



Senate

General Assembly

File No. 572

January Session, 2023

Substitute Senate Bill No. 1223

Senate, April 13, 2023

The Committee on Government Administration and Elections reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD.

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

1 Section 1. (NEW) (*Effective from passage*) (a) Notwithstanding any
2 provision of the general statutes, the appropriations recommended for
3 the State Contracting Standards Board shall be the estimates of
4 expenditure requirements transmitted to the Secretary of the Office of
5 Policy and Management by the executive director of the board and the
6 recommended adjustments and revisions of such estimates shall be the
7 recommended adjustments and revisions, if any, transmitted by said
8 executive director to the Office of Policy and Management.

9 (b) Notwithstanding any provision of the general statutes, the
10 Governor shall not reduce allotment requisitions or allotments in force
11 concerning the State Contracting Standards Board.

12 Sec. 2. Section 4e-1 of the general statutes is repealed and the

13 following is substituted in lieu thereof (*Effective July 1, 2023*):

14 For the purposes of this section and sections [4e-1] 4e-2 to 4e-47,
15 inclusive, as amended by this act:

16 (1) "Best value selection" means a contract selection process in which
17 the award of a contract is based on a combination of quality, timeliness
18 and cost factors;

19 (2) "Bid" means an offer, submitted in response to an invitation to bid,
20 to furnish supplies, materials, equipment, construction or contractual
21 services to a state contracting agency under prescribed conditions at a
22 stated price;

23 (3) "Bidder" means a business submitting a bid in response to an
24 invitation to bid by a state contracting agency;

25 (4) "Business" means any individual or sole proprietorship,
26 partnership, firm, corporation, trust, limited liability company, limited
27 liability partnership, joint stock company, joint venture, association or
28 other legal entity through which business for profit or not-for-profit is
29 conducted;

30 (5) "Competitive bidding" means the submission of prices by a
31 business competing for a contract to provide supplies, materials,
32 equipment or contractual services to a state contracting agency, under a
33 procedure in which the contracting authority does not negotiate prices,
34 as set forth in statutes and regulations concerning procurement;

35 (6) "Consultant" means (A) any architect, professional engineer,
36 landscape architect, land surveyor, accountant, interior designer,
37 environmental professional or construction administrator, who is
38 registered or licensed to practice such person's profession in accordance
39 with the applicable provisions of the general statutes, (B) any planner or
40 any environmental, management or financial specialist, or (C) any
41 person who performs professional work in areas including, but not
42 limited to, educational services, medical services, information
43 technology and real estate appraisal;

44 (7) "Consultant services" means those professional services rendered
45 by a consultant and any incidental services that a consultant and those
46 in the consultant's employ are authorized to perform;

47 (8) "Contract" [or "state contract"] means an agreement or a
48 combination or series of agreements between a state contracting agency
49 [or quasi-public agency] and a business for:

50 (A) A project for the construction, reconstruction, alteration,
51 remodeling, repair or demolition of any public building, public work,
52 mass transit, rail station, parking garage, rail track or airport;

53 (B) Services, including, but not limited to, consultant and professional
54 services;

55 (C) The acquisition or disposition of personal property;

56 (D) The provision of goods and services, including, but not limited
57 to, the use of purchase of services contracts and personal service
58 agreements;

59 (E) The provision of information technology, state agency
60 information system or telecommunication system facilities, equipment
61 or services;

62 (F) A lease; or

63 (G) A licensing agreement;

64 "Contract" [or "state contract"] does not include a contract between a
65 state contracting agency [or a quasi-public agency] and a political
66 subdivision of the state;

67 (9) "Term contract" means the agreement reached when the state
68 accepts a bid or proposal to furnish supplies, materials, equipment or
69 contractual services at a stated price for a specific period of time in
70 response to an invitation to bid;

71 (10) "Contract risk assessment" means (A) the identification and

72 evaluation of loss exposures and risks, including, but not limited to,
73 business and legal risks associated with the contracting process and the
74 contracted goods and services, and (B) the identification, evaluation and
75 implementation of measures available to minimize potential loss
76 exposures and risks;

77 (11) "Contractor" means any business that is awarded, or is a
78 subcontractor under, a contract or an amendment to a contract with a
79 state contracting agency under statutes and regulations concerning
80 procurement, including, but not limited to, a small contractor, minority
81 business enterprise, an individual with a disability, as defined in section
82 4a-60, or an organization providing products and services by persons
83 with disabilities;

84 (12) "Contractual services" means the furnishing of labor by a
85 contractor, not involving the delivery of a specific end product other
86 than reports, which are merely incidental to the required performance
87 and includes any and all laundry and cleaning service, pest control
88 service, janitorial service, security service, the rental and repair, or
89 maintenance, of equipment, machinery and other [state-owned]
90 personal property owned by a state contracting agency, advertising and
91 photostating, mimeographing, human services and other service
92 arrangements where the services are provided by persons other than
93 state employees or quasi-public agency employees. "Contractual
94 services" includes the design, development and implementation of
95 technology, communications or telecommunications systems or the
96 infrastructure pertaining thereto, including hardware and software and
97 services for which a contractor is conferred a benefit by the state,
98 whether or not compensated by the state. "Contractual services" does
99 not include employment agreements or collective bargaining
100 agreements;

101 (13) "Data" means recorded information, regardless of form or
102 characteristic;

103 (14) "Vote of two-thirds of the members of the board present and
104 voting" means a vote by the State Contracting Standards Board that is

105 agreed upon by two-thirds of the members of the State Contracting
106 Standards Board present and voting for a particular purpose and that
107 includes the vote of one member of the board appointed by a legislative
108 leader;

109 (15) "Electronic" means electrical, digital, magnetic, optical,
110 electromagnetic, or any other similar technology;

111 (16) "Emergency procurement" means procurement by a state
112 contracting agency, [quasi-public agency, as defined in section 1-120,]
113 judicial department or constituent unit of higher education that is made
114 necessary by a sudden, unexpected occurrence that poses a clear and
115 imminent danger to public safety or requires immediate action to
116 prevent or mitigate the loss or impairment of life, health, property or
117 essential public services or in response to a court order, settlement
118 agreement or other similar legal judgment;

119 (17) "Equipment" means personal property of a durable nature that
120 retains its identity throughout its useful life;

121 (18) "Materials" means items required to perform a function or used
122 in a manufacturing process, particularly those incorporated into an end
123 product or consumed in its manufacture;

124 (19) "Nonprofit agency" means any organization that is not a for-
125 profit business under Section 501(c)(3) of the Internal Revenue Code of
126 1986, or any subsequent corresponding internal revenue code of the
127 United States, as amended from time to time, [amended,] makes no
128 distribution to its members, directors or officers and provides services
129 contracted for by (A) the state or a quasi-public agency, or (B) a nonstate
130 entity;

131 (20) "Professional services" means any type of service to the public
132 that requires that members of a profession rendering such service obtain
133 a license or other legal authorization as a condition precedent to the
134 rendition thereof, including, but not limited to, the professional services
135 of architects, professional engineers, or jointly by architects and

136 professional engineers, landscape architects, certified public
137 accountants and public accountants, land surveyors, attorneys-at-law,
138 psychologists, licensed marital and family therapists, licensed
139 professional counselors and licensed clinical social workers as well as
140 such other professional services described in section 33-182a;

141 (21) "Privatization contract" means an agreement or series of
142 agreements between a state contracting agency and a person or entity in
143 which such person or entity agrees to provide services that are
144 substantially similar to and in lieu of services provided, in whole or in
145 part, by state employees or quasi-public agency employees, other than
146 contracts with a nonprofit agency, which are in effect as of January 1,
147 2009, and which through a renewal, modification, extension or
148 rebidding of contracts continue to be provided by a nonprofit agency;

149 (22) "Procurement" means contracting for, buying, purchasing,
150 renting, leasing or otherwise acquiring or disposing of, any supplies,
151 services, including but not limited to, contracts for purchase of services
152 and personal service agreements, interest in real property, or
153 construction, and includes all government functions that relate to such
154 activities, including best value selection and qualification based
155 selection;

156 (23) "Proposer" means a business submitting a proposal to a state
157 contracting agency in response to a request for proposals or other
158 competitive sealed proposal;

159 (24) "Public record" means a public record, as defined in section 1-
160 200;

161 (25) "Qualification based selection" means a contract selection process
162 in which the award of a contract is primarily based on an assessment of
163 contractor qualifications and on the negotiation of a fair and reasonable
164 price;

165 (26) "Regulation" means regulation, as defined in section 4-166;

166 (27) "Request for proposals" means all documents, whether attached

167 or incorporated by reference, utilized for soliciting proposals;

168 (28) "State contracting agency" means any executive branch agency,
169 board, commission, department, office, institution, [or] council or quasi-
170 public agency. "State contracting agency" does not include the judicial
171 branch, the legislative branch, the offices of the Secretary of the State,
172 the State Comptroller, the Attorney General, the State Treasurer, with
173 respect to their constitutional functions, any state agency with respect
174 to contracts specific to the constitutional and statutory functions of the
175 office of the State Treasurer. For the purposes of section 4e-16, as
176 amended by this act, "state contracting agency" includes any constituent
177 unit of the state system of higher education and [for the purposes of
178 section 4e-19, "state contracting agency" includes the State Education
179 Resource Center, established under section 10-4q] The University of
180 Connecticut Health Center Finance Corporation;

181 (29) "Subcontractor" means a subcontractor of a contractor for work
182 under a contract or an amendment to a contract;

183 (30) "Supplies" means any and all articles of personal property,
184 including, but not limited to, equipment, materials, printing, insurance
185 and leases of real property, excluding land or a permanent interest in
186 land furnished to or used by any state agency;

187 (31) "Infrastructure facility" means a building, structure or network
188 of buildings, structures, pipes, controls and equipment that provide
189 transportation, utilities, public education or public safety services.
190 [Infrastructure facility] "Infrastructure facility" includes government
191 office buildings, public schools, jails, water treatment plants,
192 distribution systems and pumping stations, wastewater treatment
193 plants, collections systems and pumping stations, solid waste disposal
194 plants, incinerators, landfills, and related facilities, public roads and
195 streets, highways, public parking facilities, public transportation
196 systems, terminals and rolling stock, rail, air and water port structures,
197 terminals and equipment; [and]

198 (32) "State employee" means state employee, as defined in section 5-

199 154 and, for purposes of section 4e-16, as amended by this act, [state
200 employee] "state employee" includes an employee of any state
201 contracting agency that is not a quasi-public agency; and

202 (33) "Quasi-public agency" has the same meaning as provided in
203 section 1-120.

204 Sec. 3. Subsections (g) and (h) of section 4e-2 of the general statutes
205 are repealed and the following is substituted in lieu thereof (*Effective July*
206 *1, 2023*):

207 (g) The board shall appoint a Chief Procurement Officer for a term
208 not to exceed six years, unless reappointed pursuant to the provisions
209 of this subsection. The Chief Procurement Officer shall report to the
210 board and annually be evaluated by, and serve at the pleasure of, the
211 board. For administrative purposes only, the Chief Procurement Officer
212 shall be supervised by the executive director.

213 (1) The Chief Procurement Officer shall be responsible for carrying
214 out the policies of the board relating to procurement including, but not
215 limited to, oversight, investigation, auditing, agency procurement
216 certification and procurement and project management training and
217 enforcement of [said] such policies as well as the application of such
218 policies to the screening and evaluation of current and prospective
219 contractors. The Chief Procurement Officer may enter into such
220 contractual agreements as may be necessary for the discharge of the
221 duties as set forth in this subsection and by the board, including, but not
222 limited to, recommending best practices and providing operational and
223 administrative assistance to state agencies determined, by the board, to
224 be in violation of sections 4e-16 to 4e-47, inclusive, as amended by this
225 act.

