



General Assembly

Amendment

February Session, 2024

LCO No. 5048



Offered by:
SEN. FLEXER, 29th Dist.

To: Subst. Senate Bill No. 391

File No. 429

Cal. No. 265

**"AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE
STATE CONTRACTING STANDARDS BOARD."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

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

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

14 Sec. 2. Section 4e-1 of the 2024 supplement to the general statutes is

15 repealed and the following is substituted in lieu thereof (*Effective July 1,*
16 *2024*):

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

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

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

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

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

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

38 (6) "Consultant" means (A) any architect, professional engineer,
39 landscape architect, land surveyor, accountant, interior designer,
40 environmental professional or construction administrator, who is
41 registered or licensed to practice such person's profession in accordance
42 with the applicable provisions of the general statutes, (B) any planner or
43 any environmental, management or financial specialist, or (C) any
44 person who performs professional work in areas including, but not

45 limited to, educational services, medical services, information
46 technology and real estate appraisal;

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

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

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

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

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

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

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

65 (F) A lease; or

66 (G) A licensing agreement;

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

70 [(9) "Term contract" means the agreement reached when the state
71 accepts a bid or proposal to furnish supplies, materials, equipment or
72 contractual services at a stated price for a specific period of time in

73 response to an invitation to bid;]

74 [(10)] (9) "Contract risk assessment" means (A) the identification and
75 evaluation of loss exposures and risks, including, but not limited to,
76 business and legal risks associated with the contracting process and the
77 contracted goods and services, and (B) the identification, evaluation and
78 implementation of measures available to minimize potential loss
79 exposures and risks;

80 [(11)] (10) "Contractor" means any business that is awarded, or is a
81 subcontractor under, a contract or an amendment to a contract with a
82 state contracting agency under statutes and regulations concerning
83 procurement, including, but not limited to, a small contractor, minority
84 business enterprise, an individual with a disability, as defined in section
85 4a-60, or an organization providing products and services by persons
86 with disabilities;

87 [(12)] (11) "Contractual services" means the furnishing of labor by a
88 contractor, not involving the delivery of a specific end product other
89 than reports, which are merely incidental to the required performance
90 and includes any and all laundry and cleaning service, pest control
91 service, janitorial service, security service, the rental and repair, or
92 maintenance, of equipment, machinery and other state-owned personal
93 property, advertising and photostating, mimeographing, human
94 services and other service arrangements where the services are
95 provided by persons other than state employees. "Contractual services"
96 includes the design, development and implementation of technology,
97 communications or telecommunications systems or the infrastructure
98 pertaining thereto, including hardware and software and services for
99 which a contractor is conferred a benefit by the state, whether or not
100 compensated by the state. "Contractual services" does not include
101 employment agreements or collective bargaining agreements;

102 [(13)] (12) "Data" means recorded information, regardless of form or
103 characteristic;

104 [(14)] (13) "Vote of two-thirds of the members of the board present

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

110 [(15)] (14) "Electronic" means electrical, digital, magnetic, optical,
111 electromagnetic, or any other similar technology;

112 [(16)] (15) "Emergency procurement" means procurement by a state
113 contracting agency, quasi-public agency, [as defined in section 1-120,]
114 judicial department or constituent unit of higher education that is made
115 necessary by a sudden, unexpected occurrence that poses a clear and
116 imminent danger to public safety or requires immediate action to
117 prevent or mitigate the loss or impairment of life, health, property or
118 essential public services or in response to a court order, settlement
119 agreement or other similar legal judgment;

120 [(17)] (16) "Equipment" means personal property of a durable nature
121 that retains its identity throughout its useful life;

122 [(18)] (17) "Materials" means items required to perform a function or
123 used in a manufacturing process, particularly those incorporated into
124 an end product or consumed in its manufacture;

125 [(19)] (18) "Nonprofit agency" means any organization that is not a
126 for-profit business under Section 501(c)(3) of the Internal Revenue Code
127 of 1986, or any subsequent corresponding internal revenue code of the
128 United States, as amended from time to time, [amended,] makes no
129 distribution to its members, directors or officers and provides services
130 contracted for by (A) the state, or (B) a nonstate entity;

131 [(20)] (19) "Professional services" means any type of service to the
132 public that requires that members of a profession rendering such service
133 obtain a license or other legal authorization as a condition precedent to
134 the rendition thereof, including, but not limited to, the professional
135 services of architects, professional engineers, or jointly by architects and

