

Legislative History for Connecticut Act

SA 14-13

HB5359

House	5388-5412	25
Senate	3163-3164	2
Gov. Admin. & <u>Elections</u>	501, 505, 509-510, 601- <u>603, 760-776</u>	24
		51

H – 1196

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2014**

**VOL.57
PART 16
5188– 5566**

jt/gbr
HOUSE OF REPRESENTATIVES

40
May 5, 2014

administration elections, Substitute House Bill 5359,
AN ACT ESTABLISHING THE PUBLIC PRIVATE PARTNERSHIP
COMMISSION.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Thank you, Madam Speaker. I move acceptance of
the Joint Committee's Favorable Report and passage of
the bill.

DEPUTY SPEAKER MILLER:

The question is acceptance of the Joint
Committee's Favorable Report and passage of the bill.

Representative Fritz, you have the floor, Madam.

REP. FRITZ (90th):

Thank you, Madam.

Will the Clerk please call LCL Number 5040, and I
be allowed to summarize.

DEPUTY SPEAKER MILLER:

Will the Clerk please call LCL 5040, which will
be designated House Amendment Schedule "A."

THE CLERK:

House Amendment Schedule "A," LCL 5040,
introduced by Representative Jutila, et cetera, et
cetera, ad infinitum.

jt/gbr
HOUSE OF REPRESENTATIVES

41
May 5, 2014

DEPUTY SPEAKER MILLER:

The Representative seeks leave of the Chamber to summarize the amendment. Is there objection to summarization? Is there objection?

Hearing none, Representative Fritz, you may proceed with summarization, Madam.

REP. FRITZ (90th):

Thank you, Madam Speaker. This is a very simple amendment, and it deals with conveyance of property from the Commissioner of Agriculture to the Catherine Violet --

DEPUTY SPEAKER MILLER:

It's difficult for the Speaker to hear the proponent of the bill. I'm sorry, madam. Would you repeat that, please?

REP. FRITZ (90th):

Yes, Madam Speaker. This is a very simple strike it all amendment, and it also deals with a conveyance of land by the Commissioner of Agriculture to the Catherine Violet Hubbard Foundation, Incorporated. It's a parcel of land of 34 plus acres to the town of Newtown, and this special parcel is being named after one of those glorious angels that were killed in Sandy Hook. And what it will be used for is an annual

jt/gbr
HOUSE OF REPRESENTATIVES

42
May 5, 2014

sanctuary, or a wildlife preserve, or any other nature preservation purpose because Catherine Violet Hubbard was very dedicated to animals and to nature.

I move adoption of the amendment.

DEPUTY SPEAKER MILLER:

The question before the Chamber is adoption of House Amendment Schedule "A." Will you remark on the amendment? Will you remark on the amendment?

Representative Bolinsky of the 106th.

REP. BOLINSKY (106th):

Thank you, Madam Speaker. It's wonderful to see you there today. You're looking very springy.

DEPUTY SPEAKER MILLER:

Thank you, sir.

REP. BOLINSKY (106th):

I would very, very strongly urge all of my counterparts in the House of Representatives to take a look at this very, very simple amendment. It's an easy one to understand, and I am ultimately going to urge full support in the House. I'd like to see it pass unanimously.

We do have the support of Newtown's first Selectman. We also have the full support of the Governor's Office on this. A very, very simple strike-all amendment,

jt/gbr
HOUSE OF REPRESENTATIVES

43
May 5, 2014

which conveys a small piece of land, which is agricultural land in the town of Newtown to the Hubbard Foundation for the establish of a memorial animal sanctuary. This is a good strike-all amendment and a wonderful bill.

I would like to thank Representative Fritz for bringing it out. I also want to thank other people that worked hard on making sure that this is heard, including Representative Jutila, Tony Wong, Representative Godfrey, Representative Hovey, Representative Carter, Representative Giegler, Representative Arconti, Senator Musto, Senator McKinney, Senator McLachlan.

And, again, I urge passage, and would like to see it carried unanimously.

Madam Speaker, thank you very much for allowing me to speak.

DEPUTY SPEAKER MILLER:

Thank you, sir.

Representative Hovey.

REP. HOVEY (112nd):

Thank you, Madam Speaker. I rise in support of this amendment and thank the Commissioner of Agriculture for authorizing its movement forward.

jt/gbr
HOUSE OF REPRESENTATIVES

44
May 5, 2014

The Catherine Hubbard animal sanctuary will not only provide sanctuary for companion animals and their possible adoption but also will be a refuge for farm animals, and then native wildlife that may be rescued will also find a home there. So I urge everyone's support for this amendment.

Thank you, Madam.

DEPUTY SPEAKER MILLER:

Thank you, Madam.

Representative Carter.

REP. CARTER (2nd):

Thank you very much, Madam Speaker. I like to rise in support of this amendment. You know, it's a difficult thing when families lose a loved one, and when there are opportunities to do something that's very special to honor their name, I'm honored to be part of that.

I also want to make just a few comments that the Catherine Violet Hubbard Foundation is more than just the animal sanctuary. You know, currently it operates and does a lot of great things for families and animals. There are many volunteer positions available. They have foster programs for animals. They have opportunities for kids and animals to be

jt/gbr
HOUSE OF REPRESENTATIVES

45
May 5, 2014

together, and I think this is going to, you know, go on to be that kind of tradition in Newtown, to offer a space that is going to be great for the environment. It's somewhere where people can go, connect with animals, and I think it's going to be a great thing for the town.

So I'm very honored to stand in support of this amendment, and I hope that all my colleagues support it as well.

Thank you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Thank you, sir.

Representative O'Neill.

REP. O'NEILL (69th):

Yes. Thank you, Madam Speaker. If I may, just a couple of questions to the proponent of the amendment.

DEPUTY SPEAKER MILLER:

Representative Fritz, will you please prepare yourself to respond, madam.

REP. FRITZ (90th):

Yes, Madam Speaker.

REP. O'NEILL (69th):

Thank you.

DEPUTY SPEAKER MILLER:

jt/gbr
HOUSE OF REPRESENTATIVES

46
May 5, 2014

Representative O'Neill, you may frame your questions, sir.

REP. O'NEILL (69th):

Thank you, Madam Speaker.

I notice in Section 2 there are a number of acts that are, it looks like being repealed, and that they are special acts going back a number of years. And I was wondering if -- I have not had an opportunity since the amendment was called to try to look them up myself. So I was hoping that the Representative could give me an idea as to what each of those special acts that we are repealing did or do.

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Representative O'Neill, the sections that have been repealed are sections that were in prior conveyance bills.

DEPUTY SPEAKER MILLER:

Representative O'Neill.

REP. O'NEILL (69th):

jt/gbr
HOUSE OF REPRESENTATIVES

47
May 5, 2014

Thank you, Madam Speaker. Are those conveyances, prior conveyances that are related to the parcel of land that's referred to in Section 1?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Yes, Representative O'Neill. It deals with the 34 acres that is listed in Section 1.

