



Senate

General Assembly

File No. 717

January Session, 2015

Substitute Senate Bill No. 1113

Senate, April 16, 2015

The Committee on Government Administration and Elections 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 REVISING STATUTES CONCERNING THE STATE CONTRACTING STANDARDS BOARD.

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

1 Section 1. Section 4e-1 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2015*):

3 For the purposes of [sections 4e-1 to 4e-47, inclusive] this chapter:

4 (1) "Best value selection" means a contract selection process in which
5 the award of a contract is based on a combination of quality, timeliness
6 and cost factors;

7 (2) "Bid" means an offer, submitted in response to an invitation to
8 bid, to furnish supplies, materials, equipment, construction or
9 contractual services to a state contracting agency under prescribed
10 conditions at a stated price;

11 (3) "Bidder" means a business submitting a bid in response to an

12 invitation to bid by a state contracting agency;

13 (4) "Board" means the State Contracting Standards Board;

14 [(4)] (5) "Business" means any individual or sole proprietorship,
15 partnership, firm, corporation, trust, limited liability company, limited
16 liability partnership, joint stock company, joint venture, association or
17 other legal entity through which business for profit or not-for-profit is
18 conducted;

19 [(5)] (6) "Competitive bidding" means the submission of prices by a
20 business competing for a contract to provide supplies, materials,
21 equipment or contractual services to a state contracting agency, under
22 a procedure in which the contracting authority does not negotiate
23 prices, as set forth in statutes and regulations concerning procurement;

24 [(6)] (7) "Consultant" means (A) any architect, professional engineer,
25 landscape architect, land surveyor, accountant, interior designer,
26 environmental professional or construction administrator, who is
27 registered or licensed to practice such person's profession in
28 accordance with the applicable provisions of the general statutes, (B)
29 any planner or any environmental, management or financial specialist,
30 or (C) any person who performs professional work in areas including,
31 but not limited to, educational services, medical services, information
32 technology and real estate appraisal;

33 [(7)] (8) "Consultant services" means those professional services
34 rendered by a consultant and any incidental services that a consultant
35 and those in the consultant's employ are authorized to perform;

36 [(8)] (9) "Contract" or "state contract" means an agreement or a
37 combination or series of agreements between a state contracting
38 agency or quasi-public agency and a business for:

39 (A) A project for the construction, reconstruction, alteration,
40 remodeling, repair or demolition of any public building, public work,
41 mass transit, rail station, parking garage, rail track or airport;

42 (B) Services, including, but not limited to, consultant and
43 professional services;

44 (C) The acquisition or disposition of personal property;

45 (D) The provision of goods and services, including, but not limited
46 to, the use of purchase of services contracts and personal service
47 agreements;

48 (E) The provision of information technology, state agency
49 information system or telecommunication system facilities, equipment
50 or services;

51 (F) A lease; or

52 (G) A licensing agreement;

53 "Contract" or "state contract" does not include a contract between a
54 state agency or a quasi-public agency and a political subdivision of the
55 state;

56 [(9)] (10) "Term contract" means the agreement reached when the
57 state accepts a bid or proposal to furnish supplies, materials,
58 equipment or contractual services at a stated price for a specific period
59 of time in response to an invitation to bid;

60 [(10)] (11) "Contract risk assessment" means (A) the identification
61 and evaluation of loss exposures and risks, including, but not limited
62 to, business and legal risks associated with the contracting process and
63 the contracted goods and services, and (B) the identification,
64 evaluation and implementation of measures available to minimize
65 potential loss exposures and risks;

66 [(11)] (12) "Contractor" means any business that is awarded, or is a
67 subcontractor under, a contract or an amendment to a contract with a
68 state contracting agency under statutes and regulations concerning
69 procurement, including, but not limited to, a small contractor, minority
70 business enterprise, an individual with a disability, as defined in

71 section 4a-60, or an organization providing products and services by
72 persons with disabilities;

73 [(12)] (13) "Contractual services" means the furnishing of labor by a
74 contractor, not involving the delivery of a specific end product other
75 than reports, which are merely incidental to the required performance
76 and includes any and all laundry and cleaning service, pest control
77 service, janitorial service, security service, the rental and repair, or
78 maintenance, of equipment, machinery and other state-owned
79 personal property, advertising and photostating, mimeographing,
80 human services and other service arrangements where the services are
81 provided by persons other than state employees. "Contractual services"
82 includes the design, development and implementation of technology,
83 communications or telecommunications systems or the infrastructure
84 pertaining thereto, including hardware and software and services for
85 which a contractor is conferred a benefit by the state, whether or not
86 compensated by the state. "Contractual services" does not include
87 employment agreements or collective bargaining agreements;

88 [(13)] (14) "Data" means recorded information, regardless of form or
89 characteristic;

90 [(14)] (15) "Vote of two-thirds of the members of the board present
91 and voting" means a vote by the State Contracting Standards Board
92 that is agreed upon by two-thirds of the members of the State
93 Contracting Standards Board present and voting for a particular
94 purpose and that includes the vote of one member of the board
95 appointed by a legislative leader;

96 [(15)] (16) "Electronic" means electrical, digital, magnetic, optical,
97 electromagnetic, or any other similar technology;

98 [(16)] (17) "Emergency procurement" means procurement by a state
99 contracting agency, quasi-public agency, as defined in section 1-120,
100 judicial department or constituent unit of higher education that is
101 made necessary by a sudden, unexpected occurrence that poses a clear
102 and imminent danger to public safety or requires immediate action to

103 prevent or mitigate the loss or impairment of life, health, property or
104 essential public services or in response to a court order, settlement
105 agreement or other similar legal judgment;

106 [(17)] (18) "Equipment" means personal property of a durable nature
107 that retains its identity throughout its useful life;

108 [(18)] (19) "Materials" means items required to perform a function or
109 used in a manufacturing process, particularly those incorporated into
110 an end product or consumed in its manufacture;

111 [(19)] (20) "Nonprofit agency" means any organization that is not a
112 for-profit business under Section 501(c)(3) of the Internal Revenue
113 Code of 1986, or any subsequent corresponding internal revenue code
114 of the United States, as from time to time amended, makes no
115 distribution to its members, directors or officers and provides services
116 contracted for by (A) the state, or (B) a nonstate entity;