136 professional engineers, landscape architects, certified public
137 accountants and public accountants, land surveyors, attorneys-at-law,
138 psychologists, licensed marital and family therapists, licensed
139 professional counselors and licensed clinical social workers as well as
140 such other professional services described in section 33-182a;

141 [(21)] (20) "Privatization contract" means an agreement or series of
142 agreements between a state contracting agency and a person or entity in
143 which such person or entity agrees to provide services that are
144 substantially similar to and in lieu of services provided, in whole or in
145 part, by state employees, other than contracts with a nonprofit agency,
146 which are in effect as of January 1, 2009, and which through a renewal,
147 modification, extension or rebidding of contracts continue to be
148 provided by a nonprofit agency;

149 [(22)] (21) "Procurement" means contracting for, buying, purchasing,
150 renting, leasing or otherwise acquiring or disposing of, any supplies,
151 services, including but not limited to, contracts for purchase of services
152 and personal service agreements, interest in real property, or
153 construction, and includes all government functions that relate to such
154 activities, including best value selection and qualification based
155 selection;

156 [(23)] (22) "Proposer" means a business submitting a proposal to a
157 state contracting agency in response to a request for proposals or other
158 competitive sealed proposal;

159 [(24)] (23) "Public record" means a public record, as defined in section
160 1-200;

161 [(25)] (24) "Qualification based selection" means a contract selection
162 process in which the award of a contract is primarily based on an
163 assessment of contractor qualifications and on the negotiation of a fair
164 and reasonable price;

165 [(26)] (25) "Regulation" means regulation, as defined in section 4-166;

166 [(27)] (26) "Request for proposals" means all documents, whether
167 attached or incorporated by reference, utilized for soliciting proposals;

168 [(28)] (27) "State contracting agency" means any executive branch
169 agency, board, commission, department, office, institution or council.
170 "State contracting agency" does not include the judicial branch, the
171 legislative branch, the offices of the Secretary of the State, the State
172 Comptroller, the Attorney General, the State Treasurer, with respect to
173 their constitutional functions [,] or any state agency with respect to
174 contracts specific to the constitutional and statutory functions of the
175 office of the State Treasurer. For the purposes of every provision of this
176 chapter other than section 4e-16, as amended by this act, "state
177 contracting agency" includes the Connecticut Port Authority, for the
178 purposes of section 4e-16, as amended by this act, "state contracting
179 agency" includes any constituent unit of the state system of higher
180 education and for the purposes of section 4e-19, "state contracting
181 agency" includes the State Education Resource Center, established
182 under section 10-4q;

183 [(29)] (28) "Subcontractor" means a subcontractor of a contractor for
184 work under a contract or an amendment to a contract;

185 [(30)] (29) "Supplies" means any and all articles of personal property,
186 including, but not limited to, equipment, materials, printing, insurance
187 and leases of real property, excluding land or a permanent interest in
188 land furnished to or used by any state contracting agency;

189 [(31)] (30) "Infrastructure facility" means a building, structure or
190 network of buildings, structures, pipes, controls and equipment that
191 provide transportation, utilities, public education or public safety
192 services. [Infrastructure facility] "Infrastructure facility" includes
193 government office buildings, public schools, jails, water treatment
194 plants, distribution systems and pumping stations, wastewater
195 treatment plants, collections systems and pumping stations, solid waste
196 disposal plants, incinerators, landfills, and related facilities, public roads
197 and streets, highways, public parking facilities, public transportation

198 systems, terminals and rolling stock, rail, air and water port structures,
199 terminals and equipment; [and]

200 [(32)] ~~(31)~~ "State employee" [means state employee, as defined] has
201 the same meaning as provided in section 5-154 and, for purposes of
202 section 4e-16, as amended by this act, [state employee] includes an
203 employee of any state contracting agency; and

204 (32) "Quasi-public agency" has the same meaning as provided in
205 section 1-120.

206 Sec. 3. Subsections (g) and (h) of section 4e-2 of the 2024 supplement
207 to the general statutes are repealed and the following is substituted in
208 lieu thereof (*Effective July 1, 2024*):

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

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

228 (2) In addition to the duties set forth by the board, the Chief

229 Procurement Officer shall (A) oversee state contracting agency
230 compliance with the provisions of statutes and regulations concerning
231 procurement; (B) monitor and assess the performance of the
232 procurement duties of each agency procurement officer; (C) administer
233 the certification system and monitor the level of agency compliance with
234 the requirements of statutes and regulations concerning procurement,
235 including, but not limited to, the education and training, performance
236 and qualifications of agency procurement officers; (D) review and
237 monitor the procurement processes of each state contracting agency,
238 quasi-public agencies and institutions of higher education; and (E) serve
239 as chairperson of the Contracting Standards Advisory Council.