DEPUTY SPEAKER MILLER:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Madam Speaker. And in a general sort of way, were these all sort of design to accomplish the same purpose as what is before us, a form of land preservation? Was that the intent of those earlier conveyances.

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. I don't believe that they were specifically addressed to items such as

jt/gbr
HOUSE OF REPRESENTATIVES

48
May 5, 2014

animal sanctuaries or preservation in that sense, but they were agriculture lands that were conveyed to the town of Newtown in prior conveyances.

DEPUTY SPEAKER MILLER:

Representative O'Neill.

REP. O'NEILL (69th):

So just so I can follow along and understand what we're doing, the land that we're conveying was intended to be used for agricultural purposes when it was conveyed at some earlier time to the town of Newtown; is that correct?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Thank you, Madam Speaker. Yes, sir. It came, if you recall, from Section 1. The land is conveyed through or by the Commissioner of Agriculture.

DEPUTY SPEAKER MILLER:

Representative O'Neill.

REP. FRITZ (90th):

And, again --

DEPUTY SPEAKER MILLER:

I'm sorry, madam. Representative O'Neill.

jt/gbr
HOUSE OF REPRESENTATIVES

49
May 5, 2014

REP. O'NEILL (69th):

Okay. So just -- because I'm a little confused. It struck me that it was transferred to the town of Newtown in some earlier conveyances, and now it's going to be conveyed again to the Newtown, town of Newtown through this current bill that's before us. Do these provisions -- as I know many times is the case when land is not to be utilized for its original intended purpose, it reverts to the State of Connecticut. Is that what's happening here; that it's sort of reverting and then immediately being transferred back to the town of Newtown with a new set of requirements on it. Is that what's happening?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Yes, Representative O'Neill. That is exactly what is happening, and you correctly state the fact that if the land is not used for the original intended purposes, it reverts back to the state. And then, as I said before, the Commissioner of Agriculture has determined that this is a worthy purpose, and so we're conveying it again.

jt/gbr
HOUSE OF REPRESENTATIVES

50
May 5, 2014

DEPUTY SPEAKER MILLER:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Madam Speaker. Just to follow along, but for the repealer sections that are contained in here, does this land otherwise -- has it reverted by virtue of an action that would have triggered the revisionary provisions of the earlier public special acts?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Representative O'Neill, could you repeat that, please?

REP. O'NEILL (69th):

Okay. Let me try to reframe it because I don't think I understood exactly what I was asking now that I think about it.

The usual way a reversion works in one of these conveyances, I would imagine, is that it's conveyed for a purpose -- let's say agriculture -- and instead the town utilizes it for something else -- let's say recreational activities. And then failing to comply

jt/gbr
HOUSE OF REPRESENTATIVES

51
May 5, 2014

with the requirement that it be used for agriculture, then the land is subject to a reversion back to the state of Connecticut.

And so what I'm wondering about is, is that what happened here? Was the land not being used as it was originally intended to be used by the town of Newtown?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Representative O'Neill, the land, when it is conveyed, usually has a specific purpose. It doesn't even have to be used for another purpose for it to be reverted back to the state. Often the town decides that it's not going to use it for that purpose, and it is reverted back to the state.

We have several reverters in the main conveyance bill this year. It doesn't even have to reach the point of use before it can be reverted back to the state.

DEPUTY SPEAKER MILLER:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Madam Speaker. Okay. Let me try getting at it this way. Did the town of Newtown do anything or fail to do anything that it was supposed to do? Did it fail to do something it was supposed to do? Is that what the reverter -- is that what triggered a reverter, or is it just because we are passing or will be passing, I assume, this amendment that's before us?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Anytime a town chooses to change the use of a portion or a particular parcel of land that has been conveyed to them, it reverts back to the state.

DEPUTY SPEAKER MILLER:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Madam Speaker. Okay. Has the town of Newtown indicated that they want this land to be used for the purpose as contained in Section 1?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

jt/gbr
HOUSE OF REPRESENTATIVES

53
May 5, 2014

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Yes, Representative O'Neill, as you heard, Representative Bolinsky get up and speak with regard to the wishes of the town of Newtown.

DEPUTY SPEAKER MILLER:

Representative O'Neill.

REP. O'NEILL (69th):

Okay. And I assume that those wishes were conveyed to the Department of Agriculture and to other members, other folks in charge of this land; is that true?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Absolutely.

REP. O'NEILL (69th):

Thank you, Madam Speaker. I certainly think that this is a worthwhile endeavor, and the legislation, which -- I guess we're not depriving the state of Connecticut of anything that it had or was planning to use for any other purpose. And certainly it's -- I've

jt/gbr
HOUSE OF REPRESENTATIVES

54
May 5, 2014

been the beneficiary of numerous transfers of land from the state from various facilities for agricultural land -- to be used for agricultural purposes we hope.

So I certainly would plan to vote for this, and I thank the lady for her answers.

Thank you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Thank you, sir.

Will you remark further? Will you remark further on the amendment before us?

Representative Srinivasan.

REP. SRINIVASAN (31st):

Good morning, Madam Speaker.

DEPUTY SPEAKER MILLER:

Good afternoon, sir.

REP. SRINIVASAN (31st):

Good afternoon, Madam Speaker. Good afternoon. You're absolutely right. It just turned 12 o'clock at this time. Good afternoon, Madam Speaker.

I do rise, as my colleagues I'm sure on both sides of the Chamber, in very strong support of this amendment.

jt/gbr
HOUSE OF REPRESENTATIVES

55
May 5, 2014

Just a few questions through you, Madam Speaker,
if I can, to the proponent of the amendment.

DEPUTY SPEAKER MILLER:

Representative Fritz, will you prepare yourself
to respond, madam.

REP. FRITZ (90th):

Yes, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Srinivasan, please frame your
questions.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. Line 4 says, "shall
convey." And through you, Madam Speaker, I just want
to understand the definition of "convey" here as it is
in the amendment.

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Convey is that they
shall give to the city or the town of Newtown just
like we do every single year when we dispose of
different parcels of land throughout the state to
towns and cities who request certain parcels of land.

jt/gbr
HOUSE OF REPRESENTATIVES

56
May 5, 2014

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Thank you, Madam Speaker. Through you, Madam Speaker. We talk about in Line 8 about "34.44 acres." Through you, Madam Speaker. Is that the request we got from the town? That is the amount of acreage they need for this particular project?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Yes.

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. The property that is going to be conveyed to -- for this very worthy cause, and, as I said earlier, a strong supporter of the amendment. This acreage, when they came up, how did they come up with that number? Was an analysis done, or what was the basis for the request of that exact acreage that is being requested of us and then the state is going to convey that parcel of land?

jt/gbr
HOUSE OF REPRESENTATIVES

57
May 5, 2014

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. If the good Representative would look at Section 2 where we have several reverters. Those reverters are all parcels of land that were conveyed originally by agriculture to the town of Newtown, and now they have come together into this one parcel to be used for this special foundation.