226 (2) In addition to the duties set forth by the board, the Chief
227 Procurement Officer shall (A) oversee state contracting agency
228 compliance with the provisions of statutes and regulations concerning
229 procurement; (B) monitor and assess the performance of the
230 procurement duties of each agency procurement officer; (C) administer

231 the certification system and monitor the level of agency compliance with
232 the requirements of statutes and regulations concerning procurement,
233 including, but not limited to, the education and training, performance
234 and qualifications of agency procurement officers; (D) review and
235 monitor the procurement processes of each state contracting agency [,
236 quasi-public agencies] and institutions of higher education; and (E)
237 serve as chairperson of the Contracting Standards Advisory Council
238 and an ex-officio member of the Vendor and Citizen Advisory Panel.

239 (h) The board may contract with consultants and professionals on a
240 temporary or project by project basis, and [may] shall employ, subject
241 to the provisions of chapter 67, [such] not less than five full-time
242 employees and may employ additional employees as may be necessary
243 to carry out the provisions of this section.

244 Sec. 4. Subdivision (2) of subsection (a) of section 4e-3 of the general
245 statutes is repealed and the following is substituted in lieu thereof
246 (*Effective July 1, 2023*):

247 (2) Any state contracting agency's contracting and procurement
248 processes, including, but not limited to, leasing and property transfers,
249 purchasing or leasing of supplies, materials or equipment, consultant or
250 consultant services, purchase of service agreements or privatization
251 contracts; and

252 Sec. 5. Section 4e-4 of the general statutes is repealed and the
253 following is substituted in lieu thereof (*Effective July 1, 2023*):

254 Except as otherwise provided in the general statutes, the board shall
255 have the following authority and responsibilities with respect to
256 procurements by state contracting agencies:

257 [(a)] (1) Recommend the repeal of repetitive, conflicting or obsolete
258 statutes concerning [state] procurement;

259 [(b)] (2) Review and make recommendations concerning proposed
260 legislation and regulations concerning procurement, management,
261 control, and disposal of any and all supplies, services, and construction

262 to be procured by [the] state contracting agencies, including, but not
263 limited to:

264 [(1)] (A) Conditions and procedures for delegation of procurement
265 authority;

266 [(2)] (B) Prequalification, suspension, debarment and reinstatement
267 of prospective bidders and contractors;

268 [(3)] (C) Small purchase procedures;

269 [(4)] (D) Conditions and procedures for the procurement of
270 perishables and items for resale;

271 [(5)] (E) Conditions and procedures for the use of source selection
272 methods authorized by statutes and regulations concerning
273 procurement;

274 [(6)] (F) Conditions and procedures for the use of emergency
275 procurements;

276 [(7)] (G) Conditions and procedures for the selection of contractors by
277 processes or methods that restrict full and open competition;

278 [(8)] (H) The opening or rejection of bids and offers, and waiver of
279 errors in bids and offers;

280 [(9)] (I) Confidentiality of technical data and trade secrets submitted
281 by actual or prospective bidders;

282 [(10)] (J) Partial, progressive and multiple awards;

283 [(11)] (K) Supervision of storerooms and inventories, including
284 determination of appropriate stock levels and the management,
285 transfer, sale or other disposal of publicly-owned supplies;

286 [(12)] (L) Definitions and classes of contractual services and
287 procedures for acquiring such services;

288 [(13)] (M) Regulations providing for conducting cost and price

289 analysis;

290 [(14)] (N) Use of payment and performance bonds;

291 [(15)] (O) Guidelines for use of cost principles in negotiations,
292 adjustments and settlements; and

293 [(16)] (P) Identification of procurement best practices;

294 [(c)] (3) Adopt regulations, pursuant to chapter 54, to carry out the
295 provisions of statutes concerning procurement, in order to facilitate
296 consistent application of the law and require the implementation of
297 procurement best practices;

298 [(d)] (4) Make recommendations with regard to information systems
299 for [state] procurement including, but not limited to, data element and
300 design and the State Contracting Portal;

301 [(e)] (5) Develop a guide to state statutes and regulations concerning
302 procurement, for use by all state contracting agencies;

303 [(f)] (6) Assist state contracting agencies in complying with the
304 statutes and regulations concerning procurement by providing
305 guidance, models, advice and practical assistance to state contracting
306 agency staff relating to: [(1)] (A) Buying the best service at the best price,
307 [(2)] (B) properly selecting contractors, and [(3)] (C) drafting contracts
308 that achieve state goals of accountability, transparency and results
309 based outcomes and to protect taxpayers' interest;

310 [(g)] (7) Train and oversee the agency procurement officer of each
311 state contracting agency and any contracting officers thereunder;

312 [(h)] (8) Review and certify, on or after January 1, 2009, that a state
313 contracting agency's procurement processes are in compliance with
314 statutes and regulations concerning procurement by:

315 [(1)] (A) Establishing procurement and project management
316 education and training criteria and certification procedures for agency
317 procurement officers and contracting officers. All agency procurement

318 officers and contracting officers designated under this [provision]
319 subparagraph shall be required to maintain the certification in good
320 standing at all times while performing procurement functions;

321 [(2)] (B) Approving an ethics training course, in consultation with the
322 Office of State Ethics, including, but not limited to, state employees and
323 quasi-public agency employees involved in procurement and for state
324 contractors and substantial subcontractors who are prequalified
325 pursuant to chapter 58a. Such ethics training course may be developed
326 and provided by the Office of State Ethics or by any person, firm or
327 corporation provided such course is approved by the State Contracting
328 Standards Board;

329 [(i)] (9) Recertify each state contracting agency's procurement
330 processes, triennially, and provide agencies with notice of any
331 certification deficiency and exercise those powers authorized by section
332 4e-34, as amended by this act, 4e-39 or 4e-40, as amended by this act, as
333 applicable, if a determination of noncompliance is made;

334 [(j)] (10) Define the contract data reporting requirements to the board
335 for state contracting agencies concerning information on: [(1)] (A) The
336 number and type of [state] contracts of each state contracting agency
337 currently in effect state-wide; [(2)] (B) the term and dollar value of such
338 contracts; [(3)] (C) a list of client agencies; [(4)] (D) a description of
339 services purchased under such contracts; [(5)] (E) contractor names; [(6)]
340 (F) an evaluation of contractor performance, including, but not limited
341 to records pertaining to the suspension or disqualification of
342 contractors, and assuring such information is available on the State
343 Contracting Portal; and [(7)] (G) a list of contracts and contractors
344 awarded without full and open competition stating the reasons [for]
345 therefor and identifying the approving authority; and

346 [(k)] (11) Provide the Governor and the joint standing committee of
347 the General Assembly having cognizance of matters relating to
348 government administration with recommendations concerning the
349 statutes and regulations concerning procurement.

350 Sec. 6. Subsections (a) to (c), inclusive, of section 4e-5 of the general
351 statutes are repealed and the following is substituted in lieu thereof
352 (*Effective July 1, 2023*):

353 (a) (1) The head of each state contracting agency shall appoint an
354 agency procurement officer. Such officer shall serve as the liaison
355 between the agency and the Chief Procurement Officer on all matters
356 relating to the agency's procurement activity, including, but not limited
357 to, implementation and compliance with the provisions of statutes and
358 regulations concerning procurement and any policies or regulations
359 adopted by the board, coordination of the training and education of
360 agency procurement employees and any person serving on the
361 Contracting Standards Advisory Council;

362 (2) The agency procurement officer shall be responsible for (A)
363 ensuring that any invitation to bid, request for proposals or any other
364 solicitation for goods and services issued on or after July 1, 2023,
365 contains a notice of the rights of prospective bidders, proposers or
366 prospective contractors under sections 4e-36, 4e-39 and 4e-40, as
367 amended by this act, (B) assuring that contractors are properly screened
368 prior to the award of a contract, (C) ensuring contractors are advised of
369 their rights under sections 4e-36, 4e-39 and 4e-40, as amended by this
370 act, prior to entering into a contract on or after July 1, 2023, (D) ensuring
371 that, upon the award of such a contract, unsuccessful bidders, proposers
372 or respondents are advised of their rights under sections 4e-36, 4e-39
373 and 4e-40, as amended by this act, (E) evaluating contractor
374 performance during and at the conclusion of a contract, (F) submitting
375 written evaluations to a central data repository to be designated by the
376 board, and (G) creating a project management plan for the agency with
377 annual reports to the board pertaining to procurement projects within
378 the agency.

379 (b) The State Contracting Standards Board, with the advice and
380 assistance of the Commissioner of Administrative Services, shall
381 develop a standardized state procurement and project management
382 education and training program. Such education and training program

383 shall develop education, training and professional development
384 opportunities for employees of state contracting agencies charged with
385 procurement responsibilities. The education and training program shall
386 educate such employees in general business acumen and on proper
387 purchasing procedures as established in statutes and regulations
388 concerning procurement with an emphasis on ethics, fairness,
389 consistency and project management. Participation in the education and
390 training program shall be required of any supervisory and
391 nonsupervisory [state] employees in state contracting agencies with
392 responsibility for buying, purchasing, renting, leasing or otherwise
393 acquiring any supplies, service or construction, including the
394 preparation of the description of requirements, selection and solicitation
395 of sources, preparation and award of contracts and all phases of contract
396 administration.

397 (c) The state procurement and project management education and
398 training program shall include, but shall not be limited to (1) training
399 and education concerning federal, state and municipal procurement
400 processes, including the statutes and regulations concerning
401 procurement; (2) training and education courses developed in
402 cooperation with the Office of State Ethics, the Freedom of Information
403 Commission, the State Elections Enforcement Commission, the
404 Commission on Human Rights and Opportunities, the office of the
405 Attorney General and any other state agency the board determines is
406 necessary in carrying out statutes and regulations concerning
407 procurement; (3) providing technical assistance to state contracting
408 agencies and municipalities for implementing statutes and regulations
409 concerning procurement, regulations, policies and standards developed
410 by the board; (4) training to current and prospective contractors and
411 vendors and others seeking to do business with [the] state contracting
412 agencies; and (5) training and education of state employees and quasi-
413 public agency employees in the area of best procurement practices in
414 [state] purchasing with the goal of achieving the level of acumen
415 necessary to achieve the objectives of statutes and regulations
416 concerning procurement.

417 Sec. 7. Subsection (a) of section 4e-7 of the general statutes is repealed
418 and the following is substituted in lieu thereof (*Effective July 1, 2023*):

419 (a) For cause, the State Contracting Standards Board may review,
420 terminate or recommend to a state contracting agency the termination
421 of any contract or procurement agreement undertaken by any state
422 contracting agency after providing fifteen days' notice to the state
423 contracting agency and the applicable contractor, and consulting with
424 the Attorney General. Such termination of a contract or procurement
425 agreement by the board may occur only after (1) the board has consulted
426 with the state contracting agency to determine the impact of an
427 immediate termination of the contract, (2) a determination has been
428 made jointly by the board and the state contracting agency that an
429 immediate termination of the contract will not create imminent peril to
430 the public health, safety or welfare, (3) a vote of two-thirds of the
431 members of the board present and voting for that purpose, and (4) the
432 board has provided the state contracting agency and the contractor with
433 opportunity for a hearing conducted pursuant to the provisions of
434 chapter 54. Such action shall be accompanied by notice to the state
435 contracting agency and any other affected party. For the purpose of this
436 section, "for cause" means: (A) A violation of section 1-84 or 1-86e, as
437 determined by the Citizen's Ethics Advisory Board; (B) wanton or
438 reckless disregard of any state or quasi-public agency contracting and
439 procurement process by any person substantially involved in such
440 contract or state contracting agency; or (C) notification from the
441 Attorney General to the state contracting agency that an investigation
442 pursuant to section 4-61dd has concluded that the process by which
443 such contract was awarded was compromised by fraud, collusion or any
444 other criminal violation. Nothing in this section shall be construed to
445 limit the authority of the board as described in section 4e-6.