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

245 Sec. 4. Subdivision (2) of subsection (a) of section 4e-3 of the general
246 statutes is repealed and the following is substituted in lieu thereof
247 (*Effective July 1, 2024*):

248 (2) Any state contracting agency's contracting and procurement
249 processes, including, but not limited to, leasing and property transfers,
250 purchasing or leasing of supplies, materials or equipment, consultant or
251 consultant services, purchase of service agreements or privatization
252 contracts; and

253 Sec. 5. Section 4e-4 of the general statutes is repealed and the
254 following is substituted in lieu thereof (*Effective July 1, 2024*):

255 Except as otherwise provided in the general statutes, the board shall
256 have the following authority and responsibilities with respect to
257 procurements by state contracting agencies:

258 [(a) Recommend] (1) To recommend the repeal of repetitive,
259 conflicting or obsolete statutes concerning state procurement;

260 [(b) Review] (2) To review and make recommendations concerning
261 proposed legislation and regulations concerning procurement,
262 management, control, and disposal of any and all supplies, services, and
263 construction to be procured by [the] state contracting agencies,
264 including, but not limited to:

265 [(1)] (A) Conditions and procedures for delegation of procurement
266 authority;

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

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

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

272 [(5)] (E) Conditions and procedures for the use of source selection
273 methods authorized by statutes and regulations concerning
274 procurement;

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

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

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

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

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

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

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

289 [(13)] (M) Regulations providing for conducting cost and price
290 analysis;

291 [(14)] (N) Use of payment and performance bonds;

292 [(15)] (O) Guidelines for use of cost principles in negotiations,
293 adjustments and settlements; and

294 [(16)] (P) Identification of procurement best practices;

295 [(c) Adopt] (3) To adopt regulations, pursuant to the provisions of
296 chapter 54, to carry out the provisions of statutes concerning
297 procurement, in order to facilitate consistent application of the law and
298 require the implementation of procurement best practices;

299 [(d) Make] (4) To make recommendations with regard to information
300 systems for state procurement including, but not limited to, data
301 element and design and the State Contracting Portal;

302 [(e) Develop] (5) To develop a guide [to] of state statutes and
303 regulations concerning procurement, for use by all state contracting
304 agencies;

305 [(f) Assist] (6) To assist state contracting agencies in complying with
306 the statutes and regulations concerning procurement by providing
307 guidance, models, advice and practical assistance to state contracting
308 agency staff relating to: [(1)] (A) Buying the best service at the best price,
309 [(2)] (B) properly selecting contractors, and [(3)] (C) drafting contracts
310 that achieve state goals of accountability, transparency and results
311 based outcomes and to protect taxpayers' interest;

312 [(g) Train] (7) To train and oversee the agency procurement officer of
313 each state contracting agency and any contracting officers thereunder;

314 [(h) Review] (8) To review and certify, on or after January 1, 2009, that

315 a state contracting agency's procurement processes are in compliance
316 with statutes and regulations concerning procurement by:

317 [(1)] (A) Establishing procurement and project management
318 education and training criteria and certification procedures for agency
319 procurement officers and contracting officers. All agency procurement
320 officers and contracting officers designated under this provision shall be
321 required to maintain the certification in good standing at all times while
322 performing procurement functions;

323 [(2)] (B) Approving an ethics training course, in consultation with the
324 Office of State Ethics, including, but not limited to, state employees
325 involved in procurement and for state contractors and substantial
326 subcontractors who are prequalified pursuant to chapter 58a. Such
327 ethics training course may be developed and provided by the Office of
328 State Ethics or by any person, firm or corporation provided such course
329 is approved by the State Contracting Standards Board;

330 [(i) Recertify] (9) To recertify each state contracting agency's
331 procurement processes, triennially, and provide agencies with notice of
332 any certification deficiency and exercise those powers authorized by
333 section 4e-34, as amended by this act, 4e-39 or 4e-40, as applicable, if a
334 determination of noncompliance is made;