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. I do want to thank the good Representative for the answer, but I'm still not clear as to how the math of the 34 plus acres came about. Is it the boundary of all the other locations, which I saw the borders, and is that what it arrives at, at the 34 acres?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

jt/gbr
HOUSE OF REPRESENTATIVES

58
May 5, 2014

Through you, Madam Speaker. As I believe I understand it, that's exactly right.

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. I want to thank for the answer. That's how I understood, but I just wanted to be clear. So that's how the 34 plus acres comes about for this very worthy cause.

Through you, Madam Speaker. In Line 13, this parcel of land being given for this worthy cause needs to be approved. Who will be approving that?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. The state Properties Review Board. This is always standard operating procedure for any parcels of land that are conveyed. It goes through all the different agencies to make sure that there isn't another agency that would have dibs or would like to use that land for some other purpose.

DEPUTY SPEAKER MILLER:

jt/gbr
HOUSE OF REPRESENTATIVES

59
May 5, 2014

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. Has there been any occasion where we have authorized such a parcel of land to be given away for a very worthy cause, but then when the review board goes through that, there is a conflict?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Not when any land was conveyed for a worthy cause.

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. Then am I to understand from that, that when this is passed through both Chambers, signed appropriately, then the more the likely -- obviously we never can be sure of anything - - but more than likely it will go through the current vote as well?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

jt/gbr
HOUSE OF REPRESENTATIVES

60
May 5, 2014

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. That is our hope.

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. If this foundation does exactly what it is set out to do and continues to do that, is this gift of land, is it for perpetuity?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. Yes. All lands that we conveyed are in perpetuity, unless, of course, some conditions changed.

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. What would be a condition that will change?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

jt/gbr
HOUSE OF REPRESENTATIVES

61
May 5, 2014

REP. FRITZ (90th):

Through you, Madam Speaker. The condition that would change would be if they determined another use for this land.

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. I'm a little confused here, and I want to clarify this. So when this land is given, conveyed for this very worthy cause, and that cause is maintained, you know. There are no reasons at all for us to take the land back, the state to take back. But it is still possible through you, Madam Speaker, that for a different cause, "a higher cause" maybe, which I don't know what it could be, but for another cause, a higher cause, even though the foundation continues to do what they said to do, this land could be taken back?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Fritz.

REP. FRITZ (90th):

Through you, Madam Speaker. I don't believe you understood what I said. I said if they change the

jt/gbr
HOUSE OF REPRESENTATIVES

62
May 5, 2014

use, and the use is spelled out in Line 16 and 17.

And I think it's very, very clear. And I believe that this amendment should pass, and we should be very thankful that this land was available for this purpose; and that we are able to honor Catherine Violet Hubbard.

DEPUTY SPEAKER MILLER:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Madam Speaker. I want to thank the good Representative for her answers, and I also share her sentiment that I hope this amendment passes, as one of the speakers said earlier than me, essentially the entire House votes in favor of the amendment. I hope that will happen.

Thank you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Thank you, sir.

Will you remark further? Will you remark further on the amendment before us?

If not, let me try your minds. All those in favor please signify by saying Aye.

REPRESENTATIVES:

Aye.

jt/gbr
HOUSE OF REPRESENTATIVES

63
May 5, 2014

DEPUTY SPEAKER MILLER:

All those opposed, Nay.

The Ayes have it, and the amendment is adopted.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

Representative Bolinsky.

REP. BOLINSKY (106th):

And thank you again, Madam Speaker. I've been here for two years, and I've always wanted to say this. Good bills should pass.

Thank you, Ma'am.

DEPUTY SPEAKER MILLER:

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

If not, will staff and guests please come to the well of the House. Would the members please take your seats. The machine will be opened.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll. Will members please report to the Chamber immediately.

DEPUTY SPEAKER MILLER:

Have all the members voted? Have all the members voted? Will the members please check the board to

jt/gbr
HOUSE OF REPRESENTATIVES

64
May 5, 2014

determine if your vote is properly cast. If all the members have voted, the machine will be locked and the Clerk will take a tally.

Will the Clerk please announce the tally.

THE CLERK:

House Bill 5359 as amended by House "A."

Total Number Voting	141
Necessary for Passage	71
Those voting Yea	141
Those voting Nay	0
Those absent and not voting	10

DEPUTY SPEAKER MILLER:

The bill as amended is passed.

Will the Clerk please call Calendar Number 376.

THE CLERK:

On Page 14, Calendar 376. Favorable Report of Joint Standing Committee on Judiciary, House Bill 5310, AN ACT CONCERNING CONNECTICUT'S SEED LAW.

DEPUTY SPEAKER MILLER:

Representative Albis.

REP. ALBIS (99th):

Good afternoon, Madam Speaker.

DEPUTY SPEAKER MILLER:

Good afternoon, sir.

**S - 678
CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2014**

**VOL. 57
PART 10
2993 – 3245**

vd/gbr
SENATE

239
May 6, 2014

And on page 22 Calendar 513, House Bill 5353.
Calendar 515, House Bill 5361.

And on page 24, Calendar 526, House Bill 5556.
Calendar 524, House Bill 5219.

Page 25, Calendar 4 -- sorry, Calendar 530, House Bill 5368,
page 27, Calendar 546, House Bill 5061.
Calendar 543, House Bill 5037.

On page 28, Calendar 550, House Bill 5514.

Page 29, Calendar 554, House Bill 5148.

Page 30, Calendar 563, House Bill 5554.

Page 31, Calendar 567, House Bill 5229. Calendar 565,
House Bill 5028.

And on page 42, Calendar 384, Senate Bill 442.

THE CHAIR:

Senator Looney, do you have any more good news for us?

SENATOR LOONEY:

Yes, thank you, Madam President. One additional item
to add before we call for the actual vote on the
Consent Calendar, and that is item an Calendar page
33, Calendar 575, House Bill 5359. With that one
addition it would call for a vote on the Consent
Calendar.

THE CHAIR:

Mr. Clerk, please call for a vote on the Consent
Calendar, and the machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate.
Immediate roll call on the second Consent Calendar
today has been ordered in the Senate.

THE CHAIR:

vd/gbr
SENATE

240
May 6, 2014

If all members have voted? All membered voted, the machine will be closed. Mr. Clerk, will you please call the tally.

THE CLERK:

On the second Consent Calendar for today.

Total number voting	35
Those voting Yea	35
Those voting Nay	0
Absent not voting	1

THE CHAIR:

Consent Calendar passes. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. If the Clerk would call the first item marked go to follow the Consent Calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On page 33, Calendar 579, Substitute for House Bill Number 5348, AN ACT CONCERNING THE PAYMENT OF DELINQUENT PROPERTY TAXES. Favorable Report of the Committee on Planning and Development.

