



# Senate

General Assembly

**File No. 474**

February Session, 2022

Substitute Senate Bill No. 473

*Senate, April 14, 2022*

The Committee on Government Administration and Elections reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

## **AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD.**

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

1 Section 1. (NEW) (*Effective from passage*) (a) Notwithstanding any  
2 provision of the general statutes, the appropriations recommended for  
3 the State Contracting Standards Board shall be the estimates of  
4 expenditure requirements transmitted to the Secretary of the Office of  
5 Policy and Management by the executive director of the board and the  
6 recommended adjustments and revisions of such estimates shall be the  
7 recommended adjustments and revisions, if any, transmitted by said  
8 executive director to the Office of Policy and Management.

9 (b) Notwithstanding any provision of the general statutes, the  
10 Governor shall not reduce allotment requisitions or allotments in force  
11 concerning the State Contracting Standards Board.

12 Sec. 2. (*Effective July 1, 2022*) Not later than September 22, 2022, the

13 State Contracting Standards Board shall hire five employees as required  
14 under subsection (h) of section 4e-2 of the general statutes, as amended  
15 by this act.

16 Sec. 3. Section 4e-1 of the general statutes is repealed and the  
17 following is substituted in lieu thereof (*Effective July 1, 2022*):

18 For the purposes of [sections 4e-1] this section and sections 4e-2 to 4e-  
19 47, inclusive, as amended by this act:

20 (1) "Best value selection" means a contract selection process in which  
21 the award of a contract is based on a combination of quality, timeliness  
22 and cost factors;

23 (2) "Bid" means an offer, submitted in response to an invitation to bid,  
24 to furnish supplies, materials, equipment, construction or contractual  
25 services to a [state] contracting agency under prescribed conditions at a  
26 stated price;

27 (3) "Bidder" means a business submitting a bid in response to an  
28 invitation to bid by a [state] contracting agency;

29 (4) "Business" means any individual or sole proprietorship,  
30 partnership, firm, corporation, trust, limited liability company, limited  
31 liability partnership, joint stock company, joint venture, association or  
32 other legal entity through which business for profit or not-for-profit is  
33 conducted;

34 (5) "Competitive bidding" means the submission of prices by a  
35 business competing for a contract to provide supplies, materials,  
36 equipment or contractual services to a [state] contracting agency, under  
37 a procedure in which the contracting authority does not negotiate  
38 prices, as set forth in statutes and regulations concerning procurement;

39 (6) "Consultant" means (A) any architect, professional engineer,  
40 landscape architect, land surveyor, accountant, interior designer,  
41 environmental professional or construction administrator, who is  
42 registered or licensed to practice such person's profession in accordance

43 with the applicable provisions of the general statutes, (B) any planner or  
44 any environmental, management or financial specialist, or (C) any  
45 person who performs professional work in areas including, but not  
46 limited to, educational services, medical services, information  
47 technology and real estate appraisal;

48 (7) "Consultant services" means those professional services rendered  
49 by a consultant and any incidental services that a consultant and those  
50 in the consultant's employ are authorized to perform;

51 (8) "Contract" [or "state contract"] means an agreement or a  
52 combination or series of agreements between a [state] contracting  
53 agency [or quasi-public agency] and a business for:

54 (A) A project for the construction, reconstruction, alteration,  
55 remodeling, repair or demolition of any public building, public work,  
56 mass transit, rail station, parking garage, rail track or airport;

57 (B) Services, including, but not limited to, consultant and professional  
58 services;

59 (C) The acquisition or disposition of personal property;

60 (D) The provision of goods and services, including, but not limited  
61 to, the use of purchase of services contracts and personal service  
62 agreements;

63 (E) The provision of information technology, state agency  
64 information system or telecommunication system facilities, equipment  
65 or services;

66 (F) A lease; or

67 (G) A licensing agreement;

68 "Contract" [or "state contract"] does not include a contract between a  
69 state agency or a quasi-public agency and a political subdivision of the  
70 state;

71 (9) "Term contract" means the agreement reached when the [state]  
72 contracting agency accepts a bid or proposal to furnish supplies,  
73 materials, equipment or contractual services at a stated price for a  
74 specific period of time in response to an invitation to bid;

75 (10) "Contract risk assessment" means (A) the identification and  
76 evaluation of loss exposures and risks, including, but not limited to,  
77 business and legal risks associated with the contracting process and the  
78 contracted goods and services, and (B) the identification, evaluation and  
79 implementation of measures available to minimize potential loss  
80 exposures and risks;

81 (11) "Contractor" means any business that is awarded, or is a  
82 subcontractor under, a contract or an amendment to a contract with a  
83 [state] contracting agency under statutes and regulations concerning  
84 procurement, including, but not limited to, a small contractor, minority  
85 business enterprise, an individual with a disability, as defined in section  
86 4a-60, or an organization providing products and services by persons  
87 with disabilities;

88 (12) "Contractual services" means the furnishing of labor by a  
89 contractor, not involving the delivery of a specific end product other  
90 than reports, which are merely incidental to the required performance  
91 and includes any and all laundry and cleaning service, pest control  
92 service, janitorial service, security service, the rental and repair, or  
93 maintenance, of equipment, machinery and other [state-owned]  
94 personal property owned by a contracting agency, advertising and  
95 photostating, mimeographing, human services and other service  
96 arrangements where the services are provided by persons other than  
97 state employees or quasi-public agency employees. "Contractual  
98 services" includes the design, development and implementation of  
99 technology, communications or telecommunications systems or the  
100 infrastructure pertaining thereto, including hardware and software and  
101 services for which a contractor is conferred a benefit by the [state]  
102 contracting agency, whether or not compensated by the [state]  
103 contracting agency. "Contractual services" does not include

104 employment agreements or collective bargaining agreements;

105 (13) "Data" means recorded information, regardless of form or  
106 characteristic;

107 (14) "Vote of two-thirds of the members of the board present and  
108 voting" means a vote by the State Contracting Standards Board that is  
109 agreed upon by two-thirds of the members of the State Contracting  
110 Standards Board present and voting for a particular purpose and that  
111 includes the vote of one member of the board appointed by a legislative  
112 leader;

113 (15) "Electronic" means electrical, digital, magnetic, optical,  
114 electromagnetic, or any other similar technology;

115 (16) "Emergency procurement" means procurement by a [state]  
116 contracting agency, [quasi-public agency, as defined in section 1-120,]  
117 judicial department or constituent unit of higher education that is made  
118 necessary by a sudden, unexpected occurrence that poses a clear and  
119 imminent danger to public safety or requires immediate action to  
120 prevent or mitigate the loss or impairment of life, health, property or  
121 essential public services or in response to a court order, settlement  
122 agreement or other similar legal judgment;

123 (17) "Equipment" means personal property of a durable nature that  
124 retains its identity throughout its useful life;

125 (18) "Materials" means items required to perform a function or used  
126 in a manufacturing process, particularly those incorporated into an end  
127 product or consumed in its manufacture;

128 (19) "Nonprofit agency" means any organization that is not a for-  
129 profit business under Section 501(c)(3) of the Internal Revenue Code of  
130 1986, or any subsequent corresponding internal revenue code of the  
131 United States, as amended from time to time, [amended,] makes no  
132 distribution to its members, directors or officers and provides services  
133 contracted for by (A) the state or a quasi-public agency, or (B) a nonstate  
134 entity;

135 (20) "Professional services" means any type of service to the public  
136 that requires that members of a profession rendering such service obtain  
137 a license or other legal authorization as a condition precedent to the  
138 rendition thereof, including, but not limited to, the professional services  
139 of architects, professional engineers, or jointly by architects and  
140 professional engineers, landscape architects, certified public  
141 accountants and public accountants, land surveyors, attorneys-at-law,  
142 psychologists, licensed marital and family therapists, licensed  
143 professional counselors and licensed clinical social workers as well as  
144 such other professional services described in section 33-182a;

145 (21) "Privatization contract" means an agreement or series of  
146 agreements between a [state] contracting agency and a person or entity  
147 in which such person or entity agrees to provide services that are  
148 substantially similar to and in lieu of services provided, in whole or in  
149 part, by state or quasi-public agency employees, other than contracts  
150 with a nonprofit agency, which are in effect as of January 1, 2009, and  
151 which through a renewal, modification, extension or rebidding of  
152 contracts continue to be provided by a nonprofit agency;

153 (22) "Procurement" means contracting for, buying, purchasing,  
154 renting, leasing or otherwise acquiring or disposing of, any supplies,  
155 services, including, but not limited to, contracts for purchase of services  
156 and personal service agreements, interest in real property, or  
157 construction, and includes all government functions that relate to such  
158 activities, including best value selection and qualification based  
159 selection;

160 (23) "Proposer" means a business submitting a proposal to a [state]  
161 contracting agency in response to a request for proposals or other  
162 competitive sealed proposal;

163 (24) "Public record" means a public record, as defined in section 1-  
164 200;

165 (25) "Qualification based selection" means a contract selection process  
166 in which the award of a contract is primarily based on an assessment of

167 contractor qualifications and on the negotiation of a fair and reasonable  
168 price;

169 (26) "Regulation" means regulation, as defined in section 4-166;

170 (27) "Request for proposals" means all documents, whether attached  
171 or incorporated by reference, utilized for soliciting proposals;

172 (28) ["State contracting agency"] "Contracting agency" means any  
173 executive branch agency, board, commission, department, office,  
174 institution, [or] council or quasi-public agency. ["State contracting  
175 agency"] "Contracting agency" does not include the judicial branch, the  
176 legislative branch, the offices of the Secretary of the State, the State  
177 Comptroller, the Attorney General, the State Treasurer, with respect to  
178 their constitutional functions [,] or any state agency with respect to  
179 contracts specific to the constitutional and statutory functions of the  
180 office of the State Treasurer. For the purposes of section 4e-16, ["state  
181 contracting agency"] as amended by this act, "contracting agency"  
182 includes any constituent unit of the state system of higher education;  
183 [and for the purposes of section 4e-19, "state contracting agency"  
184 includes the State Education Resource Center, established under section  
185 10-4q;]

186 (29) "Subcontractor" means a subcontractor of a contractor for work  
187 under a contract or an amendment to a contract;

188 (30) "Supplies" means any and all articles of personal property,  
189 including, but not limited to, equipment, materials, printing, insurance  
190 and leases of real property, excluding land or a permanent interest in  
191 land furnished to or used by any [state] contracting agency;

192 (31) "Infrastructure facility" means a building, structure or network  
193 of buildings, structures, pipes, controls and equipment that provide  
194 transportation, utilities, public education or public safety services.  
195 [Infrastructure facility] "Infrastructure facility" includes government  
196 office buildings, public schools, jails, water treatment plants,  
197 distribution systems and pumping stations, wastewater treatment

198 plants, collections systems and pumping stations, solid waste disposal  
199 plants, incinerators, landfills, and related facilities, public roads and  
200 streets, highways, public parking facilities, public transportation  
201 systems, terminals and rolling stock, rail, air and water port structures,  
202 terminals and equipment; [and]

203 (32) "State employee" means state employee, as defined in section 5-  
204 154 and, for purposes of section 4e-16, [state employee] as amended by  
205 this act, "state employee" includes an employee of any [state] contracting  
206 agency [.] that is not a quasi-public agency; and

207 (33) "Quasi-public agency" has the same meaning as provided in  
208 section 1-120.

209 Sec. 4. Subsections (g) and (h) of section 4e-2 of the general statutes  
210 are repealed and the following is substituted in lieu thereof (*Effective July*  
211 *1, 2022*):

212 (g) The board shall appoint a Chief Procurement Officer for a term  
213 not to exceed six years, unless reappointed pursuant to the provisions  
214 of this subsection. The Chief Procurement Officer shall report to the  
215 board and annually be evaluated by, and serve at the pleasure of, the  
216 board. For administrative purposes only, the Chief Procurement Officer  
217 shall be supervised by the executive director.

218 (1) The Chief Procurement Officer shall be responsible for carrying  
219 out the policies of the board relating to procurement including, but not  
220 limited to, oversight, investigation, auditing, agency procurement  
221 certification and procurement and project management training and  
222 enforcement of [said] such policies as well as the application of such  
223 policies to the screening and evaluation of current and prospective  
224 contractors. The Chief Procurement Officer may enter into such  
225 contractual agreements as may be necessary for the discharge of the  
226 duties as set forth in this subsection and by the board, including, but not  
227 limited to, recommending best practices and providing operational and  
228 administrative assistance to [state] contracting agencies determined, by  
229 the board, to be in violation of sections 4e-16 to 4e-47, inclusive, as



230 amended by this act.

231 (2) In addition to the duties set forth by the board, the Chief  
232 Procurement Officer shall (A) oversee [state] contracting agency  
233 compliance with the provisions of statutes and regulations concerning  
234 procurement; (B) monitor and assess the performance of the  
235 procurement duties of each agency procurement officer; (C) administer  
236 the certification system and monitor the level of agency compliance with  
237 the requirements of statutes and regulations concerning procurement,  
238 including, but not limited to, the education and training, performance  
239 and qualifications of agency procurement officers; (D) review and  
240 monitor the procurement processes of each [state] contracting agency,  
241 [quasi-public agencies and] including institutions of higher education;  
242 and (E) serve as chairperson of the Contracting Standards Advisory  
243 Council and an ex-officio member of the Vendor and Citizen Advisory  
244 Panel.

245 (h) The board may contract with consultants and professionals on a  
246 temporary or project by project basis and [may] shall employ, subject to  
247 the provisions of chapter 67, [such] not less than five full-time  
248 employees and may employ such additional employees as may be  
249 necessary to carry out the provisions of this section.

250 Sec. 5. Section 4e-3 of the general statutes is repealed and the  
251 following is substituted in lieu thereof (*Effective July 1, 2022*):

252 (a) All rights, powers, duties and authority relating to the  
253 procurement policies of the state, vested in, or exercised by, any [state]  
254 contracting agency may also be exercised by the board, provided such  
255 rights, powers, duties and authority may be exercised by the board as  
256 provided in this section and sections 4e-4 to 4e-47, inclusive, as amended  
257 by this act, and absent any affirmative action by the board, pursuant to  
258 said sections, shall not be deemed to limit or restrict the exercise of such  
259 rights, powers, duties and authority by any such [state] contracting  
260 agency. Such rights, powers, duties and authority shall include the  
261 following:

262 (1) Acquisition of supplies, services, and construction, and the  
263 management, control, warehousing, sale, and disposal of supplies,  
264 services, and construction;

265 (2) Any state or quasi-public agency contracting and procurement  
266 processes, including, but not limited to, leasing and property transfers,  
267 purchasing or leasing of supplies, materials or equipment, consultant or  
268 consultant services, purchase of service agreements or privatization  
269 contracts; and

270 (3) Contracts for the construction, reconstruction, alteration,  
271 remodeling, repair or demolition of any public building.