335 [(j) Define] (10) To define the contract data reporting requirements to
336 the board for state contracting agencies concerning information on: [(1)]
337 (A) The number and type of state contracts of each state contracting
338 agency currently in effect state-wide; [(2)] (B) the term and dollar value
339 of such contracts; [(3)] (C) a list of client agencies; [(4)] (D) a description
340 of services purchased under such contracts; [(5)] (E) contractor names;
341 [(6)] (F) an evaluation of contractor performance, including, but not
342 limited to records pertaining to the suspension or disqualification of
343 contractors, and assuring such information is available on the State
344 Contracting Portal; and [(7)] (G) a list of contracts and contractors
345 awarded without full and open competition stating the reasons [for]
346 therefor and identifying the approving authority; and

347 [(k) Provide] (11) To provide the Governor and the joint standing
348 committee of the General Assembly having cognizance of matters
349 relating to government administration with recommendations
350 concerning the statutes and regulations concerning procurement.

351 Sec. 6. Subsections (a) to (c), inclusive, of section 4e-5 of the general
352 statutes are repealed and the following is substituted in lieu thereof
353 (*Effective July 1, 2024*):

354 (a) (1) The head of each state contracting agency shall appoint an
355 agency procurement officer. Such officer shall serve as the liaison
356 between the agency and the Chief Procurement Officer on all matters
357 relating to the agency's procurement activity, including, but not limited
358 to, implementation and compliance with the provisions of statutes and
359 regulations concerning procurement and any policies or regulations
360 adopted by the board, coordination of the training and education of
361 agency procurement employees and any person serving on the
362 Contracting Standards Advisory Council;

363 (2) The agency procurement officer shall be responsible for [assuring]
364 (A) ensuring that any invitation to bid, request for proposals or any
365 other solicitation for goods and services issued on or after July 1, 2024,
366 contains a notice of the rights of prospective bidders, proposers or
367 prospective contractors under section 4e-36, (B) ensuring that
368 contractors are properly screened prior to the award of a contract, (C)
369 ensuring that contractors are advised of their rights under section 4e-36,
370 prior to entering into a contract on or after July 1, 2024, (D) ensuring
371 that, upon the award of such a contract, unsuccessful bidders, proposers
372 or respondents are advised of their rights under section 4e-36, (E)
373 evaluating contractor performance during and at the conclusion of a
374 contract, (F) submitting written evaluations to a central data repository
375 to be designated by the board, and (G) creating a project management
376 plan for the agency with annual reports to the board pertaining to
377 procurement projects within the agency.

378 (b) The State Contracting Standards Board, with the advice and

379 assistance of the Commissioner of Administrative Services, shall
380 develop a standardized state procurement and project management
381 education and training program. Such education and training program
382 shall develop education, training and professional development
383 opportunities for employees of state contracting agencies charged with
384 procurement responsibilities. The education and training program shall
385 educate such employees in general business acumen and on proper
386 purchasing procedures as established in statutes and regulations
387 concerning procurement with an emphasis on ethics, fairness,
388 consistency and project management. Participation in the education and
389 training program shall be required of any supervisory and
390 nonsupervisory state employees in state contracting agencies with
391 responsibility for buying, purchasing, renting, leasing or otherwise
392 acquiring any supplies, service or construction, including the
393 preparation of the description of requirements, selection and solicitation
394 of sources, preparation and award of contracts and all phases of contract
395 administration.

396 (c) The education and training program shall include, but shall not be
397 limited to, (1) training and education concerning federal, state and
398 municipal procurement processes, including the statutes and
399 regulations concerning procurement; (2) training and education courses
400 developed in cooperation with the Office of State Ethics, the Freedom of
401 Information Commission, the State Elections Enforcement Commission,
402 the Commission on Human Rights and Opportunities, the office of the
403 Attorney General and any other state agency the board determines is
404 necessary in carrying out statutes and regulations concerning
405 procurement; (3) providing technical assistance to state contracting
406 agencies and municipalities for implementing statutes and regulations
407 concerning procurement, regulations, policies and standards developed
408 by the board; (4) training to current and prospective contractors and
409 vendors and others seeking to do business with [the] state contracting
410 agencies; and (5) training and education of state employees in the area
411 of best procurement practices in state purchasing with the goal of
412 achieving the level of acumen necessary to achieve the objectives of

413 statutes and regulations concerning procurement.

