



Testimony of

**Sal Luciano, President
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Government Administration and Elections Committee
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SB 878 An Act Enhancing Public-Private Partnerships

Good afternoon Senator Flexer, Representative Fox and members of Government Administration and Elections Committee. My name is Sal Luciano and I am proud to serve as the President of the Connecticut AFL-CIO, a federation of hundreds of local unions representing more than 220,000 members in the private sector, public sector, and building trades. Our members live and work in every city and town in our state, and reflect the diversity that makes Connecticut great. Thank you for the opportunity to testify today against SB 878 An Act Enhancing Public Private Partnerships.

SB 878 is an alarming attempt to return us to the shadowy Rowland years in which the Governor engaged in pay-to-play contracting and procurement, awarding lucrative state contracts to those who compensated him with expensive gifts, trips and home improvements. Rowland repeatedly and systematically used his office for personal gain and was ultimately convicted of corruption charges and sent to prison.

Following the Rowland scandal, the General Assembly took careful and deliberate steps to enact policies that injected transparency and oversight into state contracting and procurement protocols. A significant product of those efforts was to establish the State Contracting Standards Board, an independent Executive Branch agency charged with ensuring the effectiveness and integrity of the state contracting and procurement processes.

In 2011, the General Assembly took the same cautious approach when authorizing public-private partnerships. They were intent on establishing limits and restrictions to ensure taxpayer dollars were spent appropriately and transparently. No one wanted to create a system that would invite corruption.

SB 878 abolishes many of those carefully crafted protections. Among the safeguards removed in SB 878 are:

1. The limit on the number of public-private partnerships that can be authorized. Current statute limits it to five projects between October 1, 2011 and January 1, 2020.
2. The limit on the duration of a public-private partnership project. Current statute limits the term of agreement to 50 years.
3. The limit on the kinds of projects that can be considered for a public-private partnership. Current statute limits public-private partnerships to early childcare, health or housing facilities and transportation projects.
4. Legislative authorization for kinds of projects that can be considered for public-private partnerships beyond those already permitted in statute. The bill gives that authority to the Executive Branch.

5. Oversight of the State Contracting Standards Board to verify that the proposed public-private partnership cannot be completed in-house and is indeed cost-effective.

Allowing agencies to bypass the State Contracting Standards Board is reckless and shortsighted. Without the Board performing its due diligence and fulfilling its capacity as a government watchdog, the final word on public-private partnerships is left to the Governor and his politically-appointed agency heads. It's a recipe for disaster that threatens the public trust.

If public-private partnerships are such wonderful things for the state to embrace, they should easily be able to withstand all levels of scrutiny currently provided in statute. If we are stripping the post-Rowland protections to force through a circumspect prospect, that alone should tell us all we need to know.

I urge the Committee to preserve the thoughtful, diligent work it did to protect taxpayer dollars since the Rowland scandal. Knowing our recent past, we must be vigilant to maintain systems that keep us from repeating it. I implore you to reject SB 878.

Thank you for the opportunity to testify today.