



Senate

General Assembly

File No. 722

January Session, 2019

Substitute Senate Bill No. 878

Senate, April 17, 2019

The Committee on Government Administration and Elections reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT ENHANCING PUBLIC-PRIVATE PARTNERSHIPS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 4-256 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2019*):

4 (a) On and after October 27, 2011, and prior to [January 1, 2020]
5 December 1, 2022, the Governor shall approve not more than [five]
6 seven projects to be implemented as public-private partnership
7 projects. The Governor shall not approve any such project unless the
8 Governor finds that the project will result in job creation and economic
9 growth. Any agency seeking to establish a public-private partnership
10 shall, after consultation with the Commissioners of Economic and
11 Community Development, Administrative Services and
12 Transportation, the State Treasurer and the Secretary of the Office of
13 Policy and Management, submit one or more projects to the Governor
14 for approval.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019</i>	4-256(a)

GAE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**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 (P3s) to generate more revenue-generating public infrastructure projects. It also increases the limit on the number of P3s that can be authorized from five to seven projects and extends the end date for project approvals from January 1, 2020, to December 1, 2022. These provisions have no fiscal impact.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**sSB 878*****AN ACT ENHANCING PUBLIC-PRIVATE PARTNERSHIPS.*****SUMMARY**

This bill expands the authority of executive branch state and quasi-public agencies to enter into contracts with private entities to design, develop, finance, construct, operate, or maintain one or more revenue-generating public infrastructure projects (i.e., public-private partnerships or P3s). Specifically, it increases the limit on the number of P3s that can be authorized from five to seven projects and extends the end date for project approvals from January 1, 2020, to December 1, 2022.

EFFECTIVE DATE: July 1, 2019

BACKGROUND***Public-Private Partnerships***

The law establishes eligibility criteria for P3 projects, required terms and conditions for a P3 agreement, and requirements for their submission and approval. It exempts P3s from (1) existing state contracting laws that generally (a) regulate large construction contracts over \$500,000 and (b) require contractors to be prequalified to bid on such projects and (2) municipal property taxes on any property developed, operated, or held by a private entity under a partnership agreement. However, it requires any agency subject to the state privatization law to comply with its requirements. It allows an agency or the state to apply for and accept federal or local funds to further the law's purposes and to fund P3s (CGS § 4-255 et seq.).

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 10 Nay 5 (04/01/2019)