Bill No.: HB-5504  
Title: AN ACT CONCERNING THE NET ECONOMIC VALUE OF CONTRACTS.  
Vote Date: 3/29/2019  
Vote Action: Joint Favorable  
PH Date: 3/25/2019  
File No.: 

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SPONSORS OF BILL:

Government Administration and Elections Committee

Co-Sponsors
Rep. Geraldo C. Reyes, 75th Dist.

REASONS FOR BILL:

This bill requires the DAS commissioner to determine a methodology for evaluating the potential state revenue from awarding a contract to a Connecticut business or business that will hire Connecticut employees as one of the criteria used to evaluate bids for state contracts. It also requires the DOT commissioner, UConn Board of Trustees, and Board of Regents for Higher Education to create similar methodologies for evaluating their agency’s contracts. This legislation intends to provide Connecticut with economic data that would allow the state to weigh when deciding on present and future contracts with businesses and potentially bring down costs.

RESPONSE FROM ADMINISTRATION/AGENCY:

Josh Geballe, Commissioner, Department of Administrative Services (DAS): While DAS appreciates the intent of this legislation, the Department is concerned about the logistics surrounding the proposed metric that would assess revenue. According to DAS, such a metric does not exist and the Department does not have the staff needed to develop one. DAS also worries that neighboring states may view the in-state preferences in this legislation as protectionist and that they may enact measures in retaliation.

NATURE AND SOURCES OF SUPPORT:
**Rep. Liz Linehan, 103rd Dist.** Rep. Linehan writes in support of the bill, which she says will benefit Connecticut businesses and workers without violating the Equal Protections Clause of the 14th Amendment. She writes that the creation of a formula to determine revenue would ultimately alleviate the cost of state contracts and potentially encourage out-of-state companies to hire Connecticut workers and benefit Connecticut employers.

**NATURE AND SOURCES OF OPPOSITION:**

None Expressed

Reported by: Emmet Teran  
Assistant Clerk  
Date: 4/3/19