

OFFICE OF FISCAL ANALYSIS

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sSB-1121

AN ACT CONCERNING "PRIORITIZE PROGRESS".

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect
Treasurer, Debt Serv.	GF - See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill appears to authorize specified amounts (\$21.7 billion) of General Obligation (GO) bonds for transportation purposes annually from CY 20 through CY 50. To the extent the authorizations are fully allocated and issued, there would be a cost to the General Fund for debt service of approximately \$35.4 billion. If the bonds are allocated and issued when first effective, repayment on the bonds could begin as early as FY 21 (\$35.2 million).

The bill is missing language that typically accompanies authorizations of new debt. If the amounts specified are not certified as authorizations, the fiscal impact is uncertain.

Additionally, the bill establishes the Transportation Strategy and Advisory Board (TSAB) within the Office of Policy and Management for administrative purposes, and requires certain reporting by and to TSAB regarding transportation projects. There is no fiscal impact from these provisions, as the relevant organizations possess the necessary expertise and resources to produce such reports.

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Contributing Analyst(s): AB
Reviewer: MM

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The Out Years

To the extent that bonds are allocated and issued, debt service payments may extend up to 20 years from the time, and under of the terms, of issuance.