



Senate

General Assembly

File No. 698

January Session, 2025

Substitute Senate Bill No. 1518

Senate, April 14, 2025

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 IMPLEMENTING THE RECOMMENDATIONS OF THE STATE DISPARITY STUDY.

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

1 Section 1. Section 46a-68b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2026*):

3 As used in this section and sections [4a-60, 4a-60a,] 46a-56 and 46a-
4 68c to 46a-68k, inclusive, [:] as amended by this act: (1) "Public works
5 contract" means any agreement [between any individual, firm or
6 corporation and the state or any political subdivision of the state other
7 than a municipality] (A) for construction, rehabilitation, conversion,
8 extension, demolition or repair of [a public building, highway or other
9 changes or] improvements in real property, [or which] and (B) that is
10 financed in whole or in part by the state, including, but not limited to,
11 matching expenditures, grants, loans, insurance or guarantees, where
12 such funding equals one hundred fifty thousand dollars or more, but
13 excluding any contract for the pavement of roads or related services,

14 and ["municipal public works contract", "quasi-public agency project"
15 and] (2) "awarding agency" [have] has the same [meanings] meaning as
16 provided in section 4a-60g, as amended by this act.

17 Sec. 2. Section 4a-60 of the general statutes is repealed and the
18 following is substituted in lieu thereof (*Effective July 1, 2026*):

19 (a) As used in this section:

20 (1) "Contract" includes any extension or modification of the contract,
21 but does not include a contract where each contractor is (A) a political
22 subdivision of the state, including, but not limited to, a municipality,
23 unless the contract is a public works contract, (B) any other state, as
24 defined in section 1-267, (C) the federal government, (D) a foreign
25 government, or (E) an agency of a subdivision, state or government
26 described in subparagraph (A), (B), (C) or (D) of this subdivision;

27 (2) "Contractor" includes any successors or assigns of the contractor;

28 (3) "Public works contract" has the same meaning as provided in
29 section 46a-68b, as amended by this act;

30 (4) "Marital status" means being single, married as recognized by the
31 state of Connecticut, widowed, separated or divorced;

32 (5) "Mental disability" means one or more mental disorders, as
33 defined in the most recent edition of the American Psychiatric
34 Association's "Diagnostic and Statistical Manual of Mental Disorders",
35 or a record of or regarding a person as having one or more such
36 disorders;

37 (6) "Minority business enterprise" means any small contractor or
38 supplier of materials fifty-one per cent or more of the capital stock, if
39 any, or assets of which is owned by a person or persons who: (A) Are
40 active in the daily affairs of the enterprise, (B) have the power to direct
41 the management and policies of the enterprise, and (C) are members of
42 a minority, as defined in subsection (a) of section 32-9n;

43 (7) "Good faith" means that degree of diligence which a reasonable
44 person would exercise in the performance of legal duties and
45 obligations;

46 (8) "Good faith efforts" includes, but is not limited to, those
47 reasonable initial efforts necessary to comply with statutory or
48 regulatory requirements and additional or substituted efforts when it is
49 determined that such initial efforts will not be sufficient to comply with
50 such requirements; and

51 (9) "Awarding agency" has the same meaning as provided in section
52 4a-60g, as amended by this act.

53 [(a)] (b) Except as provided in section 10a-151i, as amended by this
54 act, every contract to which an awarding agency is a party [, every quasi-
55 public agency project contract and every municipal public works
56 contract] shall contain the following provisions:

57 (1) The contractor agrees and warrants that in the performance of the
58 contract such contractor will not discriminate or permit discrimination
59 against any person or group of persons on the grounds of race, color,
60 religious creed, age, marital status, national origin, ancestry, sex, sexual
61 orientation, gender identity or expression, status as a veteran, status as
62 a victim of domestic violence, intellectual disability, mental disability or
63 physical disability, including, but not limited to, blindness, unless it is
64 shown by such contractor that such disability prevents performance of
65 the work involved, in any manner prohibited by the laws of the United
66 States or of the state of Connecticut; and the contractor further agrees to
67 take affirmative action to ensure that applicants with job-related
68 qualifications are employed and that employees are treated when
69 employed without regard to their race, color, religious creed, age,
70 marital status, national origin, ancestry, sex, gender identity or
71 expression, sexual orientation, status as a veteran, status as a victim of
72 domestic violence, intellectual disability, mental disability or physical
73 disability, including, but not limited to, blindness, unless it is shown by
74 such contractor that such disability prevents performance of the work
75 involved;

