

**Testimony by Ron McLellan, President
Connecticut Employees Union Independent, SEIU Local 511
SB 692 HB 5898**

Good morning Mr. Chairman; Members of the Transportation and Commerce Committees.

My name is Ron McLellan. I am the President of Connecticut Employees Union Independent, SEIU Local 511, representing approximately 4500 state workers in the NP-2 Maintenance and Service Bargaining Unit.

I am testifying today in opposition to Senate Bill 692 and House Bill 5898. These bills are not good for the public interest, will adversely affect workers, and long term, will negatively impact the State of Connecticut.

C.E.U.I. represents approximately 40 members who work at the Bradley Airport. They are employed by the Department of Transportation, holding a variety of maintenance positions such as QCW (plumber steamfitter), QCW (Carpenter), QCW (electrical), and DOT Maintainers who plow snow and ice from the runways. These workers, along with the police and firefighters, are career public servants who work day and night maintaining the facility and keeping it safe for the traveling public. It would be a mistake for the State of Connecticut to sacrifice these dedicated public servants for a quick fix in an economic downturn. Bradley Airport is a public asset that should be a centerpiece of our economic recovery and an engine that drives Connecticut's economic future.

States, cities, and towns in all areas of the United States are experiencing revenue drops due to a slowed economy. This presents a major opportunity for private companies with investment capital. Just like the predatory lenders that took advantage of families in financial distress, these companies are courting Federal, State, and Local governments with the temptation of a quick fix for a price. They are focusing on very specific public assets that are similar in many ways to military targets, such as bridges, water supplies, interstate

highways, and airports. *If you want to determine the value of an asset, take a hard look at who is pursuing it, and why they want it.* These companies and their investors have one mission and that is profit.

Other States have learned the hard way that selling off public assets for a quick fix may not have been in their State's best interest. In 2005, the City of Chicago entered into a 99 year lease of the Chicago Skyway to a foreign consortium for \$1.8 billion dollars. Transportation experts at the time claimed that the group overpaid for the asset. Today, transportation experts are thinking that the consortium got the better of the deal due to the future revenue potential of the toll road. While the city was provided an instant cash flow from that lease, it is now expected that the fees to use that road will rise significantly by 2017. The increased toll money will go directly into the pockets of the private investment groups, rather than to the City of Chicago. The higher tolls will dramatically impact the citizens of the Chicago area.

Huge Wall Street firms such as Goldman Sachs have played a major role in advising states (for a fee) on how to structure privatization deals-even while positioning themselves to invest in the toll road market. Some skeptics have said that this is double dipping and a conflict of interest. Investment groups all over the world are in a feeding frenzy over the opportunity to buy the infrastructure of the US economy!

This is a dangerous game that is being played with our economic future and the security of our homeland. Considering the most recent events and the price we are paying for the greed and trickery in the finance sector, Connecticut needs to think twice before entering into one of these so called DEALS!

Thank you.

Ron McLellan