414 Sec. 7. Subsection (a) of section 4e-7 of the general statutes is repealed
415 and the following is substituted in lieu thereof (*Effective July 1, 2024*):

416 (a) For cause, the State Contracting Standards Board may review,
417 terminate or recommend to a state contracting agency the termination
418 of any contract or procurement agreement undertaken by any state
419 contracting agency after providing fifteen days' notice to the state
420 contracting agency and the applicable contractor, and consulting with
421 the Attorney General. Such termination of a contract or procurement
422 agreement by the board may occur only after (1) the board has consulted
423 with the state contracting agency to determine the impact of an
424 immediate termination of the contract, (2) a determination has been
425 made jointly by the board and the state contracting agency that an
426 immediate termination of the contract will not create imminent peril to
427 the public health, safety or welfare, (3) a vote of two-thirds of the
428 members of the board present and voting for that purpose, and (4) the
429 board has provided the state contracting agency and the contractor with
430 opportunity for a hearing conducted pursuant to the provisions of
431 chapter 54. Such action shall be accompanied by notice to the state
432 contracting agency and any other affected party. For the purpose of this
433 section, "for cause" means: (A) A violation of section 1-84 or 1-86e, as
434 determined by the Citizen's Ethics Advisory Board; (B) wanton or
435 reckless disregard of any state contracting and procurement process by
436 any person substantially involved in such contract or state contracting
437 agency; or (C) notification from the Attorney General to the state
438 contracting agency that an investigation pursuant to section 4-61dd has
439 concluded that the process by which such contract was awarded was
440 compromised by fraud, collusion or any other criminal violation.
441 Nothing in this section shall be construed to limit the authority of the
442 board as described in section 4e-6.

443 Sec. 8. Subsection (a) of section 4e-10 of the general statutes is
444 repealed and the following is substituted in lieu thereof (*Effective July 1,*
445 *2024*):

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

452 Sec. 9. Subsections (c) and (d) of section 4e-16 of the general statutes
453 are repealed and the following is substituted in lieu thereof (*Effective July*
454 *1, 2024*):

455 (c) (1) If such cost-benefit analysis identifies a cost savings to the state
456 of ten per cent or more, and such privatization contract will not diminish
457 the quality of such service, the state contracting agency shall develop a
458 business case, in accordance with the provisions of subsection (d) of this
459 section, in order to evaluate the feasibility of entering into any such
460 contract and to identify the potential results, effectiveness and efficiency
461 of such contract.

462 (2) If such cost-benefit analysis identifies a cost savings of less than
463 ten per cent to the state and such privatization contract will not diminish
464 the quality of such service, the state contracting agency may develop a
465 business case, in accordance with the provisions of subsection (d) of this
466 section, in order to evaluate the feasibility of entering into any such
467 contract and to identify the potential results, effectiveness and efficiency
468 of such contract, provided there is a significant public policy reason to
469 enter into such privatization contract. Any such business case shall be
470 approved in accordance with the provisions of subdivision (4) of
471 subsection (h) of this section.

472 (3) If any such proposed privatization contract would result in the
473 layoff, transfer or reassignment of [one hundred] twenty-five or more
474 state contracting agency employees, after consulting with the
475 potentially affected bargaining units, if any, the state contracting agency
476 shall notify the state employees of such bargaining unit, after such cost-
477 benefit analysis is completed. Such state contracting agency shall

478 provide an opportunity for [said] such employees to reduce the costs of
479 conducting the operations to be privatized and provide reasonable
480 resources for the purpose of encouraging and assisting such state
481 employees to organize and submit a bid to provide the services that are
482 the subject of the potential privatization contract. The state contracting
483 agency shall retain sole discretion in determining whether to proceed
484 with the privatization contract, provided the business case for such
485 contract is approved by the board.