272 (b) Notwithstanding any provision of chapter 14, upon request by the  
273 board, each [state] contracting agency, including institutions of higher  
274 education, shall provide the board, in a timely manner, with such  
275 procurement information as the board deems necessary. The board shall  
276 have access to all information, files and records related to any [state]  
277 contracting agency in furtherance of the board's duties, as described in  
278 this section and sections 4e-4 to 4e-47, inclusive, as amended by this act.  
279 Nothing in this section shall be construed to require the board's  
280 disclosure of documents that are exempt from disclosure pursuant to  
281 chapter 14.

282 Sec. 6. Section 4e-4 of the general statutes is repealed and the  
283 following is substituted in lieu thereof (*Effective July 1, 2022*):

284 Except as otherwise provided in the general statutes, the board shall  
285 have the following authority and responsibilities with respect to  
286 procurements by [state] contracting agencies:

287 [(a)] (1) Recommend the repeal of repetitive, conflicting or obsolete  
288 statutes concerning [state] procurement;

289 [(b)] (2) Review and make recommendations concerning proposed  
290 legislation and regulations concerning procurement, management,  
291 control, and disposal of any and all supplies, services, and construction  
292 to be procured by [the state] contracting agencies, including, but not

293 limited to:

294 [(1)] (A) Conditions and procedures for delegation of procurement  
295 authority;

296 [(2)] (B) Prequalification, suspension, debarment and reinstatement  
297 of prospective bidders and contractors;

298 [(3)] (C) Small purchase procedures;

299 [(4)] (D) Conditions and procedures for the procurement of  
300 perishables and items for resale;

301 [(5)] (E) Conditions and procedures for the use of source selection  
302 methods authorized by statutes and regulations concerning  
303 procurement;

304 [(6)] (F) Conditions and procedures for the use of emergency  
305 procurements;

306 [(7)] (G) Conditions and procedures for the selection of contractors by  
307 processes or methods that restrict full and open competition;

308 [(8)] (H) The opening or rejection of bids and offers, and waiver of  
309 errors in bids and offers;

310 [(9)] (I) Confidentiality of technical data and trade secrets submitted  
311 by actual or prospective bidders;

312 [(10)] (J) Partial, progressive and multiple awards;

313 [(11)] (K) Supervision of storerooms and inventories, including  
314 determination of appropriate stock levels and the management,  
315 transfer, sale or other disposal of publicly-owned supplies;

316 [(12)] (L) Definitions and classes of contractual services and  
317 procedures for acquiring such services;

318 [(13)] (M) Regulations providing for conducting cost and price  
319 analysis;

- 320        [(14)] (N) Use of payment and performance bonds;
- 321        [(15)] (O) Guidelines for use of cost principles in negotiations,  
322 adjustments and settlements; and
- 323        [(16)] (P) Identification of procurement best practices;
- 324        [(c)] (3) Adopt regulations, pursuant to chapter 54, to carry out the  
325 provisions of statutes concerning procurement, in order to facilitate  
326 consistent application of the law and require the implementation of  
327 procurement best practices;
- 328        [(d)] (4) Make recommendations with regard to information systems  
329 for state procurement including, but not limited to, data element and  
330 design and the State Contracting Portal;
- 331        [(e)] (5) Develop a guide to state statutes and regulations concerning  
332 procurement, for use by all [state] contracting agencies;
- 333        [(f)] (6) Assist [state] contracting agencies in complying with the  
334 statutes and regulations concerning procurement by providing  
335 guidance, models, advice and practical assistance to [state] contracting  
336 agency staff relating to: [(1)] (A) Buying the best service at the best price,  
337 [(2)] (B) properly selecting contractors, and [(3)] (C) drafting contracts  
338 that achieve state goals of accountability, transparency and results  
339 based outcomes and to protect taxpayers' interest;
- 340        [(g)] (7) Train and oversee the agency procurement officer of each  
341 [state] contracting agency and any contracting officers thereunder;
- 342        [(h)] (8) Review and certify, on or after January 1, 2009, that a [state]  
343 contracting agency's procurement processes are in compliance with  
344 statutes and regulations concerning procurement by:
- 345        [(1)] (A) Establishing procurement and project management  
346 education and training criteria and certification procedures for agency  
347 procurement officers and contracting officers. All agency procurement  
348 officers and contracting officers designated under this provision shall be

349 required to maintain the certification in good standing at all times while  
350 performing procurement functions;

351 [(2)] (B) Approving an ethics training course, in consultation with the  
352 Office of State Ethics, including, but not limited to, state employees and  
353 quasi-public agency employees involved in procurement and for state  
354 contractors and substantial subcontractors who are prequalified  
355 pursuant to chapter 58a. Such ethics training course may be developed  
356 and provided by the Office of State Ethics or by any person, firm or  
357 corporation provided such course is approved by the State Contracting  
358 Standards Board;

359 [(i)] (9) Recertify each [state] contracting agency's procurement  
360 processes, triennially, and provide agencies with notice of any  
361 certification deficiency and exercise those powers authorized by section  
362 4e-34, as amended by this act, 4e-39, as amended by this act, or 4e-40, as  
363 amended by this act, as applicable, if a determination of noncompliance  
364 is made;

365 [(j)] (10) Define the contract data reporting requirements to the board  
366 for [state] contracting agencies concerning information on: [(1)] (A) The  
367 number and type of [state] contracts of each [state] contracting agency  
368 currently in effect state-wide; [(2)] (B) the term and dollar value of such  
369 contracts; [(3)] (C) a list of client agencies; [(4)] (D) a description of  
370 services purchased under such contracts; [(5)] (E) contractor names; [(6)]  
371 (F) an evaluation of contractor performance, including, but not limited  
372 to records pertaining to the suspension or disqualification of  
373 contractors, and assuring such information is available on the State  
374 Contracting Portal; and [(7)] (G) a list of contracts and contractors  
375 awarded without full and open competition stating the reasons for and  
376 identifying the approving authority; and

377 [(k)] (11) Provide the Governor and the joint standing committee of  
378 the General Assembly having cognizance of matters relating to  
379 government administration with recommendations concerning the  
380 statutes and regulations concerning procurement.

381 Sec. 7. Subsections (a) to (c), inclusive, of section 4e-5 of the general  
382 statutes are repealed and the following is substituted in lieu thereof  
383 (*Effective July 1, 2022*):

384 (a) (1) The head of each [state] contracting agency shall appoint an  
385 agency procurement officer. Such officer shall serve as the liaison  
386 between the agency and the Chief Procurement Officer on all matters  
387 relating to the agency's procurement activity, including, but not limited  
388 to, implementation and compliance with the provisions of statutes and  
389 regulations concerning procurement and any policies or regulations  
390 adopted by the board, coordination of the training and education of  
391 agency procurement employees and any person serving on the  
392 Contracting Standards Advisory Council;

393 (2) The agency procurement officer shall be responsible for (A)  
394 ensuring that any invitation to bid, request for proposals or any other  
395 solicitation for goods and service issued on or after July 1, 2022, contains  
396 a notice of the rights of prospective bidders, proposers or prospective  
397 contractors under sections 4e-36, 4e-39, as amended by this act, and 4e  
398 40, as amended by this act, (B) assuring that contractors are properly  
399 screened prior to the award of a contract, (C) ensuring contractors are  
400 advised of their rights under sections 4e-36, 4e-39, as amended by this  
401 act, and 4e-40, as amended by this act, prior to entering into a contract  
402 on or after July 1, 2022, (D) ensuring that upon the award of such a  
403 contract that unsuccessful bidders, proposers or respondents are  
404 advised of their rights under sections 4e-36, 4e-39, as amended by this  
405 act, and 4e-40, as amended by this act, (E) evaluating contractor  
406 performance during and at the conclusion of a contract, (F) submitting  
407 written evaluations to a central data repository to be designated by the  
408 board, and (G) creating a project management plan for the agency with  
409 annual reports to the board pertaining to procurement projects within  
410 the agency.

411 (b) The State Contracting Standards Board, with the advice and  
412 assistance of the Commissioner of Administrative Services, shall  
413 develop a standardized state procurement and project management

414 education and training program. Such education and training program  
415 shall develop education, training and professional development  
416 opportunities for employees of [state] contracting agencies charged with  
417 procurement responsibilities. The education and training program shall  
418 educate such employees in general business acumen and on proper  
419 purchasing procedures as established in statutes and regulations  
420 concerning procurement with an emphasis on ethics, fairness,  
421 consistency and project management. Participation in the education and  
422 training program shall be required of any supervisory and  
423 nonsupervisory [state] employees in [state] contracting agencies with  
424 responsibility for buying, purchasing, renting, leasing or otherwise  
425 acquiring any supplies, service or construction, including the  
426 preparation of the description of requirements, selection and solicitation  
427 of sources, preparation and award of contracts and all phases of contract  
428 administration.

429 (c) The state procurement and project management education and  
430 training program shall include, but shall not be limited to (1) training  
431 and education concerning federal, state and municipal procurement  
432 processes, including the statutes and regulations concerning  
433 procurement; (2) training and education courses developed in  
434 cooperation with the Office of State Ethics, the Freedom of Information  
435 Commission, the State Elections Enforcement Commission, the  
436 Commission on Human Rights and Opportunities, the office of the  
437 Attorney General and any other state agency the board determines is  
438 necessary in carrying out statutes and regulations concerning  
439 procurement; (3) providing technical assistance to [state] contracting  
440 agencies and municipalities for implementing statutes and regulations  
441 concerning procurement, regulations, policies and standards developed  
442 by the board; (4) training to current and prospective contractors and  
443 vendors and others seeking to do business with [the state] a contracting  
444 agency; and (5) training and education of [state] contracting agency  
445 employees in the area of best procurement practices in [state]  
446 purchasing with the goal of achieving the level of acumen necessary to  
447 achieve the objectives of statutes and regulations concerning  
448 procurement.

449 Sec. 8. Section 4e-6 of the general statutes is repealed and the  
450 following is substituted in lieu thereof (*Effective July 1, 2022*):

451 (a) The board shall conduct audits of [state] contracting agencies,  
452 triennially, to ensure compliance with statutes and regulations  
453 concerning procurement. In conducting each such audit, the board shall  
454 have access to all contracting and procurement records, may interview  
455 any and all personnel responsible for contracting, contract negotiations  
456 or procurement and may enter into an agreement with the Auditors of  
457 Public Accounts to effectuate such audit.

458 (b) Upon completion of any such audit, the board shall prepare and  
459 issue a compliance report for the [state] contracting agency. Such report  
460 shall identify any process or procedure that is inconsistent with statutes  
461 and regulations concerning procurement and indicate those corrective  
462 measures the board deems necessary to comply with statutes and  
463 regulations concerning procurement requirements. Such report shall be  
464 issued and delivered to the [state] contracting agency not later than  
465 thirty days after completion of such audit and shall be a public record.  
466 The [state] contracting agency may provide a written response to the  
467 board concerning such report not later than sixty days after receipt of  
468 such report and any such response shall be a public record. After  
469 receiving such response or after such sixty-day period has elapsed with  
470 no response, whichever is earlier, the board may submit such report and  
471 the response, if applicable, in accordance with the provisions of section  
472 11-4a, to the joint standing committees of the General Assembly having  
473 cognizance of matters relating to the [state] contracting agency that is  
474 the subject of such report, appropriations and the budgets of state  
475 agencies and government administration.

476 Sec. 9. Section 4e-7 of the general statutes is repealed and the  
477 following is substituted in lieu thereof (*Effective July 1, 2022*):

478 (a) For cause, the State Contracting Standards Board may review,  
479 terminate or recommend to a [state] contracting agency the termination  
480 of any contract or procurement agreement undertaken by any [state]  
481 contracting agency after providing fifteen days' notice to the [state]



482 contracting agency and the applicable contractor, and consulting with  
483 the Attorney General. Such termination of a contract or procurement  
484 agreement by the board may occur only after (1) the board has consulted  
485 with the contracting agency to determine the impact of an immediate  
486 termination of the contract, (2) a determination has been made jointly  
487 by the board and the contracting agency that an immediate termination  
488 of the contract will not create imminent peril to the public health, safety  
489 or welfare, (3) a vote of two-thirds of the members of the board present  
490 and voting for that purpose, and (4) the board has provided the [state]  
491 contracting agency and the contractor with opportunity for a hearing  
492 conducted pursuant to the provisions of chapter 54. Such action shall be  
493 accompanied by notice to the [state] contracting agency and any other  
494 affected party. For the purpose of this section, "for cause" means: (A) A  
495 violation of section 1-84 or 1-86e, as determined by the Citizen's Ethics  
496 Advisory Board; (B) wanton or reckless disregard of any state or quasi-  
497 public contracting and procurement process by any person substantially  
498 involved in such contract or [state] contracting agency; or (C)  
499 notification from the Attorney General to the [state] contracting agency  
500 that an investigation pursuant to section 4-61dd has concluded that the  
501 process by which such contract was awarded was compromised by  
502 fraud, collusion or any other criminal violation. Nothing in this section  
503 shall be construed to limit the authority of the board as described in  
504 section 4e-6, as amended by this act.

505 (b) Following consultation with the [state] contracting agency and  
506 upon providing fifteen days' notice and the opportunity for a hearing,  
507 the State Contracting Standards Board may restrict or terminate the  
508 authority of any [state] contracting agency to enter into any contract or  
509 procurement agreement if: (1) The board, upon a vote of two-thirds of  
510 the members of the board present and voting for such purpose,  
511 determines that such [state] contracting agency failed to comply with  
512 statutory contracting and procurement requirements and evidenced a  
513 reckless disregard for applicable procedures and policy; and (2) such  
514 limitation, restriction or termination of authority is in the state's best  
515 interest, provided the board has made arrangements for the exercise of  
516 the contracting power of such agency during the period of limitation,

517 restriction or termination. Such limitation, restriction or termination of  
518 authority shall remain in effect until such time as the board determines  
519 that such [state] contracting agency has implemented corrective  
520 measures and demonstrated compliance with statutes and regulations  
521 concerning procurement.

522 (c) Following consultation with the [state] contracting agency, and  
523 thereafter upon providing fifteen days' notice and the opportunity for a  
524 hearing, the State Contracting Standards Board may order a [state]  
525 contracting agency to take appropriate action to restrict or terminate the  
526 authority of an employee or agent to enter into any contract or  
527 procurement agreement if the board, upon a vote of two-thirds of the  
528 members of the board present and voting for such purpose, determines  
529 that such employee or agent failed to comply with statutory contracting  
530 and procurement requirements, and evidenced a reckless disregard for  
531 applicable procedures and policy. Such limitation, restriction or  
532 termination of authority shall remain in effect until such time as the  
533 board determines that such [state] contracting agency has implemented  
534 corrective measures and demonstrated compliance with statutes and  
535 regulations concerning procurement.