446 Sec. 8. Section 4e-8 of the general statutes is repealed and the
447 following is substituted in lieu thereof (*Effective July 1, 2023*):

448 There is established a Contracting Standards Advisory Council,
449 which shall consist of representatives from the Office of Policy and

450 Management, Departments of Administrative Services and
451 Transportation, [and] representatives of at least three additional state
452 contracting agencies, including at least one human services related state
453 agency, to be designated by the Governor, and at least four additional
454 state contracting agencies that are quasi-public agencies, two to be
455 appointed by the speaker of the House of Representatives and two to be
456 appointed by the president pro tempore of the Senate. The Chief
457 Procurement Officer shall be a member of the council and serve as
458 chairperson. The advisory council shall meet at least four times per year
459 to discuss [state] procurement issues and to make recommendations for
460 improvement of the procurement processes to the State Contracting
461 Standards Board. The advisory council may conduct studies, research
462 and analyses and make reports and recommendations with respect to
463 subjects or matters within the jurisdiction of the State Contracting
464 Standards Board.

465 Sec. 9. Subsection (a) of section 4e-10 of the general statutes is
466 repealed and the following is substituted in lieu thereof (*Effective July 1,*
467 *2023*):

468 (a) On or before July 1, 2010, the board shall submit to the Governor
469 and the General Assembly such legislation as is necessary to permit state
470 contracting agencies, not including [quasi-publics] quasi-public
471 agencies, institutions of higher education, and municipal procurement
472 processes utilizing state funds, to carry out their functions under
473 statutes and regulations concerning procurement.

474 Sec. 10. Section 4e-14 of the general statutes is repealed and the
475 following is substituted in lieu thereof (*Effective July 1, 2023*):

476 On and after June 1, 2010, all [state] contracts of each state contracting
477 agency that is not a quasi-public agency that take effect on or after June
478 1, 2010, shall contain provisions to ensure accountability, transparency
479 and [results based] results-based outcomes, as prescribed by the State
480 Contracting Standards Board. On and after June 1, 2010, all state
481 contracts of the legislative branch and the judicial branch that take effect
482 on or after June 1, 2010, shall contain provisions to ensure

483 accountability, transparency and [results based] results-based
484 outcomes. On and after July 1, 2023, all contracts of each state
485 contracting agency that is a quasi-public agency that take effect on or
486 after July 1, 2023, shall contain provisions to ensure accountability,
487 transparency and results-based outcomes.

488 Sec. 11. Subsections (c) and (d) of section 4e-16 of the general statutes
489 are repealed and the following is substituted in lieu thereof (*Effective July*
490 *1, 2023*):

491 (c) (1) If such cost-benefit analysis identifies a cost savings to the state
492 contracting agency of ten per cent or more, and such privatization
493 contract will not diminish the quality of such service, the state
494 contracting agency shall develop a business case, in accordance with the
495 provisions of subsection (d) of this section, in order to evaluate the
496 feasibility of entering into any such contract and to identify the potential
497 results, effectiveness and efficiency of such contract.

498 (2) If such cost-benefit analysis identifies a cost savings of less than
499 ten per cent to the state contracting agency and such privatization
500 contract will not diminish the quality of such service, the state
501 contracting agency may develop a business case, in accordance with the
502 provisions of subsection (d) of this section, in order to evaluate the
503 feasibility of entering into any such contract and to identify the potential
504 results, effectiveness and efficiency of such contract, provided there is a
505 significant public policy reason to enter into such privatization contract.
506 Any such business case shall be approved in accordance with the
507 provisions of subdivision (4) of subsection (h) of this section.

508 (3) If any such proposed privatization contract would result in the
509 layoff, transfer or reassignment of one hundred or more state
510 contracting agency employees, after consulting with the potentially
511 affected bargaining units, if any, the state contracting agency shall notify
512 the state employees or quasi-public agency employees of such
513 bargaining unit, as applicable, after such cost-benefit analysis is
514 completed. Such state contracting agency shall provide an opportunity
515 for [said] such employees to reduce the costs of conducting the

516 operations to be privatized and provide reasonable resources for the
517 purpose of encouraging and assisting such [state] employees to organize
518 and submit a bid to provide the services that are the subject of the
519 potential privatization contract. The state contracting agency shall retain
520 sole discretion in determining whether to proceed with the privatization
521 contract, provided the business case for such contract is approved by the
522 board.

523 (d) Any business case developed by a state contracting agency for the
524 purpose of complying with subsection (c) of this section shall include:
525 (1) The cost-benefit analysis as described in subsection (b) of this section,
526 (2) a detailed description of the service or activity that is the subject of
527 such business case, (3) a description and analysis of the state contracting
528 agency's current performance of such service or activity, (4) the goals to
529 be achieved through the proposed privatization contract and the
530 rationale for such goals, (5) a description of available options for
531 achieving such goals, (6) an analysis of the advantages and
532 disadvantages of each option, including, at a minimum, potential
533 performance improvements and risks attendant to termination of the
534 contract or rescission of such contract, (7) an analysis of the potential
535 impact of the proposed privatization contract on workers of color and
536 workers who are women, including whether such privatization contract
537 will lessen or increase historical patterns that produce inequities
538 between such workers and other workers, (8) a description of the
539 current market for the services or activities that are the subject of such
540 business case, [(8)] (9) an analysis of the quality of services as gauged by
541 standardized measures and key performance requirements including
542 compensation, turnover, and staffing ratios, [(9)] (10) a description of
543 the specific results-based performance standards that shall, at a
544 minimum be met, to ensure adequate performance by any party
545 performing such service or activity, [(10)] (11) the projected time frame
546 for key events from the beginning of the procurement process through
547 the expiration of a contract, if applicable, [(11)] (12) a specific and
548 feasible contingency plan that addresses contractor nonperformance
549 and a description of the tasks involved in and costs required for
550 implementation of such plan, and [(12)] (13) a transition plan, if

551 appropriate, for addressing changes in the number of agency personnel,
552 affected business processes, employee transition issues, and
553 communications with affected stakeholders, such as agency clients and
554 members of the public, if applicable. Such transition plan shall contain
555 a reemployment and retraining assistance plan for employees who are
556 not retained by the state or a quasi-public agency or employed by the
557 contractor. If the primary purpose of the proposed privatization
558 contract is to provide a core governmental function, such business case
559 shall also include information sufficient to rebut the presumption that
560 such core governmental function should not be privatized. Such
561 presumption shall not be construed to prohibit a state contracting
562 agency from contracting for specialized technical expertise not available
563 within such agency, provided such agency shall retain responsibility for
564 such core governmental function. For the purposes of this section, "core
565 governmental function" means a function for which the primary
566 purpose is (A) the inspection for adherence to health and safety
567 standards because public health or safety may be jeopardized if such
568 inspection is not done or is not done in a timely or proper manner, (B)
569 the establishment of statutory, regulatory or contractual standards to
570 which a regulated person, entity or state contractor shall be held, (C) the
571 enforcement of statutory, regulatory or contractual requirements
572 governing public health or safety, [or] (D) criminal or civil law
573 enforcement, or (E) the provision of essential human services to
574 residents of the state who would otherwise lack the support necessary
575 to assure basic human needs. If any part of such business case is based
576 upon evidence that the state contracting agency is not sufficiently
577 staffed to provide the core governmental function required by the
578 privatization contract, the state contracting agency shall also include
579 within such business case a plan for remediation of the understaffing to
580 allow such services to be provided directly by the state contracting
581 agency in the future.

582 Sec. 12. Subdivisions (2) to (4), inclusive, of subsection (l) of section
583 4e-16 of the general statutes are repealed and the following is
584 substituted in lieu thereof (*Effective July 1, 2023*):

585 (2) If such cost-benefit analysis identifies a ten per cent or more cost
586 savings to the state contracting agency from the use of such
587 privatization contract and such contract does not diminish the quality
588 of the service provided, such state contracting agency shall develop a
589 business case for the renewal of such privatization contract in
590 accordance with the provisions of subsections (d) and (e) of this section.
591 The board shall review such contract in accordance with the provisions
592 of subsections (f) to (h), inclusive, of this section and may approve such
593 renewal by the applicable vote of the board, provided any such renewal
594 that is estimated to cost in excess of one hundred fifty million dollars
595 annually or six hundred million dollars or more over the life of the
596 contract shall also be approved by the General Assembly prior to the
597 state contracting agency renewing such contract. If such renewal is
598 approved by the board and the General Assembly, if applicable, the
599 provisions of subsection (j) of this section shall apply to any proposed
600 amendment to such contract.

601 (3) If such cost-benefit analysis identifies a cost savings to the state
602 contracting agency of less than ten per cent, such state contracting
603 agency shall prepare a plan to have such service provided by state
604 employees [and] or, in the case of a state contracting agency that is a
605 quasi-public agency, the employees of such quasi-public agency, shall
606 begin to implement such plan, provided: (A) While such plan is
607 prepared, but prior to implementation of such plan, such state
608 contracting agency may develop a business case for such privatization
609 contract, in accordance with the provisions of subsection (d) of this
610 section, that achieves a cost savings to the state of ten per cent or more.
611 Any such business case shall be reviewed by the board in accordance
612 with the provisions of subsections (f) to (h), inclusive, of this section, and
613 may be approved by the applicable vote of the board; (B) such
614 privatization contract shall not be renewed with the vendor currently
615 providing such service unless: (i) There exists a significant public
616 interest in renewing such contract, and (ii) such renewal is approved by
617 a two-thirds vote of the board; (C) the state contracting agency may
618 enter into a contract with a term of one year or less for the provision of
619 such service until such state contracting agency implements such plan;

620 and (D) the procedure for the transfer of funds from the General Fund,
621 as described in section 4-94, may be utilized to allocate necessary
622 resources for the implementation of the provisions of this subdivision.

623 (4) Notwithstanding the provisions of subdivision (3) of this
624 subsection, the renewal of a privatization contract with a nonprofit
625 organization shall not be denied if the cost of increasing compensation
626 to employees performing the privatized service is the sole cause for such
627 contract not achieving a cost savings to the state contracting agency of
628 ten per cent or more.

629 Sec. 13. Subsection (n) of section 4e-16 of the general statutes is
630 repealed and the following is substituted in lieu thereof (*Effective July 1,*
631 *2023*):

632 (n) The State Contracting Standards Board, in consultation with the
633 Department of Administrative Services, shall: (1) Recommend and
634 implement standards and procedures for state contracting agencies to
635 develop business cases in connection with privatization contracts,
636 including templates for use by state contracting agencies when
637 submitting business cases to the board, and policies and procedures to
638 guide state contracting agencies to complete such business cases, and (2)
639 develop guidelines and procedures for assisting state employees or
640 quasi-public agency employees whose jobs are affected by a
641 privatization contract.

642 Sec. 14. Subsection (p) of section 4e-16 of the general statutes is
643 repealed and the following is substituted in lieu thereof (*Effective July 1,*
644 *2023*):

645 (p) Prior to entering into or renewing any privatization contract that
646 is not subject to the provisions of subsection (a) of this section, the state
647 contracting agency shall evaluate such contract to determine if entering
648 into or renewing such contract is the most cost-effective method of
649 delivering the service, by determining the costs, as defined in subsection
650 (b) of this section, of such service. The state contracting agency shall
651 perform such evaluation in accordance with a template prescribed by

652 the Secretary of the Office of Policy and Management, in consultation
653 with the board, pursuant to subsection (m) of this section, and such
654 evaluation shall be subject to verification by the [secretary] board. The
655 [secretary] board may waive the requirement for an evaluation of cost-
656 effectiveness under this subsection upon a finding by the [secretary]
657 board that exigent or emergent circumstances necessitate such waiver.

