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## OLR Bill Analysis

### sSB 151

#### ***AN ACT CONCERNING CONTRACT COMPLIANCE REQUIREMENTS FOR THE METROPOLITAN DISTRICT OF HARTFORD.***

#### **SUMMARY:**

This bill makes technical changes in the laws regarding the Metropolitan District Commission's (MDC) status for purposes of nondiscrimination contracting requirements and the state's small and minority business set-aside program.

Specifically, the bill deems MDC to be a political subdivision of the state for purposes of existing requirements for nondiscrimination provisions in contracts with the state or political subdivisions, other than municipalities. Existing law already deems MDC to be a state agency for this purpose (PA 13-247, § 24).

Existing law and the bill also require MDC to participate in the set-aside program (also called the supplier diversity program).

MDC is a nonprofit municipal corporation providing water and sewer service in the greater Hartford area. It operates primarily under a 1929 special act charter and answers to a 29-member commission consisting mostly of municipal representatives.

EFFECTIVE DATE: July 1, 2014

#### **BACKGROUND**

##### ***Nondiscrimination Requirements for Contractors***

Existing law generally requires state contracts and contracts of political subdivisions, other than municipalities, to contain provisions that protect people against discrimination based on race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, intellectual disability, mental disability,

physical disability, or sexual orientation.

These requirements do not apply to contracts in which each party is (1) a municipality or other political subdivision of the state, (2) a quasi-public agency, (3) another state, (4) the federal government, (5) a foreign government, or (6) an agency of any of the above.

***Supplier Diversity Program***

This program requires state contracting agencies and other state entities (“state agencies”) and political subdivisions, other than municipalities, to annually set aside at least 25% of the value of their contracts for exclusive bidding by certified independent small businesses. They must also set aside 25% of that amount (6.25% of the total) for exclusive bidding by certified minority-owned businesses. For these purposes, small businesses are those with a principal place of business in Connecticut and up to \$15 million in gross revenues in the most recent fiscal year before applying to participate. Minority businesses are independent small businesses owned by women, members of minority groups, people with disabilities, or nonprofit organizations.

State agencies and political subdivisions that are otherwise required to participate are exempt from the program if the total value of their contracts is less than \$10,000 in a given year.

**COMMITTEE ACTION**

Judiciary Committee

Joint Favorable

Yea 32 Nay 0 (04/01/2014)