117 [(20)] (21) "Professional services" means any type of service to the
118 public that requires that members of a profession rendering such
119 service obtain a license or other legal authorization as a condition
120 precedent to the rendition thereof, including, but not limited to, the
121 professional services of architects, professional engineers, or jointly by
122 architects and professional engineers, landscape architects, certified
123 public accountants and public accountants, land surveyors, attorneys-
124 at-law, psychologists, licensed marital and family therapists, licensed
125 professional counselors and licensed clinical social workers as well as
126 such other professional services described in section 33-182a;

127 [(21)] (22) "Privatization contract" means an agreement or series of
128 agreements between a state contracting agency and a person or entity
129 in which such person or entity agrees to provide services that are
130 substantially similar to and in lieu of services provided, in whole or in
131 part, by state employees, other than contracts with a nonprofit agency,
132 which are in effect as of January 1, 2009, and which through a renewal,
133 modification, extension or rebidding of contracts continue to be
134 provided by a nonprofit agency;

135 [(22)] (23) "Procurement" means contracting for, buying, purchasing,
136 renting, leasing or otherwise acquiring or disposing of, any supplies,
137 services, including but not limited to, contracts for purchase of services
138 and personal service agreements, interest in real property, or
139 construction, and includes all government functions that relate to such
140 activities, including best value selection and qualification based
141 selection;

142 [(23)] (24) "Proposer" means a business submitting a proposal to a
143 state contracting agency in response to a request for proposals or other
144 competitive sealed proposal;

145 [(24)] (25) "Public record" means a public record, as defined in
146 section 1-200;

147 [(25)] (26) "Qualification based selection" means a contract selection
148 process in which the award of a contract is primarily based on an
149 assessment of contractor qualifications and on the negotiation of a fair
150 and reasonable price;

151 [(26)] (27) "Regulation" means regulation, as defined in section 4-
152 166;

153 [(27)] (28) "Request for proposals" means all documents, whether
154 attached or incorporated by reference, utilized for soliciting proposals;

155 [(28)] (29) "State contracting agency" means any executive branch
156 agency, board, commission, department, office, institution or council
157 that engages in procurement. "State contracting agency" does not
158 include the judicial branch, the legislative branch, the offices of the
159 Secretary of the State, the State Comptroller, the Attorney General, the
160 State Treasurer, with respect to their constitutional functions [,] or any
161 state agency with respect to contracts specific to the constitutional and
162 statutory functions of the office of the State Treasurer. For the purposes
163 of section 4e-16, "state contracting agency" (A) includes any constituent
164 unit of the state system of higher education, and [for the purposes of
165 section 4e-19, "state contracting agency" includes the State Education

166 Resource Center, established under section 10-4q] (B) does not include
167 the division within the Department of Administrative Services that is
168 charged with state-wide procurement;

169 [(29)] (30) "Subcontractor" means a subcontractor of a contractor for
170 work under a contract or an amendment to a contract;

171 [(30)] (31) "Supplies" means any and all articles of personal
172 property, including, but not limited to, equipment, materials, printing,
173 insurance and leases of real property, excluding land or a permanent
174 interest in land furnished to or used by any state agency;

175 [(31)] (32) "Infrastructure facility" means a building, structure or
176 network of buildings, structures, pipes, controls and equipment that
177 provide transportation, utilities, public education or public safety
178 services. Infrastructure facility includes government office buildings,
179 public schools, jails, water treatment plants, distribution systems and
180 pumping stations, wastewater treatment plants, collections systems
181 and pumping stations, solid waste disposal plants, incinerators,
182 landfills, and related facilities, public roads and streets, highways,
183 public parking facilities, public transportation systems, terminals and
184 rolling stock, rail, air and water port structures, terminals and
185 equipment; and

186 [(32)] (33) "State employee" means state employee, as defined in
187 section 5-154 and, for purposes of section 4e-16, state employee
188 includes an employee of any state contracting agency.

189 Sec. 2. Section 4e-3 of the general statutes is repealed and the
190 following is substituted in lieu thereof (*Effective October 1, 2015*):

191 (a) All rights, powers, duties and authority relating to the
192 procurement policies of the state, vested in, or exercised by, any state
193 contracting agency may [also] be [exercised] reviewed by the board,
194 [provided such rights, powers, duties and authority may be exercised
195 by the board] as provided in this [section and sections 4e-4 to 4e-47,
196 inclusive] chapter, and absent any affirmative action by the board,

197 pursuant to [said sections] this chapter, shall not be deemed to limit or
198 restrict the exercise of such rights, powers, duties and authority by any
199 such state contracting agency. Such review of rights, powers, duties
200 and authority shall [include] be related to the following:

201 (1) Acquisition of supplies, services, and construction, and the
202 management, control, warehousing, sale, and disposal of supplies,
203 services, and construction;

204 (2) Any state contracting and procurement processes, including, but
205 not limited to, leasing and property transfers, purchasing or leasing of
206 supplies, materials or equipment, [consultant] consultants or
207 consultant services, purchase of service agreements or privatization
208 contracts; and

209 (3) Contracts for the construction, reconstruction, alteration,
210 remodeling, repair or demolition of any public building.

211 (b) Notwithstanding any provision of chapter 14, upon request by
212 the board, each state contracting agency, including institutions of
213 higher education, shall provide the board, in a timely manner, with
214 such procurement information as the board deems necessary. The
215 board shall have access to all information, files and records related to
216 any state contracting agency in furtherance of the board's duties, as
217 described in this [section and sections 4e-4 to 4e-47, inclusive] chapter.
218 Nothing in this section shall be construed to require the board's
219 disclosure of documents that are exempt from disclosure pursuant to
220 chapter 14.

221 Sec. 3. Section 4e-4 of the general statutes is repealed and the
222 following is substituted in lieu thereof (*Effective October 1, 2015*):

223 Except as otherwise provided in the general statutes, the board shall
224 have the following authority [and responsibilities] with respect to
225 procurements by state contracting agencies:

226 (a) [Recommend] To recommend the repeal of repetitive, conflicting
227 or obsolete statutes concerning state procurement;

228 (b) [Review] To review and make recommendations concerning
229 proposed legislation and proposed regulations concerning
230 procurement, management, control, and disposal of any and all
231 supplies, services, and construction to be procured by the state,
232 including, but not limited to:

233 (1) Conditions and procedures for delegation of procurement
234 authority;

235 (2) Prequalification, suspension, debarment and reinstatement of
236 prospective bidders and contractors;

237 (3) Small purchase procedures;

238 (4) Conditions and procedures for the procurement of perishables
239 and items for resale;

