



# House of Representatives

General Assembly

**File No. 501**

January Session, 2021

Substitute House Bill No. 6444

*House of Representatives, April 19, 2021*

The Committee on Government Administration and Elections reported through REP. FOX of the 148th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING THE MODERNIZATION OF STATE SERVICES.**

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

1 Section 1. Section 1-101qq of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2021*):

3 (a) Except as provided in section 10a-151h, a state agency or  
4 institution or quasi-public agency that is seeking a contractor for a large  
5 state construction or procurement contract shall provide the summary  
6 of state ethics laws developed by the Office of State Ethics pursuant to  
7 section 1-81b to any person seeking a large state construction or  
8 procurement contract. [Such person shall affirm to the agency or  
9 institution, in writing or electronically, (1) receipt of such summary, and  
10 (2) that key employees of such person have read and understand the  
11 summary and agree to comply with the provisions of state ethics law.  
12 After the initial submission of such affirmation, such person shall not be  
13 required to resubmit such affirmation unless there is a change in the

14 information contained in the affirmation. If there is any change in the  
15 information contained in the most recently filed affirmation, such  
16 person shall submit an updated affirmation either (A) not later than  
17 thirty days after the effective date of any such change, or (B) upon the  
18 submittal of any new bid or proposal, whichever is earlier.] No state  
19 agency or institution or quasi-public agency shall [accept a bid or  
20 proposal for] enter into a large state construction or procurement  
21 contract [without such affirmation] unless such contract contains a  
22 representation that the chief executive officer or authorized signatory of  
23 the contract and all key employees of such officer or signatory have read  
24 and understood the summary and agree to comply with the provisions  
25 of state ethics law.

26 (b) Except as provided in section 10a-151h, prior to entering into a  
27 contract with any subcontractors or consultants, each large state  
28 construction or procurement contractor shall [(1)] provide the summary  
29 of state ethics laws described in subsection (a) of this section to all  
30 subcontractors and consultants. [, and (2) obtain an affirmation from  
31 each subcontractor and consultant that such subcontractor and  
32 consultant has received such summary and key employees of such  
33 subcontractor and consultant have read and understand the summary  
34 and agree to comply with its provisions. The contractor shall provide  
35 such affirmations to the state agency, institution or quasi-public agency  
36 not later than fifteen days after the request of such agency, institution or  
37 quasi-public agency for such affirmation.] Each contract entered into  
38 with a subcontractor or consultant on or after July 1, 2021, shall include  
39 a representation that each subcontractor or consultant and the key  
40 employees of such subcontractor or consultant have read and  
41 understood the summary and agree to comply with the provisions of  
42 state ethics law. Failure to [submit such affirmations in a timely manner]  
43 include such representations in such contracts with subcontractors or  
44 consultants shall be cause for termination of the large state construction  
45 or procurement contract.

46 (c) Each contract with a contractor, subcontractor or consultant  
47 described in subsection (a) or (b) of this section shall incorporate such

48 summary by reference as a part of the contract terms.

49 Sec. 2. Section 4-252 of the general statutes is repealed and the  
50 following is substituted in lieu thereof (*Effective July 1, 2021*):

51 (a) Except as provided in section 10a-151f, on and after July 1, [2006]  
52 2021, no state agency or quasi-public agency shall execute a large state  
53 contract unless [the state agency or quasi-public agency obtains the  
54 written or electronic certification] such contract contains the  
55 representation described in this section. [Each such certification shall be  
56 sworn as true to the best knowledge and belief of the person signing the  
57 certification, subject to the penalties of false statement. If there is any  
58 change in the information contained in the most recently filed  
59 certification, such person shall submit an updated certification either (1)  
60 not later than thirty days after the effective date of any such change, or  
61 (2) upon the submittal of any new bid or proposal for a large state  
62 contract, whichever is earlier. Such person shall also submit to the state  
63 agency or quasi-public agency an accurate, updated certification not  
64 later than fourteen days after the twelve-month anniversary of the most  
65 recently filed certification or updated certification.]

66 (b) The official or employee of such state agency or quasi-public  
67 agency who is authorized to execute state contracts shall [certify]  
68 represent that the selection of the most qualified or highest ranked  
69 person, firm or corporation was not the result of collusion, the giving of  
70 a gift or the promise of a gift, compensation, fraud or inappropriate  
71 influence from any person.

72 (c) Any principal or key personnel of the person, firm or corporation  
73 submitting a bid or proposal for a large state contract shall [certify]  
74 represent:

75 (1) That no gifts were made by (A) such person, firm, corporation, (B)  
76 any principals and key personnel of the person, firm or corporation,  
77 who participate substantially in preparing bids, proposals or  
78 negotiating state contracts, or (C) any agent of such person, firm,  
79 corporation or principals and key personnel, who participates

80 substantially in preparing bids, proposals or negotiating state contracts,  
81 to (i) any public official or state employee of the state agency or quasi-  
82 public agency soliciting bids or proposals for state contracts, who  
83 participates substantially in the preparation of bid solicitations or  
84 requests for proposals for state contracts or the negotiation or award of  
85 state contracts, or (ii) any public official or state employee of any other  
86 state agency, who has supervisory or appointing authority over such  
87 state agency or quasi-public agency;

88 (2) That no such principals and key personnel of the person, firm or  
89 corporation, or agent of such person, firm or corporation or principals  
90 and key personnel, knows of any action by the person, firm or  
91 corporation to circumvent such prohibition on gifts by providing for  
92 any other principals and key personnel, official, employee or agent of  
93 the person, firm or corporation to provide a gift to any such public  
94 official or state employee; and

95 (3) That the person, firm or corporation is submitting bids or  
96 proposals without fraud or collusion with any person.

97 (d) Any bidder or proposer that does not [make the certification]  
98 agree to the representations required under this section shall be  
99 [disqualified] rejected and the state agency or quasi-public agency shall  
100 award the contract to the next highest ranked proposer or the next  
101 lowest responsible qualified bidder or seek new bids or proposals.

102 (e) Each state agency and quasi-public agency shall include in the bid  
103 specifications or request for proposals for a large state contract a notice  
104 of the [certification] representation requirements of this section.

105 Sec. 3. Section 4-252a of the general statutes is repealed and the  
106 following is substituted in lieu thereof (*Effective July 1, 2021*):

107 (a) For purposes of this section, "state agency" and "quasi-public  
108 agency" have the same meanings as provided in section 1-79, "large state  
109 contract" has the same meaning as provided in section 4-250 and "entity"  
110 means any corporation, general partnership, limited partnership,

111 limited liability partnership, joint venture, nonprofit organization or  
112 other business organization whose principal place of business is located  
113 outside of the United States, but excludes any United States subsidiary  
114 of a foreign corporation.

115 (b) No state agency or quasi-public agency shall enter into any large  
116 state contract, or amend or renew any such contract with any entity  
117 [who (1) has failed to submit a written certification indicating whether  
118 or not such entity has] unless such contract contains a certification that  
119 such entity has not made a direct investment of twenty million dollars  
120 or more in the energy sector of Iran on or after October 1, 2013, as  
121 described in Section 202 of the Comprehensive Iran Sanctions,  
122 Accountability and Divestment Act of 2010, [or has] and has not  
123 increased or renewed such investment on or after said date. [, or (2) has  
124 submitted a written certification indicating that such entity has made  
125 such an investment on or after October 1, 2013, or has increased or  
126 renewed such an investment on or after said date. Each such  
127 certification shall be sworn as true to the best knowledge and belief of  
128 the entity signing the certification, subject to the penalties of false  
129 statement.]

130 (c) Each state agency and quasi-public agency shall include in the bid  
131 specifications or request for proposals for a large state contract a notice  
132 of the certification requirements of this section. [Prior to submitting a  
133 bid or proposal for a large state contract, each bidder or proposer who  
134 is an entity shall submit a certification that such bidder or proposer has  
135 or has not made an investment as described in subsection (b) of this  
136 section.]

137 (d) Any entity [who] that makes a good faith effort to determine  
138 whether such entity has made an investment described in subsection (b)  
139 of this section shall not be subject to the penalties of false statement  
140 pursuant to this section. A "good faith effort" for purposes of this  
141 subsection includes a determination that such entity is not on the list of  
142 persons who engage in certain investment activities in Iran created by  
143 the Department of General Services of the state of California pursuant

144 to Division 2, Chapter 2.7 of the California Public Contract Code.  
145 Nothing in this subsection shall be construed to impair the ability of the  
146 state agency or quasi-public agency to pursue a breach of contract action  
147 for any violation of the provisions of the contract.

148 (e) The provisions of this section shall not apply to any contract of the  
149 Treasurer as trustee of the Connecticut retirement plans and trust funds,  
150 as defined in section 3-13c, provided nothing in this subsection shall be  
151 construed to prevent the Treasurer from performing his or her fiduciary  
152 duties under section 3-13g.

153 Sec. 4. Section 4a-81 of the general statutes is repealed and the  
154 following is substituted in lieu thereof (*Effective July 1, 2021*):

155 (a) Except as provided in section 10a-151f, no state agency or quasi-  
156 public agency shall execute a contract for the purchase of goods or  
157 services, which contract has a total value to the state of fifty thousand  
158 dollars or more in any calendar or fiscal year, unless [the state agency or  
159 quasi-public agency obtains the affidavit] such contract contains the  
160 representations described in subsection (b) of this section.

161 (b) (1) [Any principal or key personnel of a person, firm or  
162 corporation who submit bids or proposals for a] Each contract described  
163 in subsection (a) of this section shall [attest in an affidavit as to] include  
164 a representation whether any consulting agreement has been entered  
165 into in connection with any such contract. Such [affidavit]  
166 representation shall be required if any duties of the consultant included  
167 communications concerning business of a state or quasi-public agency,  
168 whether or not direct contact with a state agency, state or public official  
169 or state employee was expected or made. As used in this section,  
170 "consulting agreement" means any written or oral agreement to retain  
171 the services, for a fee, of a consultant for the purposes of (A) providing  
172 counsel to a contractor, vendor, consultant or other entity seeking to  
173 conduct, or conducting, business with the state, (B) contacting, whether  
174 in writing or orally, any executive, judicial, or administrative office of  
175 the state, including any department, institution, bureau, board,  
176 commission, authority, official or employee for the purpose of

177 solicitation, dispute resolution, introduction, requests for information,  
178 or (C) any other similar activity related to such contracts. "Consulting  
179 agreement" does not include any agreements entered into with a  
180 consultant who is registered under the provisions of chapter 10 as of the  
181 date such [affidavit is submitted] contract is executed in accordance  
182 with the provisions of this section.

183 (2) Such [affidavit] representation shall be sworn as true to the best  
184 knowledge and belief of the person signing the [certification on the  
185 affidavit] contract and shall be subject to the penalties of false statement.

