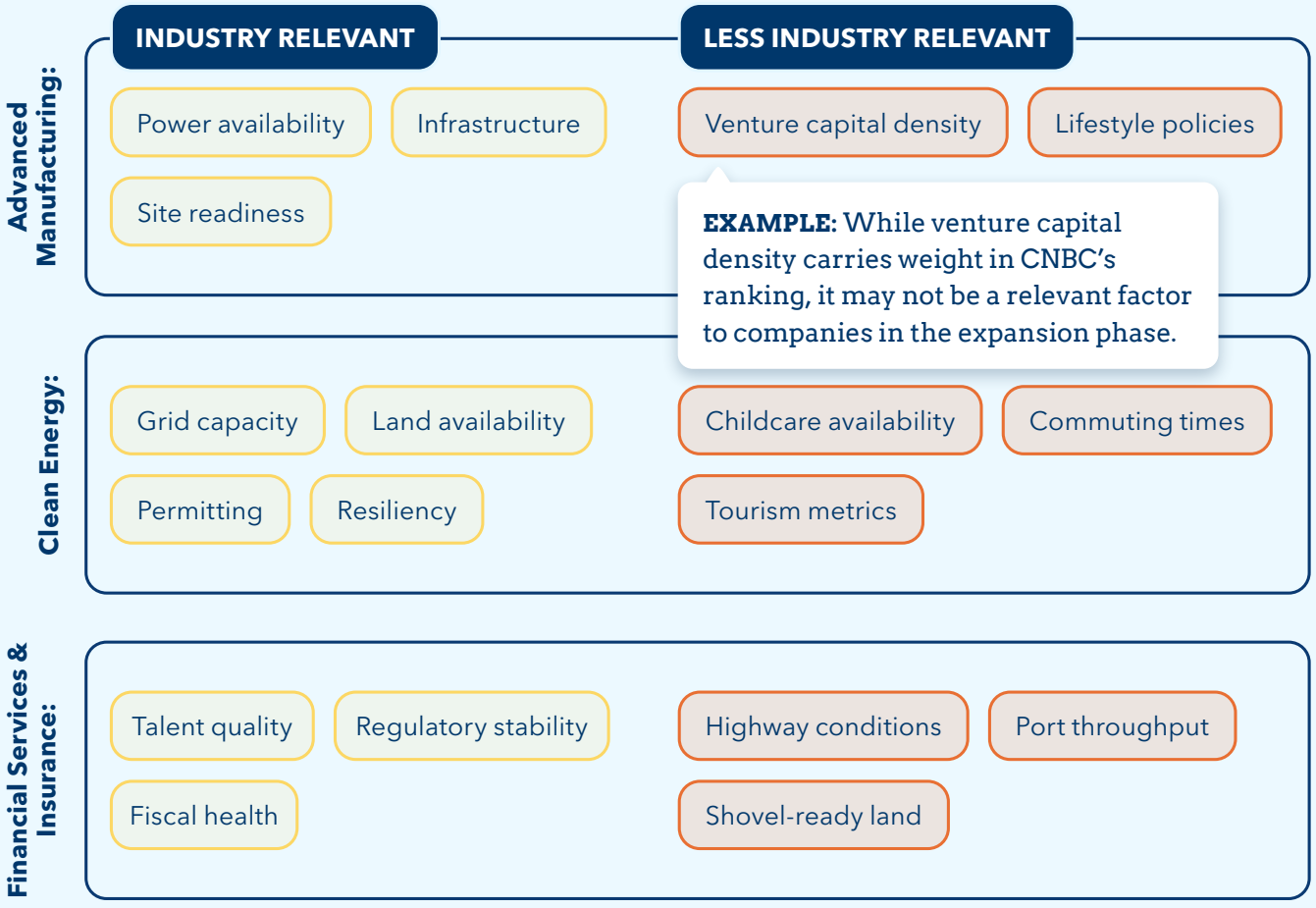
The most useful site selection metrics are those directly tied to a company's industry, operating model, and long-term priorities.

Broad ranking frameworks do not reflect industry-specific needs. For example, CNBC's Top States for Business uses a broad, weighted framework.