240 (5) Conditions and procedures for the use of source selection
241 methods authorized by statutes and regulations concerning
242 procurement;

243 (6) Conditions and procedures for the use of emergency
244 procurements;

245 (7) Conditions and procedures for the selection of contractors by
246 processes or methods that restrict full and open competition;

247 (8) The opening or rejection of bids and offers, and waiver of errors
248 in bids and offers;

249 (9) Confidentiality of technical data and trade secrets submitted by
250 actual or prospective bidders;

251 (10) Partial, progressive and multiple awards;

252 (11) Supervision of storerooms and inventories, including
253 determination of appropriate stock levels and the management,
254 transfer, sale or other disposal of publicly-owned supplies;

255 (12) Definitions and classes of contractual services and procedures
256 for acquiring such services;

257 (13) Regulations providing for conducting cost and price analysis;

258 (14) Use of payment and performance bonds;

259 (15) Guidelines for use of cost principles in negotiations,
260 adjustments and settlements; and

261 (16) Identification of procurement best practices;

262 (c) [Adopt] To adopt regulations, pursuant to chapter 54, to carry
263 out the provisions of [statutes concerning procurement] this chapter, in
264 order to facilitate consistent application of the law and require the
265 implementation of procurement best practices;

266 (d) [Make] To make recommendations with regard to information
267 systems for state procurement including, but not limited to, data
268 element and design and the State Contracting Portal;

269 (e) [Develop] To develop a guide to state statutes and regulations
270 concerning procurement, for use by all state contracting agencies;

271 (f) [Assist] To assist state contracting agencies in complying with the
272 statutes and regulations concerning procurement by providing
273 guidance, models, advice and practical assistance to state contracting
274 agency staff relating to: (1) Buying the best service at the best price, (2)
275 properly selecting contractors, and (3) drafting contracts that achieve
276 state goals of accountability, transparency and [results based] results-
277 based outcomes and [to protect] protecting taxpayers' interest;

278 (g) [Train and oversee] To train the agency procurement officer of
279 each state contracting agency and any contracting officers thereunder;
280 and

281 (h) [Review] To review and certify, on or after January 1, 2009, that a
282 state contracting agency's procurement processes are in compliance
283 with statutes and regulations concerning procurement by:

284 (1) Establishing procurement and project management education
285 and training criteria and certification procedures for agency
286 procurement officers and contracting officers. All agency procurement
287 officers and contracting officers designated under this provision shall
288 be required to maintain the certification in good standing at all times
289 while performing procurement functions; and

290 (2) Approving an ethics training course, in consultation with the
291 Office of State Ethics, including, but not limited to, state employees
292 involved in procurement and for state contractors and substantial
293 subcontractors who are prequalified pursuant to chapter 58a. Such
294 ethics training course may be developed and provided by the Office of
295 State Ethics or by any person, firm or corporation provided such
296 course is approved by the State Contracting Standards Board. [;]

297 [(i) Recertify each state contracting agency's procurement processes,
298 triennially, and provide agencies with notice of any certification
299 deficiency and exercise those powers authorized by section 4e-34, 4e-
300 39 or 4e-40, as applicable, if a determination of noncompliance is made;

301 (j) Define the contract data reporting requirements to the board for
302 state agencies concerning information on: (1) The number and type of
303 state contracts of each state contracting agency currently in effect state-
304 wide; (2) the term and dollar value of such contracts; (3) a list of client
305 agencies; (4) a description of services purchased under such contracts;
306 (5) contractor names; (6) an evaluation of contractor performance,
307 including, but not limited to records pertaining to the suspension or
308 disqualification of contractors, and assuring such information is
309 available on the State Contracting Portal; and (7) a list of contracts and
310 contractors awarded without full and open competition stating the
311 reasons for and identifying the approving authority; and

312 (k) Provide the Governor and the joint standing committee of the
313 General Assembly having cognizance of matters relating to
314 government administration with recommendations concerning the
315 statutes and regulations concerning procurement.]

316 Sec. 4. Section 4e-5 of the general statutes is repealed and the
317 following is substituted in lieu thereof (*Effective October 1, 2015*):

318 (a) (1) The head of each state contracting agency shall appoint an
319 agency procurement officer. Such officer shall serve as the liaison
320 between the agency and the Chief Procurement Officer on all matters
321 relating to the agency's procurement activity, including, but not
322 limited to, implementation and compliance with the provisions of
323 statutes and regulations concerning procurement and any policies or
324 regulations adopted by the board, coordination of the training and
325 education of agency procurement employees and any person serving
326 on the Contracting Standards Advisory Council;

327 (2) The [agency procurement officer] state contracting agency shall
328 be responsible for assuring that contractors are properly screened prior
329 to the award of a contract, evaluating contractor performance during
330 and at the conclusion of a contract [,] and submitting written
331 evaluations to a central data repository to be designated by the board,
332 [and creating a project management plan for the agency with annual
333 reports to the board pertaining to procurement projects within the
334 agency.]

335 (b) The State Contracting Standards Board, with the advice and
336 assistance of the Commissioner of Administrative Services, shall
337 develop a standardized state procurement [and project management]
338 education and training program. Such education and training program
339 shall [develop] include education, training and professional
340 development opportunities for employees of state contracting agencies
341 charged with procurement responsibilities. The program shall educate
342 such employees in general business acumen and on proper purchasing
343 procedures as established in statutes and regulations concerning
344 procurement with an emphasis on ethics, fairness [,] and consistency,
345 [and project management.] Participation in the program shall be
346 required of any supervisory and nonsupervisory state employees in
347 state contracting agencies with responsibility for buying, purchasing,
348 renting, leasing or otherwise acquiring any supplies, service or

349 construction, including the preparation of the description of
350 requirements, selection and solicitation of sources, preparation and
351 award of contracts and all phases of contract administration.

352 (c) The program shall include, but shall not be limited to (1) training
353 and education concerning federal, state and municipal procurement
354 processes, including the statutes and regulations concerning
355 procurement; (2) training and education courses developed in
356 cooperation with the Office of State Ethics, the Freedom of Information
357 Commission, the State Elections Enforcement Commission, the
358 Commission on Human Rights and Opportunities, the office of the
359 Attorney General and any other state agency the board determines is
360 necessary in carrying out statutes and regulations concerning
361 procurement; (3) providing technical assistance to state contracting
362 agencies and municipalities for implementing statutes and regulations
363 concerning procurement [] and regulations, policies and standards
364 developed by the board; (4) training to current and prospective
365 contractors and vendors and others seeking to do business with the
366 state; and (5) training and education of state employees in the area of
367 best procurement practices in state purchasing with the goal of
368 achieving the level of acumen necessary to achieve the objectives of
369 statutes and regulations concerning procurement.

