



House of Representatives

General Assembly

File No. 635

February Session, 2022

Substitute House Bill No. 5432

House of Representatives, April 26, 2022

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE MEMBERSHIP, STAFFING AND BUDGET OF THE CONTRACTING STANDARDS BOARD.

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

1 Section 1. Section 4e-2 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2022*):

3 (a) (1) There is established a State Contracting Standards Board that
4 shall, initially, and through June 30, 2023, consist of fourteen members
5 appointed as follows: Eight members by the Governor, at least one of
6 whom is certified in procurement, two members by the speaker of the
7 House of Representatives, two members by the president pro tempore
8 of the Senate, one member by the majority leader of the Senate and one
9 member by the majority leader of the House of Representatives, who is
10 certified in procurement. In the event that the party of the Governor also
11 controls both houses of the General Assembly, the board shall be
12 appointed as follows: Eight members by the Governor, at least one of
13 whom is certified in procurement, one member by the president pro
14 tempore of the Senate, one member by the speaker of the House of

15 Representatives, one member by the majority leader of the Senate, one
16 member by the majority leader of the House of Representatives, one
17 member by the minority leader of the Senate and one member by the
18 minority leader of the House of Representatives, who is certified in
19 procurement.

20 (2) On and after July 1, 2023, the members of the board shall be
21 appointed as follows: Four members by the Governor, at least one of
22 whom is certified in procurement, four members by the speaker of the
23 House of Representatives, four members by the president pro tempore
24 of the Senate, one member by the majority leader of the Senate, one
25 member by the majority leader of the House of Representatives, who is
26 certified in procurement, one member by the minority leader of the
27 Senate and one member by the minority leader of the House of
28 Representatives, who is certified in procurement.

29 (b) Each member shall have demonstrated sufficient knowledge by
30 education, training or experience in one or more of the following
31 enumerated areas: (1) Procurement; (2) contract negotiation, selection
32 and drafting; (3) contract risk assessment; (4) competitive bidding and
33 proposal procedures; (5) real estate transactions, including the
34 purchase, sale and lease of real estate and buildings; (6) building
35 construction and architecture; (7) business insurance and bonding; (8)
36 ethics in public contracting; (9) federal and state statutes, procurement
37 policies and regulations; (10) outsourcing and privatization analysis;
38 (11) small and minority business enterprise development; (12)
39 engineering and information technologies; (13) human services; and (14)
40 personnel and labor relations, provided such education, training or
41 experience was acquired over not less than a continuous five-year
42 period within the ten-year period preceding such appointment.

43 (c) [The] Initially, and through June 30, 2023, the chairperson of the
44 board shall be appointed by the Governor. On and after July 1, 2023, the
45 speaker of the House of Representatives and the president pro tempore
46 of the Senate shall jointly appoint the chairperson from among the
47 members of the board. The terms of the members shall be coterminous

48 with the terms of the appointing authority for each member and subject
49 to the provisions of section 4-1a. If any vacancy occurs on the board, the
50 appointing authority having the power to make the appointment under
51 the provisions of this section shall appoint a person in accordance with
52 the provisions of this section.

53 (d) The State Contracting Standards Board shall be within the Office
54 of Governmental Accountability established under section 1-300.

55 (e) The chairperson of the board and other members of the board shall
56 be compensated two hundred dollars per diem. No person shall serve
57 on the board who is a state or municipal employee. No board member
58 or any spouse, child, stepchild, parent or sibling of such board member
59 shall be directly involved in any enterprise that does business with the
60 state.

61 (f) [The] (1) Initially, and through June 30, 2023, the Governor shall
62 appoint an executive director of the board who shall serve as an ex-
63 officio, nonvoting member of the board. On and after July 1, 2023, the
64 speaker of the House of Representatives and the president pro tempore
65 of the Senate shall jointly appoint an executive director of the board,
66 who shall serve as an ex-officio, nonvoting member of the board. The
67 executive director shall be appointed in accordance with the provisions
68 of section 4-7 and may be removed from office for reasonable cause, in
69 accordance with chapter 67.

70 (2) The board shall, annually, conduct a performance evaluation of
71 such executive director. The executive director shall report to the
72 chairperson of the board and, in consultation with the Chief
73 Procurement Officer, [(1)] (A) conduct comprehensive planning with
74 respect to the administrative functions of the board; [(2)] (B) coordinate
75 the budget and personnel activities of the board; [(3)] (C) cause the
76 administrative organization of the board to be examined with a view to
77 promoting economy and efficiency; [(4)] (D) act as the external liaison
78 for the board; and [(5)] (E) execute such other duties as may be assigned
79 by the chairperson of the board or the board, as applicable. The
80 executive director may enter into such contractual agreements as may

81 be necessary for the discharge of the director's duties.

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

88 (1) The Chief Procurement Officer shall be responsible for carrying
89 out the policies of the board relating to procurement including, but not
90 limited to, oversight, investigation, auditing, agency procurement
91 certification and procurement and project management training and
92 enforcement of said policies as well as the application of such policies to
93 the screening and evaluation of current and prospective contractors. The
94 Chief Procurement Officer may enter into such contractual agreements
95 as may be necessary for the discharge of the duties as set forth in this
96 subsection and by the board, including, but not limited to,
97 recommending best practices and providing operational and
98 administrative assistance to state agencies determined, by the board, to
99 be in violation of sections 4e-16 to 4e-47, inclusive.

