

Government Administration and Elections Committee

JOINT FAVORABLE REPORT

Bill No.: SB-180

AN ACT REQUIRING EXECUTIVE AND LEGISLATIVE REVIEW OF CERTAIN

Title: QUASI-PUBLIC AGENCY CONTRACTS.

Vote Date: 3/9/2018

Vote Action: Joint Favorable Substitute

PH Date: 2/26/2018

File No.: 91

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SPONSORS OF BILL:

Government Administration and Elections Committee

REASONS FOR BILL:

This bill provides a greater oversight for quasi-public agencies. Quasi-public agencies in the past have made financial requests that have concerned citizens. This bill suggests that the Attorney General's office will be able to aid in determining the need of cost increases by quasi-public agencies. This bill is similar to HB 5178 without the exemption for financial consulting contracts.

RESPONSE FROM ADMINISTRATION/AGENCY:

None Expressed.

NATURE AND SOURCES OF SUPPORT:

Leonard Fasano, Senate Republican President Pro Tempore, Connecticut General Assembly: Senator Fasano is in support of SB 180. The bill brings more transparency to the state's quasi-public agencies. By having the Attorney General review all contracts proposed by quasi-public agencies, citizens will know that decisions will be made in the best interest of the state. Senator Fasano uses three different examples of hefty severance packages to provide support that without stronger oversight, the costs of quasi-public agencies will keep increasing.

Devin Carney, State Representative, Connecticut General Assembly: Rep Carney is in support of SB 180. Connecticut is in a fiscal crisis where the State cannot maintain a culture of quasi-public agencies raising costs without oversight of the General Assembly. Rep.

Carney used two articles written by Jon Lender of the Hartford Courant regarding alleged misuses of authority by the Connecticut Airport Authority and the CT Lottery. Rep. Carney mentioned that Connecticut residents are feeling the burden of the state budget and the state should not be increasing agency head's salaries.

Karl Kilduff, Executive Director, Connecticut Housing Finance Authority (CHFA): The CHFA supports Proposed Senate Bill No. 180. The bill creates for another level of business to ensure quasi-public agencies are complying with federal laws and regulations. The agency does not support HB 5178, which closely resembles SB 180, due to the fact that HB 5178 does not include an exemption for financial consulting contracts.

NATURE AND SOURCES OF OPPOSITION:

Kevin Dillon, Executive Director, Connecticut Airport Authority (CAA): The CAA opposes SB 180. The agency is concerned that the bill would “hamper the ability of all quasi-public agencies to operate efficiently”. Quasi-public agencies are expected to function autonomously and this can only be done operating outside of bureaucratic hurdles. In the past, provisions imposed that have restricted the agency include but are not limited to standard wage requirements and onerous state agency privatization processes.

Matt McCooe, CEO, Connecticut Innovations (CI): The agency opposes SB 180 the same as it opposes similar bill HB 5178. The bills would inhibit the efficiency of quasi-public agencies by adding another layer of government to make decisions. SB 180 is especially onerous and would substantially impair [their] ability to operate effectively. The fear is SB 180 will hinder the agency's ability to take advantage of important opportunities and reduce chances for future success.

Reported by: Christian Tynan

Date: 4/4/2018