370 (d) Any employee who completes the program established under
371 subsection (b) of this section shall be issued documentation by the
372 board acknowledging such employee's participation in the program.
373 The board shall submit an annual report to the Governor and the
374 General Assembly on the status of such program in accordance with
375 section 11-4a.

376 (e) The board shall adopt regulations, in accordance with the
377 provisions of chapter 54, to develop and implement the education and
378 training [and education] program established under subsection (b) of
379 this section.

380 Sec. 5. Section 4e-6 of the general statutes is repealed and the
381 following is substituted in lieu thereof (*Effective October 1, 2015*):

382 (a) The board [shall] may conduct audits of state contracting
383 agencies, triennially, to ensure compliance with statutes and
384 regulations concerning procurement. In conducting each such audit,
385 the board shall have access to all contracting and procurement records,
386 may interview any and all personnel responsible for contracting,
387 contract negotiations or procurement and may enter into an agreement
388 with the Auditors of Public Accounts to effectuate such audit.

389 (b) Upon completion of any such audit, the board [shall] may
390 prepare and issue a compliance report for the state contracting agency.
391 [Such] Any such report shall identify any process or procedure that is
392 inconsistent with statutes and regulations concerning procurement
393 and indicate those corrective measures the board deems necessary to
394 comply with statutes and regulations concerning procurement
395 requirements. [Such] If the board issues such a report, the report shall
396 be issued and delivered not later than thirty days after completion of
397 such audit and shall be a public record.

398 Sec. 6. Section 4e-7 of the general statutes is repealed and the
399 following is substituted in lieu thereof (*Effective October 1, 2015*):

400 (a) For cause, the State Contracting Standards Board may review,
401 terminate or recommend to a state contracting agency the termination
402 of any contract or procurement agreement undertaken by any state
403 contracting agency after providing fifteen days' notice to the state
404 contracting agency and the applicable contractor, and consulting with
405 the Attorney General. Such termination of a contract or procurement
406 agreement by the board may occur only after (1) the board has
407 consulted with the contracting agency and the Department of
408 Administrative Services to determine the impact of an immediate
409 termination of the contract, (2) a determination has been made jointly
410 by the board and the contracting agency that an immediate
411 termination of the contract will not create imminent peril to the public
412 health, safety or welfare, (3) a vote of two-thirds of the members of the
413 board present and voting for that purpose, and (4) the board has
414 provided the state contracting agency and the contractor with an

415 opportunity for a hearing conducted pursuant to the provisions of
416 chapter 54. Any such termination shall comply with the terms of the
417 contract or procurement agreement entered into by the state
418 contracting agency and the contractor. Such action shall be
419 accompanied by notice to the state contracting agency and any other
420 affected party. For the purpose of this section, "for cause" means: (A) A
421 violation of section 1-84 or 1-86e, as determined by the Citizen's Ethics
422 Advisory Board; (B) wanton or reckless disregard of any state
423 contracting and procurement process by any person substantially
424 involved in such contract or state contracting agency; or (C)
425 notification from the Attorney General to the state contracting agency
426 that an investigation pursuant to section 4-61dd has concluded that the
427 process by which such contract was awarded was compromised by
428 fraud, collusion or any other criminal violation. Nothing in this section
429 shall be construed to limit the authority of the board as described in
430 section 4e-6, as amended by this act.

431 (b) Following consultation with the state contracting agency and the
432 Department of Administrative Services and upon providing fifteen
433 days' notice and the opportunity for a hearing, the State Contracting
434 Standards Board may restrict or terminate the authority of any state
435 contracting agency to enter into any contract or procurement
436 agreement if: (1) The board, upon a vote of two-thirds of the members
437 of the board present and voting for such purpose, determines that such
438 state contracting agency failed to comply with statutory contracting
439 and procurement requirements and evidenced a reckless disregard for
440 applicable procedures and policy; and (2) such limitation, restriction or
441 termination of authority is in the state's best interest, provided the
442 board has made arrangements for the exercise of the contracting power
443 of such agency during the period of limitation, restriction or
444 termination. Such limitation, restriction or termination of authority
445 shall remain in effect until such time as the board determines that such
446 state contracting agency has implemented corrective measures and
447 demonstrated compliance with statutes and regulations concerning
448 procurement.

449 (c) Following consultation with the state contracting agency, and
450 thereafter upon providing fifteen days' notice and the opportunity for
451 a hearing, the State Contracting Standards Board may order a state
452 contracting agency to take appropriate action to restrict or terminate
453 the authority of an employee or agent to enter into any contract or
454 procurement agreement if the board, upon a vote of two-thirds of the
455 members of the board present and voting for such purpose, determines
456 that such employee or agent failed to comply with statutory
457 contracting and procurement requirements, and evidenced a reckless
458 disregard for applicable procedures and policy. Such limitation,
459 restriction or termination of authority shall remain in effect until such
460 time as the board determines that such state contracting agency has
461 implemented corrective measures and demonstrated compliance with
462 statutes and regulations concerning procurement.

463 (d) The board shall develop procedures for applying to the board (1)
464 to request a review of a contract, or (2) for the recommendation to
465 terminate a contract. Such procedures shall be clearly defined and
466 posted on the board's Internet web site.

467 Sec. 7. Section 4e-8 of the general statutes is repealed and the
468 following is substituted in lieu thereof (*Effective October 1, 2015*):

469 There is established a Contracting Standards Advisory Council,
470 which shall consist of representatives from the Office of Policy and
471 Management, Departments of Administrative Services and
472 Transportation and representatives of at least three additional
473 contracting agencies designated by the Governor, including at least
474 one human services related state agency. [, to be designated by the
475 Governor.] The Chief Procurement Officer shall be a member of the
476 council and serve as chairperson. The advisory council shall meet at
477 least four times per year to discuss state procurement issues and to
478 make recommendations for improvement of the procurement
479 processes to the State Contracting Standards Board. The advisory
480 council may conduct studies, research and analyses and make reports
481 and recommendations with respect to subjects or matters within the

482 jurisdiction of the State Contracting Standards Board.

