



General Assembly

January Session, 2023

Raised Bill No. 6903

LCO No. 5677



Referred to Committee on GOVERNMENT ADMINISTRATION
AND ELECTIONS

Introduced by:
(GAE)

AN ACT CONCERNING QUASI-PUBLIC AGENCIES.

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

1 Section 1. Section 1-120 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2023*):

3 As used in sections 1-120 to 1-123, inclusive and sections 2 and 3 of
4 this act:

5 (1) "Quasi-public agency" means Connecticut Innovations,
6 Incorporated, the Connecticut Health and Educational Facilities
7 Authority, the Connecticut Higher Education Supplemental Loan
8 Authority, the Connecticut Student Loan Foundation, the Connecticut
9 Housing Finance Authority, the Connecticut Housing Authority, the
10 Materials Innovation and Recycling Authority, the Capital Region
11 Development Authority, the Connecticut Lottery Corporation, the
12 Connecticut Airport Authority, the Connecticut Health Insurance
13 Exchange, the Connecticut Green Bank, the Connecticut Port Authority,
14 the Connecticut Municipal Redevelopment Authority, the State

15 Education Resource Center and the Paid Family and Medical Leave
16 Insurance Authority.

17 (2) "Procedure" means each statement, by a quasi-public agency, of
18 general applicability, without regard to its designation, that
19 implements, interprets or prescribes law or policy, or describes the
20 organization or procedure of any such agency. The term includes the
21 amendment or repeal of a prior regulation, but does not include, unless
22 otherwise provided by any provision of the general statutes, (A)
23 statements concerning only the internal management of any agency and
24 not affecting procedures available to the public, and (B) intra-agency
25 memoranda.

26 (3) "Proposed procedure" means a proposal by a quasi-public agency
27 under the provisions of section 1-121 for a new procedure or for a
28 change in, addition to or repeal of an existing procedure.

29 Sec. 2. (NEW) (*Effective July 1, 2023*) (a) As used in this section,
30 "project" means the construction, renovation or alteration of buildings
31 or facilities owned or leased by a quasi-public agency, including all
32 related planning, feasibility, environmental testing and assessment,
33 permitting, engineering, technical and other necessary development
34 activities, such as site acquisition, site preparation and infrastructure
35 improvements, and "construction manager" means a general contractor
36 or other construction professional with primary responsibility for the
37 day-to-day management of all construction or engineering activities for
38 a project in accordance with a contract or other agreement with a quasi-
39 public agency.

40 (b) Any project of a quasi-public agency that is overseen by a
41 construction manager shall be subject to the provisions of this section.

42 (c) The construction manager for a project shall invite bids and give
43 notice of opportunities to bid on project elements on the State
44 Contracting Portal. Each bid shall be kept sealed until opened publicly
45 at the time and place as set forth in the notice soliciting such bid. The
46 construction manager shall, after consultation with and approval by the

47 agency, award any related contracts for project elements to the
48 responsible qualified contractor submitting the lowest bid in
49 compliance with the bid requirements, provided the construction
50 manager shall not be eligible to submit a bid for any project element.

51 (d) Any contract entered into by a quasi-public agency with a
52 construction manager related to the construction of a project shall
53 require the construction manager to maintain complete accounting
54 records relating to all expenditures of state funds, including detailed
55 support for all cost allocations, and such records shall be subject to audit
56 by the Auditors of Public Accounts.

57 Sec. 3. (NEW) (*Effective July 1, 2023*) (a) As used in this section,
58 "success fee" means a commission that is (1) paid by a quasi-public
59 agency to a person or business entity for such person's or business
60 entity's role in facilitating the finalization of a transaction, (2) not paid if
61 such transaction is not finalized, and (3) separate from any payment for
62 services performed.

63 (b) For any contract or other agreement entered into, amended or
64 extended on and after July 1, 2023, no quasi-public agency may include
65 a provision in such contract or other agreement for the payment of a
66 success fee to any person or business entity.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2023</i> | 1-120 |
| Sec. 2 | <i>July 1, 2023</i> | New section |
| Sec. 3 | <i>July 1, 2023</i> | New section |

Statement of Purpose:

To prohibit construction managers on a quasi-public agency project from self-performing work on such project and to prohibit quasi-public agencies from entering into contracts or agreements for success fees.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]