536 Sec. 10. Section 4e-8 of the general statutes is repealed and the  
537 following is substituted in lieu thereof (*Effective July 1, 2022*):

538 There is established a Contracting Standards Advisory Council,  
539 which shall consist of representatives from the Office of Policy and  
540 Management, Departments of Administrative Services and  
541 Transportation, [and] representatives of at least three additional  
542 contracting agencies, including at least one human services related state  
543 agency, to be designated by the Governor and at least four additional  
544 contracting agencies that are quasi-public agencies, two of which are  
545 appointed by the speaker of the House of Representatives and two of  
546 which are appointed by the president pro tempore of the Senate. The  
547 Chief Procurement Officer shall be a member of the council and serve as  
548 chairperson. The advisory council shall meet at least four times per year  
549 to discuss [state] procurement issues and to make recommendations for

550 improvement of the procurement processes to the State Contracting  
551 Standards Board. The advisory council may conduct studies, research  
552 and analyses and make reports and recommendations with respect to  
553 subjects or matters within the jurisdiction of the State Contracting  
554 Standards Board.

555 Sec. 11. Section 4e-10 of the general statutes is repealed and the  
556 following is substituted in lieu thereof (*Effective July 1, 2022*):

557 (a) On or before July 1, 2010, the board shall submit to the Governor  
558 and the General Assembly such legislation as is necessary to permit  
559 [state] contracting agencies, not including [quasi-publics] quasi-public  
560 agencies, institutions of higher education, and municipal procurement  
561 processes utilizing state funds, to carry out their functions under  
562 statutes and regulations concerning procurement.

563 (b) On or before July 1, 2011, the board shall submit to the Governor  
564 and the General Assembly such legislation as is necessary to apply the  
565 provisions of statutes concerning procurement to constituent units of  
566 the state system of higher education. Concomitantly, the board shall  
567 submit such additional legislation as is necessary to apply the  
568 provisions of statutes and regulations concerning privatization and  
569 procurement to quasi-public agencies.

570 (c) On or before July 1, 2012, the board shall submit to the Governor  
571 and the General Assembly such legislation as is necessary to apply the  
572 provisions of statutes and regulations concerning procurement to the  
573 municipal procurement processes utilizing state funds.

574 Sec. 12. Section 4e-14 of the general statutes is repealed and the  
575 following is substituted in lieu thereof (*Effective July 1, 2022*):

576 On and after June 1, 2010, all [state] contracts of each [state]  
577 contracting agency of the state, as defined in section 4e-35, as amended  
578 by this act, that take effect on or after June 1, 2010, shall contain  
579 provisions to ensure accountability, transparency and results based  
580 outcomes, as prescribed by the State Contracting Standards Board and

581 on or after July 1, 2022, all contracts of each contracting agency that is a  
582 quasi-public agency that take effect on or after July 1, 2022, shall contain  
583 such provisions. On and after June 1, 2010, all [state] contracts of the  
584 legislative branch and the judicial branch that take effect on or after June  
585 1, 2010, shall contain provisions to ensure accountability, transparency  
586 and results based outcomes.

587 Sec. 13. Section 4e-16 of the general statutes is repealed and the  
588 following is substituted in lieu thereof (*Effective July 1, 2022*):

589 (a) Prior to entering into any privatization contract for the  
590 privatization of a state service that is not currently privatized, the [state]  
591 contracting agency shall develop a cost-benefit analysis in accordance  
592 with the provisions of subsection (b) of this section. Such requirement  
593 shall not apply to a privatization contract for a service currently  
594 provided, in whole or in part, by a non-state entity. Any affected party  
595 may petition the State Contracting Standards Board for review of such  
596 privatization contract, in accordance with the provisions of subsections  
597 (f) to (h), inclusive, of this section.

598 (b) The cost-benefit analysis conducted by a [state] contracting  
599 agency prior to entering into a privatization contract shall document the  
600 direct and indirect costs, savings, and qualitative and quantitative  
601 benefits, that will result from the implementation of such privatization  
602 contract. Such cost-benefit analysis shall specify the schedule that, at a  
603 minimum, shall be adhered to in order to achieve any estimated savings.  
604 Any cost factor shall be clearly identified in such cost-benefit analysis  
605 and supported by all applicable records and reports. The department  
606 head of such [state] contracting agency shall certify that, based on the  
607 data and information, all projected costs, savings and benefits are valid  
608 and achievable. As used in this subsection, (1) "costs" means all  
609 reasonable, relevant and verifiable expenses, including salary,  
610 materials, supplies, services, equipment, capital depreciation, rent,  
611 maintenance, repairs, utilities, insurance, travel, overhead, interim and  
612 final payments and the normal cost of fringe benefits, as calculated by  
613 the Comptroller; (2) "normal cost of fringe benefits" means the amount

614 of contributions required to fund the fringe benefits allocated to the  
615 current year of service; and (3) "savings" means the difference between  
616 the current annual direct and indirect costs of providing such service  
617 and the projected, annual direct and indirect costs of contracting to  
618 provide such services in any succeeding state fiscal year during the term  
619 of such proposed privatization contract.

620 (c) (1) If such cost-benefit analysis identifies a cost savings to the state  
621 or the quasi-public agency of ten per cent or more, and such  
622 privatization contract will not diminish the quality of such service, the  
623 [state] contracting agency shall develop a business case, in accordance  
624 with the provisions of subsection (d) of this section, in order to evaluate  
625 the feasibility of entering into any such contract and to identify the  
626 potential results, effectiveness and efficiency of such contract.

627 (2) If such cost-benefit analysis identifies a cost savings of less than  
628 ten per cent to the state or the quasi-public agency and such  
629 privatization contract will not diminish the quality of such service, the  
630 [state] contracting agency may develop a business case, in accordance  
631 with the provisions of subsection (d) of this section, in order to evaluate  
632 the feasibility of entering into any such contract and to identify the  
633 potential results, effectiveness and efficiency of such contract, provided  
634 there is a significant public policy reason to enter into such privatization  
635 contract. Any such business case shall be approved in accordance with  
636 the provisions of subdivision (4) of subsection (h) of this section.

637 (3) If any such proposed privatization contract would result in the  
638 layoff, transfer or reassignment of one hundred or more [state]  
639 contracting agency employees, after consulting with the potentially  
640 affected bargaining units, if any, the [state] contracting agency shall  
641 notify the state employees or quasi-public agency employees of such  
642 bargaining unit, as applicable, after such cost-benefit analysis is  
643 completed. Such [state] contracting agency shall provide an opportunity  
644 for [said] such employees to reduce the costs of conducting the  
645 operations to be privatized and provide reasonable resources for the  
646 purpose of encouraging and assisting such [state] employees to organize

647 and submit a bid to provide the services that are the subject of the  
648 potential privatization contract. The [state] contracting agency shall  
649 retain sole discretion in determining whether to proceed with the  
650 privatization contract, provided the business case for such contract is  
651 approved by the board.

652 (d) Any business case developed by a [state] contracting agency for  
653 the purpose of complying with subsection (c) of this section shall  
654 include: (1) The cost-benefit analysis as described in subsection (b) of  
655 this section, (2) a detailed description of the service or activity that is the  
656 subject of such business case, (3) a description and analysis of [the state]  
657 such contracting agency's current performance of such service or  
658 activity, (4) the goals to be achieved through the proposed privatization  
659 contract and the rationale for such goals, (5) a description of available  
660 options for achieving such goals, (6) an analysis of the advantages and  
661 disadvantages of each option, including, at a minimum, potential  
662 performance improvements and risks attendant to termination of the  
663 contract or rescission of such contract, (7) an analysis of the potential  
664 impact of the proposed privatization contract on workers of color and  
665 workers who are women, including whether such privatization contract  
666 will lessen or increase historical patterns that produce inequities  
667 between such workers and other workers, (8) a description of the  
668 current market for the services or activities that are the subject of such  
669 business case, [(8)] (9) an analysis of the quality of services as gauged by  
670 standardized measures and key performance requirements including  
671 compensation, turnover, and staffing ratios, [(9)] (10) a description of  
672 the specific results-based performance standards that shall, at a  
673 minimum be met, to ensure adequate performance by any party  
674 performing such service or activity, [(10)] (11) the projected time frame  
675 for key events from the beginning of the procurement process through  
676 the expiration of a contract, if applicable, [(11)] (12) a specific and  
677 feasible contingency plan that addresses contractor nonperformance  
678 and a description of the tasks involved in and costs required for  
679 implementation of such plan, and [(12)] (13) a transition plan, if  
680 appropriate, for addressing changes in the number of agency personnel,  
681 affected business processes, employee transition issues, and

682 communications with affected stakeholders, such as agency clients and  
683 members of the public, if applicable. Such transition plan shall contain  
684 a reemployment and retraining assistance plan for employees who are  
685 not retained by the state or a quasi-public agency or employed by the  
686 contractor. If the primary purpose of the proposed privatization  
687 contract is to provide a core governmental function, such business case  
688 shall also include information sufficient to rebut the presumption that  
689 such core governmental function should not be privatized. Such  
690 presumption shall not be construed to prohibit a [state] contracting  
691 agency from contracting for specialized technical expertise not available  
692 within such contracting agency, provided such contracting agency shall  
693 retain responsibility for such core governmental function. For the  
694 purposes of this section, "core governmental function" means a function  
695 for which the primary purpose is (A) the inspection for adherence to  
696 health and safety standards because public health or safety may be  
697 jeopardized if such inspection is not done or is not done in a timely or  
698 proper manner, (B) the establishment of statutory, regulatory or  
699 contractual standards to which a regulated person, entity or [state]  
700 contractor shall be held, (C) the enforcement of statutory, regulatory or  
701 contractual requirements governing public health or safety, [or] (D)  
702 criminal or civil law enforcement, or (E) the provision of essential  
703 human services to residents of the state who would otherwise lack the  
704 support necessary to assure basic human needs. If any part of such  
705 business case is based upon evidence that the [state] contracting agency  
706 is not sufficiently staffed to provide the core governmental function  
707 required by the privatization contract, the [state] contracting agency  
708 shall also include within such business case a plan for remediation of  
709 the understaffing to allow such services to be provided directly by the  
710 [state] contracting agency in the future.

711 (e) Upon the completion of such business case, the [state] contracting  
712 agency shall submit the business case to the State Contracting Standards  
713 Board. For any privatization contract with a projected cost that exceeds  
714 one hundred fifty million dollars annually or six hundred million  
715 dollars over the life of such contract, the [state] contracting agency shall  
716 also submit such business case to the Governor, the president pro

717 tempore of the Senate, the speaker of the House of Representatives, and  
718 any collective bargaining unit affected by the proposed privatization  
719 contract.

720 (f) (1) There shall be a privatization contract committee of the State  
721 Contracting Standards Board that shall review, evaluate, issue advisory  
722 reports and make recommendations on business cases submitted to the  
723 board by any [state] contracting agency. Such privatization contract  
724 committee shall consist of five members of the State Contracting  
725 Standards Board. Such members shall be appointed by the chairperson  
726 of the board and consist of both gubernatorial and legislative  
727 appointments, have not more than three members from any one political  
728 party, and at least one member of such committee shall have expertise  
729 in the area that is the subject of such proposed contract. The chairperson  
730 of the board, or the chairperson's designee, shall serve as the chair of the  
731 privatization contract committee.

732 (2) Upon receipt of any such business case from a [state] contracting  
733 agency, the State Contracting Standards Board shall immediately refer  
734 such business case to such privatization contract committee. The  
735 privatization contract committee shall employ a standard process for  
736 reviewing, evaluating and approving any such business cases. Such  
737 process shall include due consideration of: (A) The cost-benefit analysis  
738 developed by the [state] contracting agency, (B) the business case  
739 developed by the [state] contracting agency, including any facts,  
740 documents or other materials that are relevant to such business case, (C)  
741 any adverse effect that such privatization contract may have on  
742 minority, small and women-owned businesses that do, or are  
743 attempting to do, business with the state, and (D) the value of having  
744 services performed in the state and within the United States.

745 (3) The privatization committee shall evaluate the business case and  
746 submit the committee's evaluation to the State Contracting Standards  
747 Board for review and approval. During the review or consideration of  
748 any such business case, no member of the board shall engage in any ex-  
749 parte communication with any lobbyist, contractor or union



750 representative. Unless otherwise provided in this section, a majority  
751 vote of the board shall be required to approve any such business case.

752 (4) The business case for a privatization contract to provide a core  
753 governmental function may be approved by a two-thirds vote of the  
754 board, provided the [state] contracting agency has provided sufficient  
755 evidence to rebut the presumption contained in subsection (d) of this  
756 section and there is a significant policy reason to approve such business  
757 case. In no such case shall the insufficient staffing of a [state] contracting  
758 agency constitute a significant policy reason to approve a business case  
759 for a privatization contract to provide a core governmental function.

760 (g) Each [state] contracting agency that submits a business case to the  
761 board for review shall submit to the board all information, documents  
762 or other material required by the privatization contract committee to  
763 complete its review and evaluation of such business case.

764 (h) (1) Not later than sixty days after receipt of any business case, the  
765 State Contracting Standards Board shall transmit a report detailing its  
766 review, evaluation and disposition regarding such business case to the  
767 [state] contracting agency that submitted such business case and, in the  
768 case of a privatization contract with a projected cost of one hundred fifty  
769 million dollars or more annually, or six hundred million dollars or more  
770 over the life of the contract, concomitantly transmit such report to the  
771 Governor, the president pro tempore of the Senate, the speaker of the  
772 House of Representatives and any collective bargaining unit affected by  
773 the proposed privatization contract. Such sixty-day period may be  
774 extended for an additional thirty days upon a majority vote of the board  
775 or the privatization contract committee and for good cause shown.

776 (2) The board's report shall include the business case prepared by the  
777 [state] contracting agency, the evaluation of the business case prepared  
778 by the privatization contract committee, the reasons for approval or  
779 disapproval, any recommendations of the board and sufficient  
780 information to assist the [state] contracting agency in determining if  
781 additional steps are necessary to move forward with a privatization  
782 contract.

783 (3) If the State Contracting Standards Board does not act on a business  
784 case submitted by a [state] contracting agency within sixty days of  
785 receipt of such business case, such business case shall be deemed  
786 approved, except that no business case may be approved for failure of  
787 the board to meet.

788 (4) In the case of a business case developed pursuant to subdivision  
789 (2) of subsection (c) of this section, a two-thirds vote of the board shall  
790 be required for approval of such privatization contract.

791 (5) Any [state] contracting agency may request an expedited review  
792 of a business case submitted to the board if there is a compelling public  
793 interest for such expedited review. If the board approves the agency's  
794 request for such an expedited review, such review shall be completed  
795 not later than thirty days after receipt of such request. If the board fails  
796 to complete an expedited review within thirty days of receipt of a  
797 request that was approved by the board, such business case shall be  
798 deemed to be approved.

