



Testimony of

**Sal Luciano, President  
Connecticut AFL-CIO**

Banking Committee  
March 2, 2021

***SB 150 An Act Establishing the Connecticut Infrastructure Authority***

Good morning Senator Kasser, Representative Doucette and members of the Banking 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, reflecting the diversity that makes Connecticut great. Thank you for the opportunity to provide testimony on SB 150 An Act Establishing the Connecticut Infrastructure Authority.

Dozens of states have established infrastructure banks or authorities, structured in a variety of different ways, that provide funds via bonding or other credit products to local governments for smaller scale infrastructure projects. Typically, the state infrastructure banks are funded with federal dollars and provide a mechanism for states to unlock previously untapped federal funds.

We are hopeful that a proposed authority as contained in SB 150 can prioritize, expedite and fund public transportation projects and other infrastructure jobs. Such actions would be welcome relief to our state's construction workforce, which is currently experiencing levels of unemployment of around thirty percent. For that reason, we are thankful for the work the proponents have done on this bill since the 2020 legislative session. The added safeguards included in SB 150 will help prevent the state and taxpayers from incurring significant unintended costs and mishaps.

Thank you for recognizing the essential role of the State Contracting Standards Board in lines 159 through 163. The clean contracting provisions in Section 4e-16 of the Connecticut General Statutes ensure that cost-benefit analyses are conducted before any project can be outsourced. This will protect the resources and projects of the Connecticut Infrastructure Authority, and Connecticut taxpayers from waste, fraud, and corruption.

We also thank the Committee for including language that requires contractors to pay prevailing wage rates to workers on these projects (lines 285 through 289). This important measure ensures that construction workers are earning living wages that reflect the local economy. Prevailing wage rates also fund many apprenticeship and training programs in our state, keeping the local construction industry vibrant and highly skilled.

Lastly, we welcome the addition of language which prevents contractors who have been debarred from bidding on contracts in Connecticut and in other states from being awarded Connecticut Infrastructure Authority projects (lines 279 through 285). These bad actors have been excluded because they have committed wage theft, fraud, financial malfeasance or other abuses that make them unworthy of taxpayer investment. It is only responsible that Connecticut Infrastructure Authority adopt the same practice.

For the reasons enumerated above, the Connecticut AFL-CIO has a greater comfort level with this bill than the version raised in Committee last session. That comfort level could be further enhanced by adding representation to the Board of Directors of those who are closest to the work the Connecticut Infrastructure Authority seeks to amplify. We ask that instead of including a "representative of a labor organization appointed by the Governor," that the board of directors include at least one representative

from each of the labor organizations representing workers in the Connecticut Department of Transportation, at least one representative from each of the labor organizations that represent municipal employees who work in the areas of transportation, infrastructure, or public works and at least one representative from the Connecticut State Building Trades Council. All labor representatives should be appointed by each labor organization, not the Governor.

Those who deliver public services have always been wary of public-private partnerships and their ability to provide the same quality service that adequately staffed public agencies can do. Having said that, we urge the Committee to take extra care to ensure that the Connecticut Infrastructure Authority can only greenlight public private partnerships that are fully transparent and that maintain state control and authority. Only those that are fully accountable to state institutions and taxpayers will be worthy of the public trust.

With the new safeguards contained in SB 150, we are optimistic that it could be a helpful tool in moving "shovel ready" projects forward by securing additional federal funding. Thank you for the opportunity to provide testimony.