

# Senate

File No. 129

General Assembly

January Session, 2025

Substitute Senate Bill No. 1230

Senate, March 19, 2025

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

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

- 1 Section 1. (NEW) (Effective July 1, 2025) (a) As used in this section, (1)
- 2 "publisher of news" means an entity that (A) disseminates original news
- 3 content to the public, whether by print, broadcast, photographic,
- 4 mechanical, electronic or any other means or medium, and (B) has been
- 5 producing such original news content for a period of at least twelve
- 6 months; and (2) "state agency" means any department, board, council,
- 7 commission or other executive branch agency of state government, but
- 8 excludes each constituent unit of the state system of higher education,
- 9 as described in section 10a-1 of the general statutes.
- 10 (b) Except as provided in subsections (c) and (e) of this section, on 11 and after July 1, 2026, each state agency procuring print or digital
- 12 advertising shall, within available appropriations, contract with a
- 13 commercial or nonprofit publisher of news whose principal place of

business is in this state for not less than fifteen per cent of the total 14 15 annual value of such agency's contracts for such advertising. In the case 16 of a commercial or nonprofit publisher of news that is owned by a 17 parent company that is located outside of this state, the principal place 18 of business of such publisher shall be deemed to be the location of such 19 parent company. Not later than June 1, 2026, the Commissioner of 20 Administrative Services shall, within available appropriations, establish 21 guidelines for any contracts entered into under this section. The 22 commissioner may accept volunteer assistance from institutions of 23 higher education in the state or other neutral third parties with relevant 24 expertise in establishing such guidelines.

- (c) If a state agency determines that an award in accordance with subsection (b) of this section would interfere with the purpose of the advertising, the state agency may request a waiver of such requirement from the Commissioner of Administrative Services, in a manner and form prescribed by the commissioner. Any such request shall clearly document the reasons for requesting such a waiver.
- 31 (d) Not later than December 1, 2026, and annually thereafter, each 32 state agency shall provide a summary of all print or digital advertising 33 purchased by such state agency during the preceding fiscal year, 34 including the amounts spent, to the Commissioner of Administrative 35 Services, in a form and manner prescribed by the commissioner.
  - (e) The provisions of this section shall not apply to state agency contracts for print or digital advertising that is primarily directed at an out-of-state audience, including, but not limited to, for out-of-state tourism, economic development or employee recruitment.
  - (f) Not later than February 1, 2027, and annually thereafter, the Commissioner of Administrative Services shall, within available appropriations, submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to government administration. The report shall summarize any advertising purchased by state agencies during the preceding fiscal

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47 year, the amounts spent by such agencies on such advertising, any

48 waiver requests received by the commissioner, whether such waivers

49 were granted or denied and the reasons for such granting or denial.

	ıll take effect as follo	ows and shall amend the following
sections:		
Section 1	July 1, 2025	New section

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:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
State Comptroller - Fringe	GF - Cost	43,150	43,150
Benefits <sup>1</sup>			
Department of Administrative	GF - Cost	106,000	106,000
Services			

Note: GF=General Fund

### **Municipal Impact:** None

### Explanation

The bill, which establishes certain contract advertising requirements, results in a cost of \$149,150 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 one additional employee with a salary of \$106,000, along with associated fringe benefits costs of \$43,150 beginning in FY 26. The bill results in a potential cost to various state agencies to the extent they conform to the advertising requirements established in the bill. The bill provides a waiver process for agencies which would eliminate any potential cost associated with those requirements.

## The Out Years

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

Sources: Core-CT Financial Accounting System

<sup>&</sup>lt;sup>1</sup>The 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 40.71% of payroll in FY 26.

# OLR Bill Analysis sSB 1230

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

#### **SUMMARY**

Starting July 1, 2026, this bill generally requires certain state agencies buying print or digital advertising to contract, within available appropriations, with in-state news publishers for at least 15% of the total annual value of the agency's advertising contracts. These publishers may be commercial or non-profit, but they must (1) disseminate original news content to the public by print, broadcast, photographic, mechanical, electronic, or any other means or medium; (2) have been producing this content for at least 12 months; and (3) have their principal place of business in Connecticut. For news publishers owned by a parent company located outside of Connecticut, the bill deems the principal place of business as the parent company's location.

The state agencies subject to the bill's requirement are any department, board, council, commission, or other executive branch state agency except for each constituent unit of the state higher education system.

The bill exempts state agency contracts for print or digital advertising primarily directed at an out-of-state audience, such as those for out-of-state tourism, economic development, or employee recruitment. It also allows an agency to request a waiver if it determines that following this requirement would interfere with an advertisement's purpose. An agency may request the waiver from the Department of Administrative Services (DAS) commissioner, in a form and way she sets, but it must clearly document the reasons for the request.

The bill requires the DAS commissioner, by June 1, 2026, and within available appropriations, to establish guidelines for any contracts entered into under the bill's provisions. In doing so, she may accept voluntary assistance from in-state higher education institutions or other neutral third parties with relevant experience.

Starting by December 1, 2026, the bill requires each state agency to annually give the DAS commissioner a summary of all print or digital advertising it purchased during the preceding fiscal year, including the amounts spent. The information must be given in a form and way set by the commissioner. Then, starting by February 1, 2027, and within available appropriations, the commissioner must annually give the Government Administration and Elections Committee a report that summarizes (1) advertising bought by the state agencies during the preceding fiscal year; (2) the amounts they spent on the advertising; and (3) any waiver requests received by the commissioner, whether they were granted or denied, and the reasons why.

EFFECTIVE DATE: July 1, 2025

### **COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute Yea 13 Nay 5 (02/28/2025)