658 Sec. 15. Section 4e-17 of the general statutes is repealed and the
659 following is substituted in lieu thereof (*Effective July 1, 2023*):

660 (a) Except as otherwise provided, the provisions of sections 4e-16 to
661 4e-47, inclusive, as amended by this act, shall apply to all contracts
662 solicited or entered into by [state contracting agencies] a state
663 contracting agency that is a state agency after June 1, 2010, and all
664 contracts solicited or entered into by a state contracting agency that is a
665 quasi-public agency on or after July 1, 2023.

666 (b) Except as otherwise provided, the provisions of sections 4e-16 to
667 4e-47, inclusive, as amended by this act, shall apply to every
668 expenditure of public funds by any state contracting agency,
669 irrespective of their source, involving any state or quasi-public agency
670 contracting and procurement processes, including, but not limited to,
671 leasing and property transfers, purchasing or leasing of supplies,
672 materials or equipment, consultant or consultant services, personal
673 service agreements, purchase of service agreements or privatization
674 contracts, as defined in section 4e-1, as amended by this act, and,
675 relating to contracts for the construction, reconstruction, alteration,
676 remodeling, repair or demolition of any public building, bridge or road.

677 (c) Nothing in sections 4e-16 to 4e-47, inclusive, as amended by this
678 act, shall be construed to require the application of procurement statutes
679 or regulations to a procurement that involves the expenditure of federal
680 assistance or federal contract funds if federal law provides procurement
681 procedures applicable to the expenditure of such funds, to the extent
682 such federal procedures are inconsistent with state procurement
683 statutes or regulations.

684 Sec. 16. Section 4e-18 of the general statutes is repealed and the
685 following is substituted in lieu thereof (*Effective July 1, 2023*):

686 For the purpose of obtaining supplies, materials, equipment or
687 contractual services, except infrastructure facilities, the Commissioner
688 of Administrative Services shall establish a requisition system to be used
689 by state contracting agencies that are not quasi-public agencies to
690 initiate and authorize the procurement process. Such system shall be
691 approved by the State Contracting Standards Board.

692 Sec. 17. Subsection (c) of section 4e-21 of the general statutes is
693 repealed and the following is substituted in lieu thereof (*Effective July 1,*
694 *2023*):

695 (c) The State Contracting Standards Board, in consultation with the
696 Commissioner of Administrative Services, may waive the requirement
697 of competitive bidding or competitive negotiation in the case of minor,
698 nonrecurring or emergency purchases of ten thousand dollars or less in
699 amount, upon application of the state contracting agency. Any state
700 contracting agency that obtains such a waiver for such an emergency
701 purchase shall post notice of such emergency purchase on the Internet
702 web site of the state contracting agency prior to making such emergency
703 purchase.

704 Sec. 18. Section 4e-24 of the general statutes is repealed and the
705 following is substituted in lieu thereof (*Effective July 1, 2023*):

706 (a) [Not later than June 1, 2010, the State Contracting Standards
707 Board, in consultation with the Commissioner of Administrative
708 Services and any other appropriate award authority, shall adopt
709 regulations, in accordance with the provisions of chapter 54, permitting]
710 If an emergency [procurements when there exists] procurement is
711 deemed necessary by a state contracting agency due to a threat to public
712 health, welfare or safety, the state contracting agency shall give notice
713 to the board of the need for such emergency procurement. Such
714 emergency procurements shall be made with competition, as is
715 practicable under the circumstances. [Said regulations shall require that]

716 The state contracting agency shall (1) include a written determination of
717 the basis for the emergency and for the selection of the particular
718 contractor [be included] in the contract file and [transmitted] transmit
719 such determination to the Governor, the president pro tempore of the
720 Senate, the majority and minority leaders of the Senate, the speaker of
721 the House of Representatives and the majority and minority leaders of
722 the House of Representatives, and (2) post such determination on the
723 Internet web site of the state contracting agency.

724 (b) The State Contracting Standards Board may adopt regulations in
725 accordance with the provisions of chapter 54 to implement the
726 provisions of this section.

727 Sec. 19. Subsection (d) of section 4b-51 of the general statutes is
728 repealed and the following is substituted in lieu thereof (*Effective July 1,*
729 *2023*):

730 (d) (1) Notwithstanding any provision of the general statutes, the
731 Commissioner of Administrative Services may select consultants to be
732 on a list established for the purpose of providing any consultant
733 services. Such list shall be established as provided in sections 4b-56 and
734 4b-57, as amended by this act. [The] In the case of an emergency
735 procurement due to a threat to public health, welfare or safety, the
736 commissioner may enter into a contract with any consultant on such list
737 without inviting responses from such consultants to perform a range of
738 consultant services or to perform a range of tasks pursuant to a task
739 letter detailing services to be performed under such contract.

740 (2) Notwithstanding any provision of the general statutes, the
741 Commissioner of Administrative Services may (A) compile a list of
742 architects, professional engineers and construction administrators for
743 the limited purpose of providing consultant services for a particular
744 program involving various projects for the construction of new
745 buildings or renovations to existing buildings where such buildings are
746 under the operation and control of either the Military Department or the
747 Department of Energy and Environmental Protection, and (B) in the case
748 of an emergency procurement due to a threat to public health, welfare

749 or safety, enter into a contract with any architect, professional engineer
750 or construction administrator on such list for such limited purpose
751 without inviting responses from the persons on such list, except that the
752 Adjutant General may perform the functions described in
753 subparagraphs (A) and (B) of this subdivision for any such building
754 under the operation and control of the Military Department.

755 (3) As used in this subsection, "consultant" means "consultant" as
756 defined in section 4b-55, "consultant services" means "consultant
757 services" as defined in section 4b-55, and "program" means multiple
758 projects involving the planning, design, construction, repair,
759 improvement or expansion of specified buildings, facilities or site
760 improvements, wherein the work (A) will be of a repetitive nature, (B)
761 will share a common funding source that imposes particular
762 requirements, or (C) would be significantly facilitated if completed by
763 the same design professional or construction administrator.

764 Sec. 20. Subsection (a) of section 4b-57 of the general statutes is
765 repealed and the following is substituted in lieu thereof (*Effective July 1,*
766 *2023*):

767 (a) Whenever consultant services are required by the commissioner
768 in fulfilling the responsibilities under section 4b-1, and in the case of
769 each project, the commissioner shall invite responses from such firms by
770 posting notice on the State Contracting Portal, except that, in the case of
771 an emergency procurement, the commissioner may receive consultant
772 services under a contract entered into pursuant to subsection (d) of
773 section 4b-51, as amended by this act. The commissioner shall prescribe,
774 by regulations adopted in accordance with chapter 54, the advance
775 notice required for, the manner of submission, and conditions and
776 requirements of, such responses.

777 Sec. 21. Subsection (g) of section 4b-91 of the general statutes is
778 repealed and the following is substituted in lieu thereof (*Effective July 1,*
779 *2023*):

780 (g) Notwithstanding the provisions of this chapter regarding

781 competitive bidding procedures, in the case of an emergency
782 procurement due to a threat to public health, welfare or safety, the
783 commissioner may select and interview at least three responsible and
784 qualified general contractors who are prequalified pursuant to section
785 4a-100 and submit the three selected contractors to the construction
786 services award panels process described in section 4b-100a and any
787 regulation adopted by the commissioner. The commissioner may
788 negotiate with the successful bidder a contract which is both fair and
789 reasonable to the state for a community court project, the downtown
790 Hartford higher education center project, a correctional facility project,
791 a juvenile residential center project, or a student residential facility for
792 the Connecticut State University System that is a priority higher
793 education facility project. The Commissioner of Administrative
794 Services, prior to entering any such contract or performing any work on
795 such project, shall submit such contract to the State Properties Review
796 Board for review and approval or disapproval by the board, pursuant
797 to subsection (i) of this section. Any general contractor awarded a
798 contract pursuant to this subsection shall be subject to the same
799 requirements concerning the furnishing of bonds as a contractor
800 awarded a contract pursuant to subsection (b) of this section.

801 Sec. 22. Section 4e-27 of the general statutes is repealed and the
802 following is substituted in lieu thereof (*Effective July 1, 2023*):

803 Not later than June 1, 2010, the State Contracting Standards Board, in
804 consultation with the Attorney General, shall adopt regulations, in
805 accordance with the provisions of chapter 54, specifying the types of
806 contracts that may be used by state contracting agencies. Such
807 regulations shall specify that a cost-reimbursement contract may be
808 used only when a determination is made in writing by the agency
809 procurement officer that such contract is likely to be less costly to the
810 state contracting agency than any other type or that it is impracticable
811 to obtain the supplies, services or construction required except under
812 such a contract.

813 Sec. 23. Section 4e-31 of the general statutes is repealed and the

814 following is substituted in lieu thereof (*Effective July 1, 2023*):

815 When, for any reason, collusion or other anticompetitive practices are
816 suspected among any bidders or proposers for a [state] contract of a
817 state contracting agency, a notice of the relevant facts shall be
818 transmitted to the Attorney General by any affected party, including,
819 but not limited to, the state contracting agency, a bidder or a proposer.

820 Sec. 24. Section 4e-34 of the general statutes is repealed and the
821 following is substituted in lieu thereof (*Effective July 1, 2023*):

822 (a) After reasonable notice and hearing and consultation with the
823 relevant state contracting agency and the Attorney General, the State
824 Contracting Standards Board, acting through a subcommittee of three
825 members, appointed by the chairperson, which subcommittee shall
826 include not less than one legislative appointee, may disqualify any
827 contractor, bidder or proposer, for a period of not more than five years,
828 from bidding on, applying for or participating as a contractor or
829 subcontractor under, contracts with the state or quasi-public agencies.
830 Such disqualification shall be upon the vote of two-thirds of the
831 members of the subcommittee present and voting for that purpose. Such
832 hearing shall be conducted in accordance with the provisions of chapter
833 54. The subcommittee shall issue a written recommendation not later
834 than sixty days after the conclusion of such hearing, and shall state the
835 reason for the recommended action and, if the disqualification is
836 recommended, the period of time the contractor, bidder or proposer
837 shall be disqualified. In determining whether to disqualify a contractor,
838 bidder or proposer, the subcommittee shall consider the seriousness of
839 the acts or omissions of the contractor, bidder or proposer and any
840 mitigating factors. Such recommendation shall be submitted to the
841 board for action and sent to the contractor by certified mail, return
842 receipt requested. If disqualification is recommended, the contractor
843 shall have thirty days to submit comments to the board. Upon receipt of
844 the proposed recommendation by the subcommittee, the board shall
845 issue a written decision either adopting, rejecting or modifying the
846 subcommittee's recommendation. Such decision shall be issued not later

847 than thirty days after receipt by the board of the contractor's comments,
848 if any. The board shall send the decision to the contractor by certified
849 mail, return receipt requested. The written decision shall be a final
850 decision for purposes of sections 4-180 and 4-183.

