



Senate

General Assembly

File No. 249

February Session, 2024

Senate Bill No. 259

Senate, April 4, 2024

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 bill ought to pass.

AN ACT CONCERNING CONTRACTING WITH QUASI-PUBLIC AGENCIES UNDER THE STATE CODES OF ETHICS.

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

1 Section 1. Subsection (i) of section 1-84 of the 2024 supplement to the
2 general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2024*):

4 (i) (1) No public official or state employee or member of the official
5 or employee's immediate family or a business with which he is
6 associated shall enter into any contract with the state or a quasi-public
7 agency, valued at one hundred dollars or more, other than a contract (A)
8 of employment as a state employee, (B) with the Technical Education
9 and Career System for students enrolled in a school in the system to
10 perform services in conjunction with vocational, technical, technological
11 or postsecondary education and training any such student is receiving
12 at a school in the system, subject to the review process under
13 subdivision (2) of this subsection, (C) with a public institution of higher

14 education to support a collaboration with such institution to develop
 15 and commercialize any invention or discovery, or (D) pursuant to a
 16 court appointment, unless the contract has been awarded through an
 17 open and public process, including prior public offer and subsequent
 18 public disclosure of all proposals considered and the contract awarded.
 19 In no event shall an executive head of an agency, as defined in section
 20 4-166, including a commissioner of a department, or an executive head
 21 of a quasi-public agency, or the executive head's immediate family or a
 22 business with which he is associated enter into any contract with that
 23 agency or quasi-public agency. Nothing in this subsection shall be
 24 construed as applying to any public official who is appointed as a
 25 member of the executive branch or as a member or director of a quasi-
 26 public agency and who receives no compensation other than per diem
 27 payments or reimbursement for actual or necessary expenses, or both,
 28 incurred in the performance of the public official's duties unless such
 29 public official has authority or control over the subject matter of the
 30 contract. Any contract made in violation of this subsection shall be
 31 voidable by a court of competent jurisdiction if the suit is commenced
 32 not later than one hundred eighty days after the making of the contract.

33 (2) The superintendent of the Technical Education and Career System
 34 shall establish an open and transparent process to review any contract
 35 entered into under subparagraph (B) of subdivision (1) of this
 36 subsection.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2024	1-84(i)

GAE *Joint Favorable*

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:** None**Municipal Impact:** None**Explanation**

This bill extends the existing prohibition on contracts to family and close contacts to quasi-public state agencies resulting in no fiscal impact to the state.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**SB 259*****AN ACT CONCERNING CONTRACTING WITH QUASI-PUBLIC AGENCIES UNDER THE STATE CODES OF ETHICS.*****SUMMARY**

This bill prohibits public officials and state employees (and their immediate family members and associated businesses) from entering into contracts worth \$100 or more with quasi-public agencies unless the contract was (1) awarded through an open and public process or (2) according to a court appointment. By law, this prohibition already applies to contracts with state agencies, with some exceptions (e.g., contracts with technical high schools for students to perform services in conjunction with their training). Under existing law, the open and public process must include prior public offer and subsequent public disclosure of all proposals considered and the contract awarded.

By law, an associated business is any business entity in which a public official, state employee, or immediate family member is a director, officer, owner, limited or general partner, trust beneficiary, or a stockholder with at least 5% of the total outstanding stock in any class. They do not include nonprofit entities for which the person is an unpaid officer or director (CGS § 1-79(2)).

EFFECTIVE DATE: October 1, 2024

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 19 Nay 0 (03/15/2024)