OLR Bill Analysis
HB 5736

AN ACT CONCERNING PRICE PREFERENCES FOR VETERAN-OWNED BUSINESSES IN STATE CONTRACTING.

SUMMARY
This bill allows the Department of Administrative Services (DAS) to give a 10% price preference to veteran-owned businesses when awarding open market orders or contracts. Under it, a “veteran-owned business” is any business in which at least 51% ownership is held by one or more veterans. (A price preference is the percentage by which a bid may be reduced for purposes of awarding a contract to the lowest qualified bidder.)

Existing law, unchanged by the bill, allows DAS to give a price preference of up to 15% for veteran-owned micro businesses (i.e., those with gross revenues of up to $3 million).

EFFECTIVE DATE: October 1, 2021

BACKGROUND
Eligible Veterans
A “veteran” is anyone who was (1) honorably discharged or released from active service in the U.S. Armed Forces or their reserve components or (2) discharged under conditions other than dishonorable or for bad conduct and has a qualifying condition (i.e., a diagnosis of post-traumatic stress disorder or traumatic brain injury or a disclosed military sexual trauma).

Related Bill
HB 5592, favorably reported by the Veterans’ Affairs Committee, expands the general definition of “veteran” under state law to include those released with an other than honorable discharge based on
specified qualifying conditions (e.g., military sexual trauma experience, a qualifying mental health condition, sexual orientation, or gender identity or expression), as determined under the bill. In doing so, it expands eligibility for any statutory programs or benefits that reference this definition.

**COMMITTEE ACTION**

Veterans’ Affairs Committee

Joint Favorable
Yea 17  Nay 0  (03/18/2021)