- Its 10 categories and 135 metrics are **weighted by what states market most heavily**, rather than what businesses actually need
- Reflects overall business environment, **not sector-specific needs**

CNBC's Top States for Business Weighted Framework

All items shown are components of CNBC's weighted score.



What Rankings Measure May Differ from What Readers Infer

2025 Best States Rankings

Connecticut has **one of the most educated populations** and some of the most **highly regarded higher education institutions** in the U.S, but U.S. News ranked Connecticut 48th in Higher Education. Readers likely do not understand what the ranking is, and is not, actually measuring.

What It Measures

U.S. News ranking **measures**:

- Student loan **debt**
- In-state tuition **costs**
- Community college **graduation rates**, which do not count students who transfer to a 4-year institution as graduates

These indicators emphasize affordability measures and provide a **partial view of higher education performance**.

What It Misses

U.S. News ranking **does not measure**:

Quality of Higher Education

- Connecticut is home to **two R1 universities**, **one R2 institution**, and multiple institutions with high research activity.[2]

Employer Partnership

- Universities collaborate with industries through research centers, innovation hubs, and employer-sponsored programs.

Workforce & Talent Production

- Connecticut ranks among the top states for graduate degree attainment and produces strong talent in key industries. Across degree completions, finance roles have a median hourly wage of $60.18 in Connecticut versus $46.23 nationally.[3]

SOURCE: [1]U.S. CENSUS BUREAU, ACS 1Y, 2024; [2]CARNEGIE CLASSIFICATION OF INSTITUTIONS OF HIGHER EDUCATION, 2026; [3]LIGHTCAST, 2024–Q1 2026 RELEASE; ADVANCECT CALCULATIONS.

Methodology Changes Can Shift Rankings Without Performance Change

When considering rankings, especially year-over-year changes, examining methodology is a critical component.

Some rankings organizations adjust methods frequently to reflect current trends or to remain "newsworthy." As a result, changes in rankings may reflect shifts in methodology rather than meaningful changes in a state's operating environment.

This distinction is particularly important in site selection, where long-term fundamentals such as workforce quality, infrastructure, market access, and operating stability often matter more than annual movement in rankings. It is also important to evaluate whether methodology changes are relevant to a company's operational priorities.

CNBC Best States for Business Methodology Shifts 2024-2025

Category	2024	2025	2024-2025 Change (pp)
Economy	14%	18%	**+4**
Infrastructure	17%	16%	**-1**
Education	5%	4%	**-1**

CNBC assigns 2,500 points across 10 weighted categories, but category values can shift year to year. As a result, rankings may rise or fall when CNBC changes category weights, even if underlying state performance remains largely unchanged.

The Impact of CNBC Methodology Changes on State Rankings

CNBC Best States for Business 2024-2025	2024 Rank	2025 Rank	Overall Ranking Shift 2024-25
Massachusetts Economy	40	15	#38 → #20
New Jersey Economy	17	31	#25 → #30
Connecticut Economy	39	38	#32 → #28
Connecticut Tech & Innovation	25	19	

CNBC's 2025 methodology revisions, particularly in economy and infrastructure, altered state rankings across the Northeast. States exposed to newly weighted variables saw significant ranking movement, even when underlying economic conditions remained relatively stable. These year-over-year changes should be interpreted in the context of methodology revisions, not as direct evidence of performance change.

SOURCE: CNBC, BEST STATES FOR BUSINESS, 2024 – 2025.