THE CHAIR:

Senator Kelly.

SENATOR KELLY:

Thank you. Thank you, Madam President. Pursuant to Rule 15 of the Joint Rules, I am recusing myself from consideration of this bill.

THE CHAIR:

Thank you, sir. Please leave the Chamber.

**JOINT
STANDING
COMMITTEE
HEARINGS**

**GOVERNMENT
ADMINISTRATION
AND ELECTIONS
PART 2
493 – 783**

2014

put right where you are. Thank you. And with that welcome Commissioner.

COMMISSIONER DONALD DEFRONZO: Mr. Chairman. Good afternoon -- well it's actually -- I guess it is afternoon. Good afternoon, Senator Musto, Representative Jutila, other distinguished members of the committee. My name is Don Defronzo and I first want to thank the committee for raising three concepts on behalf of DAS and for the opportunity to provide comment on these bills as well as three other bills before the committee. We have submitted more detailed written testimony so I'll just try and highlight my -- my comments in -- in my testimony today.

DAS asked the committee to raise Senate Bill 287, AN ACT ELIMINATING AND MODIFYING CERTAIN REPORTING AND REGULATORY REQUIREMENTS OF THE DEPARTMENT'S ADMINISTRATIVE AND REPEALING OBSOLETE PROVISIONS. The purpose of this bill is to eliminate or modify a number of obsolete and or confusing statutory provisions that relate to DAS. Most of these provisions have been identified by the auditors of public accounts and DAS has committed to working with the auditors to repeal or revise the noted provisions. And there's -- there's -- we have a detailed testimony on that so I won't get into that unless there's follow up questioning.

Senate Bill 248, AN ACT CONCERNING PUBLIC WORKS PROJECTS AND THE THRESHOLD FOR COMPETITIVE BIDDING, SUBCONTRACTOR PREQUALIFICATION, CONSTRUCTION MANAGER AT RISK PROJECT DELIVERY CONTRACTS, THE HIRING OF CONSULTANTS AND THE PURCHASING OF CERTAIN PROPERTY AND SERVICES is another DAS bill. It is intended to streamline and improve DAS's construction processes.

SB 271

HB 5049

HB 5312

HB 5359

However we respectfully suggest that the requests are -- the requirement of an annual report which is proposed in the bill would be unnecessary duplicate since the information would already be posted online.

Finally I would also like to share with you my concerns about House Bill 5359, AN ACT ESTABLISHING THE PUBLIC PRIVATE PARTNERSHIP COMMISSION. This bill would establish within DAS a public private partnership commission to make recommendations to the Governor concerning projects submitted by State agencies to the Governor under section 4-256A of the General Statutes. DAS respectfully offers that there is no need for such a commission because current law already includes a process involving both the legislative and executive branches by which agency proposals for public private partnerships are developed, reviewed and approved.

DAS also has concerns about the feasibility of the proposed framework given the short timeframes proposed for establishing the commission, reviewing proposals, and making recommendations. Again I want to thank the committee for providing me the opportunity to testify. If you have any follow up to my testimony today I'd obviously be happy to answer any questions and you're certainly welcome to contact our staff at DAS with any additional questions. Thank you very much.

SENATOR MUSTO: Thank you, Commissioner. Any questions from members of the committee? Representative Conroy.

REP. CONROY: Thank you, Mr. Chair. And thank you, Commissioner for giving us that extensive overview so quickly and it's concise. I just have a question on H.B. 5312 where you were

was never -- never a really good part of the bill.

REP. LESSER: I have a question actually as well -- one last with the committee indulgence regarding House Bill 5359, the public partnership -- public private partnership commission. In your testimony in opposition to that listen I -- I don't always ask questions following up on the distinguished Minority Leader but I was curious if you could drill down into some of your concerns about the -- the timeliness. And you know obviously as legislators I think we're generally predisposed to having more information before us rather than less. And I was wondering if you could you know drill down specifically into your concerns about that bill.

COMMISSIONER DONALD DEFRONZO: Yeah. Well the process that's established now -- and I -- I don't believe it's being used as yet. We're one of the agencies that's supposed to be consulted. I don't believe we've been consulted on any of these thus far so I don't think it's been used. The process requires that when an agency is developing a -- a concept in this area they need to consult with a number of agencies and they're listed; DECD, transportation, DAS, OPM. Then if there's a general supportive atmosphere that -- that proposal's developed, it's submitted to the legislature and the Governor.

The various committee of cognizance has the opportunity to review it. The Governor then makes the determination on whether it's going to go forward or not. So both the legislature and the -- the Governor's Office already -- you know the executive branch already has a direct role in it. The -- the proposal creates

11
law/gbr GOVERNMENT ADMINISTRATION
AND ELECTIONS COMMITTEE

March 3, 2014
1:00 P.M.

another -- another commission within DAS to review these proposals another time and the -- our time concern is that these -- the entire authorization for these public private partnerships, these five that are authorized in the original statute terminates in January of 2015.

So by the time this were approved, the commissioner is appointed and paneled we're going to be at the end of the line anyway. So is it -- is it really necessary?

REP. LESSER: So I -- maybe I misunderstood something you just said there at the -- at the beginning of your -- of your answer. You said you had not been consulted yet as part of that review process? Is that correct?

COMMISSIONER DONALD DEFRONZO: I'm not -- I'm not aware of any -- any proposals that have come through this -- this mechanism. Because DAS is one of the agencies that's -- that is supposed to be consulted. I'm not aware of us being consulted on anything to this point.

REP. LESSER: Okay. Very interesting. Thank you very much for your answers.

COMMISSIONER DONALD DEFRONZO: Sure.

REP. JUTILA: Commissioner on Senate Bill 248 and -- and if you said this somewhere in your testimony and I missed it I apologize. But you said it's a combination of last year's two bills 978 and 1056. Is there anything that's new in 248 or you know any substantive revisions or is it really just melding those two together?

turbines. But my concern with -- with deleting the regulations altogether is there's nothing that's put in place to involve for example the Public Health Department or local health districts to help towns and cities come up with regulations. And so I think it's -- it's something that the committee should look at what would the process be for -- for making a transition if there were no statewide noise regulations. Thank you.

REP. JUTILA: Thank you. Perfect timing. Questions from members of the committee? If not, thank you for your testimony.

JOYCE HEMINGSON: Thank you.

REP. JUTILA: Next is Matthew Longanecker followed by Matthew Brokman. Matthew Longanecker here? Apparently not. Matthew Brokman.