486 (d) Any business case developed by a state contracting agency for the
487 purpose of complying with subsection (c) of this section shall include:
488 (1) The cost-benefit analysis as described in subsection (b) of this section,
489 (2) a detailed description of the service or activity that is the subject of
490 such business case, (3) a description and analysis of the state contracting
491 agency's current performance of such service or activity, (4) the goals to
492 be achieved through the proposed privatization contract and the
493 rationale for such goals, (5) a description of available options for
494 achieving such goals, (6) an analysis of the advantages and
495 disadvantages of each option, including, at a minimum, potential
496 performance improvements and risks attendant to termination of the
497 contract or rescission of such contract, (7) an analysis of the potential
498 impact of the proposed privatization contract on workers of color and
499 workers who are women, including whether such privatization contract
500 will lessen or increase historical patterns that produce inequities
501 between such workers and other workers, (8) a description of the
502 current market for the services or activities that are the subject of such
503 business case, [(8)] (9) an analysis of the quality of services as gauged by
504 standardized measures and key performance requirements including
505 compensation, turnover, and staffing ratios, [(9)] (10) a description of
506 the specific results-based performance standards that shall, at a
507 minimum be met, to ensure adequate performance by any party
508 performing such service or activity, [(10)] (11) the projected time frame
509 for key events from the beginning of the procurement process through
510 the expiration of a contract, if applicable, [(11)] (12) a specific and
511 feasible contingency plan that addresses contractor nonperformance

512 and a description of the tasks involved in and costs required for
513 implementation of such plan, and [(12)] (13) a transition plan, if
514 appropriate, for addressing changes in the number of agency personnel,
515 affected business processes, employee transition issues, and
516 communications with affected stakeholders, such as agency clients and
517 members of the public, if applicable. Such transition plan shall contain
518 a reemployment and retraining assistance plan for employees who are
519 not retained by the state or employed by the contractor. If the primary
520 purpose of the proposed privatization contract is to provide a core
521 governmental function, such business case shall also include
522 information sufficient to rebut the presumption that such core
523 governmental function should not be privatized. Such presumption
524 shall not be construed to prohibit a state contracting agency from
525 contracting for specialized technical expertise not available within such
526 agency, provided such agency shall retain responsibility for such core
527 governmental function. For the purposes of this section, "core
528 governmental function" means a function for which the primary
529 purpose is (A) the inspection for adherence to health and safety
530 standards because public health or safety may be jeopardized if such
531 inspection is not done or is not done in a timely or proper manner, (B)
532 the establishment of statutory, regulatory or contractual standards to
533 which a regulated person, entity or state contractor shall be held, (C) the
534 enforcement of statutory, regulatory or contractual requirements
535 governing public health or safety, [or] (D) criminal or civil law
536 enforcement, or (E) the provision of essential human services to
537 residents of the state who would otherwise lack the support necessary
538 to assure basic human needs. If any part of such business case is based
539 upon evidence that the state contracting agency is not sufficiently
540 staffed to provide the core governmental function required by the
541 privatization contract, the state contracting agency shall also include
542 within such business case a plan for remediation of the understaffing to
543 allow such services to be provided directly by the state contracting
544 agency in the future.

545 Sec. 10. Subsection (p) of section 4e-16 of the general statutes is

546 repealed and the following is substituted in lieu thereof (*Effective July 1,*
547 *2024*):

548 (p) Prior to entering into or renewing any privatization contract that
549 is not subject to the provisions of subsection (a) of this section, the state
550 contracting agency shall evaluate such contract to determine if entering
551 into or renewing such contract is the most cost-effective method of
552 delivering the service, by determining the costs, as defined in subsection
553 (b) of this section, of such service. The state contracting agency shall
554 perform such evaluation in accordance with a template prescribed by
555 the Secretary of the Office of Policy and Management, in consultation
556 with the board, pursuant to subsection (m) of this section, and such
557 evaluation shall be [subject to verification by the secretary] submitted to
558 the board. The secretary may, in consultation with the Chief
559 Procurement Officer of the board, waive the requirement for an
560 evaluation of cost-effectiveness under this subsection upon a finding by
561 the secretary that exigent or emergent circumstances necessitate such
562 waiver.

563 Sec. 11. Subsection (c) of section 4e-21 of the general statutes is
564 repealed and the following is substituted in lieu thereof (*Effective July 1,*
565 *2024*):

566 (c) The State Contracting Standards Board, in consultation with the
567 Commissioner of Administrative Services, may waive the requirement
568 of competitive bidding or competitive negotiation in the case of minor,
569 nonrecurring or emergency purchases of ten thousand dollars or less in
570 amount, upon application of the state contracting agency. Any state
571 contracting agency that obtains such a waiver for such an emergency
572 purchase shall post notice of such emergency purchase on the Internet
573 web site of the state contracting agency prior to making such emergency
574 purchase.

