



**Governor Ned Lamont
State of Connecticut**



FACT SHEET
2019 Legislative Session

**SENATE BILL 878
*AN ACT ENHANCING PUBLIC-PRIVATE PARTNERSHIPS***

Summary of Proposal:

This proposal provides executive branch agencies and quasi-public agencies the authority to enter into public-private partnerships (PPPs) with private entities to contract to design, develop, finance, construct, operate, or maintain projects.

Agencies seeking to establish a public-private partnerships must complete a series of analyses, including: projected demand, economic and social impact, feasibility, cost-benefit analysis, and the publicly financed alternatives in addition to consulting with the Commissioners of Economic and Community Development, Administrative Services, and Transportation, as well as the State Treasurer and Secretary of Policy and Management before submitting project to the Governor for approval.

The governor in reviewing the proposals must deem that the project will result in job creation and economic growth.

Partnership agreements shall include but not be limited to terms and conditions outlining the financial terms, revenue agreement between state and private entity, performance criteria, compensation agreement, as well as an independent audit report.

PPPs are subject to prevailing wage requirements or the rate established by the use of a project labor agreement, and must comply with the state's environmental policy requirements, set-aside program for small contractors, and any applicable permitting or inspection requirements for projects of similar type, scope, or size per state law and municipal ordinance.

Reason for Proposal:

Public-private partnerships can leverage limited public resources to obtain maximal project delivery and execution, including economic growth and jobs, in assets and projects where unmet needs are the greatest.

CGS Sec. 4-255 authorized the State of Connecticut to enter into public-private partnerships for the design, development, operation or maintenance of the new or existing projects related to early childcare, educational, health, or housing facilities and transportation systems, including ports and transit-oriented development. Since its passage, no project was developed or

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completed under the statute due to various limitations and stipulations, including imposing numerous financial and non-financial limitations on state agencies and private partners.

This proposal expands the number agencies able to participate in public-private partnerships – and cuts down on red tape around these partnerships – in support of economic development and job creation.