MATTHEW BROKMAN: Good afternoon, Chairman Jutila and members of the GAE committee. My name is Matthew Brokman. I'm the legislative representative for council 4 AFSCME, a union of 32,000 public and private sector workers across the State of Connecticut. We are in support of House Bill 5359, AN ACT ESTABLISHING THE PUBLIC PRIVATE PARTNERSHIP COMMISSION. This bill sets up a common sense commission to protect taxpayers and workers when the State considers signing potentially long term, large scale projects that can have significant financial implications for our future. There are many stories of these public private partnerships that look like a good deal on the front end and turned out to be a bad deal over the long term.

Just a few examples. Families in West Virginia are still afraid to drink water out of their

taps following a chemical spill. Individuals who've suffered adverse health conditions in municipalities have faced increased overtime costs, have blamed the West Virginia American Water Company for failing quote to establish and maintain adequate and suitable facilities, safety appliances and the suitable devises with respect to its public service, end quote. Visitors to Chicago have seen the effects of these deals in increased parking meter fees.

Mayor Richard Daley famously signed a P-3 agreement to give a group of investors backed by Morgan Stanly control over the city's 36,000 parking meters for 75 years. The city's inspector general concluded that the city is receiving conservatively, as a conservative estimate \$974 million less through this deal than they would have if they had maintained direct control over the system. And in a serious mismatch between the short term goals and long term priorities taxpayers in the Washington D.C. area are locked into a 40 year agreement to pay more if their drivers carpool to work.

Virginia signed an agreement with a company called Transurban where if 24 percent of the traffic is comprised of carpoolers the State will have to under their contract reimburse the company for lost toll revenue. And no surprising this is big business for investors who come to the State looking to make one of these deals.

A new report by the Center for Media and Democracy found that the highest paid caseworker -- social service caseworker is a guy named Richard Montoni, the CEO of Maximus a for-profit firm that handles government services for poor and vulnerable residents

including doing work for the Connecticut Health Exchange. Montoni made more than \$16 million between 2008 and 2012.

As the Center for Media and Democracy report notes that in 2013 Maximus landed in some hot water for improper billing in the State of Wisconsin. In 2007 Maximus was forced to pay \$30 million to settle -- I'll summarize, to settle a U.S. Department of Justice criminal investigation into fraudulent billing. It's no wonder that 15 states are currently moving forward with legislation to bring greater oversight of these types of agreements. Legislation has been introduced in Nebraska, West Virginia, Vermont and soon in Colorado to increase transparency and accountability as public assets are outsourced.

If this commission does get created we urge the commission members to look at a recent report that I've included with my testimony by the In the Public Interest, a Washington D.C. based research institute that identifies some key considerations when analyzing these deals. Among them include ensure that the public knows what's in the fine print before these agreements actually get authorized, ensure that the projects are part of the State's long term plan for the future and that the -- and that project helps us achieve those goals and ensure that the agreement will help build the middle class and that those that work on the project are paid living wages. Thank you for your consideration and I welcome any questions.

REP. JUTILA: Thank you. Questions from members of the committee? Any questions? Thank you for your testimony.

MATTHEW BROKMAN: Thank you.

State Vocational Federation of Teachers

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Testimony of Jan Hochadel, SVFT President
State Vocational Federation of Teachers, AFT Local 4200A

Raised Bill 5359: An Act Establishing The Public-Private Partnership Commission

Committee on Government Administrations and Elections
March 3, 2014

As President of the State Vocational Federation of Teachers, last month I had the opportunity to meet with the Commissioner of Education and other State officials concerning discussions the Department of Education was having with IBM to form a partnership for the reopening of J.M. Wright Technical High School in Stamford. I participated in three meetings, including one with a representative from IBM. I was surprised that the Education Committee was not represented in any of those meetings. In fact, most legislators learned of these discussions when they were informed by the SVFT or AFT-CT. Ultimately, it was decided that a partnership Connecticut Technical High School System and IBM was not feasible at this time. While I strongly agree with the decision that was made, I was concerned by the process that I witnessed. I believe Raised Bill 5359 addresses many of those concerns.

A Commission on Public-Private Partnerships will ensure that more stakeholders have a voice in exploring the feasibility of public-private ventures. Representation from both political parties in the Senate and the House, the Governor's office, and the Department of Administrative Services ensures that all proposed partnerships will be carefully reviewed. As Representative Cafero stated in his testimony, these projects can be costly, and careful consideration is needed. Public hearings should also be required. Though the process of committee review and public hearings is often described as unwieldy, it is necessary to ensure that projects are carefully examined and that the opinions of all affected parties are heard.

I do have concerns that the limit of five public-private partnership projects may be removed by Raised Bill 5359. It is my belief that public interest and corporate interest are rarely so aligned that these projects benefit everyone involved. The compelling issue, however, is not whether we have more or fewer public-private partnerships, but that the one we do have are the result of

careful deliberation in a transparent process. The Commission described in this bill is an important step in ensuring that transparency.

Thank you.



Testimony of the Connecticut AFL-CIO

Before the Government Administration and Elections Committee

March 3, 2014

Good afternoon Senator Musto, Representative Jutila and members of the Government Administration and Elections Committee.

The Connecticut AFL-CIO on behalf of our 900 affiliated local unions who represent 200,000 working men and women all across this great state support and ask to amend:

Raised H.B. No. 5359 - An Act Establishing The Public-Private Partnership Commission

The Connecticut AFL-CIO supports establishing the formation of this commission. This state has prided itself throughout history as not only being inventors but innovators and its workforce is its strength. We respectfully suggest that the Connecticut AFL-CIO or its designee be included as a member of this commission lending labors voice to successful job growth.

Respectfully Submitted,

Todd G. Berch

CT AFL-CIO



Testimony of
Jean Morningstar, Second Vice President
AFT Connecticut, AFL-CIO

Government Administration and Elections Committee
March 3, 2014

HB 5359 AN ACT ESTABLISHING THE PUBLIC-PRIVATE PARTNERSHIP COMMISSION

Good afternoon Senator Musto, Representative Jutila and members of the Government Administration and Elections Committee. My name is Jean Morningstar and I am the Second Vice President of AFT Connecticut, a diverse state federation union of nearly 29,000 public and private sector employees including state employees, nurses, higher education faculty, healthcare workers, teachers and other school personnel. Thank you for accepting my written testimony in favor of HB 5359, An Act Establishing the Public-Private Partnership Commission.

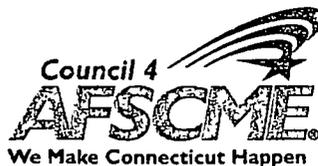
The establishment of a Public-Private Partnership Commission is essential to provide another level of scrutiny for the implementation of public-private partnership projects. Having a recommending body, in addition to the standing committee of the General Assembly, will provide another set of eyes in scrutinizing the submitted project.

The membership of the proposed commission consists of seven members. It is our recommendation that two additional members be added to this commission. One member would be appointed by the majority leader of the House of Representatives, and one member appointed by the majority leader of the Senate. Increasing the membership of this commission can assist in meeting the strict timeline set forth of having the commission meet to make a recommendation no later than fifteen days after the receipt of an agency submittal.

