



# House of Representatives

General Assembly

**File No. 335**

February Session, 2014

House Bill No. 5117

*House of Representatives, April 3, 2014*

The Committee on Energy and Technology reported through REP. REED of the 102nd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## ***AN ACT CONCERNING A CLEAN ALTERNATIVE FUEL VEHICLE PROCUREMENT PREFERENCE.***

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

1 Section 1. Subsection (c) of section 4a-59 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2014*):

4 (c) All open market orders or contracts shall be awarded to (1) the  
5 lowest responsible qualified bidder, the qualities of the articles to be  
6 supplied, their conformity with the specifications, their suitability to  
7 the requirements of the state government and the delivery terms being  
8 taken into consideration and, at the discretion of the Commissioner of  
9 Administrative Services, life-cycle costs and trade-in or resale value of  
10 the articles may be considered where it appears to be in the best  
11 interest of the state, (2) the highest scoring bidder in a multiple criteria  
12 bid, in accordance with the criteria set forth in the bid solicitation for  
13 the contract, or (3) the proposer whose proposal is deemed by the  
14 awarding authority to be the most advantageous to the state, in

15 accordance with the criteria set forth in the request for proposals,  
16 including price and evaluation factors. Notwithstanding any provision  
17 of the general statutes to the contrary, each state agency awarding a  
18 contract through competitive negotiation shall include price as an  
19 explicit factor in the criteria in the request for proposals and for the  
20 contract award. In considering past performance of a bidder for the  
21 purpose of determining the "lowest responsible qualified bidder" or  
22 the "highest scoring bidder in a multiple criteria bid", the  
23 commissioner shall evaluate the skill, ability and integrity of the  
24 bidder in terms of the bidder's fulfillment of past contract obligations  
25 and the bidder's experience or lack of experience in delivering  
26 supplies, materials, equipment or contractual services of the size or  
27 amount for which bids have been solicited. In determining the lowest  
28 responsible qualified bidder for the purposes of this section, the  
29 commissioner may give a price preference of up to ten per cent for (A)  
30 the purchase of goods made with recycled materials or the purchase of  
31 recyclable or remanufactured products if the commissioner determines  
32 that such preference would promote recycling or remanufacturing. As  
33 used in this subsection, "recyclable" means able to be collected,  
34 separated or otherwise recovered from the solid waste stream for  
35 reuse, or for use in the manufacture or assembly of another package or  
36 product, by means of a recycling program which is reasonably  
37 available to at least seventy-five per cent of the state's population,  
38 "remanufactured" means restored to its original function and thereby  
39 diverted from the solid waste stream by retaining the bulk of  
40 components that have been used at least once and by replacing  
41 consumable components and "remanufacturing" means any process by  
42 which a product is remanufactured; (B) the purchase of motor vehicles  
43 powered by a clean alternative fuel; (C) the purchase of motor vehicles  
44 powered by fuel other than a clean alternative fuel and conversion  
45 equipment to convert such motor vehicles allowing the vehicles to be  
46 powered by either the exclusive use of clean alternative fuel or dual  
47 use of a clean alternative fuel and a fuel other than a clean alternative  
48 fuel. As used in this subsection, "clean alternative fuel" means natural  
49 gas, [or] electricity, hydrogen or propane when used as a motor vehicle

50 fuel; or (D) the purchase of goods or services from micro businesses.  
 51 As used in this subsection, "micro business" means a business with  
 52 gross revenues not exceeding three million dollars in the most recently  
 53 completed fiscal year. All other factors being equal, preference shall be  
 54 given to supplies, materials and equipment produced, assembled or  
 55 manufactured in the state and services originating and provided in the  
 56 state. If any such bidder refuses to accept, within ten days, a contract  
 57 awarded to such bidder, such contract may be awarded to the next  
 58 lowest responsible qualified bidder or the next highest scoring bidder  
 59 in a multiple criteria bid, whichever is applicable, and so on until such  
 60 contract is awarded and accepted. If any such proposer refuses to  
 61 accept, within ten days, a contract awarded to such proposer, such  
 62 contract shall be awarded to the next most advantageous proposer,  
 63 and so on until the contract is awarded and accepted. There shall be a  
 64 written evaluation made of each bid. This evaluation shall identify the  
 65 vendors and their respective costs and prices, document the reason  
 66 why any vendor is deemed to be nonresponsive and recommend a  
 67 vendor for award. A contract valued at one million dollars or more  
 68 shall be awarded to a bidder other than the lowest responsible  
 69 qualified bidder or the highest scoring bidder in a multiple criteria bid,  
 70 whichever is applicable, only with written approval signed by the  
 71 Commissioner of Administrative Services and by the Comptroller. The  
 72 commissioner shall post on the department's Internet web site all  
 73 awards made pursuant to the provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2014	4a-59(c)

**ET**      *Joint Favorable*

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.

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**OFA Fiscal Note**

**State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 15 \$</b>	<b>FY 16 \$</b>
Various State Agencies	Various - Potential Cost	Potential Minimal	Potential Minimal

**Municipal Impact:** None

**Explanation**

The bill adds (1) vehicles fueled by hydrogen or propane and (2) equipment to convert a conventionally powered vehicle to one powered by hydrogen, propane, or a combination of conventional fuel and hydrogen or propane to the list of items to which the Department of Administrative Services (DAS) can give up to a 10% price preference when awarding state contracts. This may increase the costs to various state agencies if contracts that would otherwise be awarded to the lowest qualified bidder are awarded towards hydrogen or propane powered vehicles and their related conversion equipment.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to contracts awarded with a price preference.

**OLR Bill Analysis****HB 5117*****AN ACT CONCERNING A CLEAN ALTERNATIVE FUEL VEHICLE PROCUREMENT PREFERENCE.*****SUMMARY:**

This bill expands the items to which the Department of Administrative Services (DAS) commissioner can give up to a 10% price preference when awarding state contracts. The additional items are (1) vehicles fueled by hydrogen or propane and (2) equipment to convert a conventionally powered vehicle to one powered by (a) hydrogen, (b) propane, or (c) a combination of conventional fuel and hydrogen or propane. Existing law allows the commissioner to apply the price preference to electric- or natural-gas-powered vehicles and their related conversion equipment, among other things.

The law also (1) requires all cars and light-duty trucks (with some exceptions) purchased after January 1, 2012 to be alternative-fueled, hybrid electric, or plug-in electric vehicles (CGS § 4a-67d) and (2) allows the DAS commissioner, under certain conditions, to waive competitive bidding requirements when purchasing cars or light-duty trucks to comply with state or federal laws regarding alternative fuel vehicle purchases (CGS § 4a-57).

EFFECTIVE DATE: October 1, 2014

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable

Yea 22 Nay 1 (03/18/2014)