483 Sec. 8. Section 4e-10 of the general statutes is repealed and the
484 following is substituted in lieu thereof (*Effective October 1, 2015*):

485 [(a) On or before July 1, 2010, the board shall submit to the
486 Governor and the General Assembly such legislation as is necessary to
487 permit state contracting agencies, not including quasi-publics,
488 institutions of higher education, and municipal procurement processes
489 utilizing state funds, to carry out their functions under statutes and
490 regulations concerning procurement.

491 (b) On or before July 1, 2011, the board shall submit to the Governor
492 and the General Assembly such legislation as is necessary to apply the
493 provisions of statutes concerning procurement to constituent units of
494 the state system of higher education. Concomitantly, the board shall
495 submit such additional legislation as is necessary to apply the
496 provisions of statutes and regulations concerning privatization and
497 procurement to quasi-public agencies.

498 (c) On or before July 1, 2012, the board shall submit to the Governor
499 and the General Assembly such legislation as is necessary to apply the
500 provisions of statutes and regulations concerning procurement to the
501 municipal procurement processes utilizing state funds.]

502 (a) The board shall assist the constituent units of higher education in
503 developing best procurement practices that are specific to such units
504 and consistent with the provisions of the general statutes and
505 regulations concerning procurement.

506 (b) On or before June 30, 2016, each of the constituent units of higher
507 education shall adopt a code of procurement practices and submit a
508 copy of such code to the board.

509 Sec. 9. Section 4e-11 of the general statutes is repealed and the
510 following is substituted in lieu thereof (*Effective October 1, 2015*):

511 (a) The board shall [provide assistance to] assist the Secretary of the

512 State, Comptroller, Treasurer and Attorney General [to develop] in
513 developing best procurement practices specific to the constitutional
514 and statutory functions of each office and consistent with the
515 provisions of the general statutes and regulations concerning
516 procurement.

517 (b) [Each] On or before June 30, 2016, each of the officers specified in
518 subsection (a) of this section shall adopt a code of procurement
519 practices [on or before June 1, 2011] and submit a copy of such code to
520 the board.

521 Sec. 10. Section 4e-12 of the general statutes is repealed and the
522 following is substituted in lieu thereof (*Effective October 1, 2015*):

523 (a) On or before [February 1, 2011] June 30, 2016, the judicial branch
524 and the legislative branch shall each prepare a procurement code
525 applicable to contracting expenditures, including, but not limited to,
526 expenditures: (1) Involving contracting and procurement processes for
527 purchasing or leasing of supplies, materials or equipment, [consultant]
528 consultants or consultant services, personal service agreements or
529 purchase of service agreements; and (2) relating to contracts for the
530 renovation, alteration or repair of any judicial branch or legislative
531 branch facility in accordance with section 4b-1.

532 (b) The procurement codes described in subsection (a) of this section
533 shall be designed to: (1) Establish uniform contracting standards and
534 practices; (2) simplify and clarify contracting standards and
535 procurement policies and practices, including, but not limited to,
536 procedures for competitive sealed bids, competitive sealed proposals,
537 small purchases, sole source procurements, emergency procurements
538 and special procurements; (3) ensure the fair and equitable treatment
539 of all businesses and persons who deal with the procurement system;
540 (4) include a process to maximize the use of small contractors and
541 minority business enterprises; (5) provide increased economy in
542 procurement activities and maximize purchasing value to the fullest
543 extent possible; (6) ensure that the procurement of supplies, materials,
544 equipment, services, real property and construction is obtained in a

545 cost-effective and responsive manner; (7) include a process to ensure
546 contractor and judicial branch or legislative branch accountability; and
547 (8) provide a process for competitive sealed bids, competitive sealed
548 proposals, small purchases, sole source procurements, emergency
549 procurements, special procurements, best value selection, qualification
550 based selection and the conditions for their use.

551 (c) On or before [February 1, 2011] June 30, 2016, the judicial branch
552 shall submit such procurement code for review and approval to the
553 joint standing committee of the General Assembly having cognizance
554 of matters relating to the judiciary.

555 Sec. 11. Section 4e-13 of the general statutes is repealed and the
556 following is substituted in lieu thereof (*Effective October 1, 2015*):

557 (a) The Department of Administrative Services, in consultation with
558 the State Contracting Standards Board, shall establish and maintain a
559 single electronic portal available on the Internet and located on the
560 Department of Administrative Services' web site for purposes of
561 posting all contracting opportunities with state agencies in the
562 executive branch, the constituent units of the state system of higher
563 education and quasi-public agencies. Such electronic portal shall be
564 known as the State Contracting Portal.

565 (b) The State Contracting Portal shall, among other things, include:
566 (1) All requests for bids or proposals [,] and other solicitations
567 regardless of the method of source selection, all related materials and
568 all resulting contracts and agreements by state agencies; (2) a
569 searchable database for locating information; (3) personal services
570 agreements and purchase of service agreements; (4) a state
571 procurement and contract manual or other similar information
572 designated by the Department of Administrative Services as describing
573 approved contracting processes and procedures; and (5) prominent
574 features to encourage the active recruitment and participation of small
575 businesses and women and minority-owned enterprises in the state
576 contracting process.

577 (c) All state agencies in the executive branch, the constituent units of
578 the state system of higher education and all quasi-public agencies shall
579 post all bids, requests for proposals and all resulting contracts and
580 agreements on the State Contracting Portal and shall, with the
581 assistance of the Department of Administrative Services as needed,
582 develop the infrastructure and capability to electronically
583 communicate with the State Contracting Portal.

584 (d) All state agencies in the executive branch, the constituent units
585 of the state system of higher education and all quasi-public agencies
586 shall develop written policies and procedures to ensure that
587 information is posted to the State Contracting Portal in a timely,
588 complete and accurate manner consistent with the highest legal and
589 ethical standards of state government.

590 [(e) The Department of Administrative Services shall periodically
591 report to the Governor and the State Contracting Standards Board on
592 the progress of all state agencies in the executive branch, the
593 constituent units of the state system higher education and quasi-public
594 agencies, in developing the capacity, infrastructure, policies and
595 procedures to electronically communicate with the State Contracting
596 Portal and the Department of Administrative Services' progress
597 toward establishment and maintenance of the State Contracting
598 Portal.]

599 Sec. 12. Section 4e-18 of the general statutes is repealed and the
600 following is substituted in lieu thereof (*Effective October 1, 2015*):

601 For the purpose of obtaining supplies, materials, equipment or
602 contractual services, except infrastructure facilities, the Commissioner
603 of Administrative Services shall establish a requisition system to be
604 used by state contracting agencies to initiate and authorize the
605 procurement process. [Such system shall be approved by the State
606 Contracting Standards Board.]