851 (b) Causes for such disqualification shall include the following:

852 (1) Conviction of, or entry of a plea of guilty or nolo contendere or
853 admission to, the commission of a criminal offense as an incident to
854 obtaining or attempting to obtain a public or private contract or
855 subcontract, or in the performance of such contract or subcontract;

856 (2) Conviction of, or entry of a plea of guilty or nolo contendere or
857 admission to, the violation of any state or federal law for embezzlement,
858 theft, forgery, bribery, falsification or destruction of records, receiving
859 stolen property or any other offense indicating a lack of business
860 integrity or business honesty which affects responsibility as a [state]
861 contractor;

862 (3) Conviction of, or entry of a plea of guilty or nolo contendere or
863 admission to, a violation of any state or federal antitrust, collusion or
864 conspiracy law arising out of the submission of bids or proposals on a
865 public or private contract or subcontract;

866 (4) Accumulation of two or more suspensions pursuant to section 4e-
867 35, as amended by this act, within a twenty-four-month period;

868 (5) A wilful, negligent or reckless failure to perform in accordance
869 with the terms of one or more contracts or subcontracts, agreements or
870 transactions with state contracting agencies;

871 (6) A history of failure to perform or of unsatisfactory performance
872 on one or more public contracts, agreements or transactions with state
873 contracting agencies;

874 (7) A wilful violation of a statutory or regulatory provision or
875 requirement applicable to a contract, agreement or transaction with
876 state contracting agencies;

877 (8) A wilful or egregious violation of the ethical standards set forth in
878 sections 1-84, 1-86e and 1-101nn, as determined by the Citizen's Ethics
879 Advisory Board; or

880 (9) Any other cause or conduct the board determines to be so serious
881 and compelling as to affect responsibility as a [state] contractor,
882 including, but not limited to:

883 (A) Disqualification by another state for cause;

884 (B) The fraudulent or criminal conduct of any officer, director,
885 shareholder, partner, employee or other individual associated with a
886 contractor, bidder or proposer of such contractor, bidder or proposer,
887 provided such conduct occurred in connection with the individual's
888 performance of duties for or on behalf of such contractor, bidder or
889 proposer and such contractor, bidder or proposer knew or had reason
890 to know of such conduct;

891 (C) The existence of an informal or formal business relationship with
892 a contractor who has been disqualified from bidding or proposing on
893 [state] contracts of any state contracting agency.

894 (c) Upon written request by the affected [state] contractor, bidder or
895 proposer, the State Contracting Standards Board may reduce the period
896 or extent of disqualification for a contractor, bidder or proposer if
897 documentation supporting any of the following reasons for
898 modification is provided to the board by the contractor, bidder or
899 proposer:

900 (1) Newly discovered material evidence;

901 (2) Reversal of the conviction upon which the disqualification was
902 based;

903 (3) Bona fide change in ownership or management; or

904 (4) Elimination of other causes for which the disqualification was
905 imposed.

906 Sec. 25. Section 4e-35 of the general statutes is repealed and the
907 following is substituted in lieu thereof (*Effective July 1, 2023*):

908 (a) For purposes of this section and sections 4e-37 and 4e-38, as
909 amended by this act, "contracting agency of the state" does not include
910 a quasi-public agency. After reasonable notice and a hearing, conducted
911 in accordance with the provisions of chapter 54, the department head of
912 any [state] contracting agency of the state may suspend any contractor,
913 bidder or proposer for a period of not more than six months from
914 bidding on, applying for or performing work as a contractor or
915 subcontractor under, contracts with the state. The department head
916 shall issue a written decision not later than ninety days after the
917 conclusion of such hearing and state in the decision the reasons for the
918 action taken and, if the contractor, bidder or proposer is being
919 suspended, the period of such suspension. In determining whether to
920 suspend a contractor, bidder or proposer, the department head shall
921 consider the seriousness of the acts or omissions of the contractor,
922 bidder or proposer and any mitigating factors. The department head
923 shall send such decision to the contractor and the State Contracting
924 Standards Board by certified mail, return receipt requested. Such
925 decision shall be a final decision for purposes of sections 4-180 and 4-
926 183.

927 (b) Causes for such suspension shall include the following:

928 (1) Failure without good cause to perform in accordance with
929 specifications or within the time limits provided in the contract;

930 (2) A record of failure to perform or of unsatisfactory performance in
931 accordance with the terms of one or more contracts, provided failure to
932 perform or unsatisfactory performance caused by acts beyond the
933 control of the contractor shall not be considered to be a basis for
934 suspension;

935 (3) Any cause the complainant [state] contracting agency of the state
936 determines to be so serious and compelling as to affect the responsibility
937 of a state contractor, including suspension by another [state] contracting

938 agency of the state for cause; or

939 (4) A violation of the ethical standards set forth in section 1-84, 1-86e
940 or 1-101nn, as determined by the Citizen's Ethics Advisory Board.

941 (c) The State Contracting Standards Board may grant an exception
942 permitting a suspended contractor to participate in a particular contract
943 or subcontract upon a written determination by the board that there is
944 good cause for such exception and that such exception is in the best
945 interest of the state.

946 (d) The department head of each [state] contracting agency of the
947 state shall conduct reviews of contractors and shall file reports
948 pertaining to any of the reasons set forth in this section that may be the
949 basis for disqualification.

950 Sec. 26. Subsections (g) to (i), inclusive, of section 4e-37 of the general
951 statutes are repealed and the following is substituted in lieu thereof
952 (*Effective July 1, 2023*):

953 (g) In the event that the appeals review subcommittee or the board
954 determines that a procedural violation occurred, or that allegations of
955 an unauthorized or unwarranted, noncompetitive selection process
956 have been substantiated, the board shall direct the [state] contracting
957 agency of the state to take corrective action not later than thirty days
958 after the date of the subcommittee's or board's decision, as applicable.

959 (h) In the event such appeal is found to be frivolous by the appeals
960 review subcommittee or the full board, such frivolous appeal may serve
961 as a basis for disqualification pursuant to section 4e-34, as amended by
962 this act.

963 (i) Any three members of the board may request a full board review
964 of any contract deliberation or award process of a [state] contracting
965 agency of the state.

966 Sec. 27. Section 4e-38 of the general statutes is repealed and the
967 following is substituted in lieu thereof (*Effective July 1, 2023*):

968 The State Contracting Standards Board shall issue a decision in
969 writing or take other appropriate action on each appeal submitted
970 pursuant to section 4e-37, as amended by this act. A copy of any decision
971 shall be provided to all parties, the department head of the [state]
972 contracting agency of the state and the Chief Procurement Officer.

973 Sec. 28. Subdivision (2) of section 4e-40 of the general statutes is
974 repealed and the following is substituted in lieu thereof (*Effective July 1,*
975 *2023*):

976 (2) If the person awarded the contract acted in bad faith:

977 (A) The contract may be declared null and void; or

978 (B) The contract may be ratified and affirmed if such action is in the
979 best interests of the state, as determined by the State Contracting
980 Standards Board, in writing, without prejudice to the [state's] state
981 contracting agency's right to such damages as may be appropriate.

982 Sec. 29. Section 4e-45 of the general statutes is repealed and the
983 following is substituted in lieu thereof (*Effective July 1, 2023*):

984 With respect to infrastructure facilities, not later than June 1, 2010, the
985 State Contracting Standards Board, in consultation with the state
986 contracting agencies and the Attorney General, shall adopt regulations,
987 in accordance with the provisions of chapter 54, requiring the inclusion
988 in [state] contracts with any state contracting agency of clauses
989 providing for adjustments in prices, time of performance, remedies,
990 termination or other contract provisions necessary to protect the
991 interests of the state.

992 Sec. 30. Section 4e-46 of the general statutes is repealed and the
993 following is substituted in lieu thereof (*Effective July 1, 2023*):

994 Not later than June 1, 2010, the State Contracting Standards Board
995 shall adopt regulations, in accordance with the provisions of chapter 54,
996 concerning the procedure and circumstances under which a state
997 contracting agency may allow contract modification, change order, or

998 contract price adjustment under a construction contract with [the state]
999 a state contracting agency in excess of fifty thousand dollars. Such
1000 regulations shall require that every contract modification, change order
1001 or contract price adjustment under a construction contract with [the
1002 state] a state contracting agency in excess of fifty thousand dollars shall
1003 be subject to prior written certification by the fiscal officer of the state
1004 contracting agency or other agency responsible for funding the project
1005 or the contract, or other official responsible for monitoring and
1006 reporting upon the status of the costs of the total project budget or
1007 contract budget, as to the effect of the contract modification, change
1008 order, or adjustment in contract price on the total project budget or the
1009 total contract budget. Such regulations shall further provide that in the
1010 event the certification of the fiscal officer or other responsible official
1011 discloses a resulting increase in the total project budget or the total
1012 contract budget, the agency procurement officer shall not execute or
1013 make such contract modification, change order, or adjustment in
1014 contract price unless sufficient funds are available or the scope of the
1015 project or contract is adjusted so as to permit the degree of completion
1016 that is feasible within the total project budget or total contract budget as
1017 it existed prior to the contract modification, change order, or adjustment
1018 in contract price under consideration provided, with respect to the
1019 validity, as to the contractor, of any executed contract modification,
1020 change order, or adjustment in contract price which the contractor has
1021 reasonably relied upon, it shall be presumed that there has been
1022 compliance with the provisions of this section.

1023 Sec. 31. Subsection (a) of section 4e-48 of the general statutes is
1024 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1025 *2023*):

1026 (a) For the purposes of this section, "nonresident bidder" means a
1027 business that is not a resident of the state that submits a bid in response
1028 to an invitation to bid by a state contracting agency, "resident bidder"
1029 means a business that submits a bid in response to an invitation to bid
1030 by a state contracting agency and that has paid unemployment taxes or
1031 income taxes in this state during the twelve calendar months

1032 immediately preceding submission of such bid, has a business address
1033 in the state and has affirmatively claimed such status in the bid
1034 submission, and "contract" [means "contract" as defined in section 4e-1
1035 and "state contracting agency" means] and "state contracting agency" [,
1036 as defined] have the same meanings as provided in section 4e-1, as
1037 amended by this act.

1038 Sec. 32. Section 4e-72 of the general statutes is repealed and the
1039 following is substituted in lieu thereof (*Effective July 1, 2023*):

1040 As used in this section, "contract", "state contracting agency", "data"
1041 and "contractor" have the same meanings as provided in section 4e-1, as
1042 amended by this act. Any contract between a state contracting agency
1043 and a contractor that is entered into, renewed or amended on or after
1044 October 1, 2021, or, in the case of a state contracting agency that is a
1045 quasi-public agency, entered into, renewed or amended on or after July
1046 1, 2023, shall contain a provision authorizing the state contracting
1047 agency to access any data concerning such contract that is in the
1048 possession or control of the contractor upon demand in a format
1049 prescribed by the state contracting agency at no additional cost to such
1050 agency.

