



Senate

General Assembly

File No. 415

January Session, 2013

Substitute Senate Bill No. 692

Senate, April 9, 2013

The Committee on Planning and Development reported through SEN. CASSANO, S. of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING REQUIREMENTS FOR COMPETITIVE BIDDING FOR THE AWARD OF CONTRACTS OR PURCHASE OF PROPERTY BY MUNICIPALITIES.

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

1 Section 1. Section 7-148v of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2013*):

3 Notwithstanding the provisions of any municipal charter or any
4 special act to the contrary, any municipality may, by ordinance,
5 establish requirements for competitive bidding for the award of any
6 contract or the purchase of any real or personal property by the
7 municipality. Such ordinance may provide that, except as otherwise
8 required by any provision of the general statutes, sealed bidding shall
9 not be required for contracts or purchases having a value less than or
10 equal to an amount established in the ordinance, which amount shall
11 not be greater than [seven thousand five hundred] twenty-five
12 thousand dollars. Nothing in this section shall be deemed to invalidate

13 any ordinance enacted by a municipality prior to October 1, 1989.
14 Nothing in this section and no ordinance adopted pursuant to this
15 section shall be construed to limit the ability of a municipality to enter
16 into a contract pursuant to section 4a-53a.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013</i>	7-148v

PD *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: None

Municipal Impact:

Municipalities	Effect	FY 14 \$	FY 15 \$
All Municipalities	Savings	Potential	Potential

Explanation

The bill raises the threshold for which sealed bidding is required for municipal contracts and purchases from \$7,500 to \$25,000.

There is a potential savings to municipalities associated with reduced administrative and advertising costs resulting from fewer contracts and purchases requiring sealed bidding. The savings depends upon the contracting process of a municipality. For example, municipalities that post formal sealed bids in newspapers would realize reduced advertising costs.

The Out Years

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

OLR Bill Analysis

sSB 692

AN ACT CONCERNING REQUIREMENTS FOR COMPETITIVE BIDDING FOR THE AWARD OF CONTRACTS OR PURCHASE OF PROPERTY BY MUNICIPALITIES.

SUMMARY:

This bill increases, from \$7,500 to \$25,000, the maximum value of contracts or purchases that a municipality may exempt, by ordinance, from its sealed bidding requirements.

EFFECTIVE DATE: October 1, 2013

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 19 Nay 0 (03/22/2013)