607 Sec. 13. Section 4e-29 of the general statutes is repealed and the
608 following is substituted in lieu thereof (*Effective October 1, 2015*):

609 (a) Each contract of a state contracting agency shall provide that a
610 state contracting agency may, at reasonable times, inspect the part of
611 the plant or place of business of a contractor or any subcontractor
612 which is related to the performance of any contract awarded, or to be
613 awarded by the state, to ensure compliance with the contract.

614 (b) Each contract of a state contracting agency shall provide that the
615 contractor shall, upon the request of such agency, submit all necessary
616 documentation, including data concerning cost, in the form required
617 for the specific contract type.

618 Sec. 14. Section 4e-36 of the general statutes is repealed and the
619 following is substituted in lieu thereof (*Effective October 1, 2015*):

620 (a) [Any] Except as otherwise provided by law, after a bidder or
621 proposer on a state contract has exhausted all administrative remedies
622 within the state contracting agency, such bidder or proposer may
623 contest the solicitation or award of a contract to a subcommittee of the
624 State Contracting Standards Board [which] that shall be appointed by
625 the chairperson of the board and consist of three members, at least one
626 of whom shall be a legislative appointee. Such contest shall be
627 submitted, in writing, not later than fourteen days after such bidder or
628 proposer knew or should have known of the facts giving rise to such
629 contest and shall be limited to the procedural elements of the
630 solicitation or award process, or claims of an unauthorized or
631 unwarranted, noncompetitive selection process.

632 (b) The filing of a contest pursuant to this section shall not, alone, be
633 deemed to prohibit the award or execution of any such contested
634 contract.

635 (c) The assigned subcommittee of the State Contracting Standards
636 Board may settle and resolve any such contest.

637 (d) In the event such contest is not resolved by mutual agreement,
638 the assigned subcommittee of the State Contracting Standards Board
639 shall issue a decision, in writing, not later than [thirty] sixty days after

640 receipt of [any] all information required by the subcommittee to make
641 an informed decision concerning such contest. Such decision shall:

642 (1) Describe the procedure used by [such] the state contracting
643 agency in soliciting and awarding such contract; and

644 (2) Indicate [such] the state contracting agency's finding as to the
645 merits of such bidder or proposer's contest. ; and

646 (3) Inform such bidder or proposer of the right to review.]

647 (e) [A] The subcommittee shall provide a copy of [such] its decision
648 [shall be provided to such] to the bidder or proposer contesting the
649 award and to the applicable state contracting agency.

650 Sec. 15. Section 4e-43 of the general statutes is repealed and the
651 following is substituted in lieu thereof (*Effective October 1, 2015*):

652 Not later than June 1, 2010, the State Insurance and Risk
653 Management Board established pursuant to section 4a-19 shall adopt
654 regulations, in accordance with the provisions of chapter 54, in
655 consultation with the State Contracting Standards Board, that specify
656 when a state contracting agency shall require proposers to provide
657 appropriate errors and omissions insurance to cover architectural and
658 engineering services. [under the project delivery methods established
659 in regulations adopted pursuant to section 4e-41.]

660 Sec. 16. Subsection (c) of section 10-357b of the general statutes is
661 repealed and the following is substituted in lieu thereof (*Effective*
662 *October 1, 2015*):

663 (c) The State Education Resource Center shall be subject to (1) rules,
664 regulations and restrictions on purchasing, procurement, personal
665 service agreements and the disposition of assets generally applicable to
666 Connecticut state agencies, including those contained in titles 4, 4a and
667 4b, [section 4e-19,] and (2) audit by the Auditors of Public Accounts
668 under section 2-90.

669 Sec. 17. Section 4e-47 of the general statutes is repealed and the
670 following is substituted in lieu thereof (*Effective October 1, 2015*):

671 On or after January 1, 2011, the State Contracting Standards Board
672 shall adopt regulations, in accordance with the provisions of chapter
673 54, to apply the contracting procedures, as described in sections 4e-18,
674 as amended by this act, [to 4e-45, inclusive,] 4e-25, 4e-29 to 4e-31,
675 inclusive, as amended by this act, 4e-34 to 4e-36, inclusive, as amended
676 by this act, 4e-39, 4e-40 and 4e-43, as amended by this act, to each
677 constituent unit of the state system of higher education. Such
678 regulations shall take into consideration circumstances and factors that
679 are unique to such constituent units.

680 Sec. 18. Sections 4e-19 to 4e-24, inclusive, 4e-26 to 4e-28, inclusive,
681 4e-32, 4e-33, 4e-37, 4e-38, 4e-41, 4e-42, 4e-44 to 4e-46, inclusive, and 4e-
682 49 of the general statutes are repealed. (*Effective October 1, 2015*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	4e-1
Sec. 2	<i>October 1, 2015</i>	4e-3
Sec. 3	<i>October 1, 2015</i>	4e-4
Sec. 4	<i>October 1, 2015</i>	4e-5
Sec. 5	<i>October 1, 2015</i>	4e-6
Sec. 6	<i>October 1, 2015</i>	4e-7
Sec. 7	<i>October 1, 2015</i>	4e-8
Sec. 8	<i>October 1, 2015</i>	4e-10
Sec. 9	<i>October 1, 2015</i>	4e-11
Sec. 10	<i>October 1, 2015</i>	4e-12
Sec. 11	<i>October 1, 2015</i>	4e-13
Sec. 12	<i>October 1, 2015</i>	4e-18
Sec. 13	<i>October 1, 2015</i>	4e-29
Sec. 14	<i>October 1, 2015</i>	4e-36
Sec. 15	<i>October 1, 2015</i>	4e-43
Sec. 16	<i>October 1, 2015</i>	10-357b(c)
Sec. 17	<i>October 1, 2015</i>	4e-47
Sec. 18	<i>October 1, 2015</i>	Repealer section

Statement of Legislative Commissioners:

In Section 2(a) reference to "section and sections 4e-4 to 4e-47, inclusive," was changed to "this chapter" for consistency; in Section 4(b) "develop" was changed to "include" for accuracy, in Section 6(a) "and the Department of Administrative Services" was added for consistency with the change in Section 6(b) and in Section 6(d) subdivision designators and "of a contract" were added for clarity.