The proposed process of having the commission provide a recommendation to the Governor for approval, could be amended to provide more transparency by having this commission provide their recommendation to the General Assembly for a majority vote on the approval of all public-private partnership projects.

Please support HB 5359 with these recommendations and increase transparency for public-private partnership projects.

Thank You



Council 4 AFSCME

**Testimony before the Government Administration and Elections Committee of the
Connecticut General Assembly
March 3, 2014**

Good afternoon, Chairman Musto, Chairman Jutila, members of the Government Administration and Elections Committee. My name is Matthew Brokman, and I am a Legislative Representative of Council 4 AFSCME, a union of 32,000 public and private sector workers across the state.

I am here in **support of HB 5359: An Act Establishing The Public-Private Partnership Commission**. This bill sets-up a common sense commission to protect taxpayers and workers as the state considers signing potentially long-term, large projects that can have significant financial implications for the state.

There are many stories of public-private partnerships that looked like a good deal on the front-end and turned out to be a bad deal over the long-term:

- Families in West Virginia are still afraid to drink water out of their taps following a chemical spill. Individuals who have suffered adverse health conditions and municipalities who have faced increase overtime costs have blamed the West Virginia American Water Company for failing to “establish and maintain adequate and suitable facilities, safety appliances and other suitable devices with respect to its public service”.
- Visitors to Chicago have seen the effects of these deals in increased parking meter fees. Mayor Richard Daley famously signed a P3 agreement to give a group of investors backed by Morgan Stanley control over the cities 36,000 parking meters for 75 years. The city’s inspector general concluded that the city is receiving conservatively \$974 million less through this deal than they would have if they maintained direct-control of the system.
- In a serious mismatch between short-term and long-term priorities, taxpayers in the Washington DC area are locked into a 40-year agreement to pay more if they carpool. Virginia recently signed an agreement with Transurban, where if 24% of traffic is comprised of carpoolers, the state will reimburse the company for lost toll revenue.

This is big business for the investors that come to the state looking to make one of these deals. A new report by the Center for Media and Democracy found that the highest paid “caseworker” in public service is Richard Montoni, CEO of Maximus, a for-profit firm that handles government services for poor and vulnerable residents including for the CT Health Exchange. Montoni made more than \$16 million between 2008 and 2012. In 2013, Maximus landed in hot water for improper billing in Wisconsin. In 2007, Maximus paid \$30 million to settle a U.S. Department of Justice criminal investigation into fraudulent billing. One of the largest government contractors, Booz Allen Hamilton, is reducing their projections because these P3 deals are facing additional scrutiny.

It’s no wonder that 15 states are moving forward with legislation to bring greater oversight of these agreements. Legislation has been introduced in Nebraska, West Virginia, Vermont and soon in Colorado to increase transparency and accountability as public assets are outsourced.

If this commission does get created, we urge them to look at a recent report by *In The Public Interest*, a Washington DC-based research institute, that identifies some key considerations when analyzing these deals. Among them include:

- Ensure that the public knows what is in the fine-print of these agreements before they are authorized.
- Ensure that these projects are part of the state's long-term plan, and actually help us achieve those goals.
- Ensure that this agreement will help build the middle class, and those that work on the project are paid livable wages.

I've included their report with my testimony.

Thank you for your consideration of this legislation.

IN THE PUBLIC INTEREST • JANUARY 2014

Infrastructure Justice: Building Equity into Infrastructure Financing

America's infrastructure needs an overhaul. In 2013, the American Society of Civil Engineers' (ASCE) report card on the nation's infrastructure gave the nation an embarrassing grade of "D+" based on unmet needs to repair and rebuild roads, bridges, drinking water and wastewater systems, schools, rail and transit systems, and public parks.¹ ASCE also estimates that the U.S. needs to spend \$3.6 trillion in the next seven years to recover from decades of neglect and disinvestment.²

- One in nine of the nation's bridges are rated as structurally deficient, while the average age of the nation's 607,380 bridges is currently 42 years
- 42% of America's major urban highways remain congested, costing the economy an estimated \$101 billion in wasted time and fuel annually
- The average age of the country's 84,000 dams is 52 years old.
- Almost half of American households lack any access to transit, and millions face irregular and undependable service that doesn't stop near their home or workplace.

AT A GLANCE

Rebuilding American infrastructure is one of the best opportunities to create tens of thousands of middle class jobs and careers that serve as the foundation of a healthy economy and that lift families out of poverty

Beyond basic repair, we need to invest in an innovative 21st century infrastructure essential for a prosperous and fair economy in a globalized and hyper-connected world. Our failure to do so threatens the economic health of our nation, communities and families. Rebuilding American infrastructure is also one of the best opportunities to create tens of thousands of middle-class jobs and careers that serve as the foundation of a healthy economy and that lift families out of poverty. Rebuilding American metropolitan infrastructure is vital to meeting the transportation, housing, recreation and other needs of low-income and working-class communities in American cities across the nation

Many local and state governments are looking at new financing

¹ American Society of Civil Engineers 2013 Report Card for America's Infrastructure 2013 <http://www.infrastructurereportcard.org/>

² Ibid

arrangements – Public-Private Partnerships (or P3s) that seek to use private capital to finance public projects – to help fill the gap. But inserting private interests into the development of public infrastructure has proven to be difficult and even counterproductive when adequate care isn't taken to protect the public interest and include equity considerations and standards. Governments often fail to fully consider the direct and indirect policy implications of these arrangements, the economic and fiscal impacts of long-term contracts and, perhaps most significantly, fail to seize opportunities to alleviate poverty. Too often cash-strapped governments have taken big risks based on unrealistic projections to justify specific infrastructure projects.

Public funding of infrastructure is well known to be the least expensive way to finance major infrastructure projects. But in light of the pressure governments face to aggressively pursue private funds for public infrastructure, we believe it is critical to clarify our goals and principles so that Public-Private Partnerships are truly structured as win-win-win propositions.

- A win for the public from a rebuilt infrastructure
- A win for the economy in creating jobs that lift families out of poverty that preserves a thriving middle class and builds infrastructure essential for efficient development, production and distribution of goods and services
- And a win that generates an adequate rate of return for double-bottom line investors

Principles of Win-Win-Win Public-Private Partnerships

In the Public Interest believes that the following principles should guide a state or local government's approach to P3 projects:

- The public must maintain democratic control of infrastructure as well as the ability to make public policy decisions in the future. Contract clauses should not hinder governing bodies in their policymaking responsibilities at any point during the contract term.
- Robust and broad public participation in decision-making processes is necessary to ensure infrastructure projects are chosen to meet priority community, employment and economic needs
- Public infrastructure development, financing, maintenance and operation should be subject to broad public protections, full transparency and accountability to public institutions
- Rebuilding infrastructure should strengthen the middle class and improve the living standards for those that build, maintain and operate the systems.
- Rebuilding infrastructure should advance public goals and provide opportunities to lift disadvantaged populations out of poverty with good paying jobs and career-enhancing skills.

