



House of Representatives

General Assembly

File No. 536

February Session, 2014

House Bill No. 5553

House of Representatives, April 14, 2014

The Committee on Government Administration and Elections reported through REP. JUTILA of the 37th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT EXEMPTING CERTAIN AGREEMENTS BETWEEN INSTITUTIONS OF HIGHER EDUCATION AND PRIVATE ENTITIES FROM CONTRACTING REQUIREMENTS.

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

1 Section 1. (NEW) (*Effective October 1, 2014*) (a) For purposes of this
2 section, "nonfinancial agreement" includes an agreement (1) not to
3 disclose patented or copyrighted information, (2) for a joint program
4 venture, (3) for contributions of educational equipment by a person,
5 firm or corporation, or (4) for donation of a clinical site for students
6 attending an institution of higher education by a person, firm or
7 corporation.

8 (b) Notwithstanding the provisions of chapter 58 of the general
9 statutes, in the case of an agreement between an institution of higher
10 education and a person, firm or corporation (1) for such institution to
11 provide services, including, but not limited to training, to such person,
12 firm or corporation for a fee, or (2) consisting of a nonfinancial

13 agreement, neither the institution of higher education nor such person,
14 firm or corporation shall be considered a state contractor for purposes
15 of such agreement.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	New section

GAE *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.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 15 \$	FY 16 \$
Higher Education Constituent Units	GF - Potential Savings	Minimal	Minimal

Municipal Impact: None

Explanation

The bill results in a potential minimal savings to the constituent units of higher education to the extent that equipment provided to the colleges and universities by firms or corporations doesn't otherwise need to be purchased.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number and size of contributions and donations.

OLR Bill Analysis**HB 5553*****AN ACT EXEMPTING CERTAIN AGREEMENTS BETWEEN INSTITUTIONS OF HIGHER EDUCATION AND PRIVATE ENTITIES FROM CONTRACTING REQUIREMENTS.*****SUMMARY:**

This bill exempts certain agreements between higher education institutions and people, firms, and corporations from competitive bidding requirements the law imposes on state agencies when contracting for goods and services. It also exempts such agreements from mandatory contractual language pledging compliance with antidiscrimination laws (see BACKGROUND). These exemptions apply to (1) nonfinancial agreements and (2) those under which a higher education institution provides training or other services for a fee.

Under the bill, “nonfinancial agreement” includes an agreement for (1) nondisclosure of patented or copyrighted information; (2) a joint program venture; and (3) donation by a person, firm, or corporation of (a) educational equipment or (b) a clinical site for students attending a higher education institution. The bill does not define “institution of higher education,” but presumably the term refers to public state universities and community colleges.

As a result of the bill’s exemption, these agreements do not need to contain provisions pledging that the contracting parties will, among other things:

1. comply with state anti-discrimination laws;
2. include the phrase “affirmative action – equal opportunity employer” in employee solicitations or advertisements;

3. grant the Commission on Human Rights and Opportunities (CHRO) access to pertinent books, records, and accounts on its employment practices and procedures; or
4. file compliance and employment reports with CHRO.

EFFECTIVE DATE: October 1, 2014

BACKGROUND

Agreements Involving State Contractors

By law, agreements between parties and the state or its political subdivisions must contain pledges to abide by anti-discrimination and affirmative action laws (CGS §§ 4a-60, 4a-60a) and fulfill CHRO records access and reporting requirements (CGS § 46a-68e).

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 13 Nay 0 (03/24/2014)