

- The current law that controls the privatization of State services is broken. It contains huge loopholes that stop us from making sure that private contractors are making good on their promises to Vermonters.
- Right now, the definition of a “privatization contract” in the law is extremely narrow. For a contract to qualify, it has to result in the elimination of at least one State position.
  - The Administration knows this, and so it rarely takes this approach. Instead they privatize another way; they leave large numbers of vacancies unfilled, and then move the work of those positions to private contractors— all without the privatization law ever having been triggered.
  - This bill would close the loophole. It would define a privatization contract as one that moves work currently performed by a given State bargaining unit to a private entity— regardless of whether a position is eliminated or not.
- The vast majority of the time that contractors claim to provide a savings over the public sector, they do so on the backs of their own employees. Vermonters want to save money, but not at the expense of their neighbors.
  - That’s why this bill requires private contractors to provide their employees with wages, benefits, and employment protections like those currently received by State employees. If you can save money, save money but don’t do so by taking advantage of your employees.
- Finally, this bill adds some teeth to the current statute.
  - As things stand currently, even the weak standards of the current statute are almost impossible to enforce. For example, the current law requires that private contractors save 10% over the State. But when they don’t, as was the case with the contractor that privatized the former Office of Risk Management, the State has no recourse to make them keep that promise
  - That’s why this bill would allow the Attorney General to investigate these savings. If the contractor isn’t realizing those required savings, then the contract won’t be renewed, and the work would then come back to the State.
- All of this can sound a bit academic, but if you’re a constituent of ours who hasn’t been able to get through to get their unemployment insurance, or their benefits, or even somebody on the phone at the DMV because their call is being routed out-of-state, then these issues are all too real. **Let’s make sure our constituents are getting the services they deserve, that workers aren’t getting exploited, and that Vermont taxpayers aren’t getting ripped off.**