Setting the Ground Rules Through Enabling Legislation

As of 2013, 33 states and Puerto Rico have passed P3 enabling legislation, authorizing their government to enter into P3 arrangements.³ Importantly, this legislation clarifies a state's objectives in P3 projects, sets the ground rules for its P3 process, and establishes basic requirements for contracts. As additional states propose P3 enabling legislation, and those with existing statutes seek to modify their language, it is important to consider the inclusion of the following provisions that help protect the public interest, create real employment opportunities that build the middle class, and ensure that infrastructure resulting from P3s truly help fill in our communities' infrastructure gaps.

Maximum Transparency and Public Participation

Transparency is critical to public participation. Without information about proposed and existing P3 deals, the public does not have the necessary information to properly evaluate P3 projects and determine whether they meet the community's interest over the life of the agreement. In a survey of state Departments of Transportation (DOT), more than 70 percent of respondents indicated that public access to information about P3s was an important measure to protect the public interest.⁴ P3 enabling legislation should specifically address which state laws and policies related to public information apply in P3 contracts

- All P3 projects should be subject to the state's open request laws and requirements just as any publicly funded project would be.
- All appropriate documents that the public needs to be able to effectively participate in the P3 process, including planning and bidding documents, should be released to the public at appropriate times before and during the bidding process; and all documents related to the project, including appropriate sections of responses by bidders, should be publicly released on a state website after the contract is awarded, including subsequent annual disclosure of financial and performance data
- There should be specific designated opportunities for public, community, and stakeholder participation, especially for those impacted by a proposed project, at all important decision-making points, including the project selection, bidding, and contract award processes
- There should be sufficient time between the announcement of major decisions related to a proposed project and opportunities for public comment and participation to ensure adequate time for serious public deliberation

Equity-Based Strategic Project Selection

What P3 projects a state considers and how they are selected has significant implications for its infrastructure planning efforts. Enabling legislation should help ensure that projects priorities

³ National Conference of State Legislatures, Public-Private Partnerships for Transportation: A Toolkit for Legislators January 2013 Updates and Corrections *

⁴ National Conference of State Legislatures, Public-Private Partnerships for Transportation: A Toolkit for Legislators, October 2010 <http://www.ncsl.org/documents/transportation/PPPTOOLKIT.pdf>

aren't driven only by the opportunity for and magnitude of private investment returns but rather are chosen to meet priority community, employment, and economic needs.

- A state's or region's infrastructure strategy should drive what P3 projects the governmental entity pursues. For example, for transportation projects, states should require that a selected P3 project align with existing state, local, and metropolitan transportation plans, and further long-term transportation goals and objectives.
- Any selected project must meet the needs of communities that rely on the asset, including urban and low-income communities, and other disadvantaged communities. The resulting infrastructure must provide equitable access to those who use it, meeting the needs of all affected communities.
- A state should require review of a proposed P3 project by a public body early in the project development process. For example, Florida requires any early-stage P3 proposal to undergo legislative approval during the Legislature's appropriations process.⁵

Careful, Thorough, and Public-Interest Focused Selection and Evaluation Process

The process that a state uses to determine whether a P3 is an appropriate delivery mechanism to build and maintain our infrastructure must incorporate criteria for evaluating a project's adherence to public interest goals. Enabling legislation can set forth a selection process that every proposed P3 project must undergo. While there are numerous ways that a state can set up their selection and evaluation processes, below are several guiding recommendations to help ensure that public interest considerations are at the forefront of P3 selections and that private interests do not trump the public interest. Only by careful, thorough, and transparent project analysis, bidding process, government oversight and enforcement of the contract, can a win-win-win P3 project happen.

- Perform a rigorous upfront analysis to determine if P3 project delivery makes sense over traditional public delivery. One tool that has emerged is the Value for Money (VFM) analysis that estimates total project costs and benefits over the life of the contract, often decades into the future. The VFM analysis is used to determine if the benefits merit the higher cost of private financing for P3 projects. Value for Money analyses must ensure that a cost-benefit analysis' framework, methodology, and inputs are rigorous and explicit, and adequately comprehensive. They must also include a full range of non-financial public interest criteria including social and economic impacts; affordability and accessibility of the infrastructure to low income communities; the number of high quality jobs the project will create, environmental impacts; and accountability and transparency measures. VFM analysis should use a robust and objective Public Sector Comparator to estimate the lifecycle costs of public project delivery and compare costs of private and public finance and service delivery.
- The government should ensure that it has the capacity and expertise to analyze and evaluate proposed P3 projects, adequately negotiate any resulting contract, and oversee and enforce the contract once it is signed. One way to ensure adequate capacity is to

⁵ National Conference of State Legislatures, *Public-Private Partnerships for Transportation: A Toolkit for Legislators*, October 2010. <http://www.ncsl.org/documents/transportation/PPPTOOLKIT.pdf>

require that sufficient funds are included in the agency budget for these functions before a P3 project moves forward

- Legislation should also require that a P3 contract award is based on best value, which includes adherence to identified public interest requirements, not just low price.

Broad and Equitable Access

Business models for privatized infrastructure often depend on user fees, such as tolls. While a private partner will seek to maximize revenues through regular increases in user fees, a state must ensure that user fee rates and their subsequent increases do not undermine the important public interest goal benefiting all affected communities. Residents travel over bridges to get to work, drive on roads to get their kids to schools, and use transit systems to get to important appointments. Fee schedules for infrastructure should balance the need for revenue to maintain the facility with the need to keep fee levels affordable to everyone who relies on the asset. Enabling legislation should therefore set requirements around strong public involvement and oversight over user fee rates.

- The agency or some other public body must approve user fee schedule increases by a private entity.

Building the Middle Class

Rebuilding our country's infrastructure should directly translate into opportunities for good family-supporting jobs that benefit local residents. P3 enabling legislation should make these requirements explicit to ensure that these projects create high-quality employment opportunities with transferable workforce skills for people living in the communities where the project will be located. By requiring private partners to adhere to the following job quality and access standards, states can rebuild critical infrastructure while providing opportunities to lift disadvantaged populations out of poverty, strengthen the middle class, and ensure that private dollars benefit the local economy. All jobs created from resulting P3 projects, including construction, maintenance, and operation jobs, should adhere to the following standards.

- Private contractors must provide livable wages and decent benefits to all workers
- Private contractors should include a targeted hiring program for construction, operation and maintenance of the facility, to ensure that residents in surrounding areas, especially those in nearby low-income urban or other disadvantaged communities, are offered employment and career training opportunities.
- Private contractors should offer sufficient safety and skills training for employees, including opportunities for workers to upgrade their skills and receive credentials that can help them advance in the industry
- Public employees who are displaced by the P3 project should be offered positions with similar salaries, benefits and protections.