575 Sec. 12. Section 4e-24 of the general statutes is repealed and the
576 following is substituted in lieu thereof (*Effective July 1, 2024*):

577 (a) [Not later than June 1, 2010, the State Contracting Standards

578 Board, in consultation with the Commissioner of Administrative
579 Services and any other appropriate award authority, shall adopt
580 regulations, in accordance with the provisions of chapter 54, permitting]
581 If an emergency [procurements when there exists] procurement is
582 deemed necessary by a state contracting agency due to a threat to public
583 health, welfare or safety, the state contracting agency shall give notice
584 to the board of the need for such emergency procurement. Such
585 emergency [procurements] procurement shall be made with
586 competition, as is practicable under the circumstances. [Said regulations
587 shall require that] The state contracting agency shall (1) include a
588 written determination of the basis for the emergency and for the
589 selection of the particular contractor [be included] in the contract file
590 and [transmitted] transmit such determination to the Governor, the
591 president pro tempore of the Senate, the majority and minority leaders
592 of the Senate, the speaker of the House of Representatives and the
593 majority and minority leaders of the House of Representatives, and (2)
594 post such determination on the Internet web site of the state contracting
595 agency.

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

599 Sec. 13. Section 4e-27 of the general statutes is repealed and the
600 following is substituted in lieu thereof (*Effective July 1, 2024*):

601 Not later than June 1, 2010, the State Contracting Standards Board, in
602 consultation with the Attorney General, shall adopt regulations, in
603 accordance with the provisions of chapter 54, specifying the types of
604 contracts that may be used by state contracting agencies. Such
605 regulations shall specify that a cost-reimbursement contract may be
606 used only when a determination is made in writing by the agency
607 procurement officer that such contract is likely to be less costly to the
608 state contracting agency than any other type or that it is impracticable
609 to obtain the supplies, services or construction required except under
610 such a contract.

611 Sec. 14. Subsection (b) of section 4e-34 of the general statutes is
612 repealed and the following is substituted in lieu thereof (*Effective July 1,*
613 *2024*):

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

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

619 (2) Conviction of, or entry of a plea of guilty or nolo contendere or
620 admission to, the violation of any state or federal law for embezzlement,
621 theft, forgery, bribery, falsification or destruction of records, receiving
622 stolen property or any other offense indicating a lack of business
623 integrity or business honesty which affects responsibility as a state
624 contractor;

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

629 (4) Accumulation of two or more suspensions pursuant to section 4e-
630 35 within a twenty-four-month period;

631 (5) A wilful, negligent or reckless failure to perform in accordance
632 with the terms of one or more contracts or subcontracts, agreements or
633 transactions with state contracting agencies;

634 (6) A history of failure to perform or of unsatisfactory performance
635 on one or more public contracts, agreements or transactions with state
636 contracting agencies;

637 (7) A wilful violation of a statutory or regulatory provision or
638 requirement applicable to a contract, agreement or transaction with
639 state contracting agencies;

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

643 (9) Any other cause or conduct the board determines to be so serious
644 and compelling as to affect responsibility as a state contractor,
645 including, but not limited to:

646 (A) Disqualification by another state for cause;

647 (B) The fraudulent or criminal conduct of any officer, director,
648 shareholder, partner, employee or other individual associated with a
649 contractor, bidder or proposer of such contractor, bidder or proposer; [,
650 provided such conduct occurred in connection with the individual's
651 performance of duties for or on behalf of such contractor, bidder or
652 proposer and such contractor, bidder or proposer knew or had reason
653 to know of such conduct;]

654 (C) The existence of an informal or formal business relationship with
655 a contractor who has been disqualified from bidding or proposing on
656 state contracts of any state contracting agency.

657 Sec. 15. Section 4e-46 of the general statutes is repealed and the
658 following is substituted in lieu thereof (*Effective July 1, 2024*):

659 Not later than June 1, 2010, the State Contracting Standards Board
660 shall adopt regulations, in accordance with the provisions of chapter 54,
661 concerning the procedure and circumstances under which a state
662 contracting agency may allow contract modification, change order, or
663 contract price adjustment under a construction contract with the state
664 contracting agency in excess of fifty thousand dollars. Such regulations
665 shall require that every contract modification, change order or contract
666 price adjustment under a construction contract with the state
667 contracting agency in excess of fifty thousand dollars shall be subject to
668 prior written certification by the fiscal officer of the state contracting
669 agency or other agency responsible for funding the project or the
670 contract, or other official responsible for monitoring and reporting upon