186 (3) Such [affidavit] representation shall include the following  
187 information for each consulting agreement listed: The name of the  
188 consultant, the consultant's firm, the basic terms of the consulting  
189 agreement, a brief description of the services provided, and an  
190 indication as to whether the consultant is a former state employee or  
191 public official. If the consultant is a former state employee or public  
192 official, such [affidavit] representation shall indicate his or her former  
193 agency and the date such employment terminated.

194 [(4) After the initial submission of such affidavit, the principal or key  
195 personnel of the person, firm or corporation shall not be required to  
196 resubmit such affidavit unless there is a change in the information  
197 contained in such affidavit. If there is any change in the information  
198 contained in the most recently filed affidavit required under this section,  
199 the principal or key personnel of a person, firm or corporation who  
200 submit bids or proposals for a contract described in subsection (a) of this  
201 section shall submit an updated affidavit either (A) not later than thirty  
202 days after the effective date of any such change, or (B) upon the  
203 submittal of any new bid or proposal, whichever is earlier.]

204 (c) Each state agency and quasi-public agency shall include a notice  
205 of the [affidavit] representation requirements of this section in the bid  
206 specifications or request for proposals for any contract that is described  
207 in subsection (a) of this section.

208 (d) If a bidder or vendor refuses to [submit the affidavit] agree to the

209 representations required under [subsection] subsections (a) and (b) of  
210 this section, such bidder or vendor shall be [disqualified] rejected and  
211 the state agency or quasi-public agency shall award the contract to the  
212 next highest ranked vendor or the next lowest responsible qualified  
213 bidder or seek new bids or proposals.

214 Sec. 5. Subdivision (2) of subsection (f) of section 9-612 of the general  
215 statutes is repealed and the following is substituted in lieu thereof  
216 (*Effective July 1, 2021*):

217 (2) (A) No state contractor, prospective state contractor, principal of  
218 a state contractor or principal of a prospective state contractor, with  
219 regard to a state contract or a state contract solicitation with or from a  
220 state agency in the executive branch or a quasi-public agency or a  
221 holder, or principal of a holder, of a valid prequalification certificate,  
222 shall make a contribution to, or, on and after January 1, 2011, knowingly  
223 solicit contributions from the state contractor's or prospective state  
224 contractor's employees or from a subcontractor or principals of the  
225 subcontractor on behalf of (i) an exploratory committee or candidate  
226 committee established by a candidate for nomination or election to the  
227 office of Governor, Lieutenant Governor, Attorney General, State  
228 Comptroller, Secretary of the State or State Treasurer, (ii) a political  
229 committee authorized to make contributions or expenditures to or for  
230 the benefit of such candidates, or (iii) a party committee;

231 (B) No state contractor, prospective state contractor, principal of a  
232 state contractor or principal of a prospective state contractor, with  
233 regard to a state contract or a state contract solicitation with or from the  
234 General Assembly or a holder, or principal of a holder, of a valid  
235 prequalification certificate, shall make a contribution to, or, on and after  
236 January 1, 2011, knowingly solicit contributions from the state  
237 contractor's or prospective state contractor's employees or from a  
238 subcontractor or principals of the subcontractor on behalf of (i) an  
239 exploratory committee or candidate committee established by a  
240 candidate for nomination or election to the office of state senator or state  
241 representative, (ii) a political committee authorized to make



242 contributions or expenditures to or for the benefit of such candidates, or  
243 (iii) a party committee;

244 (C) If a state contractor or principal of a state contractor makes or  
245 solicits a contribution as prohibited under subparagraph (A) or (B) of  
246 this subdivision, as determined by the State Elections Enforcement  
247 Commission, the contracting state agency or quasi-public agency may,  
248 in the case of a state contract executed on or after February 8, 2007, void  
249 the existing contract with such contractor, and no state agency or quasi-  
250 public agency shall award the state contractor a state contract or an  
251 extension or an amendment to a state contract for one year after the  
252 election for which such contribution is made or solicited unless the  
253 commission determines that mitigating circumstances exist concerning  
254 such violation. No violation of the prohibitions contained in  
255 subparagraph (A) or (B) of this subdivision shall be deemed to have  
256 occurred if, and only if, the improper contribution is returned to the  
257 principal by the later of thirty days after receipt of such contribution by  
258 the recipient committee treasurer or the filing date that corresponds  
259 with the reporting period in which such contribution was made;

260 (D) If a prospective state contractor or principal of a prospective state  
261 contractor makes or solicits a contribution as prohibited under  
262 subparagraph (A) or (B) of this subdivision, as determined by the State  
263 Elections Enforcement Commission, no state agency or quasi-public  
264 agency shall award the prospective state contractor the contract  
265 described in the state contract solicitation or any other state contract for  
266 one year after the election for which such contribution is made or  
267 solicited unless the commission determines that mitigating  
268 circumstances exist concerning such violation. The Commissioner of  
269 Administrative Services shall notify applicants of the provisions of this  
270 subparagraph and subparagraphs (A) and (B) of this subdivision during  
271 the prequalification application process; [and]

272 (E) The State Elections Enforcement Commission shall make  
273 available to each state agency and quasi-public agency a written notice  
274 advising state contractors and prospective state contractors of the

275 contribution and solicitation prohibitions contained in subparagraphs  
276 (A) and (B) of this subdivision. Such notice shall: (i) Direct each state  
277 contractor and prospective state contractor to inform each individual  
278 described in subparagraph (F) of subdivision (1) of this subsection, with  
279 regard to such state contractor or prospective state contractor, about the  
280 provisions of subparagraph (A) or (B) of this subdivision, whichever is  
281 applicable, and this subparagraph; (ii) inform each state contractor and  
282 prospective state contractor of the civil and criminal penalties that could  
283 be imposed for violations of such prohibitions if any such contribution  
284 is made or solicited; (iii) inform each state contractor and prospective  
285 state contractor that, in the case of a state contractor, if any such  
286 contribution is made or solicited, the contract may be voided; (iv) inform  
287 each state contractor and prospective state contractor that, in the case of  
288 a prospective state contractor, if any such contribution is made or  
289 solicited, the contract described in the state contract solicitation shall not  
290 be awarded, unless the commission determines that mitigating  
291 circumstances exist concerning such violation; and (v) inform each state  
292 contractor and prospective state contractor that the state will not award  
293 any other state contract to anyone found in violation of such  
294 prohibitions for a period of one year after the election for which such  
295 contribution is made or solicited, unless the commission determines that  
296 mitigating circumstances exist concerning such violation. Each state  
297 agency and quasi-public agency shall [distribute such notice to the chief  
298 executive officer of its contractors and prospective state contractors, or  
299 an authorized signatory to a state contract, and shall obtain a written  
300 acknowledgment of the receipt of such notice.] include in the bid  
301 specifications or request for proposals for a state contract, a copy of or  
302 Internet link to such notice. No state agency or quasi-public agency shall  
303 execute a state contract unless such contract contains a representation  
304 that the chief executive officer or authorized signatory of the contract  
305 has received such notice; and

306 (F) (i) Any principal of the state contractor or prospective state  
307 contractor submitting a bid or proposal for a state contract shall certify  
308 that neither the contractor or prospective state contractor, nor any of its  
309 principals, have made any contributions to, or solicited any

310 contributions on behalf of, any party committee, exploratory committee,  
311 candidate for state-wide office or for the General Assembly, or political  
312 committee authorized to make contributions to or expenditures to or for,  
313 the benefit of such candidates, in the previous four years, that were  
314 determined by the State Elections Enforcement Commission to be in  
315 violation of subparagraph (A) or (B) of this subdivision, without  
316 mitigating circumstances having been found to exist concerning such  
317 violation. Each such certification shall be sworn as true to the best  
318 knowledge and belief of the person signing the certification, subject to  
319 the penalties of false statement. If there is any change in the information  
320 contained in the most recently filed certification, such person shall  
321 submit an updated certification not later than thirty days after the  
322 effective date of any such change or upon the submittal of any new bid  
323 or proposal for a state contract, whichever is earlier.

324 (ii) Each state agency and quasi-public agency shall include in the bid  
325 specifications or request for proposals for a state contract a notice of the  
326 certification requirements of this subparagraph. No state agency or  
327 quasi-public agency shall execute a state contract unless the state agency  
328 or quasi-public agency obtains the written certification described in this  
329 subparagraph.

330 (iii) Any principal of the state contractor or prospective state  
331 contractor submitting a bid or proposal for a state contract shall disclose  
332 on the certification all contributions made by any of its principals to any  
333 party committee, exploratory committee, candidate for state-wide office  
334 or for the General Assembly, or political committee authorized to make  
335 contributions to or expenditures to or for the benefit of such candidates  
336 for a period of four years prior to the signing of the contract or date of  
337 the response to the bid, whichever is longer, and certify that all such  
338 contributions have been disclosed.

339 Sec. 6. Subsection (c) of section 4a-60 of the general statutes is  
340 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
341 *2021*):

342 (c) Except as provided in section 10a-151i:

343 (1) Any contractor who has one or more contracts with an awarding  
344 agency or who is a party to a municipal public works contract or a  
345 contract for a quasi-public agency project [, where any such contract is  
346 valued at less than fifty thousand dollars for each year of the contract,  
347 shall provide the awarding agency, or in the case of a municipal public  
348 works or quasi-public agency project contract, the Commission on  
349 Human Rights and Opportunities, with a written or electronic  
350 representation that complies with the nondiscrimination agreement and  
351 warranty under subdivision (1) of subsection (a) of this section,  
352 provided if there is any change in such representation, the contractor  
353 shall provide the updated representation to the awarding agency or  
354 commission not later than thirty days after such change] shall include a  
355 nondiscrimination affirmation provision certifying that the contractor  
356 understands the obligations of this section and will maintain a policy for  
357 the duration of the contract to assure that the contract will be performed  
358 in compliance with the nondiscrimination requirements of subsection  
359 (a) of this section. The authorized signatory of the contract shall  
360 demonstrate his or her understanding of this obligation by either (A)  
361 initialing the nondiscrimination affirmation provision in the body of the  
362 contract, or (B) providing an affirmative response in the required online  
363 bid or response to a proposal question which asks if the contractor  
364 understands its obligations.

365 [(2) Any contractor who has one or more contracts with an awarding  
366 agency or who is a party to a municipal public works contract or a  
367 contract for a quasi-public agency project, where any such contract is  
368 valued at fifty thousand dollars or more for any year of the contract,  
369 shall provide the awarding agency, or in the case of a municipal public  
370 works or quasi-public agency project contract, the Commission on  
371 Human Rights and Opportunities, with any one of the following:

372 (A) Documentation in the form of a company or corporate policy  
373 adopted by resolution of the board of directors, shareholders, managers,  
374 members or other governing body of such contractor that complies with  
375 the nondiscrimination agreement and warranty under subdivision (1) of  
376 subsection (a) of this section;

377 (B) Documentation in the form of a company or corporate policy  
378 adopted by a prior resolution of the board of directors, shareholders,  
379 managers, members or other governing body of such contractor if (i) the  
380 prior resolution is certified by a duly authorized corporate officer of  
381 such contractor to be in effect on the date the documentation is  
382 submitted, and (ii) the head of the awarding agency, or a designee, or in  
383 the case of a municipal public works or quasi-public agency project  
384 contract, the executive director of the Commission on Human Rights  
385 and Opportunities or a designee, certifies that the prior resolution  
386 complies with the nondiscrimination agreement and warranty under  
387 subdivision (1) of subsection (a) of this section; or

388 (C) Documentation in the form of an affidavit signed under penalty  
389 of false statement by a chief executive officer, president, chairperson or  
390 other corporate officer duly authorized to adopt company or corporate  
391 policy that certifies that the company or corporate policy of the  
392 contractor complies with the nondiscrimination agreement and  
393 warranty under subdivision (1) of subsection (a) of this section and is in  
394 effect on the date the affidavit is signed.]