1051 Sec. 33. Section 10a-255 of the general statutes is repealed and the
1052 following is substituted in lieu thereof (*Effective July 1, 2023*):

1053 (a) To accomplish the purposes of sections 10a-250 to 10a-263,
1054 inclusive, the corporation may enter into joint ventures or shared service
1055 agreements to procure hospital facilities and to contract for services
1056 necessary or useful in connection with the procurement of hospital
1057 facilities. The corporation shall establish and adopt specific policies,
1058 rules and procedures on purchasing and contracting. Such policies,
1059 rules and procedures shall be approved by a two-thirds vote of its full
1060 board of directors. The corporation shall conduct its contracting and
1061 purchasing operations in accordance with such policies, rules and
1062 procedures. Notwithstanding any other provision of law to the contrary,
1063 the corporation may enter into joint ventures or shared service
1064 agreements and may procure hospital facilities and contract for any

1065 services necessary or useful in connection with such procurement either
1066 (1) pursuant to a process of open or competitive bidding, provided that
1067 (A) the corporation may determine the format, contents and scope of
1068 any joint venture or shared service agreement or any procurement of
1069 hospital facilities, and services in connection with such procurement,
1070 the conditions under which bidding shall take place and the schedule
1071 and stipulations for contract award, and (B) the corporation may select
1072 the contractor deemed to have submitted the most favorable bid, price
1073 and other factors considered, when, in the judgment of the corporation,
1074 such award is in the best interests of the hospital, or (2) if the
1075 corporation, in its discretion, determines that, due to the nature of the
1076 joint venture or shared service agreement or hospital facilities to be
1077 contracted for or procured, open or public bidding is either
1078 impracticable or not in the best interests of the hospital, through
1079 negotiation with such person or persons as the corporation may
1080 determine. The terms and conditions of joint ventures or shared service
1081 agreements or contracts for hospital facilities shall be determined by the
1082 corporation, as shall the fees or other compensation to be paid to such
1083 persons under such joint venture, shared service agreement or contract,
1084 provided any contract for construction by the corporation or a
1085 subsidiary of a hospital facility shall be subject to the provisions of
1086 section 31-53 and any joint venture agreement or shared service
1087 agreement of the corporation shall contain a neutrality clause signed by
1088 all parties to such joint venture agreement or shared service agreement
1089 prohibiting employer interference by such parties in union organizing
1090 and education campaigns, prohibiting discrimination in hiring based on
1091 past union activity and prohibiting harassment of employees engaged
1092 in labor organizing, all in compliance with section 31-104 and section 31-
1093 105. The joint venture, shared service agreement or contracts entered
1094 into by the corporation shall not be subject to the approval of any state
1095 department, office or agency other than as provided in this section.
1096 Copies of all contracts of the corporation shall be maintained by the
1097 corporation at its offices as public records, subject to the exemption
1098 provided in subsection (i) of section 10a-253. Nothing in this subsection
1099 shall be deemed to restrict the discretion of the corporation to utilize its

1100 own staff and workforce for the performance of any of its assigned
1101 responsibilities and functions whenever, in the discretion of the
1102 corporation, it becomes necessary, convenient or desirable to do so.

1103 (b) Subject to the restrictions of subdivision (15) of section 10a-254 the
1104 corporation may contract with the hospital to provide services for the
1105 hospital through joint ventures or shared service agreements or to
1106 provide hospital facilities for the hospital, to provide insurance for the
1107 hospital as provided in section 10a-256 and to contract for claims
1108 management services, or to otherwise make hospital facilities or services
1109 provided by joint ventures or shared service agreements available for
1110 the hospital. For the hospital to enter into any contract for such services
1111 or hospital facilities or insurance or claims management services with
1112 the corporation, to pay any reasonable fees and charges established by
1113 the corporation for such services or hospital facilities or to pledge
1114 payment from any moneys made available by the state to the hospital
1115 including, but not limited to, resources of the hospital fund established
1116 and administered pursuant to sections 10a-127 and 10a-128, other funds
1117 of the state and proceeds of financings by the state for the payment of
1118 such fees and charges, it shall have the authorization of the Board of
1119 Trustees of The University of Connecticut. Such authorization shall be
1120 given by adoption of a resolution at a regularly or specially noticed
1121 meeting of said board of trustees. Any fees and charges so established
1122 shall be deemed to be direct expenses of the hospital for which the
1123 resources of the hospital fund may be used pursuant to section 10a-127
1124 and the State Treasurer is authorized to make payments of such fees and
1125 charges upon warrants issued by the State Comptroller, upon the order
1126 of authorized officers of The University of Connecticut, pursuant to such
1127 a resolution. The provisions of section 4a-57 and any provision of law
1128 relating to contract approval other than sections 10a-250 to 10a-263,
1129 inclusive, shall not apply to such contracts between the hospital and the
1130 corporation. Any such contract or contracts shall be upon such terms
1131 and conditions as the corporation and the hospital shall determine to be
1132 reasonable including, but not limited to, the reimbursement of all costs
1133 of planning, financing, acquisition, construction, operation and
1134 maintenance, and any claims arising therefrom. All payments of fees

1135 and charges required under any contract or agreement entered into
1136 pursuant to the provisions of this section are considered expenditures
1137 for public purposes by the state. Any contract between the hospital and
1138 the corporation that provides for the procurement by the corporation of
1139 hospital facilities or services as authorized by sections 10a-250 to 10a-
1140 263, inclusive, shall provide that the hospital shall be required to pay,
1141 through service, lease, rental or installment sale payments for such
1142 hospital facilities or services, all project costs of such hospital facilities
1143 or services at such times and in such amounts as determined by the
1144 corporation and the hospital. Any such contract between the hospital
1145 and the corporation may contain provisions as to: (1) Pledging or
1146 assigning any part of moneys and revenues, including reimbursement
1147 allowances, derived by the hospital or the corporation, to secure
1148 payments required by such contract; (2) setting aside reserves and
1149 creating special funds and the disposition thereof; (3) defining the acts
1150 or omissions to act which shall constitute a default in the obligations and
1151 duties of the hospital or the corporation and providing for the rights and
1152 remedies of the hospital and the corporation in the event of such default;
1153 (4) any other matters which may be deemed necessary or desirable by
1154 the corporation to properly carry out its corporate purposes.

1155 (c) Any joint venture, shared service agreement or contract entered
1156 into by the corporation, or any of its subsidiaries under this section, shall
1157 comply with the applicable provisions of section 4e-16, as amended by
1158 this act, and shall be subject to the jurisdiction of the State Contracting
1159 Standards Board to the same extent as a constituent unit of higher
1160 education.

1161 Sec. 34. Subdivision (15) of subsection (a) of section 15-31b of the
1162 general statutes is repealed and the following is substituted in lieu
1163 thereof (*Effective July 1, 2023*):

1164 (15) Invest in, acquire, lease, purchase, own, manage, hold and
1165 dispose of real property and lease, convey or deal in or enter into
1166 agreements with respect to such property on any terms necessary or
1167 incidental to carrying out the purposes of sections 15-31a to 15-31i,

1168 inclusive, provided such transactions shall not be subject to approval,
1169 review or regulation by any state agency pursuant to title 4b or any other
1170 provision of the general statutes, except (A) the authority shall not
1171 convey fee simple ownership in any property associated with the ports
1172 or harbors under its jurisdiction and control without the approval of the
1173 State Properties Review Board and the Attorney General, and (B) as
1174 provided in [subsection (c) of this section] chapter 62; and

1175 Sec. 35. Subsections (b) and (c) of section 15-31b of the general statutes
1176 are repealed and the following is substituted in lieu thereof (*Effective July*
1177 *1, 2023*):

1178 (b) The authority shall continue as long as it has bonds or other
1179 obligations outstanding and until its existence is terminated by law,
1180 provided no such termination shall affect any outstanding contractual
1181 obligation of the authority and the state shall succeed to the obligations
1182 of the authority under any contract. Upon the termination of the
1183 existence of the authority, all its rights and properties shall pass to and
1184 be vested in the state of Connecticut.

1185 [(c) On and after June 23, 2021, until July 1, 2026, the authority shall
1186 be a state contracting agency for the purposes of chapter 62, except for
1187 the provisions of section 4e-16, and shall be subject to the authority of
1188 the State Contracting Standards Board established under section 4e-2.]

1189 Sec. 36. Subsection (c) of section 10-357b of the general statutes is
1190 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1191 *2023*):

1192 (c) The State Education Resource Center shall be subject to (1) rules,
1193 regulations and restrictions on purchasing, procurement, personal
1194 service agreements and the disposition of assets generally applicable to
1195 Connecticut state agencies, including those contained in titles 4, 4a and
1196 4b and [section 4e-19] chapter 62, and (2) audit by the Auditors of Public
1197 Accounts under chapter 12 and section 2-90.

1198 Sec. 37. Section 10a-196 of the general statutes is repealed and the

1199 following is substituted in lieu thereof (*Effective July 1, 2023*):

1200 Sections 10a-176 to 10a-195, inclusive, shall be deemed to provide a
1201 complete, additional and alternative method for the doing of the things
1202 authorized thereby, and shall be regarded as supplemental and
1203 additional to powers conferred by other laws; provided the issuance of
1204 bonds and refunding bonds under the provisions of this chapter need
1205 not comply with the requirements of any other law applicable to the
1206 issuance of bonds including, particularly, title 42a; and provided in the
1207 construction and acquisition of a project pursuant hereto the authority
1208 need not comply with the requirements of chapter 50. Except as
1209 otherwise expressly provided in this chapter and the provisions of
1210 chapter 62 concerning state contracting agencies, none of the powers
1211 granted to the authority under the provisions of this chapter shall be
1212 subject to the supervision or regulation or require the approval or
1213 consent of any municipality or political subdivision or any commission,
1214 board, body, bureau, official or agency thereof or of the state.

1215 Sec. 38. Subsection (s) of section 10a-204b of the general statutes is
1216 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1217 *2023*):

1218 (s) The provisions of this section shall be deemed to provide a
1219 complete, additional and alternative method for the actions and the
1220 things authorized thereby and shall be regarded as supplemental and
1221 additional to powers granted by other laws; the issuance of bonds, notes
1222 or other obligations under the provisions of this section need not comply
1223 with the requirements of any law applicable to the issuance of bonds,
1224 notes or other obligations. This section, being necessary for the welfare
1225 of the state and its inhabitants, shall be liberally construed to affect its
1226 purpose. None of the powers granted to the corporation or to any
1227 subsidiary created pursuant to subdivision (5) of section 10a-204 under
1228 the provisions of this section shall be subject to the supervision or
1229 regulation or require the approval or consent of any municipality or
1230 political subdivision or any department, division, commission, board,
1231 body, bureau, official or agency thereof or of the state, and the exercise

1232 thereof shall not cause the corporation or any such subsidiary to be
1233 construed to be an agency within the scope of chapter 54 or a
1234 department, institution or agency of the state, except that the
1235 corporation or any such subsidiary shall comply with the provisions of
1236 chapter 62 concerning state contracting agencies.

1237 Sec. 39. Section 10a-243 of the general statutes is repealed and the
1238 following is substituted in lieu thereof (*Effective July 1, 2023*):

1239 The provisions of this chapter shall be deemed to provide a complete,
1240 additional and alternative method for the actions of the things
1241 authorized thereby and shall be regarded as supplemental and
1242 additional to powers granted by other laws; the issuance of revenue
1243 bonds or notes and revenue refunding bonds or notes under the
1244 provisions of this chapter need not comply with the requirements of any
1245 other law applicable to the issuance of bonds or notes. This chapter,
1246 being necessary for the welfare of the state and its inhabitants, shall be
1247 liberally construed to effect its purpose. Except as otherwise expressly
1248 provided in this chapter or the provisions of chapter 62 concerning state
1249 contracting agencies, none of the powers granted to the authority under
1250 the provisions of this chapter shall be subject to the supervision or
1251 regulation or require the approval or consent of any municipality or
1252 political subdivision or any department, division, commission, board,
1253 body, bureau, official or agency thereof or of the state. The authority
1254 shall not be construed to be an agency within the scope of chapter 54 or
1255 a department, institution or agency of the state.