76 (2) The contractor agrees, in all solicitations or advertisements for
77 employees placed by or on behalf of the contractor, to state that it is an
78 "affirmative action-equal opportunity employer" in accordance with
79 regulations adopted by the Commission on Human Rights and
80 Opportunities;

81 (3) The contractor agrees to provide each labor union or
82 representative of workers with which such contractor has a collective
83 bargaining agreement or other contract or understanding and each
84 vendor with which such contractor has a contract or understanding, a
85 notice to be provided by the Commission on Human Rights and
86 Opportunities advising the labor union or workers' representative of the
87 contractor's commitments under this section, and to post copies of the
88 notice in conspicuous places available to employees and applicants for
89 employment;

90 (4) The contractor agrees to comply with each provision of this
91 section and sections 46a-68e, as amended by this act, and 46a-68f and
92 with each regulation or relevant order issued by said commission
93 pursuant to sections 46a-56, 46a-68e, as amended by this act, 46a-68f and
94 46a-86, as amended by this act; and

95 (5) The contractor agrees to provide the Commission on Human
96 Rights and Opportunities with such information requested by the
97 commission, and permit access to pertinent books, records and
98 accounts, concerning the employment practices and procedures of the
99 contractor as relate to the provisions of this section and section 46a-56,
100 as amended by this act.

101 [(b)] (c) If the contract is a public works contract, [municipal public
102 works contract or contract for a quasi-public agency project,] the
103 contractor agrees and warrants that he or she will make good faith
104 efforts to employ minority business enterprises as subcontractors and
105 suppliers of materials on such public works [or quasi-public agency]
106 project.

107 [(c)] (d) Except as provided in section 10a-151i, as amended by this

108 act:

109 (1) Any contractor who has one or more contracts with an awarding
110 agency or who is a party to a [municipal public works contract or a
111 contract for a quasi-public agency project] public works contract shall
112 include a nondiscrimination affirmation provision certifying that the
113 contractor understands the obligations of this section and will maintain
114 a policy for the duration of the contract to assure that the contract will
115 be performed in compliance with the nondiscrimination requirements
116 of subsection [(a)] (b) of this section. The authorized signatory of the
117 contract shall demonstrate his or her understanding of this obligation
118 by (A) initialing the nondiscrimination affirmation provision in the
119 body of the contract, (B) providing an affirmative response in the
120 required online bid or response to a proposal question which asks if the
121 contractor understands its obligations, or (C) signing the contract.

122 (2) No awarding agency [, or in the case of a municipal public works
123 contract, no municipality, or in the case of a quasi-public agency project
124 contract, no entity,] shall award a contract to a contractor that has not
125 included the nondiscrimination affirmation provision in the contract
126 and demonstrated its understanding of such provision as required
127 under subdivision (1) of this subsection.

128 [(d) For the purposes of this section, "contract" includes any extension
129 or modification of the contract, "contractor" includes any successors or
130 assigns of the contractor, "marital status" means being single, married
131 as recognized by the state of Connecticut, widowed, separated or
132 divorced, and "mental disability" means one or more mental disorders,
133 as defined in the most recent edition of the American Psychiatric
134 Association's "Diagnostic and Statistical Manual of Mental Disorders",
135 or a record of or regarding a person as having one or more such
136 disorders. For the purposes of this section, "contract" does not include a
137 contract where each contractor is (1) a political subdivision of the state,
138 including, but not limited to, a municipality, unless the contract is a
139 municipal public works contract or quasi-public agency project contract,
140 (2) any other state, as defined in section 1-267, (3) the federal

141 government, (4) a foreign government, or (5) an agency of a subdivision,
142 state or government described in subdivision (1), (2), (3) or (4) of this
143 subsection.