- The state should track and report job quality and targeted hiring outcomes, so the public can see how P3 projects have benefited the community.

Public Interest Contract Provisions

Enabling legislation should determine which terms and conditions are allowed in an actual P3 contract. Some P3 contracts have been criticized for including terms that insulate the private entity from necessary levels of risk at the expense of the public. Below are recommendations for contract requirements that protect the public, while also allowing the private entity to reap an adequate level of return.

- P3 contracts should prohibit non-compete clauses. Many states, such as Florida, Texas, and Arizona already prohibit non-compete clauses.⁶
- P3 contracts should limit compensation clauses. There are many options for how a state might limit compensation clauses. Maryland, for example, prohibits a private entity from being compensated for projects already in state's capital improvement program and transportation program at the time the P3 was signed.⁷ Additionally, all events related to public safety access should not be considered compensation events.
- Contracts should be subject to term limits, including renewals and extensions. European Union countries limit P3 contracts to terms between 21 and 35 years.⁸
- Contracts should include meet or exceed quality, labor, and other state standards. These include, but are not limited to:
 - Operations and maintenance standards, including a hand-back provision that specifies the minimum condition that the infrastructure asset when it is returned to the public at the end of the contract term.
 - Performance standards that ensure a high quality asset operates to meet the needs of the community
 - Environmental performance standards that specify environmental outcomes that the project must achieve
- Public facilities should be inspected, operated and maintained by public employees directly accountable to public agencies
- Contracts should include robust oversight provisions, including establishing regular reporting requirements and rights of the state to inspect and audit the infrastructure asset.
- Contracts should include termination and "buy back" clauses, which lay out how the state can take back an infrastructure asset.

⁶ National Conference of State Legislatures. Public-Private Partnerships for Transportation: A Toolkit for Legislators. October 2010. <http://www.ncsl.org/documents/transportation/PPPTOOLKIT.pdf>

⁷ Maryland State General Assembly. House Bill 560. 433rd session, 2013.

⁸ National Conference of State Legislatures. Public-Private Partnerships for Transportation: A Toolkit for Legislators. October 2010. <http://www.ncsl.org/documents/transportation/PPPTOOLKIT.pdf>

- Contracts should include provisions related to default and bankruptcy of a private contractor to protect the state and the public in case the project or a private entity financially fails. In addition, the contract should require the concessionaire to provide the state advance notice of financial difficulties it may be experiencing or anticipating.

Sensible Legal Requirements

States should make all legal requirements explicit in enabling legislation to remove any questions regarding the applicability of important laws

- P3 projects must adhere to all local, state, and federal laws that publicly funded projects do.

In the **PublicInterest**

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State of Connecticut

HOUSE OF REPRESENTATIVES
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Chairmen Jutila and Musto, Ranking Members Hwang and McLachlan and Members of the Government Administration and Elections Committee, the House Republican Caucus would like to thank the Committee for raising Raised Bill Number 5359: An Act Establishing the Public-Private Partnership Commission.

This bill incorporates an important House Republican proposal, which is to establish a Public-Private Partnership Commission within the Department of Administrative Services, comprised of appointments made by House and Senate leadership, the Governor's Office and the Commissioner of Administrative Services.

Raised Bill 5359 requires the Commission to review any public-private partnership projects submitted by state agencies to the Governor. Upon review of these submittals, the commission shall submit recommendations regarding the proposals to the Governor.

We would like to see the addition of language to empower the newly created Commission by authorizing them to approve projects. Currently, the Governor has the sole approval authority on public-private partnership projects, and we would like to implement a more democratic process by allowing a broader group to be involved in the decision-making process. We believe this will provide for a more transparent system. To further enhance the process, we would like all approved projects to be sent to the Appropriations and Finance Committees for public hearing, review, and approval. Finally, all projects must be approved by a majority vote in General Assembly.

Because these projects are costly, and can lead to the investment of state funds, we would also like the Commission to give priority to projects that will be financially self-sufficient and will not require state subsidies

I urge the Government Administration and Elections Committee to pass Raised Bill Number 5359 to establish a Public-Private Partnership Commission. Please allow the full General Assembly the opportunity to debate this issue and to pass legislation to improve transparency in our state government.



DEPARTMENT OF ADMINISTRATIVE SERVICES

STATE OF CONNECTICUT

HB 5359165 Capitol Avenue
Hartford, CT 06106-1658

An Act Establishing the Public-Private Partnership Commission

Government Administrations & Elections Committee

March 3, 2014

The Department of Administrative Services (DAS) offers the following testimony regarding House Bill 5359.

House Bill 5359 would establish a Public-Private Partnership Commission within the Department of Administrative Services. The purpose of the Commission would be to make recommendations to the Governor concerning projects submitted by state agencies to the Governor under section 4-256(a) of the general statutes.

DAS respectfully offers that there is no need for such a commission. Additionally, DAS is concerned about the feasibility of the proposed framework.

Current law already includes a process by which agency proposals for public-private partnerships are developed, reviewed and approved. Agencies are required to develop proposals taking a number of statutorily-defined criteria into consideration; they must consult on their proposals with the commissioners of Economic and Community Development, Administrative Services and Transportation, the State Treasurer and the Secretary of the Office of Policy and Management; and they are required to submit their proposals to the Governor and to the Legislature's Finance, Revenue & Bonding and Appropriations Committees. Those legislative committees are required to hold public hearings on the proposals. Further, the statute outlines guidelines for the Governor to consider in his approval process.

House Bill 5359 would add to this existing process a step where the agency needs to submit its plan to a newly established Public-Private Partnership Commission, and the Commission would make recommendations to the Governor. It is not clear that this additional step will add any value, as the existing process already includes extensive input from both the legislative and executive branches.

Further, the manner in which House Bill 5359 establishes this new Commission is problematic. First, under the bill, the Commission would only be in existence for a few months. If passed, the bill would be effective upon passage (early May 2014), members

must be appointed within 30 days, and then the commission would statutorily terminate on January 1, 2015. Second, the bill requires that, after appointed, the members elect a chairperson, who is charged with scheduling the first meeting of the Commission. Administratively, DAS questions how the members will be able to elect a chair before they get together to meet. Finally, the bill establishes very tight timeframes for the members to do its work. The bill requires that the Committee meet no later than 15 days after it receives an agency project proposal, and that it must provide its recommendations on the proposal "no later than 5 days after" the meeting. DAS respectfully submits that these timeframes may not be realistic considering the schedules of the volunteer members appointed to the Committee.

We thank the Committee for permitting DAS to comment on House Bill 5359. If there are any questions about this testimony, please feel free to contact Terrence Tulloch-Reid (Terrence.Reid@ct.gov) or Andrea Keilty (Andrea.Keilty@ct.gov).