395 [(3)] (2) No awarding agency, or in the case of a municipal public  
396 works contract, no municipality, or in the case of a quasi-public agency  
397 project contract, no entity, shall award a contract to a contractor [who]  
398 that has not [provided the representation or documentation] included  
399 the nondiscrimination affirmation provision in the contract and  
400 demonstrated its understanding of such provision as required under  
401 [subdivisions] subdivision (1) [and (2)] of this subsection. [, as  
402 applicable. After the initial submission of such representation or  
403 documentation, the contractor shall not be required to resubmit such  
404 representation or documentation unless there is a change in the  
405 information contained in such representation or documentation. If there  
406 is any change in the information contained in the most recently filed  
407 representation or updated documentation, the contractor shall submit  
408 an updated representation or documentation, as applicable, either (A)  
409 not later than thirty days after the effective date of such change, or (B)  
410 upon the execution of a new contract with the awarding agency,

411 municipality or entity, as applicable, whichever is earlier. Such  
412 contractor shall also certify, in accordance with subparagraph (B) or (C)  
413 of subdivision (2) of this subsection, to the awarding agency or  
414 commission, as applicable, not later than fourteen days after the twelve-  
415 month anniversary of the most recently filed representation,  
416 documentation or updated representation or documentation, that the  
417 representation on file with the awarding agency or commission, as  
418 applicable, is current and accurate.]

419 Sec. 7. Subsection (b) of section 4a-60a of the general statutes is  
420 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
421 *2021*):

422 (b) Except as provided in section 10a-151i:

423 (1) Any contractor who has one or more contracts with an awarding  
424 agency or who is a party to a municipal public works contract or a  
425 contract for a quasi-public agency project [, where any such contract is  
426 valued at less than fifty thousand dollars for each year of the contract,  
427 shall provide the awarding agency, or in the case of a municipal public  
428 works or quasi-public agency project contract, the Commission on  
429 Human Rights and Opportunities, with a written representation that  
430 complies with the nondiscrimination agreement and warranty under  
431 subdivision (1) of subsection (a) of this section] shall include a  
432 nondiscrimination affirmation provision in the contract certifying that  
433 the contractor understands the obligations of this section and will  
434 maintain a policy for the duration of the contract to assure that the  
435 contract will be performed in conformance with the nondiscrimination  
436 requirements of this section. The authorized signatory of the contract  
437 shall demonstrate his or her understanding of this obligation by either  
438 (A) initialing the nondiscrimination affirmation provision in the body of  
439 the contract, or (B) providing an affirmative response in the required  
440 online bid or response to a proposal question which asks if the  
441 contractor understands its obligations.

442 [(2) Any contractor who has one or more contracts with an awarding  
443 agency or who is a party to a municipal public works contract or a

444 contract for a quasi-public agency project, where any such contract is  
445 valued at fifty thousand dollars or more for any year of the contract,  
446 shall provide such awarding agency, or in the case of a municipal public  
447 works or quasi-public agency project contract, the Commission on  
448 Human Rights and Opportunities, with any of the following:

449 (A) Documentation in the form of a company or corporate policy  
450 adopted by resolution of the board of directors, shareholders, managers,  
451 members or other governing body of such contractor that complies with  
452 the nondiscrimination agreement and warranty under subdivision (1) of  
453 subsection (a) of this section;

454 (B) Documentation in the form of a company or corporate policy  
455 adopted by a prior resolution of the board of directors, shareholders,  
456 managers, members or other governing body of such contractor if (i) the  
457 prior resolution is certified by a duly authorized corporate officer of  
458 such contractor to be in effect on the date the documentation is  
459 submitted, and (ii) the head of the awarding agency, or a designee, or in  
460 the case of a municipal public works or quasi-public agency project  
461 contract, the executive director of the Commission on Human Rights  
462 and Opportunities or a designee, certifies that the prior resolution  
463 complies with the nondiscrimination agreement and warranty under  
464 subdivision (1) of subsection (a) of this section; or

465 (C) Documentation in the form of an affidavit signed under penalty  
466 of false statement by a chief executive officer, president, chairperson or  
467 other corporate officer duly authorized to adopt company or corporate  
468 policy that certifies that the company or corporate policy of the  
469 contractor complies with the nondiscrimination agreement and  
470 warranty under subdivision (1) of subsection (a) of this section and is in  
471 effect on the date the affidavit is signed.]

472 [(3)] (2) No awarding agency, or in the case of a municipal public  
473 works contract, no municipality, or in the case of a quasi-public agency  
474 project contract, no entity, shall award a contract to a contractor who has  
475 not [provided the representation or documentation] included the  
476 nondiscrimination affirmation provision in the contract and

477 demonstrated its understanding of such provision as required under  
478 [subdivisions] subdivision (1) [and (2)] of this subsection. [, as  
479 applicable. After the initial submission of such representation or  
480 documentation, the contractor shall not be required to resubmit such  
481 representation or documentation unless there is a change in the  
482 information contained in such representation or documentation. If there  
483 is any change in the information contained in the most recently filed  
484 representation or updated documentation, the contractor shall submit  
485 an updated representation or documentation, as applicable, either (A)  
486 not later than thirty days after the effective date of such change, or (B)  
487 upon the execution of a new contract with the awarding agency,  
488 municipality, or entity, as applicable, whichever is earlier. Such  
489 contractor shall also certify, in accordance with subparagraph (B) or (C)  
490 of subdivision (2) of this subsection, to the awarding agency or  
491 commission, as applicable, not later than fourteen days after the twelve-  
492 month anniversary of the most recently filed representation,  
493 documentation or updated representation or documentation, that the  
494 representation on file with the awarding agency or commission, as  
495 applicable, is current and accurate.]

496 Sec. 8. Subdivision (1) of subsection (a) of section 4a-60g of the general  
497 statutes is repealed and the following is substituted in lieu thereof  
498 (*Effective October 1, 2021, and applicable to certifications issued or renewed on*  
499 *or after said date*):

500 (1) "Small contractor" means (A) any contractor, subcontractor,  
501 manufacturer, service company or [nonprofit] corporation that [(A)  
502 that] (i) maintains its principal place of business in the state, [(B) that  
503 had gross revenues not exceeding twenty million dollars in the most  
504 recently completed fiscal year prior to such application, and (C) that is  
505 independent. "Small contractor" does not include any person who is  
506 affiliated with another person if both persons considered together have  
507 a gross revenue exceeding twenty million dollars] and (ii) is certified as  
508 a small business with the United States Small Business Administration,  
509 or (B) any nonprofit corporation that (i) maintains its principal place of  
510 business in the state, (ii) had gross revenues not exceeding twenty



511 million dollars in the most recently completed fiscal year prior to such  
512 application, and (iii) is independent.

513 Sec. 9. Subdivision (9) of subsection (a) of section 4a-60g of the general  
514 statutes is repealed and the following is substituted in lieu thereof  
515 (*Effective October 1, 2021, and applicable to certifications issued or renewed on*  
516 *or after said date*):

517 (9) "Nonprofit corporation" means a [nonprofit] nonstock corporation  
518 incorporated pursuant to chapter 602 or any predecessor statutes  
519 thereto, which is exempt from taxation under any provision of section  
520 501 of the Internal Revenue Code of 1986, or any subsequent  
521 corresponding internal revenue code of the United States, as amended  
522 from time to time.

523 Sec. 10. Subsection (f) of section 4a-60g of the general statutes is  
524 repealed and the following is substituted in lieu thereof (*Effective October*  
525 *1, 2021*):

526 (f) The awarding authority may require that a contractor or  
527 subcontractor awarded a contract or a portion of a contract under this  
528 section furnish the following documentation: (1) A copy of the certificate  
529 of incorporation, certificate of limited partnership, partnership  
530 agreement or other organizational documents of the contractor or  
531 subcontractor; (2) a copy of federal income tax returns filed by the  
532 contractor or subcontractor for the previous year; [and] (3) evidence of  
533 payment of fair market value for the purchase or lease by the contractor  
534 or subcontractor of property or equipment from another contractor who  
535 is not eligible for set-aside contracts under this section; (4) evidence that  
536 the principal place of business of the contractor or subcontractor is  
537 located in the state; and (5) for any contractor or subcontractor certified  
538 under subsection (k) of this section on or after October 1, 2021, evidence  
539 of certification with the United States Small Business Administration as  
540 a small business.

541 Sec. 11. Subdivision (1) of subsection (k) of section 4a-60g of the  
542 general statutes is repealed and the following is substituted in lieu

543 thereof (*Effective October 1, 2021*):

544 (k) (1) On or before January 1, 2000, the Commissioner of  
545 Administrative Services shall establish a process for certification of  
546 small contractors and minority business enterprises as eligible for set-  
547 aside contracts. Each certification shall be valid for a period not to  
548 exceed two years, unless the Commissioner of Administrative Services  
549 determines that an extension of such certification is warranted,  
550 provided any such extension shall not exceed a period of six months  
551 from such certification's original expiration date. [Any paper  
552 application for certification shall be no longer than six pages.] Any  
553 certification issued prior to October 1, 2021, shall remain valid for the  
554 term listed on such certification unless revoked pursuant to subdivision  
555 (2) of this subsection. The Department of Administrative Services shall  
556 maintain on its web site an updated directory of small contractors and  
557 minority business enterprises certified under this section.

558 Sec. 12. Subsection (b) of section 4a-57 of the general statutes is  
559 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
560 *2021*):

561 (b) The commissioner may, at [his] the commissioner's discretion,  
562 waive the requirement of competitive bidding or competitive  
563 negotiation in the case of minor nonrecurring [and] or emergency  
564 purchases of ten thousand dollars or less in amount.

565 Sec. 13. Section 4a-60b of the general statutes is repealed and the  
566 following is substituted in lieu thereof (*Effective July 1, 2021*):

567 (a) For the purposes of this section:

568 (1) "Reverse auction" means an on-line bidding process in which  
569 qualified bidders or qualified proposers, anonymous to each other,  
570 submit bids or proposals to provide goods, [or] supplies or services  
571 pursuant to an invitation to bid or request for proposals; [and]

572 (2) "Contracting agency" means a state agency with statutory  
573 authority to award contracts for goods, [or] supplies or services, or a

574 political subdivision of the state or school district; [.] and

575 (3) "Services" does not include construction or construction-related  
576 services.