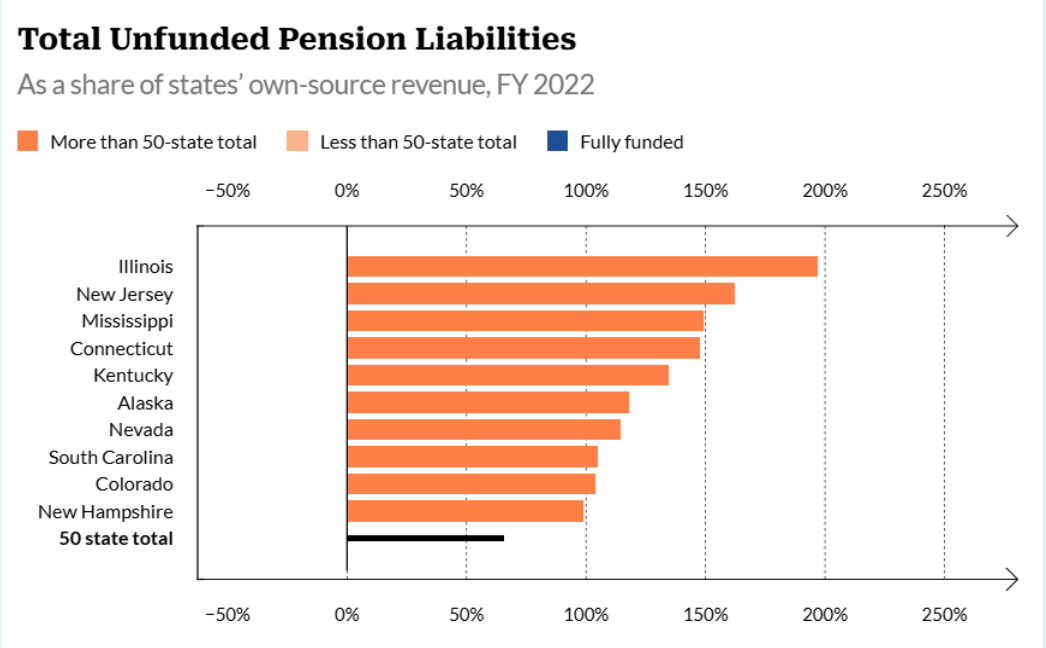
Recent methodology additions included:

- Economy: tariff risk and federal spending dependence; foreign direct investment.
- Infrastructure: computing infrastructure and disaster resilience.
- Technology & Innovation: exposure to federal R&D; independent R&D support; semiconductor ecosystem role.

Ranking Data Often Reflects Past Conditions, Not Current Performance

The Pew Fiscal 50 indicator reflects unfunded pension liability data from FY2022, a lag that stems from the difficulty of obtaining standardized state financial data. At that point, Connecticut ranked among the states with the highest pension burdens relative to own-source revenue. Without additional context, outdated data may imply current fiscal conditions remain unchanged.[1]

However, major fiscal rankings often rely on data that lags current conditions by several years. Since FY2022, Connecticut has strengthened its fiscal position through supplemental pension payments, growth in rainy day reserves, and long-term budget stabilization policies that may not yet be reflected in many national rankings and reports.[2]



In 2025, analysts cited by the Hartford Business Journal reported that Connecticut was paying down pension debt faster than any other state, reflecting improvements beyond the FY2022 reporting period used in many rankings.[3] As a result, businesses may interpret fiscal rankings as current assessments even when the underlying data reflects past conditions.

SOURCE: [1]PEW FISCAL 50 FY2023 – MOST RECENT AS OF NOV 2025. [2]ANNUAL COMPREHENSIVE FINANCIAL REPORT FY2024. [3]HARTFORD BUSINESS JOURNAL, 2025.

APPLICATION

Using the Right Data for Better Decisions

Effective site selection analysis requires evaluating data within the context of a company's actual operating needs and long-term priorities.

A Practical Checklist for Site Selection

Broad measures may be valuable for high-level scanning, but they should never be used for a final site decision.

What to look for:

A customized, operation-specific analysis

- ✓ Labor shed analysis and realistic commute times
- ✓ Wages for specific occupations and transferable skills
- ✓ Workforce productivity & quality
- ✓ Infrastructure, logistics, supply chain proximity
- ✓ Research, university, and industry partnerships
- ✓ Tax and regulatory environment for your sector
- ✓ Environmental, workforce, and other risk factors
- ✓ Cultural and organizational fit

Labor Shed Analysis & Realistic Commute Times

Accessible Technology Talent Within 60-Minute Commute of Stamford, CT

Occupation	Jobs within 60 minutes
Software Developers	67,540
Computer Systems Analysts	12,676
Network and Computer Systems Administrators	10,339
Web and Digital Interface Designers	9,342
Software Quality Assurance Analysts & Testers	6,811
Computer Occupations, All Other	6,105
Computer Network Architects	5,683

Connecticut's regional connectivity provides employers with access to deep talent pools within realistic commute times. The Stamford labor shed provides access to a deep regional technology workforce.