144 (e) For the purposes of this section, "minority business enterprise"
145 means any small contractor or supplier of materials fifty-one per cent or
146 more of the capital stock, if any, or assets of which is owned by a person
147 or persons: (1) Who are active in the daily affairs of the enterprise, (2)
148 who have the power to direct the management and policies of the
149 enterprise, and (3) who are members of a minority, as such term is
150 defined in subsection (a) of section 32-9n; and "good faith" means that
151 degree of diligence which a reasonable person would exercise in the
152 performance of legal duties and obligations. "Good faith efforts" shall
153 include, but not be limited to, those reasonable initial efforts necessary
154 to comply with statutory or regulatory requirements and additional or
155 substituted efforts when it is determined that such initial efforts will not
156 be sufficient to comply with such requirements.]

157 [(f)] (e) Determination of the contractor's good faith efforts shall
158 include, but shall not be limited to, the following factors: The
159 contractor's employment and subcontracting policies, patterns and
160 practices; affirmative advertising, recruitment and training; technical
161 assistance activities and such other reasonable activities or efforts as the
162 Commission on Human Rights and Opportunities may prescribe that
163 are designed to ensure the participation of minority business enterprises
164 in public works projects.

165 [(g)] (f) The contractor shall develop and maintain adequate
166 documentation, in a manner prescribed by the Commission on Human
167 Rights and Opportunities, of its good faith efforts.

168 [(h)] (g) The contractor shall include the provisions of subsections
169 [(a)] (b) and [(b)] (c) of this section in every subcontract or purchase
170 order entered into in order to fulfill any obligation of a contract with the
171 state, and in every subcontract entered into in order to fulfill any
172 obligation of a [municipal] public works contract, [or contract for a
173 quasi-public agency project,] and such provisions shall be binding on a

174 subcontractor, vendor or manufacturer, unless exempted by regulations
175 or orders of the Commission on Human Rights and Opportunities. The
176 contractor shall take such action with respect to any such subcontract or
177 purchase order as the commission may direct as a means of enforcing
178 such provisions, including sanctions for noncompliance in accordance
179 with section 46a-56, as amended by this act; provided, if such contractor
180 becomes involved in, or is threatened with, litigation with a
181 subcontractor or vendor as a result of such direction by the commission
182 regarding a state contract, the contractor may request the state of
183 Connecticut to enter into any such litigation or negotiation prior thereto
184 to protect the interests of the state and the state may so enter.

185 Sec. 3. Section 4a-60g of the general statutes is repealed and the
186 following is substituted in lieu thereof (*Effective July 1, 2026*):

187 (a) As used in this section and sections 4a-60h to 4a-60j, inclusive, as
188 amended by this act, the following terms have the following meanings:

189 (1) "Small contractor" means (A) any contractor, subcontractor,
190 manufacturer, service company or corporation that (i) maintains its
191 principal place of business in the state, and (ii) is registered as a small
192 business in the federal database maintained by the United States
193 General Services Administration, as required to do business with the
194 federal government, or (B) any nonprofit corporation that (i) maintains
195 its principal place of business in the state, (ii) had gross revenues not
196 exceeding twenty million dollars in the most recently completed fiscal
197 year prior to such application, and (iii) is independent.

198 (2) "Independent" means the viability of the enterprise of the small
199 contractor does not depend upon another person, as determined by an
200 analysis of the small contractor's relationship with any other person in
201 regards to the provision of personnel, facilities, equipment, other
202 resources and financial support, including bonding.

203 (3) "State agency" means each state board, commission, department,
204 office, institution, council or other agency with the power to contract for
205 goods or services itself or through its head.

206 (4) "Minority business enterprise" means any small contractor (A)
207 fifty-one per cent or more of the capital stock, if any, or assets of which
208 are owned by a person or persons who (i) exercise operational authority
209 over the daily affairs of the enterprise, (ii) have the power to direct the
210 management and policies and receive the beneficial interest of the
211 enterprise, (iii) possess managerial and technical competence and
212 experience directly related to the principal business activities of the
213 enterprise, and (iv) are members of a minority, as [such term is] defined
214 in subsection (a) of section 32-9n, or are individuals with a disability, or
215 (B) which is a nonprofit corporation in which fifty-one per cent or more
216 of the persons who [(i)] exercise operational authority over the
217 enterprise, [(ii)] (i) possess managerial and technical competence and
218 experience directly related to the principal business activities of the
219 enterprise, [(iii)] (ii) have the power to direct the management and
220 policies of the enterprise, and [(iv)] (iii) are members of a minority, as
221 defined in this subsection, or are individuals with a disability.