577 (b) Notwithstanding any provision of the general statutes, whenever  
578 a contracting agency determines that the use of a reverse auction is  
579 advantageous to the contracting agency and will ensure a competitive  
580 contract award, the contracting agency may use a reverse auction to  
581 award a contract for goods, [or] supplies or services, in accordance with  
582 any applicable requirement of the general statutes and policies of the  
583 contracting agency. The contracting agency may contract with a third  
584 party to prepare and manage any such reverse auction.

585 Sec. 14. Section 32-39e of the general statutes is repealed and the  
586 following is substituted in lieu thereof (*Effective July 1, 2021*):

587 (a) If, in the exercise of its powers under section 32-39, Connecticut  
588 Innovations, Incorporated (1) finds that the use of a certain technology,  
589 product or process (A) would promote public health and safety,  
590 environmental protection or economic development, or (B) with regard  
591 to state services, would promote efficiency, reduce administrative  
592 burdens or otherwise improve such services, and (2) determines such  
593 technology, product or process was developed by a business (A)  
594 domiciled in this state to which the corporation has provided financial  
595 assistance or in which the corporation has invested, or (B) which has  
596 been certified as a small contractor or minority business enterprise by  
597 the Commissioner of Administrative Services under section 4a-60g, as  
598 amended by this act, the corporation, upon application of such business,  
599 may recommend to the Secretary of the Office of Policy and  
600 Management that an agency of the state, including, but not limited to,  
601 any constituent unit of the state system of higher education, be  
602 [directed] authorized to test such technology, product or process by  
603 employing it in the operations of such agency on a trial basis. The  
604 purpose of such test program shall be to validate the commercial  
605 viability of such technology, product or process provided no business  
606 in which Connecticut Innovations, Incorporated has invested shall be

607 required to participate in such program. [No]

608 (b) Connecticut Innovations, Incorporated shall make no such  
609 recommendation [may be made] unless such business has submitted a  
610 viable business plan to Connecticut Innovations, Incorporated for  
611 manufacturing and marketing such technology, product or process and  
612 such business demonstrates that (1) [will manufacture or produce such  
613 technology, product or process in this state, (2) demonstrates that] the  
614 usage of such technology, product or process by the state agency will  
615 not adversely affect safety, [(3) demonstrates that] (2) sufficient research  
616 and development has occurred to warrant participation in the test  
617 program, [and (4) demonstrates that] (3) the technology, product or  
618 process has potential for commercialization not later than two years  
619 following the completion of any test program involving a state agency  
620 under this section, and (4) such technology, product or process will have  
621 a positive economic impact in the state, including the prospective  
622 addition of jobs and economic activity upon such commercialization.

623 [(b)] (c) If the Secretary of the Office of Policy and Management finds  
624 that employing such technology, product or process would be feasible  
625 in the operations of a state agency and would not have any detrimental  
626 effect on such operations, said secretary, notwithstanding the  
627 requirement of chapter 58, may direct an agency of the state to accept  
628 delivery of such technology, product or process and to undertake such  
629 a test program. [Any] The Secretary of the Office of Policy and  
630 Management, in consultation with the Commissioner of Administrative  
631 Services, the chief executive officer of Connecticut Innovations,  
632 Incorporated and the department head of the testing agency, shall  
633 determine, on a case-by-case basis, whether the costs associated with the  
634 acquisition and use of such technology, product or process by the testing  
635 agency shall be borne by Connecticut Innovations, Incorporated, the  
636 business or by any investor or participant in such business. The  
637 acquisition of any technology, product or process for purposes of the  
638 test program established pursuant to this section shall not be deemed to  
639 be a purchase under the provisions of the state procurement policy. The  
640 testing agency, on behalf of Connecticut Innovations, Incorporated shall

641 maintain records related to such test program, as requested by  
642 Connecticut Innovations, Incorporated and shall make such records and  
643 any other information derived from such test program available to  
644 Connecticut Innovations, Incorporated and the business. Any  
645 proprietary information derived from such test program shall be  
646 exempt from the provisions of subsection (a) of section 1-210.

647 (d) If the Secretary of the Office of Policy and Management, in  
648 consultation with the Commissioner of Administrative Services, the  
649 chief executive officer of Connecticut Innovations, Incorporated and the  
650 department head of the testing agency, determines that the test program  
651 sufficiently demonstrates that the technology, product or process  
652 promotes public health and safety, environmental protection, economic  
653 development or efficiency, reduces administrative burdens or otherwise  
654 improves state services, the Commissioner of Administrative Services  
655 may procure such technology, product or process for use by any or all  
656 state agencies pursuant to subsection (b) of section 4a-58.

657 [(c)] (e) The Secretary of the Office of Policy and Management, the  
658 Commissioner of Administrative Services and Connecticut Innovations,  
659 Incorporated may develop a program to recognize state agencies that  
660 help to promote public health and safety, environmental protection, [or]  
661 economic development or efficiency, reduce administrative burdens or  
662 improve state services by participating in a testing program under this  
663 section. Such program may include the creation of a fund established  
664 with savings accrued by the testing agency during its participation in  
665 the testing program established under this section. Such fund shall only  
666 be used to implement the program of recognition established by the  
667 Secretary of the Office of Policy and Management, the Commissioner of  
668 Administrative Services and Connecticut Innovations, Incorporated,  
669 under the provisions of this subsection.

670 Sec. 15. Section 4a-53 of the general statutes is repealed and the  
671 following is substituted in lieu thereof (*Effective July 1, 2021*):

672 (a) The Commissioner of Administrative Services may join with  
673 federal agencies, other state governments, political subdivisions of this

674 state or nonprofit organizations in cooperative purchasing plans when  
675 the best interests of the state would be served thereby.

676 (b) [The state, through] Any state agency, with the approval of the  
677 Commissioner of Administrative Services or his or her designee, may  
678 purchase equipment, supplies, materials and services from a person  
679 who has a contract to sell such property or services to other state  
680 governments, other branches, divisions or departments of this state,  
681 political subdivisions of this state, nonprofit organizations or public  
682 purchasing consortia, in accordance with the terms and conditions of  
683 such contract.

684 (c) The Commissioner of Administrative Services, in conjunction with  
685 the Department of Energy and Environmental Protection and within  
686 available appropriations, shall make known to the chief executive  
687 officer of each municipality the existence of cooperative plans for the  
688 purchase of recycled paper.

689 Sec. 16. Section 4a-19 of the general statutes is repealed and the  
690 following is substituted in lieu thereof (*Effective July 1, 2021*):

691 There shall be a State Insurance and Risk Management Board  
692 consisting of [twelve] nine persons whom the Governor shall appoint  
693 subject to the provisions of section 4-9a. [Four] Three of such appointees  
694 shall be public members and [eight] six shall be qualified by training  
695 and experience to carry out their duties under the provisions of sections  
696 4a-20 and 4a-21. The Comptroller shall be an ex-officio voting member  
697 of said board and may designate another person to act in his or her  
698 place. Not more than [eight] five appointed members of said board shall,  
699 at any time, be members of the same political party. Said appointed  
700 members shall receive no compensation for the performance of their  
701 duties as such but shall be reimbursed for their necessary expenses. The  
702 board shall meet at least once during each calendar quarter and at such  
703 other times as the chairperson deems necessary. Special meetings shall  
704 be held on the request of a majority of the board after notice in  
705 accordance with the provisions of section 1-225. [A majority] Five of the  
706 members of the board shall constitute a quorum. Any member who fails

707 to attend three consecutive meetings or who fails to attend fifty per cent  
708 of all meetings held during any calendar year shall be deemed to have  
709 resigned from office. Said board shall be within the Department of  
710 Administrative Services, provided the board shall have independent  
711 decision-making authority. Said department shall provide staff support  
712 for the board.

713 Sec. 17. (NEW) (*Effective July 1, 2021*) (a) As used in this section,  
714 "agency" means each state board, authority, commission, department,  
715 office, institution, council or other agency of the state including, but not  
716 limited to, each constituent unit and each public institution of higher  
717 education, and "quasi-public agency" has the same meaning as provided  
718 in section 1-120 of the general statutes. Notwithstanding any provision  
719 of the general statutes or public or special act, but subject to the  
720 provisions of chapter 15 of the general statutes, any payment of fees due  
721 to an agency or quasi-public agency may be made by any means of  
722 electronic funds transfer adopted by such agency or quasi-public  
723 agency.

724 (b) Notwithstanding any provision of the general statutes or public  
725 or special act, but subject to the provisions of chapter 15 of the general  
726 statutes, any correspondence or communication required to be  
727 delivered to an agency or quasi-public agency by registered or certified  
728 mail, return receipt requested, may be delivered by electronic means  
729 with proof of a delivery receipt, in accordance with the provisions of  
730 chapter 15 of the general statutes.

731 (c) Notwithstanding any provision of the general statutes or public or  
732 special act, but subject to the provisions of chapter 15 of the general  
733 statutes, any correspondence or communication required to be  
734 delivered to an agency or quasi-public agency by United States mail or  
735 facsimile may be delivered by electronic means, provided such agency  
736 or quasi-public agency has determined such electronic delivery is  
737 appropriate for such correspondence or communication.

738 (d) Notwithstanding any provision of the general statutes or public  
739 or special act, but subject to the provisions of chapter 15 of the general

740 statutes, any requirement that an agency or quasi-public agency insert  
741 an advertisement of a legal notice in a newspaper shall include posting  
742 such notice on the agency's or quasi-public agency's Internet web site or  
743 other electronic portal of the agency which is available to the general  
744 public.

745 Sec. 18. Subsection (b) of section 4d-7 of the general statutes is  
746 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
747 *2021*):

748 (b) In order to facilitate the development of a fully integrated state-  
749 wide information services and telecommunication system that  
750 effectively and efficiently supports data processing and  
751 telecommunication requirements of all state agencies, the strategic plan  
752 shall include: (1) Guidelines and standards for the architecture for  
753 information and telecommunication systems that support state  
754 agencies, including, but not limited to, standards for digital identity  
755 verification under section 1-276 that are consistent with industry  
756 standards and best practices; (2) plans for a cost-effective state-wide  
757 telecommunication network to support state agencies, which network  
758 may consist of different types of transmission media, including wire,  
759 fiber and radio, and shall be able to support voice, data, electronic mail,  
760 video and facsimile transmission requirements and any other form of  
761 information exchange that takes place via electromagnetic media; (3)  
762 identification of annual expenditures and major capital commitments  
763 for information and telecommunication systems; (4) identification of all  
764 state agency technology projects; (5) a description of the efforts of  
765 executive branch state agencies to use e-government solutions to deliver  
766 state services and conduct state programs, including the feedback and  
767 demands of clients of such agencies received by such agencies and such  
768 agencies' plans to address client concerns by using online solutions,  
769 when such solutions are determined feasible by such agencies; and (6)  
770 potential opportunities for increasing the efficiency or reducing the  
771 costs of the state's information and telecommunication systems.

