

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sHB-6619

AN ACT CONCERNING PROHIBITING PAY FOR DELAY.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Attorney General	GF - Potential Cost	Up to 500,000	Up to 500,000
Attorney General	GF - Potential Revenue Gain	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill could potentially result in a cost of up to \$500,000, beginning in FY 24, for the Office of the Attorney General (OAG) to retain an outside consultant to assist the agency in determining when a violation of the bill's "pay-for-delay" provisions occurs so OAG can file a good faith complaint with the court. Any costs would depend on the number of occurrences.

The bill may also result in a revenue gain, since companies that violate the bill's provisions may be required to pay a civil penalty to the state in an amount of up to three times the amount of compensation provided for delayed market entry, or \$20 million, whichever is greater. It is expected that any revenue realized from penalties would be used to recover any consultant costs incurred in a case.

The Out Years

The annualized ongoing fiscal impact identified above would

continue into the future subject to the number of cases that are filed and any penalties assessed.