222 (5) "Affiliated" means the relationship in which a person directly, or
223 indirectly through one or more intermediaries, controls, is controlled by
224 or is under common control with another person.

225 (6) "Control" means the power to direct or cause the direction of the
226 management and policies of any person, whether through the
227 ownership of voting securities, by contract or through any other direct
228 or indirect means. Control [shall be] is presumed to exist if any person,
229 directly or indirectly, owns, controls, holds with the power to vote, or
230 holds proxies representing, twenty per cent or more of any voting
231 securities of another person.

232 (7) "Person" means any individual, corporation, limited liability
233 company, partnership, association, joint stock company, business trust,
234 unincorporated organization or other entity.

235 (8) "Individual with a disability" means an individual (A) having a
236 physical or mental impairment that substantially limits one or more of
237 the major life activities of the individual, which mental impairment may
238 include, but is not limited to, having one or more mental disorders, as

239 defined in the most recent edition of the American Psychiatric
240 Association's "Diagnostic and Statistical Manual of Mental Disorders",
241 or (B) having a record of such an impairment.

242 (9) "Nonprofit corporation" means a nonstock corporation
243 incorporated pursuant to chapter 602 or any predecessor statutes
244 thereto, which is exempt from taxation under any provision of section
245 501 of the Internal Revenue Code of 1986, or any subsequent
246 corresponding internal revenue code of the United States, as amended
247 from time to time.

248 (10) "Municipality" means any town, city, borough, consolidated
249 town and city or consolidated town and borough.

250 (11) "Quasi-public agency" has the same meaning as provided in
251 section 1-120.

252 (12) "Awarding agency" means a state agency or political subdivision
253 of the state, [other than] including a municipality or quasi-public
254 agency.

255 (13) "Public works contract" has the same meaning as provided in
256 section 46a-68b, as amended by this act.

257 [(14) "Municipal public works contract" means that portion of an
258 agreement entered into on or after October 1, 2015, between any
259 individual, firm or corporation and a municipality for the construction,
260 rehabilitation, conversion, extension, demolition or repair of a public
261 building, highway or other changes or improvements in real property,
262 which is financed in whole or in part by the state, including, but not
263 limited to, matching expenditures, grants, loans, insurance or
264 guarantees but excluding any project of an alliance district, as defined
265 in section 10-262u, financed by state funding in an amount equal to fifty
266 thousand dollars or less.

267 (15) "Quasi-public agency project" means the construction,
268 rehabilitation, conversion, extension, demolition or repair of a building
269 or other changes or improvements in real property pursuant to a

270 contract entered into on or after October 1, 2015, which is financed in
271 whole or in part by a quasi-public agency using state funds, including,
272 but not limited to, matching expenditures, grants, loans, insurance or
273 guarantees.]

274 (14) "Joint venture" means an agreement between a small contractor
275 and a person who does not qualify as a small contractor to perform a
276 public works contract set aside or reserved for small contractors under
277 this section in accordance with the program established under
278 subsection (l) of this section.

279 (b) (1) It is found and determined, based on a state-validated study of
280 contracting disparities, that there is a serious need to help small
281 contractors, minority business enterprises, nonprofit organizations and
282 individuals with disabilities to be considered for and awarded state
283 contracts for the purchase of goods and services [,] and public works
284 contracts. [, municipal public works contracts and contracts for quasi-
285 public agency projects.] Accordingly, the necessity of awarding such
286 contracts in compliance with the provisions of this section, sections 4a-
287 60h to 4a-60j, inclusive, as amended by this act, and sections 32-9i to 32-
288 9p, inclusive, for advancement of the public benefit and good, is
289 declared as a matter of legislative determination and will apply unless
290 a subsequent state-validated disparity study finds that there are no
291 longer disparities in state contracting, in which case this determination
292 will no longer apply to those areas where disparities have been
293 eliminated.

