



Senate

General Assembly

File No. 362

February Session, 2026

Substitute Senate Bill No. 425

Senate, April 2, 2026

The Committee on Government Oversight reported through SEN. GADKAR-WILCOX of the 22nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT REQUIRING ANNUAL STATE AGENCY PERFORMANCE PLANS.

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

1 Section 1. (NEW) (*Effective October 1, 2026*) (a) As used in this section,
2 "state agency" means any department, board, council, commission,
3 institution or other agency in the executive branch of state government,
4 including, but not limited to, each constituent unit.

5 (b) Not later than July 1, 2027, and annually thereafter, each state
6 agency shall develop and implement an annual performance plan that
7 outlines the state agency's strategic and operational goals. The Office of
8 Policy and Management shall establish guidelines for the performance
9 plans and shall provide training and technical assistance in performance
10 plan development and implementation to state agencies upon request.

11 (c) Not later than January 1, 2028, and annually thereafter, each state
12 agency shall report on the state agency's performance plan and its

13 progress in attaining the strategic and operational goals outlined in the
 14 state agency's performance plan from the prior year to the Office of
 15 Policy and Management, and shall concomitantly submit a copy of such
 16 report to the joint standing committee of the General Assembly having
 17 cognizance of such agency, in accordance with the provisions of section
 18 11-4a of the general statutes, except in the case of the Office of State
 19 Ethics, Freedom of Information Commission, State Elections
 20 Enforcement Commission, State Contracting Standards Board, Office of
 21 Governmental Accountability and Public Utilities Regulatory
 22 Authority, such report shall only be submitted to such committee and
 23 not to said office. The Office of Policy and Management shall institute
 24 regular performance evaluations of state agencies other than the Office
 25 of State Ethics, Freedom of Information Commission, State Elections
 26 Enforcement Commission, State Contracting Standards Board, Office of
 27 Governmental Accountability and Public Utilities Regulatory
 28 Authority, concerning their progress toward attaining the goals
 29 outlined in their performance plans and such evaluations shall occur not
 30 less than every two years.

31 (d) After receipt of a report submitted under subsection (c) of this
 32 section, each joint standing committee of the General Assembly having
 33 cognizance of any state agency that issued a report under subsection (c)
 34 of this section shall hold a hearing where the executive authority, as
 35 defined in section 4-37e of the general statutes, of the state agency shall
 36 present the state agency's performance plan.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2026	New section

Statement of Legislative Commissioners:
 In Subsec. (b), references to "plan" were changed to "performance plan" for consistency, and Subsec. (c) was reworded for clarity.

GOS *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 27 \$	FY 28 \$
Various State Agencies	GF - Potential Cost	See Below	See Below
Policy & Mgmt., Off.	GF - Cost	Up to 3.16 million	157,500
State Comptroller - Fringe Benefits ¹	GF - Cost	65,650	65,650

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires (1) all state agencies to develop and implement annual performance plans by July 1, 2027, and submit a report by January 1, 2028, and (2) the Office of Policy and Management (OPM) to establish strategic plan guidelines and assist in plan development upon request. This results in a potential cost to state agencies associated with developing this plan and submitting a report and a one-time cost of up to \$3 million to OPM in FY 27 that is dependent on costs associated with developing the guidelines and which state agencies request assistance with plan development.² Any potential costs to state agencies may shift to OPM to the extent assistance is requested.

This bill also requires OPM to institute regular performance

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 41.82% of payroll in FY 27.

² This analysis assumes an average cost of approximately \$100,000 per state agency.

evaluations at least every two years for certain state agencies beginning January 1, 2028. This results in a cost of \$159,600 in FY 27 and an annual cost of \$157,500 beginning in FY 28 to OPM for a Division Director position and corresponding fringe benefit costs to the Office of the State Comptroller.

The Out Years

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

OLR Bill Analysis**sSB 425*****AN ACT REQUIRING ANNUAL STATE AGENCY PERFORMANCE PLANS.*****SUMMARY**

This bill requires (1) state agencies (any executive branch agency or entity, including public higher education institutions) to develop and implement annual performance plans and submit a related report, with exceptions, and (2) the Office of Policy and Management (OPM) to institute regular performance plan evaluations, with exceptions.

Under the bill, beginning by July 1, 2027, each state agency must annually develop and implement a performance plan outlining its strategic and operational goals. The bill requires OPM to establish strategic plan guidelines and assist in plan development and implementation, upon request.

The bill also requires each state agency, beginning by January 1, 2028, to annually give OPM and the legislative committee of cognizance a report on the agency's performance plan and progress towards its strategic and operational goals during the prior year. However, the bill requires the Office of State Ethics, Freedom of Information Commission, State Elections Enforcement Commission, State Contracting Standards Board, Office of Governmental Accountability, and Public Utilities Regulatory Authority to submit the report only to the committee of cognizance. Upon receiving the report, the committee of cognizance must hold a hearing for the state agency's executive authority to present the agency's performance plan.

For agencies required to report to OPM, the bill requires OPM to institute regular performance evaluations of their progress at least every two years.

EFFECTIVE DATE: October 1, 2026

COMMITTEE ACTION

Government Oversight Committee

Joint Favorable Substitute

Yea 12 Nay 0 (03/17/2026)