100 (2) In addition to the duties set forth by the board, the Chief
101 Procurement Officer shall (A) oversee state contracting agency
102 compliance with the provisions of statutes and regulations concerning
103 procurement; (B) monitor and assess the performance of the
104 procurement duties of each agency procurement officer; (C) administer
105 the certification system and monitor the level of agency compliance with
106 the requirements of statutes and regulations concerning procurement,
107 including, but not limited to, the education and training, performance
108 and qualifications of agency procurement officers; (D) review and
109 monitor the procurement processes of each state contracting agency,
110 quasi-public agencies and institutions of higher education; and (E) serve
111 as chairperson of the Contracting Standards Advisory Council and an
112 ex-officio member of the Vendor and Citizen Advisory Panel.

113 (h) The board may contract with consultants and professionals on a

114 temporary or project by project basis. [and may] The board shall
115 employ, subject to the provisions of chapter 67, not fewer than four
116 employees and may employ such additional employees as may be
117 necessary to carry out the provisions of this section. Not later than
118 August 1, 2022, the board shall hire the employees as required under
119 this subsection.

120 (i) The reasonable expenses of the State Contracting Standards Board
121 and its employees shall be paid from the budget of the board, upon the
122 approval of the board.

123 (j) No employee of the State Contracting Standards Board shall hold
124 another state or municipal position. No nonclerical employee of the
125 board or any spouse, child, stepchild, parent or sibling of such
126 employee, shall be associated with an enterprise that does business with
127 the state. For purposes of this subsection, "associated with" means
128 "business with which he is associated", as defined in section 1-79. Each
129 member and employee of the State Contracting Standards Board shall
130 file, with the board and with the Office of State Ethics, a statement of
131 financial interests, as described in section 1-83. Except as provided in
132 section 1-83, such statement shall be a public record. Such statements for
133 the preceding calendar year shall be filed with the Office of State Ethics,
134 as required by law, if such employee or member held such a position
135 during the preceding calendar year.

136 (k) Any violation of the provisions of subsection (j) of this section
137 shall constitute a violation of part I of chapter 10 and may be the subject
138 of a complaint and investigation filed and conducted in accordance with
139 the provisions of section 1-82.

140 (l) The board shall adopt such rules as it deems necessary for the
141 conduct of its internal affairs, in accordance with section 4-167,
142 including, but not limited to, rules of procedure for any audit
143 undertaken pursuant to section 4e-6.

144 (m) A majority of the appointed members of the board, but not less
145 than five members, shall constitute a quorum, which shall be required

146 for the transaction of business by the board.

147 Sec. 2. (NEW) (Effective July 1, 2022) (a) Notwithstanding any
148 provision of the general statutes, the appropriations recommended for
149 the State Contracting Standards Board shall be the estimates of
150 expenditure requirements transmitted to the Secretary of the Office of
151 Policy and Management by the executive director of the board and the
152 recommended adjustments and revisions of such estimates shall be the
153 recommended adjustments and revisions, if any, transmitted by said
154 executive director to the Office of Policy and Management.

155 (b) Notwithstanding any provision of the general statutes, the
156 Governor shall not reduce allotment requisitions or allotments in force
157 concerning the State Contracting Standards Board and the board's
158 budget shall not be subject to hold-backs or lapses.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2022	4e-2
Sec. 2	July 1, 2022	New section

APP Joint Favorable Subst.

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:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Governmental Accountability, Off.	GF - Cost	454,355	454,355
State Comptroller - Fringe Benefits ¹	GF - Cost	Up to 184,150	Up to 184,150

Note: GF=General Fund

Municipal Impact: None

Explanation

This bill requires the State Contracting Standards Board (SCSB), under the Office of Governmental Accountability (OGA), to hire at least four employees by August 1, 2022. This results in an annualized cost of \$454,355 to the OGA, and an annualized cost of up to \$184,150 to the Office of the State Comptroller for associated fringe benefits. The associated fringe benefits cost will be dependent on the number of staff hired by the SCSB.

This bill also makes changes to the composition of the SCSB, prohibits the Office of Policy and Management from revising the SCSB executive director's estimated expenditure requirements, and exempts the SCSB from holdbacks or lapses beginning July 1, 2023. These changes may impact future SCSB appropriations and/or allotments; however, the impact cannot be determined at this time.

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.53% of payroll in FY 23.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OFA Bill Analysis

sHB 5432

AN ACT CONCERNING THE MEMBERSHIP, STAFFING AND BUDGET OF THE CONTRACTING STANDARDS BOARD.

SUMMARY:

The bill requires the State Contracting Standards Board (SCSB), under the Office of Governmental Accountability (OGA), to hire at least four employees by August 1, 2022.

This bill also makes changes to the composition of the SCSB, prohibits the Office of Policy and Management from revising the SCSB executive director's estimated expenditure requirements, and exempts the SCSB from holdbacks or lapses beginning July 1, 2023.

EFFECTIVE DATE: July 1, 2022

COMMITTEE ACTION

Appropriations Committee

Joint Favorable Substitute

Yea 50 Nay 0