
OLR Bill Analysis

sHB 5172 (as amended by House "A" and "B")*

AN ACT CONCERNING REEMPLOYMENT AND THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM.

SUMMARY

This bill removes restrictions on the amount of time that a retiree of the Connecticut Municipal Employees Retirement System (CMERS) may be re-employed with a CMERS town and continue to receive his or her pension payments.

Separately, the bill extends the period during which the Department of Housing (DOH) commissioner may determine that a nonprofit organization is incapable of developing or managing a property that the nonprofit acquired using financial assistance from the Community Housing Land Bank and Land Trust Fund. The bill additionally (1) allows DOH to authorize the nonprofit, rather than only the state, to dispose of the property if certain conditions are met and (2) limits the provision to two properties in Middletown, rather than one property anywhere in the state.

Also separately, the bill expands the information that applicants must disclose when seeking state contractor prequalification from the Department of Administrative Services (DAS) to include information about certain settled administrative proceedings against the applicant as well as certain penalties levied for labor law violations. It also expands the reasons for which DAS must revoke a prequalification certificate.

*House Amendment "A" adds provisions on DOH's authority to dispose of Community Housing Land Bank and Land Trust Fund-assisted properties, state contractor prequalification disclosures, and increasing compensation for certain Board of Pardons and Paroles members.

*House Amendment "B" removes the provision from House Amendment "A" regarding compensation for certain Board of Pardon and Paroles members.

EFFECTIVE DATE: October 1, 2022

§ 1 – RE-EMPLOYED CMERS RETIREES

Under current law, a retiree of the Connecticut Municipal Employees Retirement System (CMERS) cannot receive pension payments if he or she is re-employed with a CMERS town for more than 20 hours per week or 90 days per year.

This bill allows them to be re-employed with a CMERS town for any amount of time and receive pension payments, so long as they do not participate (i.e., receive credit) in the retirement system during this period of re-employment. (In practice, these retirees who are re-employed part time do not receive credit for the period of re-employment.)

The bill also explicitly permits retired CMERS members of a police or fire department to accept employment with any participating school district, including a regional district, in a public safety position and continue to receive pension payments as long as they do not further participate in CMERS and earn additional retirement credit.

§ 2 – COMMUNITY HOUSING LAND BANK AND LAND TRUST FUND PROPERTIES IN MIDDLETOWN

Under a currently obsolete law, the DOH commissioner may have the state assume control of a property owned by a nonprofit organization that received financial assistance from the Community Housing Land Bank and Land Trust Fund if DOH determines, by January 1, 2017, that the nonprofit organization is incapable of developing or managing the property. Upon making this determination, the commissioner may have the state assume control of the property through foreclosure, voluntary transfer, or other similar voluntary or compulsory action. With the Office of Policy and Management (OPM) secretary's approval, the commissioner may take whatever steps are necessary to convey the property, including (1) modifying or removing deed restrictions before

conveyance, (2) transferring the property to the low- or moderate-income families who live on the property, or (3) establishing terms or conditions for the conveyance. Under current law, DOH may authorize the conveyance of only one property.

The bill extends, until January 1, 2023, the period during which DOH may make the determination that the nonprofit organization is incapable of developing or managing the property. It also allows DOH to authorize the nonprofit, instead of the state, to dispose of the property if the OPM secretary agrees. Similar to current law, the authorization may (1) allow the property to be transferred to the low- or moderate-income families who live on the property and (2) establish terms and conditions for the conveyance, including modifying or releasing deed restrictions. Under the bill, DOH may authorize the conveyance of two properties in Middletown.

§§ 3-5 — DAS PREQUALIFICATION

Application

The bill expands the information that applicants must disclose when seeking state contractor prequalification from DAS. By law, state public works contracts that exceed \$500,000 (or \$1.5 million for DAS-administered projects) generally must be awarded to a contractor that is prequalified by DAS (CGS § 4b-91). The law also requires prequalification by “substantial subcontractors” (i.e., those that perform work whose value exceeds \$500,000) (CGS § 4a-100(a)).

Existing law requires prequalification applicants to disclose information about any legal or administrative proceedings concluded adversely against them, or their principals or key personnel, within the last five years related to procuring or performing any public or private construction contract. The bill also requires applicants to disclose any proceedings meeting these criteria that were settled within the past five years.

Additionally, the bill requires applicants to disclose administrative proceedings concluded adversely against them within the past five years that resulted in a (1) civil penalty related to wages, employment

regulation, workers' compensation, or employee personnel files or (2) stop-work order related to workers' compensation.

Revocation

The bill adds to the reasons for which the DAS commissioner must deny or revoke a contractor's or substantial subcontractor's prequalification. Under the bill, she must do so for any contractor or substantial subcontractor that, within the past five years, has withheld any information or documentation requested in a prequalification application. Under existing law, a prequalification revocation generally disqualifies a contractor or substantial subcontractor from seeking prequalification for two years.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 26 Nay 0 (03/18/2022)