772 Sec. 19. Section 4a-67d of the general statutes is repealed and the



773 following is substituted in lieu thereof (*Effective July 1, 2021*):

774 (a) The fleet average for cars or light duty trucks purchased by the  
775 state shall: (1) On and after October 1, 2001, have a United States  
776 Environmental Protection Agency estimated highway gasoline mileage  
777 rating of at least thirty-five miles per gallon and on and after January 1,  
778 2003, have a United States Environmental Protection Agency estimated  
779 highway gasoline mileage rating of at least forty miles per gallon, (2)  
780 comply with the requirements set forth in 10 CFR 490 concerning the  
781 percentage of alternative-fueled vehicles required in the state motor  
782 vehicle fleet, and (3) obtain the best achievable mileage per pound of  
783 carbon dioxide emitted in its class. The alternative-fueled vehicles  
784 purchased by the state to comply with said requirements shall be  
785 capable of operating on natural gas or electricity or any other system  
786 acceptable to the United States Department of Energy that operates on  
787 fuel that is available in the state.

788 (b) Notwithstanding any other provisions of this section, (1) on and  
789 after January 1, 2008: (A) At least fifty per cent of all cars and light duty  
790 trucks purchased or leased by the state shall be alternative-fueled,  
791 hybrid electric or plug-in electric vehicles, (B) all alternative-fueled  
792 vehicles purchased or leased by the state shall be certified to the  
793 California Air Resources Board's Low Emission Vehicle II Ultra Low  
794 Emission Vehicle Standard, and (C) all gasoline-powered light duty and  
795 hybrid vehicles purchased or leased by the state shall, at a minimum, be  
796 certified to the California Air Resource Board's Low Emission Vehicle II  
797 Ultra Low Emission Vehicle Standard, (2) on and after January 1, 2012,  
798 one hundred per cent of such cars and light duty trucks shall be  
799 alternative-fueled, hybrid electric or plug-in electric vehicles, and (3) on  
800 and after January 1, 2030, at least fifty per cent of such cars and light  
801 duty trucks shall be zero-emission vehicles.

802 (c) On and after January 1, 2030, at least thirty per cent of all buses  
803 purchased or leased by the state shall be zero-emission buses.

804 [(d) If the Commissioner of Administrative Services determines that  
805 the vehicles required by the provisions of subsections (b) and (c) of this

806 section are not available for purchase or lease, the Commissioner of  
807 Administrative Services shall include an explanation of such  
808 determination in the annual report described in subsection (g) of this  
809 section.]

810 [(e)] (d) The provisions of subsections (a) to (c), inclusive, of this  
811 section shall not apply to any emergency vehicle.

812 [(f)] (e) As used in this section, (1) "emergency vehicle" means a  
813 vehicle used by the Department of Motor Vehicles, Department of  
814 Emergency Services and Public Protection, Department of Energy and  
815 Environmental Protection, Department of Correction, Office of State  
816 Capitol Police, Department of Mental Health and Addiction Services,  
817 Department of Developmental Services, Department of Social Services,  
818 Department of Children and Families, Department of Transportation,  
819 Judicial Department, Board of Pardons and Paroles, Board of Regents  
820 for Higher Education, The University of Connecticut or The University  
821 of Connecticut Health Center for law enforcement or emergency  
822 response purposes, (2) "hybrid" means a passenger car that draws  
823 acceleration energy from two on-board sources of stored energy that  
824 consists of either an internal combustion or heat engine which uses  
825 combustible fuel and a rechargeable energy storage system, and, for any  
826 passenger car or light duty truck with a model year of 2004 or newer,  
827 that is certified to meet or exceed the California Air Resources Board's  
828 LEV (Low Emission Vehicle) II LEV Standard, (3) "zero-emission  
829 vehicle" means a battery electric vehicle, hybrid electric vehicle, range-  
830 extended electric vehicle and any vehicle that is certified by the  
831 executive officer of the California Air Resources Board to produce zero  
832 emissions of any criteria pollutant under all operational modes and  
833 conditions, and (4) "zero-emission bus" means any urban bus certified  
834 by the executive officer of the California Air Resources Board to produce  
835 zero emissions of any criteria pollutant under all operational modes and  
836 conditions.

837 [(g)] On or before January 1, 2008, and annually thereafter, the  
838 Commissioner of Administrative Services, in consultation with the

839 Commissioner of Transportation, shall file a report with the joint  
840 standing committees of the General Assembly having cognizance of  
841 matters relating to government administration, the environment and  
842 energy that includes: (1) Details on the composition of the state fleet,  
843 including, but not limited to, a listing of all vehicles owned, leased or  
844 used by the Departments of Transportation and Emergency Services  
845 and Public Protection, the make, model and fuel type of vehicles that  
846 compose the state fleet and the amount of fuel, including alternative  
847 fuels, that each vehicle uses, (2) any changes to the determination made  
848 by the Commissioner of Energy and Environmental Protection pursuant  
849 to subsection (a) of section 35 of public act 07-4 of the June special  
850 session or any update concerning the waiver application submitted  
851 pursuant to subsection (a) of section 35 of public act 07-4 of the June  
852 special session, as applicable, (3) any changes or amendments to the  
853 plan required by subsection (b) of section 35 of public act 07-4 of the June  
854 special session, (4) any changes or amendments to the plan required by  
855 subsection (c) of section 35 of public act 07-4 of the June special session,  
856 (5) a vehicle purchasing and procurement three-year plan that aligns  
857 with the requirements of subdivision (3) of subsection (b) of this section  
858 and subsection (c) of this section, and (6) an assessment of the  
859 availability of zero-emission medium and heavy duty trucks and the  
860 feasibility of the state purchasing or leasing zero-emission medium and  
861 heavy duty trucks. The Departments of Transportation and Emergency  
862 Services and Public Protection shall submit all data requested of said  
863 departments by the Department of Administrative Services in  
864 connection with the preparation of such report.

865 (h) The Commissioner of Administrative Services may enter into any  
866 agreement necessary to carry out the provisions of subsection (g) of this  
867 section.]

868 [(i)] (f) In performing the requirements of this section, the  
869 Commissioners of Administrative Services, Energy and Environmental  
870 Protection and Transportation shall, whenever possible, consider the  
871 use of and impact on Connecticut-based companies.

872        [(j)] (g) The Commissioner of Administrative Services, in consultation  
873 with the Commissioner of Transportation, shall study the feasibility of  
874 creating a competitive bid process for the aggregate procurement of  
875 zero-emission vehicles and zero-emission buses and determine whether  
876 such aggregate procurement would achieve a cost savings on the  
877 purchase of such vehicles and buses and related administrative costs.  
878 On or before January 1, 2020, the Commissioner of Administrative  
879 Services shall report, in accordance with the provisions of section 11-4a,  
880 on the results of such study to the joint standing committees of the  
881 General Assembly having cognizance of matters relating to government  
882 administration and transportation. The Commissioner of  
883 Administrative Services may proceed with such aggregate procurement  
884 if the commissioner determines such aggregate procurement would  
885 achieve a cost savings.

886        Sec. 20. Subsection (e) of section 4a-52a of the general statutes is  
887 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
888 *2021*):

889        (e) Notwithstanding the provisions of sections 4a-51 and 4a-52, the  
890 Commissioner of Administrative Services may delegate authority to any  
891 state agency to purchase supplies, materials, equipment and contractual  
892 services, consistent with section 4a-67c, if the commissioner determines,  
893 in writing, that (1) such delegation would reduce state purchasing costs  
894 or result in more efficient state purchasing, and (2) the agency has  
895 employees with experience and expertise in state purchasing statutes,  
896 regulations and procedures. In determining which agencies to delegate  
897 such purchasing authority to, the commissioner shall give preference to  
898 agencies which have exceeded the set-aside requirements of section 4a-  
899 60g, as amended by this act. An agency to whom such authority is  
900 delegated shall comply with all such statutes, regulations and  
901 procedures, [and shall submit annual reports to the Commissioner of  
902 Administrative Services on its purchase orders, in a format prescribed  
903 by the commissioner.] The Commissioner of Administrative Services or  
904 his or her designee shall periodically review each such delegation of  
905 purchasing authority and may revoke or modify a delegation upon

906 determining that the agency has violated any provision of the  
907 delegation or that there is evidence of insufficient competition in the  
908 competitive bidding or competitive negotiation process.

909 Sec. 21. Section 4a-6 of the general statutes is repealed and the  
910 following is substituted in lieu thereof (*Effective July 1, 2021*):

911 [(a)] No state agency shall enter into any agreement, whether oral or  
912 written, or renew any agreement for the leasing of any personal  
913 property, except upon approval of the Commissioner of Administrative  
914 Services and subject to such procedures as the commissioner may  
915 establish respecting the leasing of personal property. The commissioner  
916 shall cause to be kept a complete record of all personal property leased  
917 by state agencies, the location of each item of such property and a copy  
918 of all leasing agreements and renewals thereof.

919 [(b) On or before the fourth Wednesday after the convening of each  
920 regular session of the General Assembly, the commissioner shall file  
921 with the joint standing committee of the General Assembly having  
922 cognizance of matters relating to appropriations and the budgets of state  
923 agencies, a complete listing of all items of personal property leased by  
924 state agencies, indicating each item leased, the lessee agency, the lessor  
925 and the annual rental thereof.]

926 Sec. 22. Section 4b-2 of the general statutes is repealed and the  
927 following is substituted in lieu thereof (*Effective July 1, 2021*):

928 The Commissioner of Administrative Services shall:

929 [(1) Submit to the board on September first of each year a report  
930 which shall include all pertinent data on his operations concerning  
931 realty acquisitions and the projected needs of the state. On or before  
932 October first of each year, the board shall submit such report with  
933 recommendations, comments, conclusions or other pertinent  
934 information to the Governor and the members of the joint standing  
935 committees of the General Assembly having cognizance of matters  
936 relating to appropriations and the budgets of state agencies and to state

937 finance, revenue and bonding.]

938 [(2)] (1) Consult and cooperate with professional bodies and groups  
939 concerning the purposes of sections 2-90, 4b-2 to 4b-5, inclusive, 4b-23,  
940 4b-24, 4b-26, 4b-27 and 4b-32; [.] and

941 [(3)] (2) Keep and maintain proper financial records with respect to  
942 real estate acquisition activities for use in calculating the costs of [his]  
943 the commissioner's operation.

