



Senate

General Assembly

File No. 302

January Session, 2007

Senate Bill No. 530

Senate, April 4, 2007

The Committee on Government Administration and Elections reported through SEN. SLOSSBERG of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT EXEMPTING CERTAIN REGIONAL ENTITIES FROM THE REQUIREMENTS OF THE SET-ASIDE PROGRAM FOR SMALL CONTRACTORS AND MINORITY BUSINESS ENTERPRISES.

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

1 Section 1. Subsection (a) of section 4a-60g of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2007*):

4 (a) As used in this section and sections 4a-60h to 4a-60j, inclusive,
5 the following terms have the following meanings:

6 (1) "Small contractor" means any contractor, subcontractor,
7 manufacturer or service company (A) which has been doing business
8 under the same ownership and management and has maintained its
9 principal place of business in the state, for a period of at least one year
10 immediately prior to the date of application for certification under this
11 section, (B) which had gross revenues not exceeding ten million dollars

12 in the most recently completed fiscal year prior to such application,
13 and (C) at least fifty-one per cent of the ownership of which is held by
14 a person or persons who exercise operational authority over the daily
15 affairs of the business and have the power to direct the management
16 and policies and receive the beneficial interests of the business, except
17 that a nonprofit corporation shall be construed to be a small contractor
18 if such nonprofit corporation meets the requirements of subparagraphs
19 (A) and (B) of this subdivision.

20 (2) "State agency" means each state board, commission, department,
21 office, institution, council or other agency with the power to contract
22 for goods or services itself or through its head, except that "state
23 agency" does not include regional councils of governments formed
24 under the provisions of sections 4-124i to 4-124p, inclusive, regional
25 councils of elected officials formed pursuant to section 4-124c or
26 regional planning agencies organized under the provisions of chapter
27 127.

28 (3) "Minority business enterprise" means any small contractor (A)
29 fifty-one per cent or more of the capital stock, if any, or assets of which
30 are owned by a person or persons (i) who exercise operational
31 authority over the daily affairs of the enterprise, (ii) who have the
32 power to direct the management and policies and receive the beneficial
33 interest of the enterprise, and (iii) who are members of a minority, as
34 such term is defined in subsection (a) of section 32-9n, (B) who is an
35 individual with a disability, or (C) which is a nonprofit corporation in
36 which fifty-one per cent or more of the persons who (i) exercise
37 operational authority over the enterprise, and (ii) have the power to
38 direct the management and policies of the enterprise are members of a
39 minority, as defined in this subsection, or are individuals with a
40 disability.

41 (4) "Affiliated" means the relationship in which a person directly, or
42 indirectly through one or more intermediaries, controls, is controlled
43 by or is under common control with another person.

44 (5) "Control" means the power to direct or cause the direction of the

45 management and policies of any person, whether through the
 46 ownership of voting securities, by contract or through any other direct
 47 or indirect means. Control shall be presumed to exist if any person,
 48 directly or indirectly, owns, controls, holds with the power to vote, or
 49 holds proxies representing, twenty per cent or more of any voting
 50 securities of another person.

51 (6) "Person" means any individual, corporation, limited liability
 52 company, partnership, association, joint stock company, business trust,
 53 unincorporated organization or other entity.

54 (7) "Individual with a disability" means an individual (A) having a
 55 physical impairment that substantially limits one or more of the major
 56 life activities of the individual, or (B) having a record of such an
 57 impairment.

58 (8) "Nonprofit corporation" means a nonprofit corporation
 59 incorporated pursuant to chapter 602 or any predecessor statutes
 60 thereto.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	4a-60g(a)

GAE *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***The Out Years******State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**SB 530*****AN ACT EXEMPTING CERTAIN REGIONAL ENTITIES FROM THE REQUIREMENTS OF THE SET-ASIDE PROGRAM FOR SMALL CONTRACTORS AND MINORITY BUSINESS ENTERPRISES.*****SUMMARY:**

By law, state agencies and political subdivisions, other than municipalities, must set aside 25% of the contracts they let for construction, goods, and services each year for small contractors and minority business enterprises.

This bill exempts certain regional planning organizations from the definition of state agency with respect to the set-aside program, thereby exempting them from its requirements. They are (1) regional councils of governments, (2) regional councils of elected officials, and (3) regional planning agencies.

EFFECTIVE DATE: October 1, 2007

BACKGROUND***Regional Planning Organizations***

Towns within a state-designated planning region can form three types of regional planning organizations. They can establish a regional planning agency (RPA) to prepare a regional plan of development. They can also form a regional council of elected officials, which gives their chief elected officials a forum to air mutual concerns and interests. The council may perform the duties of an RPA if the region does not have one.

Lastly, towns can put the policymaking and planning functions under their chief elected officials by establishing a regional council of government that automatically supplants and assumes the duties of

the council of elected officials and the RPA. The regional council of governments includes a regional planning commission consisting of one representative from each local planning commission.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 12 Nay 0 (03/19/2007)