AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE STATE CONTRACTING STANDARDS BOARD.

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

Section 1. Section 4-215 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

(a) Each personal service agreement executed on or after July 1, 1994, and having a cost of more than twenty thousand dollars but not more than fifty thousand dollars and a term of not more than one year shall be based on competitive negotiation or competitive quotations, unless the state agency purchasing the personal services determines that a sole source purchase is required and applies to the [secretary] State Contracting Standards Board for a waiver from such requirement and the [secretary] board grants the waiver. [Not later than March 1, 1994, the secretary shall] The State Contracting Standards Board may adopt guidelines for determining the types of services that may qualify for such waivers. The qualifying services shall [include, but not] be limited to, (1) services for which the cost to the state of a competitive selection procedure would outweigh the benefits of such procedure, as documented by the state agency, (2) proprietary services, (3) services to be provided by a contractor mandated by the general statutes or a public or special act, and (4) emergency services, including services needed for the protection of life or health. The State Contracting Standards Board shall post any requests for a waiver received under this section on the State Contracting Portal.
(b) The [secretary] board shall immediately notify the Auditors of Public Accounts of any application that the [secretary] board receives for approval of a sole source purchase of audit services and give the auditors the opportunity to review the application to advise the [secretary] board as to whether such services are necessary and, if so, whether such services could be provided by said auditors.

Sec. 2. Section 4-216 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

(a) No state agency may execute a personal service agreement having a cost of more than fifty thousand dollars or a term of more than one year, without the approval of the secretary. A state agency may apply for an approval by submitting the following information to the secretary: (1) A description of the services to be purchased and the need for such services; (2) an estimate of the cost of the services and the term of the agreement; (3) whether the services are to be on-going; (4) whether the state agency has contracted out for such services during the preceding two years and, if so, the name of the contractor, term of the agreement with such contractor and the amount paid to the contractor; (5) whether any other state agency has the resources to provide the services; (6) whether the agency intends to purchase the services by competitive negotiation and, if not, why; and (7) whether it is possible to purchase the services on a cooperative basis with other state agencies. The secretary shall approve or disapprove an application within fifteen business days after receiving it and any necessary supporting information, provided if the secretary does not act within such fifteen-day period the application shall be deemed to have been approved. The secretary shall immediately notify (A) the Auditors of Public Accounts of any application which the secretary receives for approval of a personal services agreement for audit services and give said auditors an opportunity to review the application during such fifteen-day period and advise the secretary as to whether such audit services are necessary and, if so, could be provided by said auditors, and (B) the State Contracting Standards
Board of any application which the secretary receives for approval of a personal services agreement where the agency does not intend to purchase the services by competitive negotiation.

(b) Each personal service agreement having a cost of more than fifty thousand dollars or a term of more than one year shall be based on competitive negotiation or competitive quotations, unless the state agency purchasing the personal services applies to the State Contracting Standards Board for a waiver from such requirement and the board grants the waiver in accordance with any guidelines adopted under section 4-215, as amended by this act.

(c) The secretary may establish an incentive program for nonprofit providers of human services whose contracts with the state do not exceed one million dollars and who provide direct services to not more than one hundred fifty persons enrolled in state-funded assistance programs in specific geographical regions of the state. The incentive program may (1) allow providers who otherwise meet contractual requirements to retain a percentage of any savings realized by the providers from the contracted cost for services, (2) require that at least fifty per cent of savings retained by the providers be used to expand such services, and (3) provide that future contracted amounts from the state for the same types of services are not reduced solely to reflect savings achieved in previous contracts by such providers. For purposes of this subsection, "state-funded assistance programs" includes, but is not limited to, services provided to persons with intellectual, physical or mental disabilities or autism spectrum disorder.

Sec. 3. Subsection (a) of section 4e-36 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

(a) Any bidder or proposer on a state contract may contest the solicitation or award of a contract, including a contract awarded after the granting of any waiver from competitive bidding under section 4-
215 or 4-216, as amended by this act, to a subcommittee of the State Contracting Standards Board which shall be appointed by the chairperson of the board and consist of three members, at least one of whom shall be a legislative appointee. Such contest shall be submitted, in writing, not later than fourteen days after such bidder or proposer knew or should have known of the facts giving rise to such contest and shall be limited to the procedural elements of the solicitation or award process, or claims of an unauthorized or unwarranted, noncompetitive selection process.