944 Sec. 23. Section 29-251a of the general statutes is repealed and the  
945 following is substituted in lieu thereof (*Effective July 1, 2021*):

946 As used in this section, "program requirements" means any program  
947 or part of a program which is required by law. The Commissioner of  
948 Administrative Services, in consultation with the Codes and Standards  
949 Committee, shall conduct a review of existing regulations of each state  
950 agency to determine whether any provision of such regulations conflicts  
951 with the State Building Code, the Fire Safety Code, the State Fire  
952 Prevention Code or any other fire safety regulation adopted under this  
953 chapter. The commissioner shall make recommendations to the  
954 department head of any state agency which has regulations that are in  
955 conflict with the State Building Code, the Fire Safety Code, the State Fire  
956 Prevention Code or any other fire safety regulation adopted under this  
957 chapter for the amendment of such regulations so they no longer are in  
958 conflict with said codes or any such fire safety regulations. Not later  
959 than ninety days following receipt of such recommendations, the  
960 department head of such state agency shall initiate the process under  
961 chapter 54 to amend or repeal such regulation in order to bring such  
962 regulation into compliance with the State Building Code, the Fire Safety  
963 Code, the State Fire Prevention Code or any other fire safety regulation  
964 adopted under this chapter as the case may be, unless the amendment  
965 or repeal of such regulation would result in a conflict with the applicable  
966 agency's program requirements. [The Commissioner of Administrative  
967 Services, in consultation with the Codes and Standards Committee, shall  
968 report such recommendations to the joint standing committee of the  
969 General Assembly having cognizance of matters relating to public

970 safety.]

971 Sec. 24. Section 29-418 of the general statutes is repealed and the  
972 following is substituted in lieu thereof (*Effective July 1, 2021*):

973 (a) All testing by or on behalf of a holder of a cigarette manufacturer's  
974 license or by or on behalf of the Office of the State Fire Marshal to  
975 determine a cigarette's compliance with the performance standard  
976 specified in this section shall be conducted in accordance with the  
977 following requirements:

978 (1) Testing of cigarettes shall be conducted in accordance with the  
979 American Society of Testing and Materials or "ASTM" standard E2187-  
980 04, "Standard Test Method for Measuring the Ignition Strength of  
981 Cigarettes" or a subsequent ASTM Standard Test Method for Measuring  
982 the Ignition Strength of Cigarettes upon a finding by the State Fire  
983 Marshal that such subsequent method does not result in a change in the  
984 percentage of full-length burns exhibited by any tested cigarette when  
985 compared to the percentage of full-length burns the same cigarette  
986 would exhibit when tested in accordance with ASTM standard E2187-  
987 04 and the performance standard in subdivision (3) of this subsection;

988 (2) Testing shall be conducted on ten layers of filter paper;

989 (3) Not more than twenty-five per cent of the cigarettes tested in a test  
990 trial in accordance with this section shall exhibit full-length burns. Forty  
991 replicate tests shall comprise a complete test trial for each cigarette  
992 tested;

993 (4) The performance standard required by this section shall only be  
994 applied to a complete test trial;

995 (5) Written certifications shall be based upon testing conducted by a  
996 laboratory that has been accredited pursuant to standard ISO or IEC  
997 17025 of the International Organization for Standardization or such  
998 other comparable accreditation standard as the Office of the State Fire  
999 Marshal may require by regulation;

1000 (6) Laboratories conducting testing in accordance with this section  
1001 shall implement a quality control and quality assurance program that  
1002 includes a procedure that will determine the repeatability of the testing  
1003 results. The repeatability value shall be no greater than 0.19. Such  
1004 program ensures that the testing repeatability remains within the  
1005 required repeatability value set forth in this subdivision for all test trials  
1006 used to certify cigarettes in accordance with this section and section 29-  
1007 419; and

1008 (7) No additional testing under this section is required if cigarettes  
1009 are tested consistent with this section for any other purpose.

1010 (b) Each cigarette that uses lowered permeability bands in the  
1011 cigarette paper to achieve compliance with the performance standard  
1012 set forth in this section shall have not less than two nominally identical  
1013 bands on the paper surrounding the tobacco column. At least one  
1014 complete band shall be located not less than fifteen millimeters from the  
1015 lighting end of the cigarette. For cigarettes on which the bands are  
1016 positioned by design, there shall be not less than two bands fully located  
1017 at least fifteen millimeters from the lighting end and ten millimeters  
1018 from the filter end of the tobacco column, or ten millimeters from the  
1019 labeled end of the tobacco column for nonfiltered cigarettes.

1020 (c) A holder of a cigarette manufacturer's license that manufactures a  
1021 cigarette that the State Fire Marshal determines cannot be tested in  
1022 accordance with the test method prescribed in subdivision (1) of  
1023 subsection (a) of this section may propose an alternate test method and  
1024 performance standard for the cigarette to the State Fire Marshal. Upon  
1025 approval and a determination by the State Fire Marshal that the  
1026 performance standard proposed by the holder is equivalent to the  
1027 performance standard prescribed in subdivision (3) of subsection (a) of  
1028 this section, the holder may employ such test method and performance  
1029 standard to certify such cigarette pursuant to section 29-419. If the State  
1030 Fire Marshal determines that another state has enacted reduced  
1031 cigarette ignition propensity standards that include a test method and  
1032 performance standard that are the same as those contained in this



1033 section, and the State Fire Marshal finds that the officials responsible for  
1034 implementing those requirements have approved the proposed  
1035 alternative test method and performance standard for a particular  
1036 cigarette proposed by a holder as meeting the reduced cigarette ignition  
1037 propensity standards of that state's law or regulations under a legal  
1038 provision comparable to this section, then the State Fire Marshal shall  
1039 authorize that holder to employ the alternative test method and  
1040 performance standard to certify that cigarette for sale in this state, unless  
1041 the State Fire Marshal has a reasonable basis for deciding that the  
1042 alternative test should not be accepted under said sections. All other  
1043 applicable requirements of this section shall apply to the holder.

1044 (d) Each holder of a cigarette manufacturer's license shall maintain  
1045 copies of the reports of all tests conducted on all cigarettes with respect  
1046 to which such holder has submitted written certification in accordance  
1047 with the provisions of section 29-419. Such holder shall provide copies  
1048 of the reports available to the Office of the State Fire Marshal and to the  
1049 office of the Attorney General upon written request. Any holder that  
1050 fails to provide such copies not later than sixty days after receiving a  
1051 written request shall be subject to a civil penalty not to exceed ten  
1052 thousand dollars for each day after the sixtieth day that the holder does  
1053 not make such copies available.

1054 [(e) The State Fire Marshal shall review the effectiveness of the  
1055 implementation of this section and shall submit a report to the joint  
1056 standing committee of the General Assembly having cognizance of  
1057 matters relating to public safety, in accordance with section 11-4a,  
1058 containing the State Fire Marshal's findings and, if appropriate,  
1059 recommendations for legislation to improve the effectiveness of this  
1060 section. Such report shall be submitted not later than June 30, 2011, and  
1061 every three years thereafter.]

1062 Sec. 25. Subsection (a) of section 1-83 of the general statutes is  
1063 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
1064 *2021*):

1065 (a) (1) All state-wide elected officers, members of the General

1066 Assembly, department heads and their deputies, members or directors  
 1067 of each quasi-public agency, members of the Investment Advisory  
 1068 Council and such members of the Executive Department and such  
 1069 employees of quasi-public agencies as the Governor shall require, shall  
 1070 file, under penalty of false statement, a statement of financial interests  
 1071 for the preceding calendar year with the Office of State Ethics on or  
 1072 before the May first next in any year in which they hold such an office  
 1073 or position. If, in any year, May first falls on a weekend or legal holiday,  
 1074 such statement shall be filed not later than the next business day. Any  
 1075 such individual who leaves his or her office or position shall file a  
 1076 statement of financial interests covering that portion of the year during  
 1077 which such individual held his or her office or position. The Office of  
 1078 State Ethics shall notify such individuals of the requirements of this  
 1079 subsection not later than sixty days after their departure from such  
 1080 office or position. Such individuals shall file such statement not later  
 1081 than sixty days after receipt of the notification.

1082 (2) Each state agency, department, board and commission shall  
 1083 develop and implement, in cooperation with the Office of State Ethics,  
 1084 an ethics statement as it relates to the mission of the agency, department,  
 1085 board or commission. The executive head of each such agency,  
 1086 department, board or commission shall be directly responsible for the  
 1087 development and enforcement of such ethics statement and shall file a  
 1088 copy of such ethics statement with [the Department of Administrative  
 1089 Services and] the Office of State Ethics.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2021	1-101qq
Sec. 2	July 1, 2021	4-252
Sec. 3	July 1, 2021	4-252a
Sec. 4	July 1, 2021	4a-81
Sec. 5	July 1, 2021	9-612(f)(2)
Sec. 6	July 1, 2021	4a-60(c)
Sec. 7	July 1, 2021	4a-60a(b)

Sec. 8	<i>October 1, 2021, and applicable to certifications issued or renewed on or after said date</i>	4a-60g(a)(1)
Sec. 9	<i>October 1, 2021, and applicable to certifications issued or renewed on or after said date</i>	4a-60g(a)(9)
Sec. 10	<i>October 1, 2021</i>	4a-60g(f)
Sec. 11	<i>October 1, 2021</i>	4a-60g(k)(1)
Sec. 12	<i>July 1, 2021</i>	4a-57(b)
Sec. 13	<i>July 1, 2021</i>	4a-60b
Sec. 14	<i>July 1, 2021</i>	32-39e
Sec. 15	<i>July 1, 2021</i>	4a-53
Sec. 16	<i>July 1, 2021</i>	4a-19
Sec. 17	<i>July 1, 2021</i>	New section
Sec. 18	<i>July 1, 2021</i>	4d-7(b)
Sec. 19	<i>July 1, 2021</i>	4a-67d
Sec. 20	<i>July 1, 2021</i>	4a-52a(e)
Sec. 21	<i>July 1, 2021</i>	4a-6
Sec. 22	<i>July 1, 2021</i>	4b-2
Sec. 23	<i>July 1, 2021</i>	29-251a
Sec. 24	<i>July 1, 2021</i>	29-418
Sec. 25	<i>July 1, 2021</i>	1-83(a)

**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 22 \$	FY 23 \$
Admin. Serv., Dept.	GF - Savings	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill allows the certification of a Connecticut-based business to qualify as a small business, by utilizing the industry-specific standards as defined by the federal Small Business Administration. This would improve the efficiency of the certification program allowing the Department of Administrative Services (DAS) to avoid the responsibility of creating size standards for qualification.

The bill expands this authority to include purchases from a person who contracts with another branch, division, or department in state government. It also eliminates the requirement that these purchases be made through the DAS commissioner and instead allows any state agency to make them if approved by the DAS commissioner or his designee.

The bill allows for the use of online services for payment. It proposes replacing the communication mandate of responding by mail requiring a return receipt. It permits digital communication including a digital verification of receipt. It also allows agencies the choice to use online payment methods as opposed to cash payments or a check. This will result in a savings in postage.

The bill eliminates the requirements to provide reports on the

composition of the state's fleet of vehicles, reports to the Commissioner on purchase orders related to his delegation of purchasing authority, made under the leasing of personal property, and concerning real property acquisitions, or reported and readily available through various electronic platforms.