GAE *Joint Favorable Subst. -LCO*

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:** None**Explanation**

The bill, which makes numerous revisions to the statutes governing the State Contracting Standards Board (SCSB), has no fiscal impact as it conforms statute to current practice.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**sSB 1113*****AN ACT REVISING STATUTES CONCERNING THE STATE CONTRACTING STANDARDS BOARD.*****SUMMARY:**

This bill makes numerous revisions to the statutes governing the State Contracting Standards Board (SCSB). Generally, it reduces the scope of the board's authority and responsibilities. Among other things, the bill:

1. excludes the Department of Administrative Services' (DAS) statewide procurement division from requirements concerning privatization contracts;
2. eliminates SCSB's authority to exercise the same rights, powers, duties, and authority related to the state's procurement policies as any state contracting agency;
3. requires SCSB to consult with DAS before terminating (a) a contract entered into by a state contracting agency or (b) an agency's contracting authority;
4. delays the requirement that constitutional officers and the legislative and judicial branches adopt procurement codes;
5. eliminates several requirements for SCSB to perform certain duties (e.g., triennially audit state contracting agencies' compliance with procurement statutes and regulations);
6. requires bidders and proposers, before contesting a contract solicitation or award with SCSB, to first exhaust all administrative remedies with the contracting agency; and

7. repeals numerous regulation-adoption requirements.

The bill specifies that state contracting agencies, rather than agency procurement officers, are responsible for (1) assuring that contractors are properly screened before awarding a contract, (2) evaluating their performance during and at the end of a contract, and (3) submitting written evaluations to a board-designated central data repository (§ 4).

The bill requires every contract entered into by a state contracting agency to require the contractor, at the agency's request, to submit all necessary documentation, including data concerning cost, in the form required for the specific contract type. It is unclear what is meant by "necessary documentation" (§ 13).

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2015

§ 1 — STATE CONTRACTING AGENCY

The bill excludes DAS's statewide procurement division from requirements concerning privatization contracts (CGS § 4e-16). By law, if a state contracting agency seeks to enter into a contract that privatizes services performed by state employees, it generally must conduct a cost-benefit analysis and submit to SCSB a business case for the contract (see BACKGROUND).

Under current law, a "state contracting agency" is an executive branch agency, board, commission, department, office, institution, or council. The bill specifies that the definition applies only to those agencies that engage in procurement. By law, the definition does not cover (1) the constitutional functions of the offices of the secretary of the state, state comptroller, attorney general, or state treasurer or (2) any state agency with respect to contracts specific to the responsibilities of the Office of the State Treasurer.

§§ 2-3 — BOARD AUTHORITY

The bill eliminates SCSB's authority to exercise the rights, powers,

duties, and authority related to the state's procurement policies that are vested in, or exercised by, any state contracting agency. It instead allows the board to review such rights, powers, duties, and authority, including:

1. acquiring, managing, controlling, warehousing, selling, and disposing of supplies, services, and construction;
2. powers related to state contracting or procurement processes, including leasing and transferring property; purchasing or leasing supplies, material, or equipment; retaining consultants or consultant services; making service agreements; or arranging privatization contracts; and
3. powers related to contracts for constructing, reconstructing, altering, remodeling, repairing, or demolishing any public building.

Under current law, SCSB has authority and responsibilities concerning numerous aspects of procurements by state contracting agencies (e.g., recommending procurement best practices). The bill eliminates the board's responsibility for these functions, thus making its involvement with them discretionary rather than mandatory.

§ 6 — CONTRACT TERMINATIONS

By law, the board may, for cause, terminate a contract or procurement agreement entered into by a state contracting agency after consulting with the agency to determine the impact of an immediate termination. The bill requires the board to also consult with DAS to determine the impact. It also requires that the termination comply with the terms of the contract or procurement agreement.

By law, SCSB may also restrict or terminate a state contracting agency's authority to enter into any contract or procurement agreement after consulting with the agency. The bill requires the board to also consult with DAS before doing so.

The bill requires the board to develop procedures for applying to the board (1) to request a contract review or (2) for the recommendation to terminate a contract. The procedures must be clearly defined and posted on the board's website. The bill does not specify what entities may request such a review or recommendation.

§§ 8-10 — PROCUREMENT CODES

The bill delays, until June 30, 2016, a requirement for the secretary of the state, comptroller, treasurer, attorney general, and the legislative and judicial branches to each adopt a procurement code. It similarly delays the requirement for the Judicial Branch to submit its code to the Judiciary Committee for approval. It requires the officers (but not the branches) to submit a copy to the board. Under current law, the officers and branches had to adopt these codes in 2011.

The bill also requires the board to assist the constituent units of higher education in developing best procurement practices specific to each unit and consistent with the state's procurement laws and regulations. The constituent units must each adopt a procurement code by June 30, 2016 and submit a copy to the board.

§§ 3-5, 8, 11-12 — ELIMINATED OR MODIFIED REQUIREMENTS

The bill eliminates or modifies numerous requirements for the board (and, in some cases, DAS and state contracting agencies) to perform various duties relating to contracting, as shown in Table 1. In some cases, the bill makes performance of the duty discretionary.

Table 1: Eliminated or Modified Requirements

Section	Current Law	Bill
3	SCSB must adopt regulations to carry out the provisions of statutes concerning procurement	(1) Eliminates this requirement and (2) instead allows the board to adopt regulations to carry out the provisions of only those statutes over which it has jurisdiction (i.e., Title 4e of the General Statutes)

3	Board must train and oversee state contracting agencies' procurement officers and other contracting officers	Eliminates requirement that board oversee these officers
3	Board must triennially recertify state contracting agencies' procurement processes and notify them of any certification deficiency	Eliminates requirement
3	Board must define contract data reporting requirements for state agencies	Eliminates requirement
3	Board must provide the governor and the Government Administration and Elections Committee with recommendations concerning procurement statutes and regulations	Eliminates requirement to provide recommendations to the governor and committee specifically; however, existing law allows the board to recommend proposed legislation and regulations generally
4	State contracting agencies must create a project management plan for the agency that includes annual reports to the board on the agency's procurement projects	Eliminates requirement
4	Board, with the advice and assistance of the DAS commissioner, must develop a standardized state procurement and project management education and training program	Eliminates requirement that the program include project management education and training
5	Board must (1) triennially audit state contracting agencies' compliance with procurement statutes and regulations and (2) issue a compliance report within 30 days after completing the audit, including (a) any process or procedure that is inconsistent with procurement laws and regulations and (b) corrective measures to achieve compliance	Makes both the audit and the compliance report discretionary for the board
8	Established three deadlines (July 1 of 2010, 2011, and 2012, respectively) for board to submit legislation to the governor and legislature concerning procurement	Eliminates requirement
11	DAS must issue periodic reports on the establishment and maintenance of the State Contracting Portal	Eliminates requirement
12	Board must approve a requisition system established by DAS; system is for use by state contracting agencies in initiating and authorizing the procurement process when obtaining supplies, materials, equipment, or contractual services, except infrastructure	Eliminates requirement for board approval