799 (i) A [state] contracting agency may publish notice soliciting bids for  
800 a privatization contract only after the board approves such business  
801 case, provided any privatization contract that is estimated to cost in  
802 excess of one hundred fifty million dollars annually or six hundred  
803 million dollars or more over the life of the contract shall also be  
804 approved by the General Assembly prior to the [state] contracting  
805 agency soliciting bids for such contract. The General Assembly may  
806 approve any such contract as a whole by a majority vote of each house  
807 or may reject such agreement as a whole by a majority vote of either  
808 house. If the General Assembly is in session, it shall vote to approve or  
809 reject such contract not later than thirty days after such [state]  
810 contracting agency files such contract with the General Assembly. If the  
811 General Assembly is not in session when such contract is filed, it shall  
812 be submitted to the General Assembly not later than ten days after the  
813 first day of the next regular session or special session called for such  
814 purpose. The contract shall be deemed approved if the General  
815 Assembly fails to vote to approve or reject such contract within thirty

816 days after such filing. Such thirty-day period shall not begin or expire  
817 unless the General Assembly is in regular session. For the purpose of  
818 this subsection, any contract filed with the clerks within thirty days  
819 before the commencement of a regular session of the General Assembly  
820 shall be deemed to be filed on the first day of such session.

821 (j) Each [state] contracting agency shall submit, in writing, to the State  
822 Contracting Standards Board, any proposed amendment to a board-  
823 approved business case in order that the board may review and approve  
824 of such proposed amendment. The board may approve or disapprove  
825 of any such proposed amendment not later than thirty days after receipt  
826 of such proposed amendment by the same vote that was required for  
827 approval of the original business case. If the board fails to complete its  
828 review within thirty days of receipt of such proposed amendment, such  
829 amendment shall be deemed approved.

830 (k) Not later than thirty days after a decision of the board to approve  
831 a business case, any collective bargaining agent of any employee  
832 adversely affected by such proposed privatization contract may file a  
833 motion for an order to show cause in the superior court for the judicial  
834 district of Hartford on the grounds that such contract fails to comply  
835 with the substantive or procedural requirements of this section. A ruling  
836 on any such motion may: (1) Deny the motion; (2) grant the motion if  
837 the court finds that the proposed contract would substantively violate  
838 the provisions of this section; or (3) stay the effective date of the contract  
839 until any substantive or procedural defect found by the court has been  
840 corrected.

841 (l) (1) The board may review additional existing privatization  
842 contracts and shall review not less than one contracting area each year  
843 that is currently privatized. During the review of any such privatization  
844 contract, no member of the board shall engage in any ex-parte  
845 communication with any lobbyist, contractor or union representative.  
846 For each such privatization contract selected for review by the board,  
847 the appropriate [state] contracting agency shall develop a cost-benefit  
848 analysis in accordance with subsection (b) of this section. In addition,

849 any affected party may petition the board for review of any existing  
850 privatization contract, in accordance with the provisions of subsections  
851 (f) to (h), inclusive, of this section.

852 (2) If such cost-benefit analysis identifies a ten per cent or more cost  
853 savings to the state from the use of such privatization contract and such  
854 contract does not diminish the quality of the service provided, such  
855 [state] contracting agency shall develop a business case for the renewal  
856 of such privatization contract in accordance with the provisions of  
857 subsections (d) and (e) of this section. The board shall review such  
858 contract in accordance with the provisions of subsections (f) to (h),  
859 inclusive, of this section and may approve such renewal by the  
860 applicable vote of the board, provided any such renewal that is  
861 estimated to cost in excess of one hundred fifty million dollars annually  
862 or six hundred million dollars or more over the life of the contract shall  
863 also be approved by the General Assembly prior to the [state]  
864 contracting agency renewing such contract. If such renewal is approved  
865 by the board and the General Assembly, if applicable, the provisions of  
866 subsection (j) of this section shall apply to any proposed amendment to  
867 such contract.

868 (3) If such cost-benefit analysis identifies a cost savings to the state of  
869 less than ten per cent, such [state] contracting agency shall prepare a  
870 plan to have such service provided by state employees, or in the case of  
871 a contracting agency that is a quasi-public agency, the employees of  
872 such quasi-public agency, and shall begin to implement such plan,  
873 provided: (A) While such plan is prepared, but prior to implementation  
874 of such plan, such [state] contracting agency may develop a business  
875 case for such privatization contract, in accordance with the provisions  
876 of subsection (d) of this section, that achieves a cost savings to the state  
877 of ten per cent or more. Any such business case shall be reviewed by the  
878 board in accordance with the provisions of subsections (f) to (h),  
879 inclusive, of this section, and may be approved by the applicable vote of  
880 the board; (B) such privatization contract shall not be renewed with the  
881 vendor currently providing such service unless: (i) There exists a  
882 significant public interest in renewing such contract, and (ii) such

883 renewal is approved by a two-thirds vote of the board; (C) the [state]  
884 contracting agency may enter into a contract with a term of one year or  
885 less for the provision of such service until such [state] contracting  
886 agency implements such plan; and (D) the procedure for the transfer of  
887 funds from the General Fund, as described in section 4-94, may be  
888 utilized to allocate necessary resources for the implementation of the  
889 provisions of this subdivision.

890 (4) Notwithstanding the provisions of subdivision (3) of this  
891 subsection, the renewal of a privatization contract with a nonprofit  
892 organization shall not be denied if the cost of increasing compensation  
893 to employees performing the privatized service is the sole cause for such  
894 contract not achieving a cost savings to the state of ten per cent or more.

895 (m) The Office of Policy and Management, in consultation with the  
896 State Contracting Standards Board, shall: (1) Develop policies and  
897 procedures, including templates for use by [state] contracting agencies  
898 for the development of a cost-benefit analysis, as described in subsection  
899 (b) of this section, and (2) review with each [state] contracting agency  
900 the budgetary impact of any such privatization contract and the need to  
901 request budget adjustments in connection with any such privatization  
902 contract.

903 (n) The State Contracting Standards Board, in consultation with the  
904 Department of Administrative Services, shall: (1) Recommend and  
905 implement standards and procedures for [state] contracting agencies to  
906 develop business cases in connection with privatization contracts,  
907 including templates for use by [state] such contracting agencies when  
908 submitting business cases to the board, and policies and procedures to  
909 guide [state] such contracting agencies to complete such business cases,  
910 and (2) develop guidelines and procedures for assisting state employees  
911 or quasi-public agency employees whose jobs are affected by a  
912 privatization contract.

913 (o) Notwithstanding the provisions of subsections (a) and (i) of this  
914 section, a [state] contracting agency may enter into a privatization  
915 contract without development of a cost-benefit analysis or approval of

916 a business case by the State Contracting Standards Board if (1) the [state]  
917 contracting agency finds that a privatization contract is required (A) due  
918 to an imminent peril to the public health, safety or welfare, and (B) the  
919 agency states, in writing, its reasons for such finding; and (2) the  
920 Governor approves such finding, in writing.

921 (p) Prior to entering into or renewing any privatization contract that  
922 is not subject to the provisions of subsection (a) of this section, the [state]  
923 contracting agency shall evaluate such contract to determine if entering  
924 into or renewing such contract is the most cost-effective method of  
925 delivering the service, by determining the costs, as defined in subsection  
926 (b) of this section, of such service. The [state] contracting agency shall  
927 perform such evaluation in accordance with a template prescribed by  
928 the Secretary of the Office of Policy and Management and such  
929 evaluation shall be subject to verification by the secretary. The secretary  
930 may waive the requirement for an evaluation of cost-effectiveness under  
931 this subsection upon a finding by the secretary that exigent or emergent  
932 circumstances necessitate such waiver.

933 (q) Nothing in this section shall be construed to apply to  
934 procurements that involve the expenditure of federal assistance or  
935 federal contract funds, provided federal law provides applicable  
936 procurement procedures that are inconsistent with the requirements of  
937 this section.

938 Sec. 14. Section 4e-17 of the general statutes is repealed and the  
939 following is substituted in lieu thereof (*Effective July 1, 2022*):

940 (a) Except as otherwise provided, the provisions of sections 4e-16 to  
941 4e-47, inclusive, as amended by this act, shall apply to all contracts  
942 solicited or entered into by [state contracting agencies] a contracting  
943 agency that is a state agency on or after June 1, 2010, and all contracts  
944 solicited or entered into by a contracting agency that is a quasi-public  
945 agency on or after July 1, 2022.

946 (b) Except as otherwise provided, the provisions of sections 4e-16 to  
947 4e-47, inclusive, as amended by this act, shall apply to every

948 expenditure of public funds by any [state] contracting agency,  
949 irrespective of their source, involving any state or quasi-public agency  
950 contracting and procurement processes, including, but not limited to,  
951 leasing and property transfers, purchasing or leasing of supplies,  
952 materials or equipment, consultant or consultant services, personal  
953 service agreements, purchase of service agreements or privatization  
954 contracts, as defined in section 4e-1, as amended by this act, and,  
955 relating to contracts for the construction, reconstruction, alteration,  
956 remodeling, repair or demolition of any public building, bridge or road.

957 (c) Nothing in sections 4e-16 to 4e-47, inclusive, as amended by this  
958 act, shall be construed to require the application of procurement statutes  
959 or regulations to a procurement that involves the expenditure of federal  
960 assistance or federal contract funds if federal law provides procurement  
961 procedures applicable to the expenditure of such funds, to the extent  
962 such federal procedures are inconsistent with state procurement  
963 statutes or regulations.

964 Sec. 15. Section 4e-18 of the general statutes is repealed and the  
965 following is substituted in lieu thereof (*Effective July 1, 2022*):

966 For the purpose of obtaining supplies, materials, equipment or  
967 contractual services, except infrastructure facilities, the Commissioner  
968 of Administrative Services shall establish a requisition system to be used  
969 by [state] contracting agencies that are not quasi-public agencies to  
970 initiate and authorize the procurement process. Such system shall be  
971 approved by the State Contracting Standards Board.

972 Sec. 16. Section 4e-19 of the general statutes is repealed and the  
973 following is substituted in lieu thereof (*Effective July 1, 2022*):

974 (a) All purchases of, and contracts for, supplies, materials, equipment  
975 and contractual services by any [state] contracting agency, except  
976 purchases and contracts made pursuant to the provisions of section 4e-  
977 23, shall be awarded by one of the following methods, unless otherwise  
978 authorized by law:

- 
- 979 (1) Competitive sealed bidding;
- 980 (2) Competitive sealed proposals;
- 981 (3) Small purchase procedure;
- 982 (4) Sole source procurement;
- 983 (5) Emergency procurements; or
- 984 (6) Waiver of bid or proposal requirement for extraordinary  
985 conditions.

986 (b) Not later than June 1, 2010, the State Contracting Standards Board  
987 shall adopt regulations, in accordance with the provisions of chapter 54,  
988 to define each of the methods listed in subsection (a) of this section,  
989 establish the circumstances in which each such method shall be used by  
990 [state] contracting agencies, and establish the processes and criteria by  
991 which purchases and contracts shall be awarded in accordance with  
992 each such method.

993 Sec. 17. Section 4e-21 of the general statutes is repealed and the  
994 following is substituted in lieu thereof (*Effective July 1, 2022*):

995 (a) Not later than January 1, 2010, the State Contracting Standards  
996 Board, in consultation with the Department of Administrative Services,  
997 shall adopt regulations to establish small purchase procedures for  
998 procurements that do not exceed fifty thousand dollars. Such  
999 regulations shall include a prohibition on the artificial division of a  
1000 procurement in order to make use of such small procurement  
1001 procedures.

1002 (b) The State Contracting Standards Board, in consultation with the  
1003 Commissioner of Administrative Services, may determine that a [state]  
1004 contracting agency has artificially divided procurement requirements so  
1005 as to constitute a small purchase under this section and, upon such  
1006 determination shall prohibit the [state] contracting agency from  
1007 utilizing such small purchase procedures.



1008 (c) The State Contracting Standards Board, in consultation with the  
1009 Commissioner of Administrative Services, may waive the requirement  
1010 of competitive bidding or competitive negotiation in the case of minor,  
1011 nonrecurring or emergency purchases of ten thousand dollars or less in  
1012 amount, upon application of the contracting agency. Any contracting  
1013 agency that obtains such a waiver for such an emergency purchase shall  
1014 post notice of such emergency purchase on the Internet web site of the  
1015 contracting agency prior to making such emergency purchase.

1016 Sec. 18. Section 4e-24 of the general statutes is repealed and the  
1017 following is substituted in lieu thereof (*Effective July 1, 2022*):

1018 (a) [Not later than June 1, 2010, the State Contracting Standards  
1019 Board, in consultation with the Commissioner of Administrative  
1020 Services and any other appropriate award authority, shall adopt  
1021 regulations, in accordance with the provisions of chapter 54, permitting]  
1022 If an emergency [procurements when there exists] procurement is  
1023 deemed necessary by a contracting agency due to a threat to public  
1024 health, welfare or safety, the contracting agency shall give notice to the  
1025 board of the need for such emergency procurement. Such emergency  
1026 procurements shall be made with competition, as is practicable under  
1027 the circumstances. [Said regulations shall require that] The contracting  
1028 agency shall (1) include a written determination of the basis for the  
1029 emergency and for the selection of the particular contractor [be  
1030 included] in the contract file, [and transmitted] (2) transmit such  
1031 determination to the Governor, the president pro tempore of the Senate,  
1032 the majority and minority leaders of the Senate, the speaker of the House  
1033 of Representatives and the majority and minority leaders of the House  
1034 of Representatives, and (3) post such determination on the Internet web  
1035 site of the contracting agency.

1036 (b) The State Contracting Standards Board may adopt regulations in  
1037 accordance with the provisions of chapter 54 to implement the  
1038 provisions of this section.

1039 Sec. 19. Subsection (d) of section 4b-51 of the general statutes is  
1040 repealed and the following is substituted in lieu thereof (*Effective July 1,*

1041 2022):

1042 (d) (1) Notwithstanding any provision of the general statutes, the  
1043 Commissioner of Administrative Services may select consultants to be  
1044 on a list established for the purpose of providing any consultant  
1045 services. Such list shall be established as provided in sections 4b-56 and  
1046 4b-57, as amended by this act. [The] In the case of an emergency  
1047 procurement due to a threat to public health, welfare or safety, the  
1048 commissioner may enter into a contract with any consultant on such list  
1049 without inviting responses from such consultants to perform a range of  
1050 consultant services or to perform a range of tasks pursuant to a task  
1051 letter detailing services to be performed under such contract.

1052 (2) Notwithstanding any provision of the general statutes, the  
1053 Commissioner of Administrative Services may (A) compile a list of  
1054 architects, professional engineers and construction administrators for  
1055 the limited purpose of providing consultant services for a particular  
1056 program involving various projects for the construction of new  
1057 buildings or renovations to existing buildings where such buildings are  
1058 under the operation and control of either the Military Department or the  
1059 Department of Energy and Environmental Protection, and (B) in the case  
1060 of an emergency procurement due to a threat to public health, welfare  
1061 or safety, enter into a contract with any architect, professional engineer  
1062 or construction administrator on such list for such limited purpose  
1063 without inviting responses from the persons on such list, except that the  
1064 Adjutant General may perform the functions described in  
1065 subparagraphs (A) and (B) of this subdivision for any such building  
1066 under the operation and control of the Military Department.