Wages for Specific Occupations and Transferable Skills

Connecticut offers specialized engineering talent at competitive wage levels across advanced manufacturing occupations.

Median Hourly Engineering Wages Across Advanced Manufacturing Hubs

	Chemical Engineers	Mechanical Engineers	Materials Engineers	Industrial Engineers	Electrical Engineers
Wichita, KS	$54	$44	$47	$47	$44
Greensboro, NC	$51	$49	$47	$44	$47
Hartford, CT	**$47**	**$50**	**$50**	**$48**	**$49**
Cincinnatti, OH	$56	$49	$49	$50	$50
Ogden, UT	$46	$47	$45	$48	$51
Nashville, TN	$60	$49	$52	$50	$53
Chattanooga, TN	$50	$50	$56	$47	$57
Melbourne, FL	$51	$49	$57	$48	$60
Huntsville, AL	$49	$50	$57	$51	$62
San Diego, CA	$72	$62	$60	$55	$62
Seattle, WA	$65	$57	$68	$61	$66

SOURCE: LIGHTCAST, 2024–Q1 2026 RELEASE.

Workforce Productivity & Quality

Connecticut's concentration of specialized talent and high-productivity industries provides companies with a workforce capable of supporting advanced operations and long-term growth.

Finance Traded Cluster
- #3 highest productivity
- 40.7% higher than U.S. avg

Aerospace and Defense Manufacturing
- #8 highest productivity
- 10.7% higher than U.S. avg

Life Sciences R&D
- #6 highest productivity
- 10.6% higher than U.S. avg

Insurance Carrier and Related Activities
- #2 highest productivity
- 37.3% higher than U.S. avg

Advanced Manufacturing Traded Cluster
- #6 highest productivity
- 10.3% higher than U.S. avg

SOURCE: LIGHTCAST, 2024–Q1 2026 RELEASE.

Infrastructure, Logistics, and Supply Proximity

By Water

3 deep water ports: Bridgeport, New London, and New Haven, the 3rd largest port in New England.[1]

By Road

I-95 and I-91 connect Canada to Florida, and I-84 connects CT to Massachusetts and New York.

By Rail

Freight is handled by multiple carriers serving interstate and intrastate transportation.

By Air

Bradley International Airport has 3.3+ million sq ft dedicated to cargo operations and 310 million pounds of cargo annually.[2]

Connecticut combines market proximity with multi-modal logistics infrastructure to support efficient business operations.

SOURCE: [1]U.S. DEPARTMENT OF COMMERCE, 2024; ADVANCECT CALCULATIONS. IMPORTS PLUS EXPORTS BY WEIGHT.
[2]CONNECTICUT AIRPORT AUTHORITY, 2025.

University Partnerships with Local Companies

These university-industry partnerships **strengthen Connecticut's talent pipeline**, **accelerate innovation**, and provide companies with **access to skilled workers**, **research collaboration**, and workforce development resources **critical to long-term site selection decisions**.

Pratt & Whitney Institute for Advanced Systems Engineering (PW-IASE)[1]

Created a hub for world-class research and project-based learning. Program offerings include a 1-year certificate program for engineering degree holders focused on urgently needed areas of analytical systems engineering.

Synchrony Center of Excellence in Cybersecurity & Digital Technology Center[2]

Partnership between Synchrony and the University of Connecticut to advance cybersecurity, digital innovation, and workforce development. Created a hub for cutting-edge research, experiential learning, and talent pipeline development in high-demand technology fields.

Hanwha Aerospace USA Invests in CCSU Engineering Innovation[3]

Hanwha Aerospace USA pledged $200,000 to Central Connecticut State University to support the university's Mechanical Engineering Senior Project Design Lab in the Applied Innovation Hub. The partnership strengthens Connecticut's aerospace talent pipeline by expanding hands-on learning opportunities and deepening collaboration between industry and higher education.

SOURCE: [1,2]UCONN, ACCESSED MAY 2026. [3]CCSU, DEC 2023–ACCESSED MAY 2026.

