



**Statement of the Connecticut Green Bank
Concerning Senate Bill 439**

AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD
AND REQUIREMENTS FOR PRIVATIZATION CONTRACTS.

March 18, 2016

Thank you for the opportunity to offer testimony on SB 439. While we respect that the bill's framers for their good intent, the Connecticut Green Bank ("Green Bank") **opposes** this bill.

As the nation's first green bank, the Connecticut Green Bank ("Green Bank") leverages the limited public resources it receives to attract multiples of private investment to scale up clean energy deployment. Connecticut's residents, businesses and institutions now have easier access to affordable capital to finance clean energy projects. We play an essential role in reducing the costs of clean energy investment, increasing private capital investment, and lowering costs to consumers. The Green Bank looks forward to supporting the legislature's and Governor's vision of cleaner, cheaper and more reliable energy sources for Connecticut – while creating jobs and supporting local economic development.

Section 2 of the SB 439 brings all quasi-public agencies not specifically excluded under Chapter 62 of the Connecticut General Statutes under the definition of "state contracting agency." This is a highly problematic concept when considering the very nature of quasi-public agencies. Such agencies are created by the legislature to serve specific public goals, and to meet these goals they are empowered to engage the private sector in ways that much of the Executive Branch cannot. The Green Bank values its ability and track record of moving at the speed of business, and this nimbleness absolutely helps us with our mission to attract private investment toward public purposes.

Subjecting quasi-public agencies – that by design are public-private partnerships – to the oversight of the State Contracting Standards Board makes little sense. The Green Bank is a contractual counterparty to many diverse business types. Very few if any of the firms we engage with could have their services reasonably substituted through the hiring of additional in-house staff; the roles of our staff are often quite different from the nature of contracted services. For each of these services that qualify under this statute we would need to develop a business case that includes cost-benefit analyses, and submit to the Board for approval with a turnaround time of no more than 60 days – with no later than 30 days for expedited cases, after review by the Privatization Contract Committee.

In summary, we are unclear what public purpose these additional bureaucratic steps would advance for quasi-public entities that are meant to use private means to achieve public good, particularly in the public-private partnership context.