1067 (3) As used in this subsection, "consultant" means "consultant" as  
1068 defined in section 4b-55, "consultant services" means "consultant  
1069 services" as defined in section 4b-55, and "program" means multiple  
1070 projects involving the planning, design, construction, repair,  
1071 improvement or expansion of specified buildings, facilities or site  
1072 improvements, wherein the work (A) will be of a repetitive nature, (B)  
1073 will share a common funding source that imposes particular

1074 requirements, or (C) would be significantly facilitated if completed by  
1075 the same design professional or construction administrator.

1076 Sec. 20. Subsection (a) of section 4b-57 of the general statutes is  
1077 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
1078 *2022*):

1079 (a) Whenever consultant services are required by the commissioner  
1080 in fulfilling the responsibilities under section 4b-1, and in the case of  
1081 each project, the commissioner shall invite responses from such firms by  
1082 posting notice on the State Contracting Portal, except that in the case of  
1083 an emergency procurement, the commissioner may receive consultant  
1084 services under a contract entered into pursuant to subsection (d) of  
1085 section 4b-51, as amended by this act. The commissioner shall prescribe,  
1086 by regulations adopted in accordance with chapter 54, the advance  
1087 notice required for, the manner of submission, and conditions and  
1088 requirements of, such responses.

1089 Sec. 21. Subsection (g) of section 4b-91 of the 2022 supplement to the  
1090 general statutes is repealed and the following is substituted in lieu  
1091 thereof (*Effective July 1, 2022*):

1092 (g) Notwithstanding the provisions of this chapter regarding  
1093 competitive bidding procedures, in the case of an emergency  
1094 procurement due to a threat to public health, welfare or safety, the  
1095 commissioner may select and interview at least three responsible and  
1096 qualified general contractors who are prequalified pursuant to section  
1097 4a-100 and submit the three selected contractors to the construction  
1098 services award panels process described in section 4b-100a and any  
1099 regulation adopted by the commissioner. The commissioner may  
1100 negotiate with the successful bidder a contract which is both fair and  
1101 reasonable to the state for a community court project, the downtown  
1102 Hartford higher education center project, a correctional facility project,  
1103 a juvenile residential center project, or a student residential facility for  
1104 the Connecticut State University System that is a priority higher  
1105 education facility project. The Commissioner of Administrative  
1106 Services, prior to entering any such contract or performing any work on

1107 such project, shall submit such contract to the State Properties Review  
1108 Board for review and approval or disapproval by the board, pursuant  
1109 to subsection (i) of this section. Any general contractor awarded a  
1110 contract pursuant to this subsection shall be subject to the same  
1111 requirements concerning the furnishing of bonds as a contractor  
1112 awarded a contract pursuant to subsection (b) of this section.

1113 Sec. 22. Section 4e-25 of the general statutes is repealed and the  
1114 following is substituted in lieu thereof (*Effective July 1, 2022*):

1115 A [state] contracting agency may request factual information  
1116 reasonably available to the bidder or proposer to substantiate that the  
1117 price or cost offered, or some portion of it, is reasonable.

1118 Sec. 23. Section 4e-27 of the general statutes is repealed and the  
1119 following is substituted in lieu thereof (*Effective July 1, 2022*):

1120 Not later than June 1, 2010, the State Contracting Standards Board, in  
1121 consultation with the Attorney General, shall adopt regulations, in  
1122 accordance with the provisions of chapter 54, specifying the types of  
1123 contracts that may be used by [state] contracting agencies. Such  
1124 regulations shall specify that a cost-reimbursement contract may be  
1125 used only when a determination is made in writing by the agency  
1126 procurement officer that such contract is likely to be less costly to the  
1127 state or quasi-public agency than any other type or that it is  
1128 impracticable to obtain the supplies, services or construction required  
1129 except under such a contract.

1130 Sec. 24. Section 4e-28 of the general statutes is repealed and the  
1131 following is substituted in lieu thereof (*Effective July 1, 2022*):

1132 Not later than June 1, 2010, the State Contracting Standards Board  
1133 shall adopt regulations, in accordance with the provisions of chapter 54,  
1134 requiring that contractors submit appropriate documentation to the  
1135 appropriate [state] contracting agency, prior to the award of a contract,  
1136 to confirm that the proposed contractor's accounting system will permit  
1137 timely development of all necessary cost data in the form required by

1138 the specific contract type.

1139 Sec. 25. Section 4e-29 of the general statutes is repealed and the  
1140 following is substituted in lieu thereof (*Effective July 1, 2022*):

1141 Each contract of a [state] contracting agency shall provide that [a  
1142 state] such contracting agency may, at reasonable times, inspect the part  
1143 of the plant or place of business of a contractor or any subcontractor  
1144 which is related to the performance of any such contract awarded, or to  
1145 be awarded by the [state] contracting agency, to ensure compliance with  
1146 the contract.

1147 Sec. 26. Section 4e-30 of the 2022 supplement to the general statutes  
1148 is repealed and the following is substituted in lieu thereof (*Effective July*  
1149 *1, 2022*):

1150 (a) A [state] contracting agency may audit the books and records of a  
1151 contractor or any subcontractor under any negotiated contract or  
1152 subcontract to the extent that such books and records relate to the  
1153 performance of such contract or subcontract. Such books and records  
1154 shall be maintained by the contractor for a period of three years from  
1155 the date of final payment under the prime contract and by the  
1156 subcontractor for a period of three years from the expiration of the  
1157 subcontract.

1158 (b) If a [state] contracting agency enters into an amendment to any  
1159 negotiated contract or subcontract that extends the terms of such  
1160 contract or subcontract, the amendment shall be deemed a new and  
1161 separate negotiated contract for the purposes of this section. The books  
1162 and records of a contractor or any subcontractor related to the  
1163 performance of such amendment shall be maintained by the contractor  
1164 or subcontractor from the commencement of such amendment until a  
1165 period of three years from the date of final payment under such  
1166 amendment or the date of expiration of such amendment, whichever is  
1167 later.

1168 Sec. 27. Section 4e-31 of the general statutes is repealed and the

1169 following is substituted in lieu thereof (*Effective July 1, 2022*):

1170 When, for any reason, collusion or other anticompetitive practices are  
1171 suspected among any bidders or proposers for a [state] contract of a  
1172 contracting agency, a notice of the relevant facts shall be transmitted to  
1173 the Attorney General by any affected party, including, but not limited  
1174 to, the [state] contracting agency, a bidder or a proposer.

1175 Sec. 28. Section 4e-32 of the general statutes is repealed and the  
1176 following is substituted in lieu thereof (*Effective July 1, 2022*):

1177 Each [state] contracting agency shall retain and dispose of all  
1178 procurement records in accordance with records retention guidelines  
1179 and schedules approved by the Public Records Administrator.

1180 Sec. 29. Section 4e-33 of the general statutes is repealed and the  
1181 following is substituted in lieu thereof (*Effective July 1, 2022*):

1182 The agency procurement officer of each [state] contracting agency  
1183 shall maintain a record that lists all contracts awarded pursuant to  
1184 section 4e-21, as amended by this act, and the regulations adopted under  
1185 section 4e-23 for a minimum of five years after the date of any such  
1186 award. Such record shall contain:

1187 (1) Each contractor's name;

1188 (2) The amount and type of each contract; and

1189 (3) A listing of the supplies, services or construction procured under  
1190 each contract.

1191 Sec. 30. Section 4e-34 of the general statutes is repealed and the  
1192 following is substituted in lieu thereof (*Effective July 1, 2022*):

1193 (a) After reasonable notice and hearing and consultation with the  
1194 relevant [state] contracting agency and the Attorney General, the State  
1195 Contracting Standards Board, acting through a subcommittee of three  
1196 members, appointed by the chairperson, which subcommittee shall  
1197 include not less than one legislative appointee, may disqualify any

1198 contractor, bidder or proposer, for a period of not more than five years,  
1199 from bidding on, applying for or participating as a contractor or  
1200 subcontractor under, contracts with the state or quasi-public agencies.  
1201 Such disqualification shall be upon the vote of two-thirds of the  
1202 members of the subcommittee present and voting for that purpose. Such  
1203 hearing shall be conducted in accordance with the provisions of chapter  
1204 54. The subcommittee shall issue a written recommendation not later  
1205 than sixty days after the conclusion of such hearing, and shall state the  
1206 reason for the recommended action and, if the disqualification is  
1207 recommended, the period of time the contractor, bidder or proposer  
1208 shall be disqualified. In determining whether to disqualify a contractor,  
1209 bidder or proposer, the subcommittee shall consider the seriousness of  
1210 the acts or omissions of the contractor, bidder or proposer and any  
1211 mitigating factors. Such recommendation shall be submitted to the  
1212 board for action and sent to the contractor by certified mail, return  
1213 receipt requested. If disqualification is recommended, the contractor  
1214 shall have thirty days to submit comments to the board. Upon receipt of  
1215 the proposed recommendation by the subcommittee, the board shall  
1216 issue a written decision either adopting, rejecting or modifying the  
1217 subcommittee's recommendation. Such decision shall be issued not later  
1218 than thirty days after receipt by the board of the contractor's comments,  
1219 if any. The board shall send the decision to the contractor by certified  
1220 mail, return receipt requested. The written decision shall be a final  
1221 decision for purposes of sections 4-180 and 4-183.

1222 (b) Causes for such disqualification shall include the following:

1223 (1) Conviction of, or entry of a plea of guilty or nolo contendere or  
1224 admission to, the commission of a criminal offense as an incident to  
1225 obtaining or attempting to obtain a public or private contract or  
1226 subcontract, or in the performance of such contract or subcontract;

1227 (2) Conviction of, or entry of a plea of guilty or nolo contendere or  
1228 admission to, the violation of any state or federal law for embezzlement,  
1229 theft, forgery, bribery, falsification or destruction of records, receiving  
1230 stolen property or any other offense indicating a lack of business

1231 integrity or business honesty which affects responsibility as a [state]  
1232 contractor with the state or a quasi-public agency;

1233 (3) Conviction of, or entry of a plea of guilty or nolo contendere or  
1234 admission to, a violation of any state or federal antitrust, collusion or  
1235 conspiracy law arising out of the submission of bids or proposals on a  
1236 public or private contract or subcontract;

1237 (4) Accumulation of two or more suspensions pursuant to section 4e-  
1238 35, as amended by this act, within a twenty-four-month period;

1239 (5) A wilful, negligent or reckless failure to perform in accordance  
1240 with the terms of one or more contracts or subcontracts, agreements or  
1241 transactions with [state] contracting agencies;

1242 (6) A history of failure to perform or of unsatisfactory performance  
1243 on one or more public contracts, agreements or transactions with [state]  
1244 contracting agencies;

1245 (7) A wilful violation of a statutory or regulatory provision or  
1246 requirement applicable to a contract, agreement or transaction with  
1247 [state] contracting agencies;

1248 (8) A wilful or egregious violation of the ethical standards set forth in  
1249 sections 1-84, 1-86e and 1-101nn, as determined by the Citizen's Ethics  
1250 Advisory Board; or

1251 (9) Any other cause or conduct the board determines to be so serious  
1252 and compelling as to affect responsibility as a [state] contractor,  
1253 including, but not limited to:

1254 (A) Disqualification by another state for cause;

1255 (B) The fraudulent or criminal conduct of any officer, director,  
1256 shareholder, partner, employee or other individual associated with a  
1257 contractor, bidder or proposer of such contractor, bidder or proposer,  
1258 provided such conduct occurred in connection with the individual's  
1259 performance of duties for or on behalf of such contractor, bidder or



1260 proposer and such contractor, bidder or proposer knew or had reason  
1261 to know of such conduct;

1262 (C) The existence of an informal or formal business relationship with  
1263 a contractor who has been disqualified from bidding or proposing on  
1264 [state] contracts of any [state] contracting agency.

1265 (c) Upon written request by the affected [state] contractor, bidder or  
1266 proposer, the State Contracting Standards Board may reduce the period  
1267 or extent of disqualification for a contractor, bidder or proposer if  
1268 documentation supporting any of the following reasons for  
1269 modification is provided to the board by the contractor, bidder or  
1270 proposer:

1271 (1) Newly discovered material evidence;

1272 (2) Reversal of the conviction upon which the disqualification was  
1273 based;

1274 (3) Bona fide change in ownership or management; or

1275 (4) Elimination of other causes for which the disqualification was  
1276 imposed.

1277 Sec. 31. Section 4e-35 of the general statutes is repealed and the  
1278 following is substituted in lieu thereof (*Effective July 1, 2022*):

1279 (a) For purposes of this section and sections 4e-37 and 4e-38, as  
1280 amended by this act, "contracting agency of the state" does not include  
1281 a quasi-public agency. After reasonable notice and a hearing, conducted  
1282 in accordance with the provisions of chapter 54, the department head of  
1283 any [state] contracting agency of the state may suspend any contractor,  
1284 bidder or proposer for a period of not more than six months from  
1285 bidding on, applying for or performing work as a contractor or  
1286 subcontractor under, contracts with the state. The department head  
1287 shall issue a written decision not later than ninety days after the  
1288 conclusion of such hearing and state in the decision the reasons for the  
1289 action taken and, if the contractor, bidder or proposer is being

1290 suspended, the period of such suspension. In determining whether to  
1291 suspend a contractor, bidder or proposer, the department head shall  
1292 consider the seriousness of the acts or omissions of the contractor,  
1293 bidder or proposer and any mitigating factors. The department head  
1294 shall send such decision to the contractor and the State Contracting  
1295 Standards Board by certified mail, return receipt requested. Such  
1296 decision shall be a final decision for purposes of sections 4-180 and 4-  
1297 183.

1298 (b) Causes for such suspension shall include the following:

1299 (1) Failure without good cause to perform in accordance with  
1300 specifications or within the time limits provided in the contract;

1301 (2) A record of failure to perform or of unsatisfactory performance in  
1302 accordance with the terms of one or more contracts, provided failure to  
1303 perform or unsatisfactory performance caused by acts beyond the  
1304 control of the contractor shall not be considered to be a basis for  
1305 suspension;

1306 (3) Any cause the complainant [state] contracting agency of the state  
1307 determines to be so serious and compelling as to affect the responsibility  
1308 of a state contractor, including suspension by another [state] contracting  
1309 agency of the state for cause; or

1310 (4) A violation of the ethical standards set forth in section 1-84, 1-86e  
1311 or 1-101nn, as determined by the Citizen's Ethics Advisory Board.

1312 (c) The State Contracting Standards Board may grant an exception  
1313 permitting a suspended contractor to participate in a particular contract  
1314 or subcontract upon a written determination by the board that there is  
1315 good cause for such exception and that such exception is in the best  
1316 interest of the state.