671 the status of the costs of the total project budget or contract budget, as
672 to the effect of the contract modification, change order, or adjustment in
673 contract price on the total project budget or the total contract budget.
674 Such regulations shall further provide that in the event the certification
675 of the fiscal officer or other responsible official discloses a resulting
676 increase in the total project budget or the total contract budget, the
677 agency procurement officer shall not execute or make such contract
678 modification, change order, or adjustment in contract price unless
679 sufficient funds are available or the scope of the project or contract is
680 adjusted so as to permit the degree of completion that is feasible within
681 the total project budget or total contract budget as it existed prior to the
682 contract modification, change order, or adjustment in contract price
683 under consideration provided, with respect to the validity, as to the
684 contractor, of any executed contract modification, change order, or
685 adjustment in contract price which the contractor has reasonably relied
686 upon, it shall be presumed that there has been compliance with the
687 provisions of this section.

688 Sec. 16. Subsection (a) of section 4e-48 of the general statutes is
689 repealed and the following is substituted in lieu thereof (*Effective July 1,*
690 *2024*):

691 (a) For the purposes of this section, "nonresident bidder" means a
692 business that is not a resident of the state that submits a bid in response
693 to an invitation to bid by a state contracting agency, "resident bidder"
694 means a business that submits a bid in response to an invitation to bid
695 by a state contracting agency and that has paid unemployment taxes or
696 income taxes in this state during the twelve calendar months
697 immediately preceding submission of such bid, has a business address
698 in the state and has affirmatively claimed such status in the bid
699 submission, and "contract" [means "contract" as defined in section 4e-1
700 and "state contracting agency" means] and "state contracting agency" [,
701 as defined] have the same meanings as provided in section 4e-1, as
702 amended by this act.

703 Sec. 17. Subsection (b) of section 46a-10b of the general statutes is

704 repealed and the following is substituted in lieu thereof (*Effective July 1,*
 705 *2024*):

706 (b) Notwithstanding the provisions of sections 4-212 to 4-219,
 707 inclusive, subdivision [(21)] (20) of section 4e-1, as amended by this act,
 708 and chapter 62a, not later than July 1, 2017, the Governor shall designate
 709 a nonprofit entity to serve as the Connecticut protection and advocacy
 710 system.

711 Sec. 18. Subsection (a) of section 4e-30 of the general statutes is
 712 repealed and the following is substituted in lieu thereof (*Effective July 1,*
 713 *2024*):

714 (a) A state contracting agency shall evaluate the financial condition
 715 of all bidders or proposers prior to selecting a bidder or proposer to
 716 perform a contract or subcontract. A state contracting agency may audit
 717 the books and records of a contractor or any subcontractor under any
 718 negotiated contract or subcontract to the extent that such books and
 719 records relate to the performance of such contract or subcontract. Such
 720 books and records shall be maintained by the contractor for a period of
 721 three years from the date of final payment under the prime contract and
 722 by the subcontractor for a period of three years from the expiration of
 723 the subcontract.

724 Sec. 19. Section 4e-3 of the general statutes is amended by adding
 725 subsection (c) as follows (*Effective July 1, 2024*):

726 (NEW) (c) Any provision of this title shall supersede any contrary
 727 provision concerning a state contracting agency in any provision of the
 728 general statutes."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2024</i>	4e-1
Sec. 3	<i>July 1, 2024</i>	4e-2(g) and (h)
Sec. 4	<i>July 1, 2024</i>	4e-3(a)(2)

Sec. 5	<i>July 1, 2024</i>	4e-4
Sec. 6	<i>July 1, 2024</i>	4e-5(a) to (c)
Sec. 7	<i>July 1, 2024</i>	4e-7(a)
Sec. 8	<i>July 1, 2024</i>	4e-10(a)
Sec. 9	<i>July 1, 2024</i>	4e-16(c) and (d)
Sec. 10	<i>July 1, 2024</i>	4e-16(p)
Sec. 11	<i>July 1, 2024</i>	4e-21(c)
Sec. 12	<i>July 1, 2024</i>	4e-24
Sec. 13	<i>July 1, 2024</i>	4e-27
Sec. 14	<i>July 1, 2024</i>	4e-34(b)
Sec. 15	<i>July 1, 2024</i>	4e-46
Sec. 16	<i>July 1, 2024</i>	4e-48(a)
Sec. 17	<i>July 1, 2024</i>	46a-10b(b)
Sec. 18	<i>July 1, 2024</i>	4e-30(a)
Sec. 19	<i>July 1, 2024</i>	4e-3(c)