

AFSCME Rhode Island Council 94

American Federation of State, County & Municipal Employees, AFL-CIO

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March 13, 2025

Dear House State Government & Elections Committee Member,

RI Council, 94 AFSCME opposes H-5870, which would create a framework for Public Private Partnerships.

Public Private Partnerships (P3s) are an alternative finance mechanism which allows a state/municipality to enter into a contract with a private corporation to build and then operate a public structure/facility such as a road, bridge, power plant, University/College Dorm etc.

AFSCME has routinely objected to the use of P3s because:

- They avoid public scrutiny and voter approval required by the ballot question/bonding process.
- The lack of transparency can lead to higher construction/service costs and significant revenue loss.
- P3s are back door for privatization of public services, loss of control, and service degradation due the conflict of public need versus profit motive.

Council 94 has engaged in negotiations/discussions with URI to utilize a Public Private Partnership to construct a new dorm. If General Assembly decides P3s are going to be used then, Council 94 suggests:

- A thorough public cost/benefit evaluation/analysis process for any state, municipal, quasi-public facility that will be built using a Public Private Partnership as required in RIGL Chapters 148 and 149 of Title 42. The current legislation appears to only cover state P3 projects.
- Public employees continue to provide service delivery after construction is complete.
- Public transparency/accountability for any service delivery performed by a private vendor as required by RIGL Chapter 2.3 of Title 37.

Council 94 is willing to work on mutually agreeable language if desired.

In closing, we respectfully ask you to oppose H-5870.

Michael McDonald

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President

Sincerely,

James A. Cenerini

Legislative Affairs/Political Action Coordinator