Bill No.: HB-7237  
Title: AN ACT CONCERNING A DISPARITY STUDY.  
Vote Date: 3/14/2019  
Vote Action: Joint Favorable  
PH Date: 3/5/2019  
File No.:  

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SPONSORS OF BILL:  
Labor and Public Employees Committee  

REASONS FOR BILL:  
There is evidence of inconsistent practices in addressing the needs to help small contractors, minority business enterprises, nonprofit organizations and individuals with disabilities to be consider for and awarded state contracts. This study would identify the problems and help determine solutions.  

RESPONSE FROM ADMINISTRATION/AGENCY:  
Josh Geballe, Commissioner, Department of Administrative Services: His testimony said this study is essential in the process of developing new, legally justifiable goals and definitions. It will identify the number of Minority Business Enterprises (MBEs) and non-MBEs ready, willing and able to perform work as well as the number of vendors in each category. This is necessary to determine if there is a disparity.  

NATURE AND SOURCES OF SUPPORT:  
Ingrid Alvarez, CT State Director, Hispanic Federation: This bill would help address the ongoing underrepresentation and inclusion of the Minority Business Enterprises in State funded contracts and projects. The number of minority business enterprises, nonprofit organizations and individuals with disabilities who are considered and awarded contracts for the purchase of goods and services, public and municipal public works contracts are inconsistent.  

Matthew Larson, Associate Vice President and Chief Procurement Officer, UCONN: The identification, investment and support of ethnic MBEs residing and certified in the State can only help diversify and grow the State’s economy since these business owners and their
employees are contributing taxpayers and consumers. This study will identify and dismantle any barriers now existing so everyone is given opportunity to fairly compete.

Jennifer Little-Greer, Executive Director, Minority Construction Council: This study would determine if MBE classifications are receiving a fair percentage of set-aside contracts in accordance with the number of ethnic Minority Business Enterprises and Women Business Enterprises who are state-certified. It would determine if these goals need to be increased based on the increase in certified ethnic MBE and WBE firms. And finally, it would determine what percentage of goals needs to be established for ethnic/women owned businesses on State funded projects.

David McGuire, Executive Director, American Civil Liberties Union of CT: This bill will help determine if the goal of facilitating the participation of small contractors and minority business enterprises are receiving fair treatment. The set-aside program was created to increase access to publically financed projects by groups of people who were historically disadvantaged. It increases transparency on how the program works and helps policymakers determine if changes are needed.

Fred McKinney, Ph.D., Carl Highsmith Chair for Innovation and Entrepreneurship, Quinnipiac University: CT must have a procurement program that is fair to both minority and non-minority businesses and supports the development of all communities. Ethnic minority businesses have historically been underrepresented in State contracts. Everyone has an interest in promoting fairness and opportunity in under-utilized businesses. Increased employment stabilizes communities, reduces the burden of public support and increases tax revenues. This study will provide confidence for a well-designed program to promote inclusion.

Donald Shubert, President, CT Construction Industries Association: This bill is necessary to resurrect the crucial and necessary process of planting CT’s set aside program on solid legal footing. Minority business enterprise programs are not designed as a narrowly-tailored program and don’t meet the strict scrutiny standard for justifying a race-based program. Discrimination should be eliminated in state contracting. This study determines what discrimination exists.

Bernard Thomas, Executive Director, Hartford Knights Corporation: This study would be an invaluable tool for producing findings, recommendations and next steps needed for determining intentional or unintentional systemic and institutional barriers that persist to prevent small and minority businesses enterprises form participating in the DAS contraction opportunities as mandated. It also addresses the inconsistent processes for how the state announces and conducts outreach information.

NATURE AND SOURCES OF OPPOSITION:

None submitted.

Reported by: Marie Knudsen          Date:March 22, 2019