1256 Sec. 40. Subdivision (16) of subsection (b) of section 12-806 of the
1257 general statutes is repealed and the following is substituted in lieu
1258 thereof (*Effective July 1, 2023*):

1259 (16) To invest in, acquire, lease, purchase, own, manage, hold and
1260 dispose of real property and lease, convey or deal in or enter into
1261 agreements with respect to such property on any terms necessary or
1262 incidental to carrying out the purposes of sections 12-563a, 12-800 to 12-
1263 818, inclusive, and sections 12-853 and 12-854, provided such
1264 transactions shall not be subject to approval, review or regulation

1265 pursuant to title 4b or any other statute by any state agency, except that
1266 real property transactions shall be subject to review by the State
1267 Properties Review Board and contracts shall be subject to the provisions
1268 of chapter 62 concerning state contracting agencies;

1269 Sec. 41. Section 12-815 of the general statutes is repealed and the
1270 following is substituted in lieu thereof (*Effective July 1, 2023*):

1271 (a) The corporation shall establish and adopt specific policies, rules
1272 and procedures on purchasing and contracting. Such policies, rules and
1273 procedures or amendments thereto shall be approved by a two-thirds
1274 vote of the entire board. Notwithstanding any other provision of law to
1275 the contrary, the corporation may enter into management, consulting
1276 and other agreements for the provision of goods, services and
1277 professional advisors necessary or useful in connection with the
1278 operation and management of the lottery (1) pursuant to a process of
1279 open or competitive bidding, provided (A) the corporation shall first
1280 determine the format, content and scope of any agreement for any
1281 procurement of goods or services, the conditions under which bidding
1282 will take place and the schedule and stipulations for contract award, and
1283 (B) the corporation may select the contractor deemed to have submitted
1284 the most favorable bid, considering price and other factors, when, in the
1285 judgment of the corporation, such award is in the best interests of the
1286 corporation, or (2) if the corporation, in its discretion, determines that,
1287 due to the nature of the agreement to be contracted for or procured,
1288 open or public bidding is either impracticable or not in the best interests
1289 of the corporation, by negotiation with such prospective providers as
1290 the corporation may determine. The terms and conditions of agreements
1291 and the fees or other compensation to be paid to such persons shall be
1292 determined by the corporation. The agreements entered into by the
1293 corporation in accordance with the provisions of this section shall not
1294 be subject to the approval of any state department, office or agency,
1295 except as provided in chapter 62 in the provisions concerning state
1296 contracting agencies or regulations adopted by the Department of
1297 Consumer Protection. Nothing in this section shall be deemed to restrict
1298 the discretion of the corporation to utilize its own staff and workforce

1299 for the performance of any of its assigned responsibilities and functions
1300 whenever, in the discretion of the corporation, it becomes necessary,
1301 convenient or desirable to do so. Copies of all agreements of the
1302 corporation shall be maintained by the corporation at its offices as public
1303 records, subject to said exemption.

1304 (b) [The] Except as provided in chapter 62, the corporation shall not
1305 be subject to rules, regulations or restrictions on purchasing or
1306 procurement or the disposition of assets generally applicable to
1307 Connecticut state agencies, including those contained in titles 4a and 4b
1308 and the corresponding rules and regulations. The board shall adopt
1309 rules and procedures on purchasing, procurement and the disposition
1310 of assets applicable to the corporation. The adoption of such rules or
1311 procedures shall not be subject to chapter 54. Any such rules or
1312 procedures shall be a public record, as defined in section 1-200.

1313 Sec. 42. Section 22a-268 of the general statutes is repealed and the
1314 following is substituted in lieu thereof (*Effective July 1, 2023*):

1315 The authority shall utilize private industry, by contract, to carry out
1316 the business, design, operating, management, marketing, planning and
1317 research and development functions of the authority, unless the
1318 authority determines that it is in the public interest to adopt another
1319 course of action. The authority is hereby empowered to enter into long-
1320 term contracts with private persons for the performance of any such
1321 functions of the authority which, in the opinion of the authority, can
1322 desirably and conveniently be carried out by a private person under
1323 contract provided any such contract shall contain such terms and
1324 conditions as will enable the authority to retain overall supervision and
1325 control of the business, design, operating, management, transportation,
1326 marketing, planning and research and development functions to be
1327 carried out or to be performed by such private persons pursuant to such
1328 contract. Such contracts shall be entered into either on a competitive
1329 negotiation or competitive bidding basis, and the authority in its
1330 discretion may select the type of contract it deems most prudent to
1331 utilize, pursuant to the contracting procedures adopted under section

1332 22a-268a and considering the scope of work, the management
1333 complexities associated therewith, the extent of current and future
1334 technological development requirements and the best interests of the
1335 state. Whenever a long-term contract is entered into on other than a
1336 competitive bidding basis, the criteria and procedures therefor shall
1337 conform to applicable provisions of subdivision (16) of subsection (a)
1338 and subsections (b) and (c) of section 22a-266, provided however, that
1339 any contract for a period of over five years in duration, or any contract
1340 for which the annual consideration is greater than fifty thousand dollars
1341 shall be approved by a two-thirds vote of the authority's full board of
1342 directors. The terms and conditions of such contracts shall be
1343 determined by the authority, as shall the fees or other similar
1344 compensation to be paid to such persons for such contracts. The
1345 contracts entered into by the authority shall not be subject to the
1346 approval of any other state department, office or agency, except as
1347 provided in chapter 62, in the provisions concerning state contracting
1348 agencies. However, copies of all contracts of the authority shall be
1349 maintained by the authority as public records, subject to the proprietary
1350 rights of any party to the contract. Nothing of the aforesaid shall be
1351 deemed to restrict the discretion of the authority to utilize its own staff
1352 and work force for the performance of any of its assigned
1353 responsibilities and functions whenever, in the discretion of the
1354 authority, it becomes necessary, convenient or desirable to do so. Any
1355 litigation with respect to any terms, conditions or provisions of any
1356 contract of the authority, or the performance or nonperformance of same
1357 by either party, shall be tried before a judge of the Superior Court of
1358 Connecticut.

1359 Sec. 43. Subdivision (14) of section 31-49h of the general statutes is
1360 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1361 *2023*):

1362 (14) Make and enter into any contract or agreement necessary or
1363 incidental to the performance of its duties and execution of its powers.
1364 [The] Except as provided in chapter 62, the contracts and agreements
1365 entered into by the authority shall not be subject to the approval of any

1366 other state department, office or agency, provided copies of all such
1367 contracts shall be maintained by the authority as public records, subject
1368 to the proprietary rights of any party to such contracts. No contract shall
1369 contain any provision in which any contractor derives any direct or
1370 indirect economic benefit from denying or otherwise influencing the
1371 outcome of any claim for benefits. The standard criteria for the
1372 evaluation of proposals relating to claims processing, web site
1373 development, database development, marketing and advertising, in the
1374 event the authority seeks the services of an outside contractor for such
1375 tasks, and for the evaluation of proposals relating to all other contracts
1376 in amounts equal to or exceeding two hundred fifty thousand dollars
1377 shall include, but need not be limited to: (A) Transparency, (B) cost, (C)
1378 efficiency of operations, (D) quality of work related to the contracts
1379 issued, (E) user experience, (F) accountability, and (G) a cost-benefit
1380 analysis documenting the direct and indirect costs of such contracts,
1381 including qualitative and quantitative benefits that will result from the
1382 implementation of such contracts. The establishment of additional
1383 standard criteria shall be approved by a two-thirds vote of the board
1384 after such criteria have been posted on a public Internet web site
1385 maintained by the authority for notice and comment for at least one
1386 week prior to such vote.

1387 Sec. 44. Subdivision (13) of section 38a-1083 of the general statutes is
1388 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1389 *2023*):

1390 (13) Make and enter into any contract or agreement necessary or
1391 incidental to the performance of its duties and execution of its powers,
1392 including, but not limited to, an agreement with the Office of Health
1393 Strategy to use funds collected under this section for the operation of
1394 the all-payer claims database established under section 19a-755a and to
1395 receive data from such database. The contracts entered into by the
1396 exchange shall not be subject to the approval of any other state
1397 department, office or agency, provided copies of all contracts of the
1398 exchange shall be maintained by the exchange as public records, subject
1399 to the proprietary rights of any party to the contract, except (A) as

1400 provided in chapter 62, and (B) any agreement with the Office of Health
 1401 Strategy shall be subject to approval by said office and the Office of
 1402 Policy and Management and no portion of such agreement shall be
 1403 considered proprietary;

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2023</i>	4e-1
Sec. 3	<i>July 1, 2023</i>	4e-2(g) and (h)
Sec. 4	<i>July 1, 2023</i>	4e-3(a)(2)
Sec. 5	<i>July 1, 2023</i>	4e-4
Sec. 6	<i>July 1, 2023</i>	4e-5(a) to (c)
Sec. 7	<i>July 1, 2023</i>	4e-7(a)
Sec. 8	<i>July 1, 2023</i>	4e-8
Sec. 9	<i>July 1, 2023</i>	4e-10(a)
Sec. 10	<i>July 1, 2023</i>	4e-14
Sec. 11	<i>July 1, 2023</i>	4e-16(c) and (d)
Sec. 12	<i>July 1, 2023</i>	4e-16(l)(2) to (4)
Sec. 13	<i>July 1, 2023</i>	4e-16(n)
Sec. 14	<i>July 1, 2023</i>	4e-16(p)
Sec. 15	<i>July 1, 2023</i>	4e-17
Sec. 16	<i>July 1, 2023</i>	4e-18
Sec. 17	<i>July 1, 2023</i>	4e-21(c)
Sec. 18	<i>July 1, 2023</i>	4e-24
Sec. 19	<i>July 1, 2023</i>	4b-51(d)
Sec. 20	<i>July 1, 2023</i>	4b-57(a)
Sec. 21	<i>July 1, 2023</i>	4b-91(g)
Sec. 22	<i>July 1, 2023</i>	4e-27
Sec. 23	<i>July 1, 2023</i>	4e-31
Sec. 24	<i>July 1, 2023</i>	4e-34
Sec. 25	<i>July 1, 2023</i>	4e-35
Sec. 26	<i>July 1, 2023</i>	4e-37(g) to (i)
Sec. 27	<i>July 1, 2023</i>	4e-38
Sec. 28	<i>July 1, 2023</i>	4e-40(2)
Sec. 29	<i>July 1, 2023</i>	4e-45
Sec. 30	<i>July 1, 2023</i>	4e-46
Sec. 31	<i>July 1, 2023</i>	4e-48(a)
Sec. 32	<i>July 1, 2023</i>	4e-72

Sec. 33	<i>July 1, 2023</i>	10a-255
Sec. 34	<i>July 1, 2023</i>	15-31b(a)(15)
Sec. 35	<i>July 1, 2023</i>	15-31b(b) and (c)
Sec. 36	<i>July 1, 2023</i>	10-357b(c)
Sec. 37	<i>July 1, 2023</i>	10a-196
Sec. 38	<i>July 1, 2023</i>	10a-204b(s)
Sec. 39	<i>July 1, 2023</i>	10a-243
Sec. 40	<i>July 1, 2023</i>	12-806(b)(16)
Sec. 41	<i>July 1, 2023</i>	12-815
Sec. 42	<i>July 1, 2023</i>	22a-268
Sec. 43	<i>July 1, 2023</i>	31-49h(14)
Sec. 44	<i>July 1, 2023</i>	38a-1083(13)

Statement of Legislative Commissioners:

In Section 10, "that take effect on or after July 1, 2023," was added for consistency.

GAE *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 24 \$	FY 25 \$
UConn Health Ctr.	Various - Cost	406,820	416,990

Note: Various=Various

Municipal Impact: None

Explanation

This bill has no fiscal impact on the Contracting Standards Board (CSB). The CSB received additional FTE's in recent years to allow them to meet existing state mandates, and could fulfill the requirements of this bill within existing appropriations.

The bill, which applies the privatization law to the UConn Health Center Finance Corporation, results in a cost to the UConn Health. Under the bill the UConn Health Finance Corporation would be under the authority of the State Contracting Standards Board (SCSB). Fulfilling the requirements, including performing cost-benefit analyses, would result in additional costs to UConn Health, associated with the need for additional staff. It is anticipated that UConn Health has approximately 100 contracts annually that would require additional staff time because of the bill.

UConn Health would incur additional costs of approximately \$406,820 in FY 24 associated with two Procurement/Contract Specialists with an annual salary of \$100,000 plus fringe benefits of \$103,410 each, and \$416,990 in FY 24 associated with an annual salary of \$102,500 and corresponding fringe benefits of \$105,995.