1317 (d) The department head of each [state] contracting agency of the  
1318 state shall conduct reviews of contractors and shall file reports  
1319 pertaining to any of the reasons set forth in this section that may be the  
1320 basis for disqualification.

1321 Sec. 32. Subsections (g) to (i), inclusive, of section 4e-37 of the general  
1322 statutes are repealed and the following is substituted in lieu thereof  
1323 (*Effective July 1, 2022*):

1324 (g) In the event that the appeals review subcommittee or the board  
1325 determines that a procedural violation occurred, or that allegations of  
1326 an unauthorized or unwarranted, noncompetitive selection process  
1327 have been substantiated, the board shall direct the [state] contracting  
1328 agency of the state to take corrective action not later than thirty days  
1329 after the date of the subcommittee's or board's decision, as applicable.

1330 (h) In the event such appeal is found to be frivolous by the appeals  
1331 review subcommittee or the full board, such frivolous appeal may serve  
1332 as a basis for disqualification pursuant to section 4e-34, as amended by  
1333 this act.

1334 (i) Any three members of the board may request a full board review  
1335 of any contract deliberation or award process of a [state] contracting  
1336 agency.

1337 Sec. 33. Section 4e-38 of the general statutes is repealed and the  
1338 following is substituted in lieu thereof (*Effective July 1, 2022*):

1339 The State Contracting Standards Board shall issue a decision in  
1340 writing or take other appropriate action on each appeal submitted  
1341 pursuant to section 4e-37, as amended by this act. A copy of any decision  
1342 shall be provided to all parties, the department head of the [state]  
1343 contracting agency of the state and the Chief Procurement Officer.

1344 Sec. 34. Section 4e-39 of the general statutes is repealed and the  
1345 following is substituted in lieu thereof (*Effective July 1, 2022*):

1346 If, prior to award, it is determined by the State Contracting Standards  
1347 Board that a solicitation or proposed award of a contract by a [state]  
1348 contracting agency is in violation of law, then the solicitation or  
1349 proposed award shall be:

1350 (1) Cancelled; or

1351 (2) Revised to comply with the law.

1352 Sec. 35. Section 4e-40 of the general statutes is repealed and the  
1353 following is substituted in lieu thereof (*Effective July 1, 2022*):

1354 If, after an award, it is determined by the State Contracting Standards  
1355 Board that a solicitation or award of a contract by a [state] contracting  
1356 agency is in violation of law:

1357 (1) If the person awarded the contract did not act in bad faith:

1358 (A) The contract may be ratified and affirmed by the [state]  
1359 contracting agency, provided it is determined by the board that doing  
1360 so is in the best interests of the state; or

1361 (B) The contract may be terminated and the person awarded the  
1362 contract shall be compensated for the actual expenses reasonably  
1363 incurred under the contract, plus a reasonable profit, prior to the  
1364 termination.

1365 (2) If the person awarded the contract acted in bad faith:

1366 (A) The contract may be declared null and void; or

1367 (B) The contract may be ratified and affirmed if such action is in the  
1368 best interests of the state, as determined by the State Contracting  
1369 Standards Board, in writing, without prejudice to the [state's]  
1370 contracting agency's right to such damages as may be appropriate.

1371 Sec. 36. Section 4e-43 of the general statutes is repealed and the  
1372 following is substituted in lieu thereof (*Effective July 1, 2022*):

1373 Not later than June 1, 2010, the State Insurance and Risk Management  
1374 Board established pursuant to section 4a-19 shall adopt regulations, in  
1375 accordance with the provisions of chapter 54, in consultation with the  
1376 State Contracting Standards Board, that specify when a [state]  
1377 contracting agency shall require proposers to provide appropriate  
1378 errors and omissions insurance to cover architectural and engineering  
1379 services under the project delivery methods established in regulations

1380 adopted pursuant to section 4e-41.

1381 Sec. 37. Section 4e-45 of the general statutes is repealed and the  
1382 following is substituted in lieu thereof (*Effective July 1, 2022*):

1383 With respect to infrastructure facilities, not later than June 1, 2010, the  
1384 State Contracting Standards Board, in consultation with the [state]  
1385 contracting agencies and the Attorney General, shall adopt regulations,  
1386 in accordance with the provisions of chapter 54, requiring the inclusion  
1387 in [state] contracts with any [state] contracting agency of clauses  
1388 providing for adjustments in prices, time of performance, remedies,  
1389 termination or other contract provisions necessary to protect the  
1390 interests of the state.

1391 Sec. 38. Section 4e-46 of the general statutes is repealed and the  
1392 following is substituted in lieu thereof (*Effective July 1, 2022*):

1393 Not later than June 1, 2010, the State Contracting Standards Board  
1394 shall adopt regulations, in accordance with the provisions of chapter 54,  
1395 concerning the procedure and circumstances under which a [state]  
1396 contracting agency may allow contract modification, change order, or  
1397 contract price adjustment under a construction contract with the [state]  
1398 contracting agency in excess of fifty thousand dollars. Such regulations  
1399 shall require that every contract modification, change order or contract  
1400 price adjustment under a construction contract with [the state] a  
1401 contracting agency in excess of fifty thousand dollars shall be subject to  
1402 prior written certification by the fiscal officer of the [state] contracting  
1403 agency or other agency responsible for funding the project or the  
1404 contract, or other official responsible for monitoring and reporting upon  
1405 the status of the costs of the total project budget or contract budget, as  
1406 to the effect of the contract modification, change order, or adjustment in  
1407 contract price on the total project budget or the total contract budget.  
1408 Such regulations shall further provide that in the event the certification  
1409 of the fiscal officer or other responsible official discloses a resulting  
1410 increase in the total project budget or the total contract budget, the  
1411 agency procurement officer shall not execute or make such contract  
1412 modification, change order, or adjustment in contract price unless

1413 sufficient funds are available or the scope of the project or contract is  
1414 adjusted so as to permit the degree of completion that is feasible within  
1415 the total project budget or total contract budget as it existed prior to the  
1416 contract modification, change order, or adjustment in contract price  
1417 under consideration provided, with respect to the validity, as to the  
1418 contractor, of any executed contract modification, change order, or  
1419 adjustment in contract price which the contractor has reasonably relied  
1420 upon, it shall be presumed that there has been compliance with the  
1421 provisions of this section.

1422 Sec. 39. Section 4e-48 of the general statutes is repealed and the  
1423 following is substituted in lieu thereof (*Effective July 1, 2022*):

1424 (a) For the purposes of this section, "nonresident bidder" means a  
1425 business that is not a resident of the state that submits a bid in response  
1426 to an invitation to bid by a [state] contracting agency, "resident bidder"  
1427 means a business that submits a bid in response to an invitation to bid  
1428 by a [state] contracting agency and that has paid unemployment taxes  
1429 or income taxes in this state during the twelve calendar months  
1430 immediately preceding submission of such bid, has a business address  
1431 in the state and has affirmatively claimed such status in the bid  
1432 submission, and "contract" [means "contract" as defined in section 4e-1  
1433 and "state contracting agency" means "state contracting agency", as  
1434 defined] and "contracting agency" have the same meanings as provided  
1435 in section 4e-1, as amended by this act.

1436 (b) Notwithstanding any provision of law, in the award of a contract,  
1437 after the original bids have been received and an original lowest  
1438 responsible qualified bid is identified, a [state] contracting agency shall  
1439 add a per cent increase to the original bid of a nonresident bidder equal  
1440 to the per cent, if any, of the preference given to such nonresident bidder  
1441 in the state in which such nonresident bidder resides. If, after  
1442 application of such per cent increase, the bidder that submits the lowest  
1443 responsible qualified bid is a resident bidder, the [state] contracting  
1444 agency shall award such contract to such resident bidder provided such  
1445 resident bidder agrees, in writing, to meet the original lowest

1446 responsible qualified bid. Any such agreement by such resident bidder  
1447 to meet the original lowest responsible qualified bid shall be made not  
1448 later than seventy-two hours after such resident bidder receives notice  
1449 from such [state] contracting agency that such resident bidder may be  
1450 awarded such contract if such resident bidder agrees to meet the  
1451 original lowest responsible qualified bid.

1452 (c) Not later than January 1, 2009, and each January thereafter, the  
1453 State Contracting Standards Board shall publish a list of states that give  
1454 preference to in-state bidders with the per cent increase applied in each  
1455 state. Such list shall be made available to all [state] contracting agencies  
1456 and may be relied upon by such agencies in determining the lowest  
1457 responsible bidder.

1458 Sec. 40. Section 4e-72 of the 2022 supplement to the general statutes  
1459 is repealed and the following is substituted in lieu thereof (*Effective July*  
1460 *1, 2022*):

1461 As used in this section, "contract", ["state contracting agency"]  
1462 "contracting agency", "data" and "contractor" have the same meanings  
1463 as provided in section 4e-1, as amended by this act. Any contract  
1464 between a [state] contracting agency and a contractor that is entered  
1465 into, renewed or amended on or after October 1, 2021, or in the case of a  
1466 contracting agency that is a quasi-public agency, entered into, renewed  
1467 or amended on or after July 1, 2022, shall contain a provision authorizing  
1468 the [state] contracting agency to access any data concerning such  
1469 contract that is in the possession or control of the contractor upon  
1470 demand in a format prescribed by the [state] contracting agency at no  
1471 additional cost to such agency.

1472 Sec. 41. Section 15-31b of the 2022 supplement to the general statutes  
1473 is repealed and the following is substituted in lieu thereof (*Effective July*  
1474 *1, 2022*):

1475 (a) The purposes of the Connecticut Port Authority shall be to  
1476 coordinate the development of Connecticut's ports and harbors, with a  
1477 focus on private and public investments, pursue federal and state funds

1478 for dredging and other infrastructure improvements to increase cargo  
1479 movement through the ports and maintain navigability of all ports and  
1480 harbors, market the economic development of such ports and harbors,  
1481 work with the Department of Economic and Community Development  
1482 and other state, local and private entities to maximize the economic  
1483 potential of the ports and harbors, support and enhance the overall  
1484 development of the state's maritime commerce and industries,  
1485 coordinate the planning and funding of capital projects promoting the  
1486 development of the ports and harbors, develop strategic entrepreneurial  
1487 initiatives that may be available to the state, coordinate the state's  
1488 maritime policy activities, serve as the Governor's principal maritime  
1489 policy advisor and undertake such other responsibilities as may be  
1490 assigned to it. To accomplish the purposes of the authority, the authority  
1491 shall have the duty and power to:

1492 (1) Have perpetual succession as a body politic and corporate and to  
1493 adopt bylaws for the regulation of its affairs and the conduct of its  
1494 business;

1495 (2) Adopt an official seal and alter the same at pleasure;

1496 (3) Maintain an office at such place or places as it may designate;

1497 (4) Sue and be sued in its own name, and plead and be impleaded;

1498 (5) Develop an organizational and management structure that will  
1499 best accomplish the goals of the authority concerning Connecticut ports  
1500 and harbors;

1501 (6) Create a code of conduct for the board of directors of the authority  
1502 consistent with part I of chapter 10;

1503 (7) Adopt rules for the conduct of its business, which shall not be  
1504 considered regulations as defined in section 4-166;

1505 (8) Adopt an annual budget and plan of operations, including a  
1506 requirement of board approval before the budget or plan may take  
1507 effect;



1508 (9) Make and enter into all contracts and agreements that are  
1509 necessary, desirable or incidental to the conduct of its business;

1510 (10) Enter into joint ventures and invest in, and participate with, any  
1511 person or entity, including, without limitation, governmental or private  
1512 business entities in the formation, ownership, management and  
1513 operation of business entities, including stock and nonstock  
1514 corporations, limited liability companies and general and limited  
1515 partnerships, formed to advance the purposes of the authority. The  
1516 officers, employees and members of the board of directors of the  
1517 authority may serve, without compensation, as directors or officers of  
1518 any such business entities formed and such service shall be deemed to  
1519 be within the discharge of the duties of such officers, employees or  
1520 directors to the authority;

1521 (11) Receive and accept, from any source, aid or contributions,  
1522 including money, property, labor and other things of value;

1523 (12) Award grants and subsidies, make loans and provide other  
1524 forms of financial assistance to any person or entity under a written  
1525 policy, adopted in accordance with the provisions of section 1-121,  
1526 setting forth the eligibility criteria, application process, and such other  
1527 provisions as may be necessary or desirable to carry out the purposes of  
1528 this section;

1529 (13) Charge reasonable fees for the services it performs and waive,  
1530 suspend, reduce or otherwise modify such fees in accordance with  
1531 written criteria established by the authority, and provided, that no  
1532 change may be made in fees without at least thirty days prior notice,  
1533 published in accordance with the provisions of section 1-121;

1534 (14) Employ such assistants, agents and other employees as may be  
1535 necessary or desirable to carry out its purposes. (A) The executive  
1536 director and such employees shall be exempt from the classified service  
1537 and, except as provided in subparagraph (B) of this subdivision, shall  
1538 not be employees, as defined in subsection (b) of section 5-270. The  
1539 authority shall fix appropriate compensation for such employees and

1540 establish all necessary or appropriate personnel practices and policies,  
1541 including those relating to hiring, promotion, compensation, retirement  
1542 and collective bargaining, which need not be in accordance with chapter  
1543 68, and the authority shall not be an employer, as defined in subsection  
1544 (a) of section 5-270, and may engage consultants, attorneys and  
1545 appraisers as may be necessary or desirable to carry out its purposes in  
1546 accordance with sections 15-31a to 15-31i, inclusive. (B) For purposes of  
1547 group welfare benefits and retirement, including, but not limited to,  
1548 those provided under chapter 66 and sections 5-257 and 5-259, the  
1549 officers and all other employees of the authority shall be state  
1550 employees. The authority shall reimburse the appropriate state agencies  
1551 for all costs incurred by such designation;

1552 (15) Invest in, acquire, lease, purchase, own, manage, hold and  
1553 dispose of real property and lease, convey or deal in or enter into  
1554 agreements with respect to such property on any terms necessary or  
1555 incidental to carrying out the purposes of sections 15-31a to 15-31i,  
1556 inclusive, provided such transactions shall not be subject to approval,  
1557 review or regulation by any state agency pursuant to title 4b or any other  
1558 provision of the general statutes, except (A) the authority shall not  
1559 convey fee simple ownership in any property associated with the ports  
1560 or harbors under its jurisdiction and control without the approval of the  
1561 State Properties Review Board and the Attorney General, and (B) as  
1562 provided in [subsection (c) of this section] chapter 62; and

1563 (16) Adopt any policies and procedures necessary to carry out the  
1564 provisions of this section in accordance with the provisions of section 1-  
1565 121.

1566 (b) The authority shall continue as long as it has bonds or other  
1567 obligations outstanding and until its existence is terminated by law,  
1568 provided no such termination shall affect any outstanding contractual  
1569 obligation of the authority and the state shall succeed to the obligations  
1570 of the authority under any contract. Upon the termination of the  
1571 existence of the authority, all its rights and properties shall pass to and  
1572 be vested in the state of Connecticut.

