

OFFICE OF FISCAL ANALYSIS

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HB-5408

AN ACT CONCERNING THE PURCHASE OF PRINT AND DIGITAL
ADVERTISING BY THE STATE.

As Amended by House "A" (LCO 4800)

House Calendar No.: 294

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
State Comptroller - Fringe Benefits ¹	GF - Cost	None	40,000
Department of Administrative Services	GF - Cost	None	100,000
Various State Agencies	App Fund - Potential Cost	Potential Minimal	Potential Minimal

Note: GF=General Fund; App Fund=All Appropriated Funds

Municipal Impact: None

Explanation

The bill results in a cost of up to \$140,000 per year for the Department of Administrative Services (DAS) to administer the process and fulfill the reporting requirements established in the bill beginning in FY 26. DAS will have to hire up to one additional employee with a salary and other expenses cost of \$100,000, along with associated fringe benefits costs of \$40,000 beginning in FY 26.

The bill results in a potential minimal cost to various state agencies to the extent they conform to the advertising requirements established in the bill. The bill requires 15% of an agencies' annual print or digital

¹The 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 41.25% of payroll in FY 25.

advertising to be with in-state news publishers. The bill provides various exemptions and a waiver process for agencies which would eliminate any potential cost associated with those requirements.

House "A" strikes the underlying bill and results in the impact described above.

The Out Years

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

Sources: Department of Administrative Services website