Tax & Regulatory Environment for Your Sector

ADVANCED MANUFACTURING: Strategic Supply Chain Incentive[1]

- Provides targeted grants to help critical suppliers expand production capacity, reshore operations, and invest in machinery, robotics, infrastructure, and process innovation in-state.
- The program strengthens Connecticut's aerospace and advanced manufacturing ecosystem by helping suppliers locate closer to major customers like Pratt & Whitney, Sikorsky, and Electric Boat while creating new jobs and capital investment.

LIFE SCIENCES: R&D Tax Credit Increase[2]

- Connecticut's R&D tax credit structure allows qualifying companies to claim credits for both incremental and non-incremental R&D spending, reducing the cost of innovation for research-intensive firms.
- The increase in the R&D credit exchange rate in 2025 from 65% to 90% for eligible, pre-profit companies provides early-stage biotech and life sciences firms with more usable capital when they may not yet have tax liability.

FINANCE: Innovation Bank Charter[3]

- Connecticut's innovation bank charter creates a specialized pathway for financial services firms that provide wholesale banking and merchant banking without accepting retail deposits.
- Because these institutions do not take retail deposits, they avoid certain traditional bank requirements, including FDIC deposit insurance and community reinvestment obligations, lowering barriers for specialized fintech and global financial services companies.

INSURANCE: Captive Insurance[4]

- Connecticut has repeatedly updated its captive insurance laws to allow more flexible structures, including cell conversions, protected cell transfers, parametric risk contracts, branch captives, and waivers for well-governed pure captives.
- These policy updates are why Connecticut has been named the most attractive domicile three times[5] for companies that want to self-insure, manage specialized risks, or build customized captive insurance structures with responsive state regulators.

SOURCE: [1]CT.GOV, 2026. [2]CBIZ, 2025. [3]STATE OF CONNECTICUT DEPARTMENT OF BANKING, 2024. [4]STATE OF CONNECTICUT, INSURANCE DEPARTMENT, 2025. [5]CAPTIVE REVIEW, 2022, 2023, AND 2025.

Environmental, Workforce, and Other Risk Factors

Connecticut offers operational resilience and long-term stability, providing low risk for business.

#1 **lowest damage** per capita due to **natural disasters** since 2000[1]

#1 state in the U.S. for **personal and residential safety**[2]

#1 **least at-risk** state for **business bankruptcies**[3]

#3 **lowest power interruption** (electrical interruptions) frequency nationwide in 2024[4]

#4 best state for **broadband**[5]

#4 **healthiest** state[6]

SOURCE: [1]RAINBOW RESTORATION, "U.S. STATES WITH THE COSTLIEST SEVERE WEATHER EVENTS" (2023) (MOST RECENT DATA AS OF FEB. 2026); U.S. CENSUS BUREAU, POPULATION DIVISION, STATE POPULATION ESTIMATES (DEC. 2023); ADVANCECT CALCULATIONS. [2]WALLETHUB, 2025. [3]DESIGNRUSH, 2025. [4]EIA, 2024. [5]BROADBAND NOW, 2025. [6]UNITED HEALTH FOUNDATION, 2025.

Culture and Organizational Fit

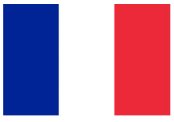
Connecticut supports long-term international investment through a combination of workforce depth, operational resilience, and organizational compatibility.

Recent Foreign Direct Investment in Connecticut

Revolut filed for a U.S. national bank charter with the OCC and FDIC, naming Stamford as the home for Revolut Bank US, N.A (March 2026).[1]

Belimo signed a multi-year lease for a new 170,000-square-foot warehousing facility in Stratford (January 2026). [2]

GKN Aerospace announced a significant expansion of its Newington facility, adding advanced manufacturing capacity for additively fabricated engine components (September 2025). [3]



ReST Therapeutics opened its U.S. headquarters in New Haven (September 2023). [4]

SOURCE: [1]HARTFORD BUSINESS JOURNAL (MAR 2026). [2]BELIMO, PRESS RELEASE (JAN 2026). [3]GKN AEROSPACE, PRESS RELEASE (SEP 2025). [4]CTINSIDER (DEC 2023).

896 international companies have operations in Connecticut

#10 in the U.S. for highest percentage of jobs supported by international investment

SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS, 2023-RELEASED 2025. ACTIVITIES OF U.S. AFFILIATES OF FOREIGN MULTINATIONAL ENTERPRISE.

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