***The Out Years***

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

**OLR Bill Analysis****sHB 6444****AN ACT CONCERNING THE MODERNIZATION OF STATE SERVICES.**

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**§ 18 — INFORMATION AND TELECOMMUNICATION SYSTEMS STRATEGIC PLAN**

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**§§ 19-25 — ELIMINATED REPORTING REQUIREMENTS**

*Eliminates various reporting requirements*

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## BACKGROUND

### **§§ 1-7 — CONTRACTING AFFIDAVITS**

*Generally eliminates requirements that contractors submit documentation (e.g., affidavits and certifications) about their compliance with certain contracting laws and instead requires that they incorporate the applicable requirements into the contracts*

The bill modifies contract compliance requirements for certain state, municipal, and quasi-public agency contracts. It generally eliminates requirements that contractors submit documentation (e.g., affidavits and certifications) about their compliance with certain contracting laws and instead requires that they incorporate the applicable requirements into the contracts.

The bill's provisions concern contractors' compliance with (1) state ethics laws; (2) restrictions on gifts, investments, political contributions and solicitations, and use of consultants; and (3) nondiscrimination and affirmative action requirements. It also codifies and expands upon provisions in an existing executive order that require certain state contractors to disclose any campaign contributions.

The bill's provisions on ethics laws, gift restrictions, consultant use, and nondiscrimination and affirmative action requirements do not apply to qualifying UConn and Board of Regents for Higher Education contracts, as these contracts are subject to different requirements under existing law.

Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2021

#### ***State Ethics Laws (§ 1)***

Under current law, contractors and bidders for large state construction or procurement contracts (i.e., valued at more than \$500,000) must affirm, in writing or electronically, that (1) they received a state ethics law summary from the contracting state or quasi-public agency and (2) their key personnel read and understood the summary and agreed to comply with the ethics laws. Similarly, large state construction or procurement contractors must obtain these affirmations

from their subcontractors and consultants and provide them to the state contracting agency. Failure to submit the affirmation disqualifies the contractors, bidders, subcontractors, and consultants from the contract.

Rather than requiring the above affirmations, the bill establishes a different requirement for these contracts. Specifically, it prohibits a state agency or quasi-public agency from entering into a large state construction or procurement contract unless the contract contains a representation that the chief executive officer or authorized signatory of the contract and all key employees have read and understood the summary and agreed to comply with the ethics laws' provisions. It similarly requires large state construction or procurement contractors to include this representation in each of their contracts entered into on or after July 1, 2021, with subcontractors and consultants. Under the bill, failure to do so is cause for terminating the contract.

### ***Gifts (§ 2)***

Under current law, any principal or key personnel of a person, firm, or corporation that submits bids or proposals for a large state contract (i.e., valued more than \$500,000 in a calendar or fiscal year) must certify that (1) no gifts were given in connection with the contract; (2) there were no attempts to circumvent the gift prohibition; and (3) the bids or proposals are being submitted without fraud or collusion. The certifications must be sworn as true to the certifier's best knowledge and belief, under penalty of false statement.

In addition, current law requires the agency official or employee responsible for executing the contract to certify that the selection process was devoid of collusion, gift giving (received or promised), compensation, fraud, or inappropriate influence.

The bill replaces these required certifications with requirements that the contracts contain representations to the same effect. An existing executive order subjects state contracts with a value of \$50,000 or more in a calendar or fiscal year to the gift certification requirements that apply to contracts with a value of \$500,000 or more (Executive Order 49,



see BACKGROUND). Thus, the bill's requirements also appear to apply to contracts with an annual value of \$50,000 or more.

Under the bill, state and quasi-public agencies must include notice of the representation requirements in the bid specifications or request for proposals (RFP), and failure to agree to them disqualifies the bidder or proposer from the contract. The same requirements apply with respect to the certifications under current law.

### ***Investments in Iran (§ 3)***

Under current law, state and quasi-public agencies are prohibited from entering into, renewing, or amending a large state contract (i.e., valued at more than \$500,000 in a calendar or fiscal year) with an entity that (1) fails to certify that such entity has not directly invested \$20 million or more in Iran's energy sector or (2) certifies that it has made, renewed, or increased such an investment. Iran's energy sector, as defined by federal law, includes activities to develop petroleum or natural gas resources or nuclear power in Iran. The certification must be sworn as true to the entity's best knowledge and belief, subject to the penalties for false statement with a penalty exception for affiants who make a good faith effort to verify whether they have made a prohibited investment. Bidders and proposers must submit the certification before submitting a bid or proposal for a large state contract.

The bill instead prohibits state and quasi-public agencies from entering into, renewing, or amending a large state contract unless the contract contains the entity's certification that it has not made a prohibited investment in Iran. Agencies must include notice of these representation requirements in bid specifications or RFPs for these contracts, just as they must for current law's certification requirements.

As under current law for the certifications, the representation requirements do not apply to any contract of the state treasurer in his role as trustee of the Connecticut retirement plans and trust funds.

### ***Consulting Agreements (§ 4)***

The bill replaces certain required affidavits about consulting

agreements with representations that must be included in the contracts. Under the current requirements, any principal or key personnel of a person, firm, or corporation that submits bids or proposals for a goods and services contract with a total value of \$50,000 or more in a calendar or fiscal year must attest to whether a consulting agreement has been entered into in connection with the contract. Under the bill, the contract must include a representation to this same effect.

As is currently required for the affidavits, the representation must include specified information about any such agreement, including its basic terms, as well as the consultant's name and status as a former state employee or public official. It must be sworn as true to the best knowledge and belief of the person signing the contract and is subject to the penalties of false statement. Each state and quasi-public agency must include a notice of the representation requirements in the bid specifications or RFPs for these contracts as is required under current law for the affidavits. Failure to submit the affidavit under current law, or agree to the representation under the bill, disqualifies the bidder or proposer from the contract.

#### ***Political Contributions (§ 5)***

Current law requires state and quasi-public agencies to (1) distribute a written notice advising contractors and prospective contractors of the restrictions on contributing to, or soliciting for, statewide or legislative candidates, certain political committees, and party committees and (2) obtain a written acknowledgment of the notice receipt.

The bill instead requires state and quasi-public agencies to include a copy of, or Internet link to, the notice in the bid specifications or RFPs for a state contract.

The bill also prohibits such agencies from executing any state contract, as described below, unless it contains a representation that the chief executive officer or authorized signatory of the contract has received the notice. The campaign finance law generally defines "state contract" as an agreement or contract with a state agency in the

executive or legislative branch of government or any quasi-public agency valued at \$50,000 or more, or a combination or series of agreements or contracts having a value of \$100,000 or more in a calendar year.

Under the bill, any principal of the state contractor or prospective state contractor submitting a bid or proposal for a state contract must certify, under penalty of false statement, that in the previous four years neither the contractor or prospective state contractor, nor any of its principals, have made or solicited any prohibited political contributions unless there were mitigating circumstances found to exist concerning the violation. Similar requirements apply to contractors submitting bids or proposals for state contracts valued at more than \$50,000 under an existing executive order (Executive Order 49, see BACKGROUND).

Each certification must be sworn as true to the best knowledge and belief of the person signing the certification. The bill requires the person to submit an updated certification if there is a change in the most recently filed certification, either within 30 days after the effective date of the change or upon submitting a new bid or proposal for a state contract, whichever is earlier.

Under the bill, any principal of the state contractor or prospective state contractor submitting a bid or proposal for a state contract must disclose on the certification all contributions made by its principals to any party committee, exploratory committee, statewide or legislative candidate, or candidate committee for a period of four years prior to the signing of the contract or date of the response to the bid, whichever is longer, and certify that all contributions have been disclosed.

The bill prohibits state and quasi-public agencies from executing a state contract unless first obtaining the written certification. Each state agency and quasi-public agency must include in its bid specifications or RFPs for a state contract a notice of the certification requirements.

***Nondiscrimination and Affirmative Action (§§ 6 & 7)***

Under current law, contractors that enter into contracts with the state

or one of its political subdivisions, other than a municipality, or who are a party to a municipal public works contract or quasi-public agency project contract, must indicate that they comply with state nondiscrimination and affirmative action laws by filing (1) a written or electronic representation for contracts valued less than \$50,000 for each year or (2) certain documentation for contracts valued at \$50,000 or more for each year.

The bill instead requires the contracts, regardless of their value, to contain a nondiscrimination affirmation provision to certify that the contractor (1) understands the law's nondiscrimination and affirmative action obligations and (2) will maintain a nondiscrimination policy for the duration of the contract. Under the bill, the authorized signatory of the contract must demonstrate his or her understanding of this obligation by either (1) providing an affirmative response in the required online bid or RFP or (2) initialing the affirmation provision in the contract.

### **§§ 8-11 — SET-ASIDE PROGRAM**

*Revamps program's eligibility requirements by requiring that for-profit entities be certified with the federal SBA to participate in the program*

The bill revamps the state set-aside program's eligibility requirements for small contractors and minority business enterprises (MBEs). With respect to for-profit entities, it defines a "small contractor" as one that is certified as a small business with the federal Small Business Administration (SBA) (see BACKGROUND). This requirement replaces provisions in current law requiring, among other things, that these entities have annual gross revenues of \$20 million or less and be independent. (By law, unchanged by the bill, MBEs are small contractors owned by women, minorities, or people with disabilities.)

The bill makes conforming changes, including allowing awarding authorities to require documentation of a contractor's or subcontractor's (1) SBA certification if they are awarded a contract or contract portion under the set-aside program and (2) principal place of business in the state. It also specifies that program certifications awarded before

October 1, 2021, remain valid for their original term unless revoked for cause.

The bill retains existing law's eligibility requirements for nonprofit entities (e.g., that they have annual gross revenues of \$20 million or less and be independent). It additionally specifies that these entities must have a federal tax exemption in order to participate.

Under existing law, the Department of Administrative Services (DAS) commissioner must establish a process to certify small contractors and MBEs as eligible for set-aside contracts. Presumably, the commissioner must revise this process to conform to the bill's requirements that for-profit entities be certified with SBA. The bill retains existing law's validity period for set-aside program certifications (i.e., they are valid for up to two years, except that the commissioner may extend them for up to six months).

EFFECTIVE DATE: October 1, 2021, with the changes to the eligibility criteria applicable to certifications issued or renewed on or after that date.

## **§ 12 — COMPETITIVE BIDDING WAIVERS**

*Clarifies DAS commissioner's authority to waive competitive bidding requirements*

Current law allows the DAS commissioner to waive competitive bidding or competitive negotiation at his discretion for minor nonrecurring and emergency purchases of \$10,000 or less. The bill clarifies that the authority applies to minor nonrecurring or emergency purchases of \$10,000 or less.

EFFECTIVE DATE: July 1, 2021

## **§ 13 — REVERSE AUCTIONS FOR SERVICES**

*Allows use of reverse auctions to purchase services other than construction or construction-related services*

Existing law allows state contracting agencies to use reverse auctions to purchase goods and supplies. The bill expands reverse auction authority to include services other than construction or construction-

related services. As under existing law for goods and supplies, contracting agencies may (1) use reverse auctions for services when they determine it is advantageous and will ensure a competitive contract award and (2) contract with a third party to prepare and manage the auction.