294 (2) Notwithstanding any [provisions] provision of the general
295 statutes, and except as set forth in this section, the head of each
296 awarding agency shall set aside in each fiscal year, for award to small
297 contractors, on the basis of competitive bidding procedures, [contracts
298 or portions of contracts for the construction, reconstruction or
299 rehabilitation of public buildings, the construction and maintenance of
300 highways and] public works contracts and, in the case of an awarding
301 agency that is a state agency, the purchase of goods and services. The
302 total value of such contracts or portions thereof to be set aside by each

303 such agency shall be [at least twenty-five per cent of the total value of
304 all contracts let by the head of such agency in each fiscal year]
305 determined not less than annually by the Commissioner of
306 Administrative Services, in consultation with the Commission on
307 Human Rights and Opportunities, in order to attain parity with the
308 percentage of available small contractors and minority business
309 enterprises in the relevant industries in the state and in accordance with
310 the goals established under subdivision (3) of this subsection, provided
311 a contract for any goods or services which have been determined by the
312 Commissioner of Administrative Services to be not customarily
313 available from or supplied by small contractors shall not be included.
314 [Contracts or portions thereof having a value of not less than twenty-
315 five per cent of the total value of all contracts or portions thereof to be
316 set aside shall be reserved for awards to minority business enterprises.]

317 (3) Notwithstanding any provision of the general statutes, and except
318 as provided in this section, [on and after October 1, 2015, each
319 municipality when awarding a municipal public works contract shall
320 state in its notice of solicitation for competitive bids or request for
321 proposals or qualifications for such contract that the general or trade
322 contractor shall be required to comply with the provisions of this section
323 and the requirements concerning nondiscrimination and affirmative
324 action under sections 4a-60 and 4a-60a. Any such contractor awarded a
325 municipal public works contract shall, on the basis of competitive
326 bidding procedures, (A) set aside at least twenty-five per cent of the total
327 value of the state's financial assistance for such contract for award to
328 subcontractors who are small contractors, and (B) of that portion to be
329 set aside in accordance with subparagraph (A) of this subdivision,
330 reserve a portion equivalent to twenty-five per cent of the total value of
331 the contract or portion thereof to be set aside for awards to
332 subcontractors who are minority business enterprises. The provisions of
333 this section shall not apply to any municipality that has established a
334 set-aside program pursuant to section 7-148u where the percentage of
335 contracts set aside for minority business enterprises is equivalent to or
336 exceeds the percentage set forth in this subsection] the executive
337 director of the Commission on Human Rights and Opportunities, or the

338 executive director's designee, shall establish goals for the inclusion of
339 small contractors and minority business enterprises on all public works
340 contracts in order to attain parity with the availability of contractors
341 required for the specific contract according to their industry and the
342 relevant geographic area. Such availability shall be determined by
343 annual data derived from the number of small contractors and minority
344 business enterprises certified by the Department of Administrative
345 Services as a percentage of businesses in the relevant industries
346 registered with the Secretary of the State.

347 [(4) Notwithstanding any provision of the general statutes, and
348 except as provided in this section, on and after October 1, 2015, any
349 individual, firm or corporation that enters into a contract for a quasi-
350 public agency project shall, prior to awarding such contract, notify the
351 contractor to be awarded such project of the requirements of this section
352 and the requirements concerning nondiscrimination and affirmative
353 action under sections 4a-60 and 4a-60a. Any such contractor awarded a
354 contract for a quasi-public agency project shall, on the basis of
355 competitive bidding procedures, (A) set aside at least twenty-five per
356 cent of the total value of the state's financial assistance for such contract
357 for award to subcontractors who are small contractors, and (B) of that
358 portion to be set aside in accordance with subparagraph (A) of this
359 subdivision, reserve a portion equivalent to twenty-five per cent of the
360 total value of the contract or portions thereof to be set aside for awards
361 to subcontractors who are minority business enterprises.]

362 [(5)] (4) Eligibility of nonprofit corporations under the provisions of
363 this section shall be limited to predevelopment contracts awarded by
364 the Commissioner of Housing for housing projects.

