Legislative Testimony of the Connecticut Green Bank  
Government Administration and Elections Committee  
March 25, 2022

Regarding Senate Bill 473  
AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD

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. Since its inception, the Green Bank has mobilized $2.14 billion of investment into Connecticut’s clean energy economy at a 7.4 to 1 leverage ratio of private to public funds, supported the creation of 25,612 direct, indirect and induced jobs, reduced the energy burden on over 63,000 families and businesses, deployed over 494 MW of clean renewable energy, helped avoid 9.9 million tons of CO2 emissions over the life of the projects, and generated $107.4 million in individual income, corporate, and sales tax revenues to the State of Connecticut.

The Green Bank opposes Senate Bill 473.

The following represent a brief and non-exhaustive description of policies from the bill based on the Green Bank’s interpretation of it:

- Staffs up the State Contracting Standards Board (“SCSB”).
- Adds quasi-public agencies and municipalities to various “contracting agency” definitions and policies pertinent to state agencies, including allowing the SCSB the same contracting powers as regulated contracting agencies.
- Section 7 – Appointment requirement of an agency procurement officer, and undertaking a training program developed between SCSB and Department of Administrative Services.
- Section 8 – Contracting agency subjection to triennial audits by the SCSB.
- Section 9 – SCSB review and termination power over contracting agency procurements.
- Section 10 – Inclusion of quasi-public agencies on the Contracting Standards Advisory Council.
- Section 12 – Starting July 1, 2022, all contracts taking effect shall contain certain SCSB provisions.
- Section 13 – Benefit-cost analyses required for all outsourcing.
- Sections 16-17 – Adjustments to typical purchase procedures for contracting agencies through the DAS “small purchase” procedures, bypassable with SCSB waiver.
- Section 26 – Contracting agencies may audit the books of contract counterparties.
The Green Bank has strong concerns with many of these well-intended but ultimately inadvisable proposals that would materially and negatively affect the public service goals of an entire class of state-established entities, including the Green Bank. The Green Bank has Operating Procedures\(^1\) that already efficiently and effectively manage its expenditure approval processes, while also having strong transparency and public disclosures.\(^2\)

The Green Bank leverages public dollars to attract private capital investment. We need to be true business partners with private capital providers and project financing hosts. Since our relationship with counterparties is often focused on financing and in many scenarios, co-financing the deployment of clean energy, we need to move at the speed of business (i.e., the speed of our counterparties.) Additional requirements beyond our enabling statute, our bylaws, and our operating procedures would arrest our operational tempo and inhibit our ability to use private means to accomplish public good (i.e., unlock private capital investment to create jobs and deploy clean energy.) Our core concern is that under proposals like these, mission-driven activities of quasi-agencies like the Green Bank would be imperiled as a great volume of activity would be forced to ricochet between bureaucratic organizations unaffiliated with the mission and understanding of a given contracting agency.

The Green Bank has been a national and global model in the fight against climate change and building the new clean energy economy. We alleviate the energy burden for Connecticut residents, businesses, municipalities and the State with a focus on filling market gaps to support underserved people and communities. We continue to count on the General Assembly’s support so that we may continue to compete at this level.

Please find attached to this testimony the Green Bank’s Decennial Societal Impact Report.

Questions on this document may be submitted to Matt Macunas, Legislative Liaison and Associate Director of Regulatory Policy, reachable at matt.macunas@ctgreenbank.com or at (860) 257-2889.

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\(^1\) [https://www.ctgreenbank.com/about-us/governance/](https://www.ctgreenbank.com/about-us/governance/)
\(^3\) [https://openquasi.ct.gov/payroll](https://openquasi.ct.gov/payroll)
\(^4\) [https://openquasi.ct.gov/checkbook/](https://openquasi.ct.gov/checkbook/)
Empowering all Connecticut families and households with accessible and affordable green solutions that bring them comfort and security. Find incentives for battery storage or use the Green Bank’s flexible financing to reduce costs with health and safety improvements and the newest energy efficient technologies.

Creating stronger, more resilient communities with green solutions for buildings of all types, from businesses and nonprofits to multifamily housing and local government. Leverage Green Bank financing to save money and realize the benefits of more modern, sustainable buildings.

Securing a healthier planet with smart ways for individuals and businesses to invest in green solutions – and our future – while also earning a return. Energize the green economy by investing in it today. Buy a Green Liberty Bond, invest through a crowdfunding offering, or join the movement by finding other ways to invest.

Connecticut Green Bank is the nation’s first green bank. Our mission is to confront climate change and provide all of society with a healthier and more prosperous future by increasing and accelerating the flow of private capital into markets that energize the green economy. Established in 2011 as a quasi-public agency, the Green Bank uses limited public dollars to attract private capital investment and offers green solutions that help people, businesses and all of Connecticut thrive.

Get Started. Call 860.563.0015 or visit ctgreenbank.com
Since the Connecticut Green Bank’s inception through the bipartisan legislation in July 2011, we have mobilized more than $2.14 billion of investment into the State’s green economy. To do this, we used $288.4 million in Green Bank dollars to attract $1.85 billion in private investment, a leverage ratio of $7.40 for every $1. The impact of our deployment of renewable energy and energy efficiency to families, businesses, and our communities is shown in terms of economic development, environmental protection, equity, and energy (data from FY 2012 through FY 2021).

**ECONOMIC DEVELOPMENT**

**JOBS** The Green Bank has supported the creation of more than 25,612 direct, indirect, and induced job-years.

**TAX REVENUES** The Green Bank's activities have helped generate an estimated $107.4 million in state tax revenues.

- $52.8 million individual income tax
- $27.5 million corporate taxes
- $27.1 million sales taxes

**ENERGY**

**ENERGY BURDEN** The Green Bank has reduced the energy costs on families, businesses, and our communities.

- 57,000+ families
- 6,000+ businesses

**DEPLOYMENT** The Green Bank has accelerated the growth of renewable energy to more than 494 MW and lifetime savings of over 64.1 million MMBTUs through energy efficiency projects.

**ENVIRONMENTAL PROTECTION**

**POLLUTION** The Green Bank has helped reduce air emissions that cause climate change and worsen public health, including 9.3 million pounds of SOx and 10.7 million pounds of NOx.

- 9.9 MILLION tons of CO2 : EQUALS
- 163 MILLION tree seedlings grown for 10 years
- 2.1 MILLION passenger vehicles driven for one year

**PUBLIC HEALTH** The Green Bank has improved the lives of families, helping them avoid sick days, hospital visits, and even death.

- $298.1 – $674.1 million of lifetime public health value created

**EQUITY**

**INVESTING** in vulnerable communities, The Green Bank has set goals to reach 40% investment in communities that may be disproportionately harmed by climate change.

* LMI Households
** CRA-Eligible
*** Environmental Justice Communities
**** Combined

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Learn more by visiting ctgreenbank.com/strategy-impact/impact

Winner of the 2017 Harvard Kennedy School Ash Center Award for Innovation in American Government, the Connecticut Green Bank is the nation’s first green bank.

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Sources: Connecticut Green Bank Annual Comprehensive Financial Reports.