1573 [(c) On and after June 23, 2021, until July 1, 2026, the authority shall  
1574 be a state contracting agency for the purposes of chapter 62, except for  
1575 the provisions of section 4e-16, and shall be subject to the authority of  
1576 the State Contracting Standards Board established under section 4e-2.]

1577 Sec. 42. Subsection (e) of section 19a-32s of the general statutes is  
1578 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
1579 *2022*):

1580 (e) For purposes of this section and section 19a-32r, the board shall  
1581 not be considered a [state] contracting agency, as defined in [subdivision  
1582 (28) of] section 4e-1, as amended by this act.

1583 Sec. 43. Subsection (c) of section 10-357b of the 2022 supplement to  
1584 the general statutes is repealed and the following is substituted in lieu  
1585 thereof (*Effective July 1, 2022*):

1586 (c) The State Education Resource Center shall be subject to (1) rules,  
1587 regulations and restrictions on purchasing, procurement, personal  
1588 service agreements and the disposition of assets generally applicable to  
1589 Connecticut state agencies, including those contained in titles 4, 4a and  
1590 4b and [section 4e-19] chapter 62, and (2) audit by the Auditors of Public  
1591 Accounts under chapter 12 and section 2-90.

1592 Sec. 44. Section 10a-196 of the general statutes is repealed and the  
1593 following is substituted in lieu thereof (*Effective July 1, 2022*):

1594 Sections 10a-176 to 10a-195, inclusive, shall be deemed to provide a  
1595 complete, additional and alternative method for the doing of the things  
1596 authorized thereby, and shall be regarded as supplemental and  
1597 additional to powers conferred by other laws; provided the issuance of  
1598 bonds and refunding bonds under the provisions of this chapter need  
1599 not comply with the requirements of any other law applicable to the  
1600 issuance of bonds including, particularly, title 42a; and provided in the  
1601 construction and acquisition of a project pursuant hereto the authority  
1602 need not comply with the requirements of chapter 50. Except as  
1603 otherwise expressly provided in this chapter, none of the powers

1604 granted to the authority under the provisions of this chapter shall be  
1605 subject to the supervision or regulation or require the approval or  
1606 consent of any municipality or political subdivision or any commission,  
1607 board, body, bureau, official or agency thereof or of the state, except for  
1608 the provisions concerning contracting agencies set forth in chapter 62.

1609 Sec. 45. Subsection (s) of section 10a-204b of the general statutes is  
1610 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
1611 *2022*):

1612 (s) The provisions of this section shall be deemed to provide a  
1613 complete, additional and alternative method for the actions and the  
1614 things authorized thereby and shall be regarded as supplemental and  
1615 additional to powers granted by other laws; the issuance of bonds, notes  
1616 or other obligations under the provisions of this section need not comply  
1617 with the requirements of any law applicable to the issuance of bonds,  
1618 notes or other obligations. This section, being necessary for the welfare  
1619 of the state and its inhabitants, shall be liberally construed to affect its  
1620 purpose. None of the powers granted to the corporation or to any  
1621 subsidiary created pursuant to subdivision (5) of section 10a-204 under  
1622 the provisions of this section shall be subject to the supervision or  
1623 regulation or require the approval or consent of any municipality or  
1624 political subdivision or any department, division, commission, board,  
1625 body, bureau, official or agency thereof or of the state, and the exercise  
1626 thereof shall not cause the corporation or any such subsidiary to be  
1627 construed to be an agency within the scope of chapter 54 or a  
1628 department, institution or agency of the state, except that the  
1629 corporation or any such subsidiary shall comply with any provisions of  
1630 chapter 62 concerning contracting agencies.

1631 Sec. 46. Section 10a-243 of the general statutes is repealed and the  
1632 following is substituted in lieu thereof (*Effective July 1, 2022*):

1633 The provisions of this chapter shall be deemed to provide a complete,  
1634 additional and alternative method for the actions of the things  
1635 authorized thereby and shall be regarded as supplemental and  
1636 additional to powers granted by other laws; the issuance of revenue

1637 bonds or notes and revenue refunding bonds or notes under the  
1638 provisions of this chapter need not comply with the requirements of any  
1639 other law applicable to the issuance of bonds or notes. This chapter,  
1640 being necessary for the welfare of the state and its inhabitants, shall be  
1641 liberally construed to effect its purpose. Except as otherwise expressly  
1642 provided in this chapter or the provisions concerning contracting  
1643 agencies in chapter 62, none of the powers granted to the authority  
1644 under the provisions of this chapter shall be subject to the supervision  
1645 or regulation or require the approval or consent of any municipality or  
1646 political subdivision or any department, division, commission, board,  
1647 body, bureau, official or agency thereof or of the state. The authority  
1648 shall not be construed to be an agency within the scope of chapter 54 or  
1649 a department, institution or agency of the state.

1650 Sec. 47. Subdivision (16) of subsection (b) of section 12-806 of the 2022  
1651 supplement to the general statutes is repealed and the following is  
1652 substituted in lieu thereof (*Effective July 1, 2022*):

1653 (16) To invest in, acquire, lease, purchase, own, manage, hold and  
1654 dispose of real property and lease, convey or deal in or enter into  
1655 agreements with respect to such property on any terms necessary or  
1656 incidental to carrying out the purposes of sections 12-563a, 12-800 to 12-  
1657 818, inclusive, and sections 12-853 and 12-854, provided such  
1658 transactions shall not be subject to approval, review or regulation  
1659 pursuant to title 4b or any other statute by any state agency, except that  
1660 real property transactions shall be subject to review by the State  
1661 Properties Review Board and contracts shall be subject to the applicable  
1662 provisions of chapter 62;

1663 Sec. 48. Section 12-815 of the general statutes is repealed and the  
1664 following is substituted in lieu thereof (*Effective July 1, 2022*):

1665 (a) The corporation shall establish and adopt specific policies, rules  
1666 and procedures on purchasing and contracting. Such policies, rules and  
1667 procedures or amendments thereto shall be approved by a two-thirds  
1668 vote of the entire board. Notwithstanding any other provision of law to  
1669 the contrary, the corporation may enter into management, consulting

1670 and other agreements for the provision of goods, services and  
1671 professional advisors necessary or useful in connection with the  
1672 operation and management of the lottery (1) pursuant to a process of  
1673 open or competitive bidding, provided (A) the corporation shall first  
1674 determine the format, content and scope of any agreement for any  
1675 procurement of goods or services, the conditions under which bidding  
1676 will take place and the schedule and stipulations for contract award, and  
1677 (B) the corporation may select the contractor deemed to have submitted  
1678 the most favorable bid, considering price and other factors, when, in the  
1679 judgment of the corporation, such award is in the best interests of the  
1680 corporation, or (2) if the corporation, in its discretion, determines that,  
1681 due to the nature of the agreement to be contracted for or procured,  
1682 open or public bidding is either impracticable or not in the best interests  
1683 of the corporation, by negotiation with such prospective providers as  
1684 the corporation may determine. The terms and conditions of agreements  
1685 and the fees or other compensation to be paid to such persons shall be  
1686 determined by the corporation. The agreements entered into by the  
1687 corporation in accordance with the provisions of this section shall not  
1688 be subject to the approval of any state department, office or agency,  
1689 except as provided in any applicable provision of chapter 62 or  
1690 regulations adopted by the Department of Consumer Protection.  
1691 Nothing in this section shall be deemed to restrict the discretion of the  
1692 corporation to utilize its own staff and workforce for the performance of  
1693 any of its assigned responsibilities and functions whenever, in the  
1694 discretion of the corporation, it becomes necessary, convenient or  
1695 desirable to do so. Copies of all agreements of the corporation shall be  
1696 maintained by the corporation at its offices as public records, subject to  
1697 said exemption.

1698 (b) [The] Except as provided in chapter 62, the corporation shall not  
1699 be subject to rules, regulations or restrictions on purchasing or  
1700 procurement or the disposition of assets generally applicable to  
1701 Connecticut state agencies, including those contained in titles 4a and 4b  
1702 and the corresponding rules and regulations. The board shall adopt  
1703 rules and procedures on purchasing, procurement and the disposition  
1704 of assets applicable to the corporation. The adoption of such rules or

1705 procedures shall not be subject to chapter 54. Any such rules or  
1706 procedures shall be a public record, as defined in section 1-200.

1707 Sec. 49. Section 22a-268 of the general statutes is repealed and the  
1708 following is substituted in lieu thereof (*Effective July 1, 2022*):

1709 The authority shall utilize private industry, by contract, to carry out  
1710 the business, design, operating, management, marketing, planning and  
1711 research and development functions of the authority, unless the  
1712 authority determines that it is in the public interest to adopt another  
1713 course of action. The authority is hereby empowered to enter into long-  
1714 term contracts with private persons for the performance of any such  
1715 functions of the authority which, in the opinion of the authority, can  
1716 desirably and conveniently be carried out by a private person under  
1717 contract provided any such contract shall contain such terms and  
1718 conditions as will enable the authority to retain overall supervision and  
1719 control of the business, design, operating, management, transportation,  
1720 marketing, planning and research and development functions to be  
1721 carried out or to be performed by such private persons pursuant to such  
1722 contract. Such contracts shall be entered into either on a competitive  
1723 negotiation or competitive bidding basis, and the authority in its  
1724 discretion may select the type of contract it deems most prudent to  
1725 utilize, pursuant to the contracting procedures adopted under section  
1726 22a-268a and considering the scope of work, the management  
1727 complexities associated therewith, the extent of current and future  
1728 technological development requirements and the best interests of the  
1729 state. Whenever a long-term contract is entered into on other than a  
1730 competitive bidding basis, the criteria and procedures therefor shall  
1731 conform to applicable provisions of subdivision (16) of subsection (a)  
1732 and subsections (b) and (c) of section 22a-266, provided however, that  
1733 any contract for a period of over five years in duration, or any contract  
1734 for which the annual consideration is greater than fifty thousand dollars  
1735 shall be approved by a two-thirds vote of the authority's full board of  
1736 directors. The terms and conditions of such contracts shall be  
1737 determined by the authority, as shall the fees or other similar  
1738 compensation to be paid to such persons for such contracts. The

1739 contracts entered into by the authority shall not be subject to the  
1740 approval of any other state department, office or agency, except as  
1741 provided in chapter 62. However, copies of all contracts of the authority  
1742 shall be maintained by the authority as public records, subject to the  
1743 proprietary rights of any party to the contract. Nothing of the aforesaid  
1744 shall be deemed to restrict the discretion of the authority to utilize its  
1745 own staff and work force for the performance of any of its assigned  
1746 responsibilities and functions whenever, in the discretion of the  
1747 authority, it becomes necessary, convenient or desirable to do so. Any  
1748 litigation with respect to any terms, conditions or provisions of any  
1749 contract of the authority, or the performance or nonperformance of same  
1750 by either party, shall be tried before a judge of the Superior Court of  
1751 Connecticut.

1752 Sec. 50. Subdivision (14) of subsection (b) of section 31-49h of the  
1753 general statutes is repealed and the following is substituted in lieu  
1754 thereof (*Effective July 1, 2022*):

1755 (14) Make and enter into any contract or agreement necessary or  
1756 incidental to the performance of its duties and execution of its powers.  
1757 [The] Except as provided in chapter 62, the contracts and agreements  
1758 entered into by the authority shall not be subject to the approval of any  
1759 other state department, office or agency, provided copies of all such  
1760 contracts shall be maintained by the authority as public records, subject  
1761 to the proprietary rights of any party to such contracts. No contract shall  
1762 contain any provision in which any contractor derives any direct or  
1763 indirect economic benefit from denying or otherwise influencing the  
1764 outcome of any claim for benefits. The standard criteria for the  
1765 evaluation of proposals relating to claims processing, web site  
1766 development, database development, marketing and advertising, in the  
1767 event the authority seeks the services of an outside contractor for such  
1768 tasks, and for the evaluation of proposals relating to all other contracts  
1769 in amounts equal to or exceeding two hundred fifty thousand dollars  
1770 shall include, but need not be limited to: (A) Transparency, (B) cost, (C)  
1771 efficiency of operations, (D) quality of work related to the contracts  
1772 issued, (E) user experience, (F) accountability, and (G) a cost-benefit



1773 analysis documenting the direct and indirect costs of such contracts,  
 1774 including qualitative and quantitative benefits that will result from the  
 1775 implementation of such contracts. The establishment of additional  
 1776 standard criteria shall be approved by a two-thirds vote of the board  
 1777 after such criteria have been posted on a public Internet web site  
 1778 maintained by the authority for notice and comment for at least one  
 1779 week prior to such vote.

1780 Sec. 51. Subdivision (13) of subsection (c) of section 38a-1083 of the  
 1781 2022 supplement to the general statutes is repealed and the following is  
 1782 substituted in lieu thereof (*Effective July 1, 2022*):

1783 (13) Make and enter into any contract or agreement necessary or  
 1784 incidental to the performance of its duties and execution of its powers,  
 1785 including, but not limited to, an agreement with the Office of Health  
 1786 Strategy to use funds collected under this section for the operation of  
 1787 the all-payer claims database established under section 19a-755a and to  
 1788 receive data from such database. The contracts entered into by the  
 1789 exchange shall not be subject to the approval of any other state  
 1790 department, office or agency, provided copies of all contracts of the  
 1791 exchange shall be maintained by the exchange as public records, subject  
 1792 to the proprietary rights of any party to the contract, except (A) as  
 1793 provided in chapter 62, and (B) any agreement with the Office of Health  
 1794 Strategy shall be subject to approval by said office and the Office of  
 1795 Policy and Management and no portion of such agreement shall be  
 1796 considered proprietary;

1797 Sec. 52. (*Effective July 1, 2022*) The sum of four hundred sixty-seven  
 1798 thousand fifty-five dollars is appropriated to the State Contracting  
 1799 Standards Board from the General Fund, for the fiscal year ending June  
 1800 30, 2023, for purposes of hiring five employees in accordance with the  
 1801 provisions of section 2 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Sec. 2	July 1, 2022	New section
Sec. 3	July 1, 2022	4e-1
Sec. 4	July 1, 2022	4e-2(g) and (h)
Sec. 5	July 1, 2022	4e-3
Sec. 6	July 1, 2022	4e-4
Sec. 7	July 1, 2022	4e-5(a) to (c)
Sec. 8	July 1, 2022	4e-6
Sec. 9	July 1, 2022	4e-7
Sec. 10	July 1, 2022	4e-8
Sec. 11	July 1, 2022	4e-10
Sec. 12	July 1, 2022	4e-14
Sec. 13	July 1, 2022	4e-16
Sec. 14	July 1, 2022	4e-17
Sec. 15	July 1, 2022	4e-18
Sec. 16	July 1, 2022	4e-19
Sec. 17	July 1, 2022	4e-21
Sec. 18	July 1, 2022	4e-24
Sec. 19	July 1, 2022	4b-51(d)
Sec. 20	July 1, 2022	4b-57(a)
Sec. 21	July 1, 2022	4b-91(g)
Sec. 22	July 1, 2022	4e-25
Sec. 23	July 1, 2022	4e-27
Sec. 24	July 1, 2022	4e-28
Sec. 25	July 1, 2022	4e-29
Sec. 26	July 1, 2022	4e-30
Sec. 27	July 1, 2022	4e-31
Sec. 28	July 1, 2022	4e-32
Sec. 29	July 1, 2022	4e-33
Sec. 30	July 1, 2022	4e-34
Sec. 31	July 1, 2022	4e-35
Sec. 32	July 1, 2022	4e-37(g) to (i)
Sec. 33	July 1, 2022	4e-38
Sec. 34	July 1, 2022	4e-39
Sec. 35	July 1, 2022	4e-40
Sec. 36	July 1, 2022	4e-43
Sec. 37	July 1, 2022	4e-45
Sec. 38	July 1, 2022	4e-46
Sec. 39	July 1, 2022	4e-48
Sec. 40	July 1, 2022	4e-72
Sec. 41	July 1, 2022	15-31b
Sec. 42	July 1, 2022	19a-32s(e)

Sec. 43	July 1, 2022	10-357b(c)
Sec. 44	July 1, 2022	10a-196
Sec. 45	July 1, 2022	10a-204b(s)
Sec. 46	July 1, 2022	10a-243
Sec. 47	July 1, 2022	12-806(b)(16)
Sec. 48	July 1, 2022	12-815
Sec. 49	July 1, 2022	22a-268
Sec. 50	July 1, 2022	31-49h(b)(14)
Sec. 51	July 1, 2022	38a-1083(c)(13)
Sec. 52	July 1, 2022	New section

**Statement of Legislative Commissioners:**

In Section 3(12), "state or a quasi-public agency" was changed to "contracting agency" for consistency, in Section 3(28), "State contracting agency" was changed to "Contracting agency" for consistency, Section 6 was reorganized for consistency with standard drafting conventions, in Section 12, "state" was bracketed before "contracts" for consistency and a reference to a definition was added for clarity and consistency and Section 14(a) was rewritten for consistency with standard drafting conventions.