365 [(6)] (5) In calculating the percentage of contracts to be set aside under
366 subdivisions (2) [to (4), inclusive,] and (3) of this subsection, the
367 awarding agency or contractor shall exclude any contract that may not
368 be set aside due to a conflict with a federal law or regulation.

369 (c) The head of any awarding agency may, in lieu of setting aside any
370 contract or portions thereof, require any general or trade contractor or

371 any other entity authorized by such agency to award contracts, to set
372 aside a portion of any contract for subcontractors who are eligible for
373 set-aside contracts under this section. Nothing in this subsection shall
374 be construed to diminish the total value of contracts which are required
375 to be set aside by any awarding agency pursuant to this section.

376 (d) The head of each awarding agency shall notify the Commissioner
377 of Administrative Services of all contracts to be set aside pursuant to
378 subdivision (2) of subsection (b) or subsection (c) of this section at the
379 time that bid documents for such contracts are made available to
380 potential contractors.

381 (e) The awarding [authority] agency shall require that a contractor or
382 subcontractor awarded a contract or a portion of a contract under this
383 section perform not less than thirty per cent of the work with the
384 workforces of such contractor or subcontractor and shall require that not
385 less than fifty per cent of the work be performed by contractors or
386 subcontractors eligible for awards under this section, except such
387 requirements shall not apply to construction managers, as described in
388 section 46a-68d, as amended by this act, or a joint venture. A contractor
389 awarded a contract or a portion of a contract under this section shall not
390 subcontract with any person with whom the contractor is affiliated. No
391 person who is affiliated with another person shall be eligible for awards
392 under this section if both affiliated persons considered together would
393 not qualify as a small contractor or a minority business enterprise under
394 subsection (a) of this section, except for a joint venture. The awarding
395 [authority] agency shall require that a contractor awarded a contract
396 pursuant to this section submit, in writing, an explanation of any
397 subcontract to such contract that is entered into with any person that is
398 not eligible for the award of a contract pursuant to this section, prior to
399 the performance of any work pursuant to such subcontract.

400 (f) The awarding [authority] agency may require that a contractor or
401 subcontractor awarded a contract or a portion of a contract under this
402 section furnish the following documentation: (1) A copy of the certificate
403 of incorporation, certificate of limited partnership, partnership

404 agreement or other organizational documents of the contractor or
405 subcontractor; (2) a copy of federal income tax returns filed by the
406 contractor or subcontractor for the previous year; (3) evidence of
407 payment of fair market value for the purchase or lease by the contractor
408 or subcontractor of property or equipment from another contractor who
409 is not eligible for set-aside contracts under this section; (4) evidence that
410 the principal place of business of the contractor or subcontractor is
411 located in the state; [and] (5) for any contractor or subcontractor certified
412 under subsection (k) of this section on or after October 1, 2021, evidence
413 of registration as a small business in the federal database maintained by
414 the United States General Services Administration, as required to do
415 business with the federal government; and (6) for any joint venture, a
416 copy of the agreement to become a joint venture.

417 (g) The awarding [authority] agency or the Commissioner of
418 Administrative Services or the Commission on Human Rights and
419 Opportunities may conduct an audit of the financial, corporate and
420 business records and conduct an investigation of any small contractor,
421 [or] minority business enterprise or joint venture which applies for or is
422 awarded a set-aside contract for the purpose of determining eligibility
423 for awards or compliance with the requirements established under this
424 section.

425 (h) The provisions of this section shall not apply to [(1)] any awarding
426 agency for which the total value of all contracts or portions of contracts
427 of the types enumerated in subdivision (2) of subsection (b) of this
428 section is anticipated to be equal to ten thousand dollars or less, [, or (2)
429 any municipal public works contract or contract for a quasi-public
430 agency project for which the total value of the contract is anticipated to
431 be equal to fifty thousand dollars or less.]

432 (i) In lieu of a performance, bid, labor and materials or other required
433 bond, a contractor or subcontractor awarded a contract under this
434 section may provide to the awarding [authority] agency, and the
435 awarding [authority] agency shall accept, a letter of credit. Any such
436 letter of credit shall be in an amount equal to ten per cent of the contract

437 for any contract that is less than one hundred thousand dollars and in
438 an amount equal to twenty-five per cent of the contract for any contract
439 that exceeds one hundred thousand dollars.

