

# OFFICE OF FISCAL ANALYSIS

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<http://www.cga.ct.gov/ofa>

sSB-920

AN ACT CONCERNING PUBLIC-PRIVATE PARTNERSHIPS.

## **OFA Fiscal Note**

### **State Impact:**

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Department of Transportation	TF - Potential Cost	Up to 376,777	Up to 377,780
State Comptroller - Fringe Benefits <sup>1</sup>	TF - Potential Cost	Up to 151,479	Up to 156,023
Quasi-Public Agencies	Various - Cost	Potential Significant	Potential Significant
Various State Agencies	Various - Cost	Potential Significant	Potential Significant

Note: TF=Transportation Fund; Various=Various

**Municipal Impact:** None

### **Explanation**

The bill expands the authority of executive branch state and quasi-public agencies to enter into contracts with public-private partnerships. This bill reestablishes the governor's authority to approve up to five public-private partnership (P3) project agreements and makes the authority permanent.

The bill eliminates provisions restricting P3 projects to revenue-generating facilities and limiting the state's share of project costs to 25%. This is expected to significantly increase project costs to the state.

The bill establishes an Office of Innovative Finance and Project

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<sup>1</sup>The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.77% of payroll in FY 21 and FY 22.

Delivery within the Department of Transportation (DOT) and requires the Commissioner of Transportation to assign personnel to the office in order to fulfill the duties described in the bill. To the extent that DOT assigns existing personnel to the office and subsequently hires new personnel to fulfill their former duties, this section results in a cost of up to \$518,256 in FY 22 and up to \$533,803 in FY 23 for salary and fringe benefit costs associated with as many as four fiscal/administrative officer positions.<sup>2</sup>

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

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<sup>2</sup> The cost will depend on the number of personnel hired and the actual job classes used.