By law, a reverse auction is an online bidding process in which qualified bidders or proposers, unknown to each other, submit bids or proposals pursuant to an online bid invitation or request for proposals.

EFFECTIVE DATE: July 1, 2021

#### **§ 14 — PRE-MARKET PRODUCT TESTING BY STATE AGENCIES**

*Expands the types of eligible businesses and products eligible for pre-market testing by state agencies*

The bill expands the types of technologies, products, and processes eligible for pre-market testing by state agencies. It allows the DAS commissioner to procure them for use by all state agencies if the Office of Policy and Management (OPM) secretary, in consultation with the commissioner, Connecticut Innovations, Inc. (CI) chief executive officer, and testing agency head, determines that the test demonstrates specified objectives.

Additionally, the bill makes minor changes concerning the process for participating in testing, the testing's costs, and a related recognition program for participating agencies. Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2021

#### ***Eligibility***

Current law allows CI-funded businesses located in Connecticut to test their technology, product, or process in state agencies in order to study its commercial viability if it meets certain criteria. Specifically, it must (1) promote public health and safety, environmental protection, or economic development; (2) be manufactured in Connecticut and be safe; and (3) have the potential for commercialization within two years after

completing the test.

The bill extends testing eligibility to small and minority business enterprises certified under the state's set-aside program. It also expands the types of eligible products to include those that CI finds would reduce administrative burdens or promote efficiency in state services, or otherwise improve them. It eliminates a requirement that the technology, product, or process be manufactured or produced in Connecticut and instead requires that it have a positive economic impact on the state, including prospective job growth and economic activity upon commercialization.

### ***Participation and Costs***

Upon an eligible business's application, current law allows CI to recommend that the OPM secretary direct a state agency to test the technology, product, or process in the agency's operations on a trial basis. The bill instead allows CI to recommend that OPM allow (rather than direct) agencies to participate in testing. (However, it retains OPM's authority to direct agencies to participate.) It also specifically includes public higher education institutions as state agencies for purposes of this program.

Under current law, CI, the business, or an investor in the business must pay for the cost of providing the technology, product, or process to the testing agency. The bill requires the OPM secretary, in consultation with the DAS commissioner, CI executive director, and testing agency head, to determine on a case-by-case basis which of the above entities must bear these costs.

### ***Procurement***

The bill allows the DAS commissioner to procure the product, process, or technology for use by all state agencies if the OPM secretary, in consultation with the commissioner, CI chief executive officer, and testing agency head, determines that the test demonstrates specified objectives. (Presumably, this would occur after the test concludes.) These objectives are (1) promoting public health and safety,

environmental protection, economic development, or efficiency; (2) reducing administrative burdens; or (3) otherwise improving state services.

In procuring the product, process, or technology, the bill allows the DAS commissioner to waive competitive bidding requirements. If the procurement is estimated to cost \$50,000 or more, the waiver must be approved by the Standardization Committee, which consists of the commissioner, the state comptroller and treasurer or their designees, and other department heads (or their agents) designated by the governor.

### **Recognition Program**

Current law allows OPM and CI to develop a program to recognize state agencies that promote public health and safety, environmental protection, or economic development by participating in testing. The bill (1) also makes DAS responsible for developing the recognition program (which remains permissive under the bill) and (2) adds promoting efficiencies, reducing service burdens, and improving state services as activities eligible for recognition. As under existing law, the recognition program may include a fund for any savings achieved by testing agencies using the technologies, products, or processes. The fund must be used only for the recognition program.

## **§ 15 — PURCHASES FROM EXISTING CONTRACTS**

*Expands the state's "piggyback" purchasing authority to include purchases from contracts with another state agency or branch; allows agencies to make these purchases directly if approved by DAS*

Existing law allows the state to purchase, through the DAS commissioner, goods and services from a person that has a contract to sell the goods and services to a political subdivision of the state (e.g., a municipality), nonprofit organization, public purchasing consortium, or other state government (i.e., "piggyback").

The bill expands this authority to include purchases from a person who contracts with another branch, division, or department in state government. It also eliminates the requirement that these purchases be



made through the DAS commissioner and instead allows any state agency to make them if approved by the DAS commissioner or his designee.

EFFECTIVE DATE: July 1, 2021

## **§ 16 — STATE INSURANCE AND RISK MANAGEMENT BOARD**

*Reduces the board's size from 13 members to 10 and makes conforming changes*

The bill eliminates three gubernatorial appointments from the State Insurance and Risk Management Board, reducing its size from 13 members to 10. (By law, the board consists of gubernatorial appointees and the state comptroller (or his designee) as an ex-officio member.)

The bill makes conforming changes by reducing the number of (1) public members from four to three, (2) members qualified by training from eight to six, and (3) members who may be from the same political party from eight to five. It specifies that five members, rather than a majority of members as current law provides, constitute a quorum.

EFFECTIVE DATE: July 1, 2021

## **§ 17 — BUSINESS ACTIVITIES CONDUCTED ONLINE**

*Allows state and quasi-public agencies to conduct certain business activities electronically*

The bill allows state and quasi-public agencies to conduct various business activities electronically. Specifically, they may do the following:

1. accept fee payments by any means of electronic funds transfer they adopt;
2. receive, by electronic means with proof of delivery receipt, any communication or correspondence that must be delivered under current law by registered or certified mail, return receipt requested;
3. receive, by electronic means, any communication or correspondence that must be delivered under current law by U.S. mail or fax (as long as the agency determines that electronic

delivery is appropriate); and

4. post, on their website or another electronic portal available to the general public, any legal notice that must be advertised in a newspaper under current law.

Under the bill, each of these activities must comply with the Connecticut Uniform Electronic Transactions Act (CUETA) if conducted electronically (e.g., the parties must agree to conduct the transaction electronically) (see BACKGROUND).

EFFECTIVE DATE: July 1, 2021

#### **§ 18 — INFORMATION AND TELECOMMUNICATION SYSTEMS STRATEGIC PLAN**

*Requires that DAS's annual information and telecommunication systems strategic plan include standards for digital identity verification*

Existing law requires the DAS commissioner to develop, publish, and annually update an information and telecommunication systems strategic plan. Among other things, the plan must include architecture guidelines and standards for these systems that support state agencies.

The bill requires that the plan specifically include standards for digital identity verification under CUETA that are consistent with industry standards and best practices. Among other things, CUETA provides that if a signature or record must be notarized, acknowledged, verified, or made under oath, the requirement is satisfied by an electronic signature from the person authorized to perform these acts (along with any other information required by the applicable law).

EFFECTIVE DATE: July 1, 2021

#### **§§ 19-25 — ELIMINATED REPORTING REQUIREMENTS**

*Eliminates various reporting requirements*

The bill eliminates several reporting requirements by DAS to the legislature, or from state agencies to DAS, as shown in Table 1.

**Table 1: Eliminated Reporting Requirements**

<b>§</b>	<b>Reporting Requirement</b>
19	Annual report by DAS to the Environment, Government Administration and Elections, and Transportation committees on the state vehicle fleet
20	Annual reports by state agencies to DAS on purchase orders made by the agency under purchasing authority delegated by DAS
21	Annual report by DAS to the Appropriations Committee listing personal property items leased by state agencies
22	Annual report by DAS to the State Properties Review Board (SPRB) on realty transactions
22	Annual report by SPRB to the governor and the Appropriations and Finance, Revenue and Bonding committees with recommendations and other information on realty transactions
23	Annual report by DAS and the Codes and Standards Committee to the Public Safety and Security Committee with recommendations for amending state agency regulations that conflict with the State Building Code or fire safety regulations (e.g., the State Fire Code)
24	Triennial report by the state fire marshal to the Public Safety and Security Committee on the effectiveness of state law's provisions on fire-safe cigarette testing
25	Annual filing by state agencies of ethics statements with DAS (the bill retains the requirement that they be filed with the Office of State Ethics)

EFFECTIVE DATE: July 1, 2021

## **BACKGROUND**

### ***Related Bill***

HB 6601 (File 178), reported favorably by the Commerce Committee, contains identical provisions concerning pre-market product testing (§ 14 of this bill).

### ***Executive Order 49***

In May 2015, Governor Malloy issued Executive Order 49, which (1) subjects state contracts with a value of \$50,000 or more in a calendar or fiscal year to the gift certification requirements that apply to contracts with a value of \$500,000 or more and (2) requires state contractors subject to the gift certification requirements to also disclose in an

affidavit all campaign contributions made to statewide office or legislative candidates.

***Penalty of False Statement***

By law, giving a false statement is a class A misdemeanor, punishable by up to one year in prison, up to a \$2,000 fine, or both (CGS § 53a-157b).

***Ban on Campaign Contributions by State Contractors***

By law, for current and prospective state contractors, the existing ban is government branch specific. This means that for principals of contractors with executive branch or quasi-public agency contracts or contract solicitations, the ban applies to statewide office candidates. For those with legislative branch contracts or contract solicitations, the ban applies to legislative candidates. For pre-qualified contractors, the ban applies to candidates running for office in either branch. Additionally, the ban prohibits principals from making qualifying contributions to any candidates participating in the Citizens' Election Program regardless of the branch (CGS § 9-704(e)).

***Set-Aside Program***

The state set-aside program requires state agencies and political subdivisions (other than municipalities; see below) to set aside 25% of the total value of all contracts they let for construction, goods, and services each year for exclusive bidding by certified small contractors. The agencies must further reserve 25% of the set-aside value (6.25% of the total) for exclusive bidding by certified minority business enterprises. Contractors awarded municipal public works contracts must comply with these requirements if the (1) contract includes state financial assistance and (2) total contract value exceeds \$50,000.

***SBA Certification***

SBA maintains several certification programs for small businesses (e.g., 8(a) Business Development, Women-Owned Small Business, Historically Underutilized Business Zones (HUBZones), etc.). Each program is targeted toward a specific population (e.g., businesses owned by a person who is socially and economically disadvantaged).

SBA does not have a broad-based small business certification. Rather, these businesses self-certify that they meet SBA's standards for being a small business when registering in the federal System for Award Management (SAM) database. (Contractors must register in SAM in order to access federal contracting opportunities.)

Generally, SBA's size standards vary by industry and are typically based on either a business's annual receipts or average number of employees. According to a 2019 SBA report, receipts-based standards range from \$750,000 to \$38.5 million, while employee-based standards range from 100 to 1,500.

### **CUETA**

CUETA establishes a legal foundation for using electronic communications in transactions where the parties, including state and local government agencies, have agreed to conduct business electronically. It validates the use of electronic records and signatures and places electronic commerce and paper-based commerce on the same legal footing. CUETA does not specifically authorize agencies to send notices, or any type of certified or registered mail, by e-mail, but rather sets requirements with which electronic transmissions must comply (CGS §§ 1-266 to 1-286).

### **COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 13    Nay 6    (03/31/2021)