440 (j) (1) Whenever the awarding agency has reason to believe that any
441 contractor or subcontractor awarded a state set-aside contract has
442 wilfully violated any provision of this section, the awarding agency
443 shall send a notice to such contractor or subcontractor by certified mail,
444 return receipt requested, and to the Commission on Human Rights and
445 Opportunities, in a manner prescribed by the commission. Such notice
446 shall include: (A) A reference to the provision alleged to be violated; (B)
447 a short and plain statement of the matter asserted; and (C) the maximum
448 civil penalty that may be imposed for such violation.]; and (D) the time
449 and place for the hearing. Such hearing shall be fixed for a date not
450 earlier than fourteen days after the notice is mailed. The awarding
451 agency shall send a copy of such notice to the Commission on Human
452 Rights and Opportunities.

453 (2) The awarding agency shall hold a hearing on the violation
454 asserted unless such contractor or subcontractor fails to appear. The
455 hearing shall be held in accordance with the provisions of chapter 54. If,
456 after the hearing, the awarding agency finds that the contractor or
457 subcontractor has wilfully violated any provision of this section, the
458 awarding agency shall suspend all set-aside contract payments to the
459 contractor or subcontractor and may, in its discretion, order that a civil
460 penalty not exceeding ten thousand dollars per violation be imposed on
461 the contractor or subcontractor. If such contractor or subcontractor fails
462 to appear for the hearing, the awarding agency may, as the facts require,
463 order that a civil penalty not exceeding ten thousand dollars per
464 violation be imposed on the contractor or subcontractor. The awarding
465 agency shall send a copy of any order issued pursuant to this subsection
466 by certified mail, return receipt requested, to the contractor or
467 subcontractor named in such order. The awarding agency may cause
468 proceedings to be instituted by the Attorney General for the
469 enforcement of any order imposing a civil penalty issued under this
470 subsection]

471 (2) The Commission on Human Rights and Opportunities may file a
472 complaint with the commission's office of public hearings alleging a
473 violation of this section. Said office shall hold a hearing on the violation
474 in accordance with the provisions of subsection (d) of section 46a-56, as
475 amended by this act.

476 (k) (1) On or before January 1, 2000, the Commissioner of
477 Administrative Services shall establish a process for certification of
478 small contractors and minority business enterprises as eligible for set-
479 aside contracts. Each certification shall be valid for a period not to
480 exceed two years, unless the Commissioner of Administrative Services
481 determines that an extension of such certification is warranted,
482 provided any such extension shall not exceed a period of six months
483 from such certification's original expiration date. Any certification
484 issued prior to October 1, 2021, shall remain valid for the term listed on
485 such certification unless revoked pursuant to subdivision (2) of this
486 subsection. The Department of Administrative Services shall maintain
487 on its web site an updated directory of small contractors and minority
488 business enterprises certified under this section.

489 (2) The Commissioner of Administrative Services may deny an
490 application for the initial issuance or renewal of such certification after
491 issuing a written decision to the applicant setting forth the basis for such
492 denial. The commissioner may revoke such certification for cause after
493 notice and an opportunity for a hearing in accordance with the
494 provisions of chapter 54. Any person aggrieved by the commissioner's
495 decision to deny the issuance or renewal of or to revoke such
496 certification may appeal such decision to the Superior Court, in
497 accordance with the provisions of section 4-183.

498 (3) Whenever the Commissioner of Administrative Services has
499 reason to believe that a small contractor or minority business enterprise
500 who has applied for or received certification under this section has
501 included a materially false statement in his or her application, the
502 commissioner may impose a penalty not exceeding ten thousand dollars
503 after notice and a hearing held in accordance with chapter 54. Such

504 notice shall include (A) a reference to the statement or statements
505 contained in the application alleged to be false, (B) the maximum civil
506 penalty that may be imposed for such misrepresentation, and (C) the
507 time and place of the hearing. Such hearing shall be fixed for a date not
508 later than fourteen days from the date such notice is sent. The
509 commissioner shall send a copy of such notice to the Commission on
510 Human Rights and Opportunities.

