



**PA 22-39**—sHB 5172

*Planning and Development Committee*

**AN ACT CONCERNING REEMPLOYMENT AND THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM, CONVEYANCES OF CERTAIN LAND OR INTERESTS IN LAND OF NONPROFIT CORPORATIONS AND STATE CONTRACTOR PREQUALIFICATION**

**SUMMARY:** This act makes unrelated changes affecting re-employment of municipal retirees, certain housing land bank properties, and state contractor prequalification. Concerning re-employment, it removes restrictions on the amount of time that a Connecticut Municipal Employees Retirement System (CMERS) retiree may be re-employed with a member town and continue to receive his or her pension payments.

Separately, the act re-establishes the Department of Housing (DOH) commissioner's authority to determine that a nonprofit organization is incapable of developing or managing a property that the nonprofit acquired using financial assistance from the Community Housing Land Bank and Land Trust Fund. It (1) allows DOH to authorize the nonprofit to dispose of the property if certain conditions are met and (2) applies this authority to two properties in Middletown.

Lastly, the act expands the information that applicants must disclose when seeking state contractor prequalification from the Department of Administrative Services (DAS) to include information about certain settled administrative proceedings against the applicant as well as certain penalties levied for labor law violations. It also expands the reasons for which DAS must revoke a prequalification certificate.

EFFECTIVE DATE: October 1, 2022

**§ 1 — RE-EMPLOYED CMERS RETIREES**

Under prior law, a CMERS retiree who was re-employed with a CMERS town could not receive pension payments while re-employed unless the re-employment (1) was for fewer than 20 hours per week or (2) did not exceed 90 days per year.

The act allows these retirees to be re-employed with a CMERS town for any amount of time and receive pension payments as long as they do not participate (i.e., receive credit) in the retirement system during their re-employment.

The act also explicitly permits retired CMERS members of a police or fire department to accept employment with any participating school district, including a regional district, in a public safety position and continue to receive pension payments as long as they do not further participate in CMERS and earn more retirement credit.

## OLR PUBLIC ACT SUMMARY

### § 2 — COMMUNITY HOUSING LAND BANK AND LAND TRUST FUND PROPERTIES IN MIDDLETOWN

The act reestablishes, until January 1, 2023, the DOH commissioner's authority to determine that a nonprofit organization is incapable of developing or managing a property it acquired using Community Housing Land Bank and Land Trust Fund financial assistance. In doing so, the act allows the commissioner, after making this determination, to have the state assume control of the property through foreclosure, voluntary transfer, or other similar voluntary or compulsory action.

The act also explicitly allows the commissioner to authorize the nonprofit to dispose of the property if the Office of Policy and Management (OPM) secretary agrees. Under the act, the authorization may (1) allow the property to be transferred to the low- or moderate-income families who live on the property and (2) establish terms and conditions for the conveyance, including modifying or releasing deed restrictions. DOH may authorize the conveyance of two properties in Middletown.

The act re-establishes and modifies authority that previously expired January 1, 2017. Prior law allowed the DOH commissioner, with the OPM secretary's approval, to take any necessary steps to convey the property, including (1) modifying or removing deed restrictions before conveyance, (2) transferring the property to the low- or moderate-income families who live on the property, or (3) establishing terms or conditions for the conveyance. Prior law limited DOH to one conveyance under this authority.

### §§ 3-5 — DAS PREQUALIFICATION

#### *Application*

The act expands the information that applicants must disclose when seeking state contractor prequalification from DAS. By law, state public works contracts that exceed \$500,000 (or \$1.5 million for DAS-administered projects) generally must be awarded to a contractor that is prequalified by DAS (CGS § 4b-91). The law also requires prequalification by "substantial subcontractors" (i.e., those that perform work with value exceeding \$500,000) (CGS § 4a-100(a)).

Existing law requires prequalification applicants to disclose information about any legal or administrative proceedings concluded adversely against them, or their principals or key personnel, within the last five years related to procuring or performing any public or private construction contract. The act requires applicants to also disclose any proceedings meeting these criteria that were settled within the past five years.

Additionally, the act requires applicants to disclose administrative proceedings concluded adversely against them within the past five years that resulted in a (1) civil penalty related to wages, employment regulation, workers' compensation, or employee personnel files or (2) stop-work order related to workers' compensation.

#### *Revocation*

## OLR PUBLIC ACT SUMMARY

The act adds to the reasons for which the DAS commissioner must deny or revoke a contractor's or substantial subcontractor's prequalification. Under the act, she must do so for any contractor or substantial subcontractor that, within the past five years, has withheld any information or documentation requested in a prequalification application. Under existing law, a prequalification revocation generally disqualifies a contractor or substantial subcontractor from seeking prequalification for two years.