The Out Years

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

OLR Bill Analysis**sSB 1223*****AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD.*****SUMMARY**

This bill makes several changes that expand the State Contracting Standards Board's (SCSB) powers and duties. It grants the board certain protections against modifications to its budget request and reductions in its allotments. It also subjects (1) quasi-public agencies to the board's full authority, including the law on privatization contracts, by making them "state contracting agencies" under the board's authorizing statutes and (2) the UConn Health Center (UCHC) Finance Corporation to the privatization statute. Additionally, it makes other changes to the privatization law (e.g., adding to the analyses that agencies must conduct for a proposed privatization).

Separately, the bill requires agency procurement officers to advise bidders, proposers, and contractors about certain rights enforced by SCSB (e.g., the right to contest a contract solicitation or award). It also (1) requires contracting agencies to post information on their websites about certain emergency procurements they enter into and (2) limits, to emergency situations, the Department of Administrative Services' (DAS) use of on-call construction services consultants.

Lastly, the bill makes other minor, technical, and conforming changes.

EFFECTIVE DATE: July 1, 2023, except that the provision on budget request modifications and allotment reductions is effective upon passage.

§§ 1 & 3 — SCSB BUDGET AND STAFFING

The bill requires the Office of Policy and Management (OPM) secretary to include the SCSB executive director’s estimates of the board’s expenditure requirements and recommended adjustments and revisions in the proposed budget documents that OPM submits to the legislature, without altering them. It also prohibits the governor from reducing SCSB’s allotment requisitions or allotments in force. Existing law grants these same protections to the (1) Office of State Ethics (CGS § 1-81a), (2) Freedom of Information Commission (CGS § 1-205a), and (3) State Elections Enforcement Commission (CGS § 9-7c).

Separately, the bill requires that SCSB employ at least five full-time employees, subject to the State Personnel Act.

§§ 2-18, 22-32 & 34-44 — SCSB AUTHORITY OVER QUASI-PUBLIC AGENCIES

Under current law, SCSB has limited authority over quasi-public agencies, as, with one exception, SCSB’s authorizing statutes generally exclude them from the definition of “state contracting agency.” (Most of SCSB’s powers and duties apply to state contracting agencies only, see BACKGROUND.)

The bill instead subjects quasi-public agencies to SCSB’s full authority, with limited exceptions. It does so by adding quasi-public agencies to the definition of “state contracting agency” (see § 2) and making conforming changes throughout the bill. Under existing law, the state has 16 quasi-public agencies (CGS § 1-120).

The table below lists a selection of SCSB statutes applicable to state contracting agencies that the bill extends to quasi-public agencies. However, the bill does not extend provisions on contractor, bidder, or proposer suspensions issued by state agencies (§§ 25-27).

Table: Selected SCSB Statutes Applicable to Quasi-Public Agencies Under the Bill

<i>Bill Section (if applicable)</i>	<i>Statute</i>	<i>Description</i>
4	CGS § 4e-3	SCSB may exercise quasi-public agencies’ contracting-related powers, rights, and duties
5	CGS § 4e-4	SCSB must review, certify, and periodically recertify quasi-public agency procurement processes

<i>Bill Section (if applicable)</i>	<i>Statute</i>	<i>Description</i>
6	CGS § 4e-5	Quasi-public agencies must appoint a procurement officer
—	CGS § 4e-6	SCSB must audit each quasi-public agency's compliance with procurement laws and regulations every three years
7	CGS § 4e-7	SCSB may, under specified conditions, (1) review and terminate quasi-public agency contracts and procurement agreements or (2) restrict or terminate the quasi-public agency's ability to enter into contracts or procurement agreements
10	CGS § 4e-14	Quasi-public agency contracts must contain provisions ensuring accountability, transparency, and results-based outcomes, as prescribed by SCSB (it appears SCSB has not prescribed these standards for state contracting agencies to date)
11-13	CGS § 4e-16	Quasi-public agencies must comply with the privatization law (see below)
—	CGS § 4e-19	Quasi-public agencies must use specified procurement methods when purchasing goods and services (these provisions require SCSB to adopt implementing regulations before they become operative, but the board has not adopted them to date)
—	CGS § 4e-39	Quasi-public agency solicitations or proposed awards are subject to cancellation if SCSB finds that a violation of the law has occurred
28	CGS § 4e-40	SCSB may, after a quasi-public agency contract is awarded, take certain actions, including terminating the contract, if SCSB finds it violates the law

Separately, the bill adds four representatives of quasi-public agencies to the Contracting Standards Advisory Council, two each appointed by the House speaker and Senate president (§ 8). By law, the council must meet at least four times per year and make recommendations to SCSB for improving procurement processes.

§§ 2, 11-14 & 33 — PRIVATIZATION LAW

Application to Quasi-Public Agencies and UCHC Finance Corporation

The bill applies the privatization law to quasi-public agencies and the UCHC Finance Corporation. For the corporation, it applies specifically to joint ventures, shared services agreements, and contracts it or one of its subsidiaries enters into, and specifies that they are subject to SCSB's

jurisdiction to the same extent as a constituent unit of higher education. (Under existing law, the constituent units are subject to the privatization law.) Existing law allows the corporation to enter into joint ventures or shared service agreements to procure hospital facilities and to contract for services necessary or useful in connection with procuring hospital facilities.

Under the privatization law, if a state contracting agency seeks to enter into a contract that privatizes services performed by state employees, it generally must conduct a cost-benefit analysis and submit a business case to SCSB for its approval. The business case must include, among other things, the cost-benefit analysis and 11 other analyses (the bill adds one more, see below) relating to the privatized service, such as its goals and their rationale, and options for achieving them (CGS § 4e-16(d)). An agency may publish notice soliciting bids for a privatization contract only after the board approves the business case (CGS § 4e-16(i)).

For privatization contracts not subject to this requirement (i.e., contracts for services that are currently privatized), contracting agencies must instead evaluate the contract to determine if entering into or renewing it is the most cost-effective way to deliver the service. (The bill also expands SCSB's role in this evaluation, see below.)

Other Changes

Business Case. As described above, existing law requires contracting agencies to develop a business case, consisting of multiple analyses, for a service it seeks to privatize. The bill requires that the business case additionally include an analysis of a proposed contract's potential impact on workers of color or workers who are women, including whether it will lessen or increase historical patterns that produce inequities between these workers and other workers.

Core Governmental Function. The bill expands the definition of "core governmental function" under the privatization statute to include providing essential human services to state residents who would otherwise lack the support necessary to assure basic human needs. The privatization statute establishes a rebuttable presumption that "core

governmental functions” should not be privatized.

Cost-Effectiveness Evaluation. For privatization contracts not subject to the business case requirement (i.e., contracts for services that are currently privatized), current law requires contracting agencies to evaluate the contract, using a template the OPM secretary prescribes, to determine if entering into or renewing it is the most cost-effective way to deliver the service. The bill instead requires the secretary to prescribe the template in consultation with SCSB. It also requires the board, rather than the secretary, to verify the agency’s evaluation. It similarly allows the board, rather than the secretary, to waive the evaluation requirement because of exigent or emergent circumstances.

§ 6 — AGENCY PROCUREMENT OFFICERS

Existing law requires the head of each state contracting agency to appoint an agency procurement officer who must, among other things, (1) assure that contractors are properly screened before a contract award and (2) evaluate contractor performance during and at the conclusion of a contract. (The bill extends this requirement to quasi-public agencies.)

The bill additionally requires procurement officers to advise bidders, proposers, and contractors about certain rights enforced by SCSB. These are (1) bidders’ and proposers’ right to contest a contract solicitation or award and (2) SCSB’s authority to determine that a solicitation, proposed award, or actual award violated the law.

Under the bill, the procurement officers must ensure that (1) each bid, RFP (request for proposals), or other solicitation for goods and services contains a notice about these rights; (2) contractors are advised about these rights before entering a contract; and (3) unsuccessful bidders, proposers, and respondents are advised about these rights when the contract is awarded.

§§ 17-21 — EMERGENCY PROCUREMENTS

Purchases of \$10,000 or Less (§ 17)

The law allows SCSB, in consultation with the DAS commissioner, to waive competitive bidding or negotiation requirements for minor,

nonrecurring, or emergency purchases of \$10,000 or less. The bill allows it to do so upon application by a contracting agency. It requires contracting agencies that obtain this waiver to post notice of the emergency purchase on their websites before making the purchase. (Existing law also allows the DAS commissioner to waive these requirements for similar reasons without consulting the board (CGS § 4a-57(b)).)

Threats to Public Health, Welfare, or Safety (§ 18)

Current law requires SCSB to adopt regulations allowing emergency procurements when a threat to public health, welfare, or safety exists. (In practice, the board has not done so.) The bill instead directly allows contracting agencies to enter into these procurements and makes the board's adoption of regulations permissive.

The bill requires contracting agencies to (1) notify SCSB about the need for the procurement and (2) post on their websites their written determination of the basis for the emergency and selection of the particular contractor. As under existing law, this determination must also be in the contract file and sent to the governor and legislative leaders.

Existing law allows the DAS commissioner or the state's chief information officer to allow emergency procurements, subject to the Standardization Committee's approval if the cost is \$50,000 or more (CGS § 4a-58).

On-Call Construction Consultant Contracts (§§ 19 & 20)

The law allows the DAS commissioner to establish a list of "on call" construction services consultants (e.g., architects, professional engineers, accountants, and others, see BACKGROUND). Under the bill, DAS may enter into contracts with on-call consultants, without inviting responses from the consultants, only for an emergency procurement due to a threat to public health, welfare, or safety. It makes a conforming change to a statute concerning on-call consultants specifically for Department of Energy and Environmental Protection and Military Department projects.

“Fast-Track” Projects (§ 21)

The bill limits, to emergency procurements, DAS’s ability to use existing law’s “fast-track authority” for five specified categories of capital projects.

Under the fast-track process, the DAS commissioner submits at least three qualified general contractors who are prequalified to an award panel, which then makes a recommendation to the commissioner. The law establishes five fast-track project categories: a community court project, the downtown Hartford higher education center project, a correctional facility project, a juvenile detention center project, and Connecticut State University System student dormitories.

BACKGROUND**SCSB Authority Over Quasi-Public Agencies**

Attorney General Opinion. In a 2021 opinion (Attorney General Opinion 2021-01), the attorney general concluded that most SCSB statutes give the board authority over state contracting agencies only, with only limited authority over quasi-public agencies. He noted that although the board has authority over certain bid contests involving quasi-public agencies, generally its authority over quasi-public agencies “is much more limited and circumscribed relative to its authority over state contracting agencies.”

Exceptions. Under current law, the State Education Resource Center (SERC) is a state contracting agency under an SCSB statute governing procurement methods (CGS § 4e-19). Additionally, the 2021 budget implementer act made the Connecticut Port Authority (CPA) a state contracting agency until July 1, 2026, under all SCSB authorizing statutes except the privatization law (PA 21-2, June Special Session, § 309).

On-Call Contracts

An on-call contract defines a broad range of consultant services and is generally valid for two to three years. An on-call contract is generally not connected to a specific project; rather, DAS subsequently issues task letters to firms with on-call contracts that identify a specific scope of

services to be performed and the fee for those services.

DAS must establish selection panels for evaluating consultant services proposals (including those for on-call contracts) if the value of the services exceeds \$500,000. The panels must submit a list of the most qualified firms to the DAS commissioner for his consideration.

Related Bill

HB 5692, reported favorably by the Government Administration and Elections Committee, makes SCSB’s authority over CPA permanent by removing current law’s July 1, 2026, sunset date.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 16 Nay 3 (03/24/2023)