§ 14 — CONTESTING AN AWARD OR SOLICITATION

The bill requires bidders and proposers, before contesting a contract solicitation or award with SCSB, to first exhaust all administrative remedies with the contracting agency. By law, the contest is limited to (1) the procedural elements of the solicitation or award process or (2) claims of an unauthorized or unwarranted, noncompetitive selection process. However, the bill maintains a provision in existing law that requires bidders and proposers to contest the solicitation or award within 14 days after they knew or should have known of the facts giving rise to the contest. It is unclear if they will be able to meet this deadline if they must first exhaust administrative remedies with the contracting agency.

By law, contests are adjudicated by an SCSB subcommittee. The bill extends, from 30 days after receiving a complaint to 60 days after receiving all information required for an informed decision, the deadline for the subcommittee to make a decision on a contested solicitation or award. It (1) requires the subcommittee to provide a copy of its decision to the state contracting agency (existing law requires that it provide a copy to the bidder or proposer) and (2) eliminates a requirement that the subcommittee inform the bidder or proposer of its right to review.

§§ 15-18 — REGULATION ADOPTION REQUIREMENTS

The bill repeals numerous requirements for SCSB to adopt regulations, as shown in Table 2. Under current law, with one exception, the board had to adopt each of these regulations by June 1, 2010. (Regulations for small purchase procedures were required by January 1, 2010.) The bill also makes conforming changes to the elimination of these requirements (see below).

Table 2: Repealed SCSB Regulation Adoption Requirements

Statutory Section	Subject Matter
4e-19	<ul style="list-style-type: none"> Defining competitive sealed bidding, competitive sealed proposals, small purchase procedure, sole source procurement, emergency procurements, and waiver of bid or proposal requirements for extraordinary conditions;

	<ul style="list-style-type: none"> Establishing the circumstances under which state contracting agencies use these methods; and Establishing the processes and criteria for awarding purchases and contracts in accordance with each method
4e-20	<p>Specifying the:</p> <ul style="list-style-type: none"> procedure for issuing bid invitations, including (1) the required elements, (2) the process for opening bids, and (3) evaluation criteria for awarding bids, and circumstances under which contracts and purchase orders exceeding \$50,000 do not have to go through the competitive sealed-bidding procedure
4e-21	<ul style="list-style-type: none"> In consultation with DAS, establishing small purchase procedures for procurements of \$50,000 or less, including a prohibition on artificially dividing a procurement to use these procedures
4e-22	<ul style="list-style-type: none"> In consultation with the DAS commissioner, specifying when a contract for a supply, service, or construction item does not have to go through a competitive bidding procedure
4e-23	<ul style="list-style-type: none"> Establishing procedures for waiving competitive bidding or proposal requirements
4e-24	<ul style="list-style-type: none"> In consultation with the DAS commissioner and any other appropriate awarding authority, permitting emergency procurements when a threat to the public's health, welfare, or safety exists
4e-26	<ul style="list-style-type: none"> In consultation with the DAS commissioner, establishing standards for the preparation, maintenance, and content of specifications for state supplies, services, and construction
4e-27	<ul style="list-style-type: none"> In consultation with the attorney general, specifying the types of contracts that state contracting agencies may use when procuring consultant services
4e-28	<ul style="list-style-type: none"> Requiring proposed contractors, before the award of a contract, to submit documentation to the contracting agency confirming that their accounting system will permit timely processing of necessary cost data in the required format
4e-41	<ul style="list-style-type: none"> Specifying the process for procuring (1) architectural and engineering services in design-bid-build procurements, (2) construction in design-bid-build procurements, and (3) construction management at-risk and Describing the project delivery methods
4e-42	<ul style="list-style-type: none"> Requiring bid security for all competitive sealed bidding for construction contracts in design-bid-build procurement when the contracting agency estimates the price will exceed \$500,000
4e-44	<p>Establishing:</p> <ul style="list-style-type: none"> the process for procuring consultant services and in consultation with the attorney general, the type of contract to be used to procure these services
4e-45	<ul style="list-style-type: none"> In consultation with state contracting agencies and the attorney general, requiring state contracts with state contracting agencies concerning infrastructure facilities to include clauses for (1) price adjustments, (2) time performance, (3) remedies, (4) termination, or (5) other contract provisions necessary to protect the state's interests

4e-46	<ul style="list-style-type: none"> Establishing the procedures and circumstances under which state construction contracts of more than \$ 50,000 may undergo (1) contract modifications, (2) change orders, or (3) contract price adjustments
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Conforming Changes

The bill eliminates a requirement that all state contracting agencies' purchases of, and contracts for, supplies, materials, equipment, and contractual services made under the competitive bidding process, be awarded by one of the following methods unless otherwise authorized by law: (1) competitive sealed bidding, (2) competitive sealed proposals, (3) small purchase procedure, (4) sole source procurement, (5) emergency procurement, or (6) waiver of bid or proposal requirement for extraordinary conditions (CGS § 4e-19). Generally, existing law specifies the procedures agencies must follow when awarding contracts.

The bill eliminates the board's authority to determine, in consultation with the DAS commissioner, that a state contracting agency has artificially divided a procurement to make use of small purchase procedures. Under current law, if the board and commissioner make such a determination, the board must prohibit the agency from using these procedures (CGS § 4e-21).

Additionally, the bill eliminates the board's authority to waive, in consultation with the DAS commissioner, the competitive bidding or negotiation requirements in the case of minor, nonrecurring, or emergency purchases of \$ 10,000 or less (CGS § 4e-21).

BACKGROUND

Privatization Contract

By law, a privatization contract is an agreement or series of agreements between a state contracting agency and a person or entity in which the person or entity agrees to provide services that are substantially similar to and in lieu of services provided, in whole or in part, by state employees. It does not include contracts with a nonprofit agency that were in effect as of January 1, 2009 and, through a renewal,

modification, extension, or rebidding of contracts, continue to be provided by a nonprofit agency.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 9 Nay 6 (03/30/2015)