Sec. 4. Subdivision (28) of section 4e-1 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

(28) "State contracting agency" means any executive branch agency, board, commission, department, office, institution or council. "State contracting agency" does not include the judicial branch, the legislative branch, including the offices of the Secretary of the State, the State Comptroller, the Attorney General, the State Treasurer, with respect to their constitutional functions, any state agency with respect to contracts specific to the constitutional and statutory functions of the office of the State Treasurer. For the purposes of section 4e-16, "state contracting agency" includes any constituent unit of the state system of higher education, but excluding the judicial and legislative branches. For the purposes of section 4e-19, "state contracting agency" includes the State Education Resource Center, established under section 10-4q;

Sec. 5. Section 4e-5 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

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

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

(b) The State Contracting Standards Board, with the advice and
assistance of the Commissioner of Administrative Services, shall
develop a standardized state procurement and project management
education and training certification program. Such education and
training certification program shall develop education, training and
professional development opportunities for employees of state
contracting agencies charged with procurement responsibilities. The
program shall educate such employees in general business acumen
and on proper purchasing procedures as established in statutes and
regulations concerning procurement with an emphasis on ethics,
fairness, consistency and project management. [Participation in the
program] Certification shall be required of any supervisory and
nonsupervisory state employees in state contracting agencies with
responsibility for buying, purchasing, renting, leasing or otherwise
acquiring any supplies, service or construction, including the
preparation of the description of requirements, selection and
solicitation of sources, preparation and award of contracts and all
phases of contract administration.

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

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

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

Sec. 6. Section 4e-6 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

(a) The board shall appoint a Chief Procurement Auditor for a term not to exceed six years, unless reappointed pursuant to the provisions of this subsection. The Chief Procurement Auditor shall report to the board and annually be evaluated by, and serve at the pleasure of, the board. For administrative purposes only, the Chief Procurement
Auditor shall be supervised by the executive director.

(b) The Chief Procurement Auditor shall: (1) In consultation with the Auditors of Public Accounts, establish procedures for monitoring the financial and cost provisions of contracting regulations; (2) establish an anonymous hotline to receive complaints regarding procurement and investigate such complaints, as appropriate; and (3) measure and report annually on procurement process improvement.

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

[(b)] (d) Upon completion of any such audit, the [board] Chief Procurement Auditor shall prepare and issue a compliance report for the state contracting agency. Such report shall identify any process or procedure that is inconsistent with statutes and regulations concerning procurement and indicate those corrective measures the [board] Chief Procurement Auditor deems necessary to comply with statutes and regulations concerning procurement requirements. Such report shall be issued and delivered not later than thirty days after completion of such audit and shall be a public record.

Sec. 7. Subsection (a) of section 4e-7 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

(a) For cause, the State Contracting Standards Board may review, terminate or recommend to a state contracting agency the termination of any contract or procurement agreement undertaken by any state contracting agency after providing fifteen days' notice to the state
contracting agency and the applicable contractor, and consulting with
the Attorney General. Such termination of a contract or procurement
agreement by the board may occur only after (1) the board has
consulted with the contracting agency to determine the impact of an
immediate termination of the contract, (2) a determination has been
made jointly by the board and the contracting agency that an
immediate termination of the contract will not create imminent peril to
the public health, safety or welfare, (3) a vote of two-thirds of the
members of the board present and voting for that purpose, and (4) the
board has provided the state contracting agency and the contractor
with opportunity for a hearing conducted pursuant to the provisions
of chapter 54. Such action shall be accompanied by notice to the state
contracting agency and any other affected party. For the purpose of
this section, "for cause" means: (A) A violation of section 1-84 or 1-86e,
as determined by the Citizen's Ethics Advisory Board; (B) wanton or
reckless disregard of any state contracting and procurement process by
any person substantially involved in such contract or state contracting
agency; or (C) notification from the Attorney General to the state
contracting agency that an investigation pursuant to section 4-61dd has
concluded that the process by which such contract was awarded was
compromised by fraud, collusion or any other criminal violation.
Nothing in this section shall be construed to limit the authority of the
board or Chief Procurement Auditor, as described in section 4e-6, as
amended by this act.

This act shall take effect as follows and shall amend the following
sections:

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