**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 23 \$	FY 24 \$
Governmental Accountability, Off.	GF - Appropriation	467,055	467,055
State Comptroller - Fringe Benefits <sup>1</sup>	GF - Cost	189,297	189,297
Various State Agencies	Various - Potential Cost	See Below	See Below

Note: GF=General Fund; Various=Various

**Municipal Impact:** None

**Explanation**

This bill appropriates \$467,055 in FY 23 to hire five new positions within the State Contracting Standards Board (SCSB). sHB 5037, the revised FY 23 budget bill, as favorably reported by the Appropriations Committee, appropriates \$454,355 for said purpose. The difference (\$12,700) does not result in a material impact on the budgetary spending cap calculation (i.e., it would still be under the spending cap by \$4.6 million).

This bill will result in an annualized cost of \$467,055 to the Office of Governmental Accountability for salaries and \$189,297 to the Office of the State Comptroller for associated fringe benefits.

Under this bill, the Office of Policy and Management (OPM) will be

<sup>1</sup>The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.53% of payroll in FY 23.

required to include estimated expenditure requirements from SCSB in proposed budget documents and the governor will be prohibited from reducing SCSB's allotment requisitions or allotments in force. This is not anticipated to result in a fiscal impact.

This bill also subjects quasi-public agencies: 1) to full oversight by SCSB with limited exceptions, and 2) privatization law. Provided SCSB fills its Chief Procurement Officer position with the appropriated funds in this bill, this will not result in any additional fiscal impact to the state.

Privatization laws are also expanded under this bill to include an analysis of a proposed contract's potential impact on workers of color or workers who are women. Various state agencies may incur a cost to the extent they require additional staff to conduct this analysis.

This bill makes other various changes to SCSB authority which is not anticipated to result in a fiscal impact.

### ***The Out Years***

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

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**OLR Bill Analysis****sSB 473*****AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD.*****SUMMARY**

This bill makes several changes that increase the State Contracting Standards Board's (SCSB) powers, duties, and resources. It appropriates \$467,055 to SCSB in FY 23 to hire five full-time employees and grants the board certain protections against modifying its budget request and reducing its allotments. It also subjects quasi-public agencies to the board's full authority, including the law on privatization contracts, by defining them as "contracting agencies" under the board's authorizing statutes.

Separately, the bill requires agency procurement officers to advise bidders, proposers, and contractors about certain rights enforced by SCSB (e.g., the right to contest a contract solicitation or award). It also (1) requires contracting agencies to post information on their websites about certain emergency procurements they enter into and (2) limits, to emergency situations, the Department of Administrative Services' (DAS) use of on-call construction services consultants.

Lastly, the bill makes other minor, technical, and conforming changes.

EFFECTIVE DATE: July 1, 2022, except that the provision on budget request modifications and allotment reductions is effective upon passage.

**§§ 1, 2, 4 & 52 — SCSB BUDGET AND STAFFING**

The bill requires SCSB to hire five employees by September 22, 2022, and requires that it employ at least five full-time employees on an ongoing basis. It appropriates \$467,055 to SCSB in FY 23 for this

purpose. (The 2021 budget act appropriated \$637,029 to SCSB in FY 23 (SA 21-15); however, the 2021 implementer required that \$454,355 of this amount lapse on July 1, 2022 (PA 21-2, June Special Session (JSS), § 201).)

The bill requires the Office of Policy and Management (OPM) secretary to include in the proposed budget documents that OPM submits to the legislature the estimates of expenditure requirements, together with any recommended adjustments and revisions, the office receives from SCSB's executive director. It also prohibits the governor from reducing SCSB's allotment requisitions or allotments in force.

Existing law grants these same protections to the (1) Office of State Ethics (CGS § 1-81a), (2) Freedom of Information Commission (CGS § 1-205a), and (3) State Elections Enforcement Commission (CGS § 9-7c).

### **§§ 3-18 & 22-51 — SCSB AUTHORITY OVER QUASI-PUBLIC AGENCIES**

Under current law, SCSB has limited authority over quasi-public agencies, as, with one exception, SCSB's authorizing statutes generally exclude them from the definition of "state contracting agency." (Most of SCSB's powers and duties apply to state contracting agencies only, see BACKGROUND.)

The bill instead subjects quasi-public agencies to SCSB's full authority, with limited exceptions. It accomplishes this by changing "state contracting agency" to "contracting agency," defining "contracting agency" to include quasi-public agencies (see § 3), and making conforming changes throughout the bill.

Table 1 below lists a selection of SCSB statutes applicable to state contracting agencies that the bill extends to quasi-public agencies. However, the bill does not extend provisions concerning contractor, bidder, or proposer suspensions issued by state agencies (§§ 31-33).

**Table 1: Selected SCSB Statutes Applicable to Quasi-Public Agencies Under the Bill**

<b>Section</b>	<b>Statute</b>	<b>Description</b>
5	CGS § 4e-3	SCSB may exercise quasi-public agencies' contracting-related powers, rights, and duties
6	CGS § 4e-4	SCSB must review, certify, and periodically recertify quasi-public agency procurement processes
7	CGS § 4e-5	Quasi-public agencies must appoint a procurement officer
8	CGS § 4e-6	SCSB must audit each quasi-public agency's compliance with procurement laws and regulations every three years
9	CGS § 4e-7	SCSB may, under specified conditions, (1) review and terminate quasi-public agency contracts and procurement agreements or (2) restrict or terminate the quasi-public agency's ability to enter into contracts or procurement agreements
12	CGS § 4e-14	Quasi-public agency contracts must contain provisions ensuring accountability, transparency, and results-based outcomes, as prescribed by SCSB (it appears SCSB has not prescribed any such standards for state contracting agencies to date)
13	CGS § 4e-16	Quasi-public agencies must comply with the privatization law (see below)
16	CGS § 4e-19	Quasi-public agencies must use specified procurement methods when purchasing goods and services (these provisions require SCSB to adopt implementing regulations before they become operative, but the board has not adopted them to date)
34	CGS § 4e-39	Quasi-public agency solicitations or proposed awards are subject to cancellation if SCSB finds that a violation of the law has occurred
35	CGS § 4e-40	SCSB may, after a quasi-public agency contract is awarded, take certain actions, including terminating the contract, if SCSB finds it violates the law

Separately, the bill adds four representatives of quasi-public agencies to the Contracting Standards Advisory Council, two each appointed by the House speaker and Senate president (§ 10). By law, the council must meet at least four times per year and make recommendations to SCSB for improving procurement processes.

### **§§ 3 & 13 — PRIVATIZATION LAW**

#### ***Application to Quasi-Public Agencies***

The bill applies the privatization law to quasi-public agencies. Under



current law, it applies only to state contracting agencies.

Under this law, if a contracting agency seeks to enter into a contract that privatizes services performed by state employees, it generally must conduct a cost-benefit analysis and submit a business case to SCSB for its approval. The business case must include, among other things, the cost-benefit analysis and 11 other analyses (the bill adds one more, see below) relating to the privatized service, such as its goals and their rationale, and options for achieving them (CGS § 4e-16(d)). An agency may publish notice soliciting bids for a privatization contract only after the board approves the business case (CGS § 4e-16(i)).

For privatization contracts not subject to this requirement (i.e., contracts for services that are currently privatized), contracting agencies must instead evaluate the contract, using a template prescribed by the OPM secretary, to determine if entering into or renewing it is the most cost-effective way to deliver the service (CGS § 4e-16(p)).

### **Other Changes**

As described above, existing law requires contracting agencies to conduct a business case, consisting of multiple analyses, for a service it seeks to privatize. The bill requires that the business case additionally include an analysis of a proposed contract's potential impact on workers of color or workers who are women, including whether it will lessen or increase historical patterns that produce inequities between these workers and other workers.

The bill also expands the definition of "core governmental function" under the privatization statute to include the provision of essential human services to state residents who would otherwise lack the support necessary to assure basic human needs. The privatization statute establishes a rebuttable presumption that "core governmental functions" should not be privatized.

## **§ 7 — AGENCY PROCUREMENT OFFICERS**

Existing law requires the head of each state contracting agency to appoint an agency procurement officer who must, among other things,

(1) assure that contractors are properly screened before a contract award and (2) evaluate contractor performance during and at the conclusion of a contract. (The bill extends this requirement to quasi-public agencies.)

The bill additionally requires procurement officers to advise bidders, proposers, and contractors of certain rights enforced by SCSB. These are (1) bidders' and proposers' right to contest a contract solicitation or award and (2) SCSB's authority to determine that a solicitation, proposed award, or actual award violated the law.

Under the bill, the procurement officers must ensure that (1) each bid, RFP (request for proposals), or other solicitation for goods and services contains a notice of these rights; (2) contractors are advised of these rights before entering a contract; and (3) unsuccessful bidders, proposers, and respondents are advised of these rights when the contract is awarded.

## **§§ 17-21 — EMERGENCY PROCUREMENTS**

### ***Purchases of \$10,000 or Less (§ 17)***

The law allows SCSB, in consultation with the DAS commissioner, to waive competitive bidding or negotiation requirements for minor, nonrecurring, or emergency purchases of \$10,000 or less. The bill allows it to do so upon application by a contracting agency. It requires contracting agencies that obtain this waiver to post notice of the emergency purchase on their websites before making the purchase. (Existing law also allows the DAS commissioner to waive these requirements for similar reasons without consulting the board (CGS § 4a-57(b)).)

### ***Threats to Public Health, Welfare, or Safety (§ 18)***

Current law requires SCSB to adopt regulations permitting emergency procurements when there exists a threat to public health, welfare, or safety. (In practice, the board has not done so.) The bill instead directly allows contracting agencies to enter into these procurements and makes the board's adoption of regulations permissive.

The bill requires contracting agencies to (1) notify SCSB about the need for the procurement and (2) post on their websites their written determination of the basis for the emergency and selection of the particular contractor. As under existing law, this determination must also be in the contract file and transmitted to the governor and legislative leaders.

Existing law allows the DAS commissioner or the state's chief information officer to permit emergency procurements, subject to the approval of the Standardization Committee if the cost is \$50,000 or more (CGS § 4a-58).

### ***On-Call Construction Consultant Contracts (§§ 19 & 20)***

The law allows the DAS commissioner to establish a list of "on call" construction services consultants (e.g., architects, professional engineers, accountants, and others, see BACKGROUND). Under the bill, DAS may enter into contracts with on-call consultants, without inviting responses from the consultants, only for an emergency procurement due to a threat to public health, welfare, or safety. It makes a conforming change to a statute concerning on-call consultants specifically for Department of Energy and Environmental Protection and Military Department projects.

### ***"Fast-Track" Projects (§ 21)***

The bill limits, to emergency procurements, DAS's ability to use existing law's "fast-track authority" for five specified capital projects.

Under the fast-track process, the DAS commissioner submits three or more qualified general contractors who are prequalified to an award panel, which then makes a recommendation to the commissioner. The law establishes five fast-track projects: a community court project, the downtown Hartford higher education center project, a correctional facility project, a juvenile detention center project, and Connecticut State University System student dormitories.

## **BACKGROUND**

### ***SCSB Authority Over Quasi-Public Agencies***

**Attorney General Opinion.** In a 2021 opinion (Attorney General Opinion 2021-01), the attorney general concluded that most SCSB statutes give the board authority over state contracting agencies only, with only limited authority over quasi-public agencies. He noted that although the board has authority over certain bid contests involving quasi-public agencies, generally its authority over quasi-public agencies “is much more limited and circumscribed relative to its authority over state contracting agencies.”

**Exceptions.** Under current law, the State Education Resource Center (SERC) is a state contracting agency under an SCSB statute governing procurement methods (CGS § 4e-19). Additionally, the 2021 implementer made the Connecticut Port Authority a state contracting agency until June 30, 2026, under all SCSB authorizing statutes except the privatization law (PA 21-2, JSS, § 309).

### **On-Call Contracts**

An on-call contract defines a broad range of consultant services and is generally valid for two to three years. An on-call contract is generally not connected to a specific project; rather, DAS subsequently issues task letters to firms with on-call contracts that identify a specific scope of services to be performed and the fee for those services.

DAS must establish selection panels for evaluating consultant services proposals (including those for on-call contracts) if the value of the services exceeds \$500,000. The panels must submit a list of the most qualified firms to the DAS commissioner for his consideration.

### **Related Bills**

sHB 5432, reported favorably by the Appropriations Committee, (1) includes the same provisions on modifying SCSB’s budget request and reducing allotments and (2) requires that the board have at least four full-time employees.

sHB 5453, reported favorably by the Government Administration and Elections Committee, requires the DAS commissioner to post, on the department’s website, certain goods and services contracts entered

into without using competitive bidding.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 18 Nay 0 (03/28/2022)