511 (4) The commissioner shall hold a hearing prior to such revocation or
512 denial or the imposition of a penalty, unless such contractor or
513 subcontractor fails to appear. If, after the hearing, the commissioner
514 finds that the contractor or subcontractor has wilfully included a
515 materially false statement in his or her application for certification under
516 this subsection, the commissioner shall revoke or deny the certification
517 and may order that a civil penalty not exceeding ten thousand dollars
518 be imposed on the contractor or subcontractor. If such contractor or
519 subcontractor fails to appear for the hearing, the commissioner may, as
520 the facts require, revoke or deny the certification and order that a civil
521 penalty not exceeding ten thousand dollars be imposed on the
522 contractor or subcontractor. The commissioner shall send a copy of any
523 order issued pursuant to this subsection to the contractor or
524 subcontractor named in such order. The commissioner may cause
525 proceedings to be instituted by the Attorney General for the
526 enforcement of any order imposing a civil penalty issued under this
527 subsection.

528 (l) On or before September 1, 2026, the Commissioner of
529 Administrative Services shall establish a program to enable small
530 contractors or minority business enterprises to enter into a written
531 agreement, on a form prescribed by the commissioner, with a contractor
532 that is not a small contractor or minority business enterprise, to establish
533 a joint venture. Any such joint venture that meets the criteria established
534 by the commissioner pursuant to regulations adopted under the
535 provisions of chapter 54, shall be eligible to be awarded a contract under
536 this section as a small contractor or minority business enterprise, upon
537 presentation of the written agreement. Such criteria and requirements

538 for the agreement shall specify, but need not be limited to, (1) the
539 percentage of work under the contract to be performed by the small
540 contractor or minority business enterprise, (2) the percentage of revenue
541 from the contract to be allocated to the small contractor or minority
542 business enterprise, (3) reporting requirements, (4) documentation
543 requirements, (5) restrictions on the number of joint ventures a large
544 contractor may enter into, (6) the responsibilities of each contractor
545 under the contract, (7) the responsibilities of the parties with regard to
546 negotiation of the contract, source of labor and contract performance, (8)
547 notification requirements for joint venture termination, (9) a
548 requirement that the large contractor be prequalified under section 4a-
549 100, (10) a prohibition on the small contractor being affiliated with the
550 large contractor, or (11) any other requirement deemed necessary by the
551 commissioner. No person who has been suspended or disqualified from
552 being awarded a contract by another state, a federal agency or under
553 federal law, shall be eligible to establish a joint venture. Any
554 establishment of such a joint venture in bad faith or fraudulent
555 representation concerning such joint venture shall constitute a
556 discriminatory practice, as defined in section 46a-51, as amended by this
557 act.

558 [(l)] (m) On or before June thirtieth of each year, the Commissioner of
559 Administrative Services shall provide each awarding agency setting
560 aside contracts or portions of contracts under subdivision (2) of
561 subsection (b) of this section a preliminary report establishing small and
562 minority business state set-aside program goals for the twelve-month
563 period beginning July first in the same year. On or before September
564 thirtieth of each year, each such awarding agency shall submit a final
565 version of such report to the Commissioner of Administrative Services,
566 the Commission on Human Rights and Opportunities and the
567 cochairpersons and ranking members of the joint standing committees
568 of the General Assembly having cognizance of matters relating to
569 planning and development and government administration.

570 [(m)] (n) On or before November first of each year and on a quarterly
571 basis thereafter, each awarding agency setting aside contracts or

572 portions of contracts under subdivision (2) of subsection (b) of this
573 section shall prepare a status report on the implementation and results
574 of its small business and minority business enterprise state set-aside
575 program goals during the three-month period ending one month before
576 the due date for the report. Each report shall be submitted to the
577 Commissioner of Administrative Services and the Commission on
578 Human Rights and Opportunities. Any awarding agency that achieves
579 less than fifty per cent of its small contractor and minority business
580 enterprise state set-aside program goals by the end of the second
581 reporting period in any twelve-month period beginning on July first
582 shall provide a written explanation to the Commissioner of
583 Administrative Services and the Commission on Human Rights and
584 Opportunities detailing how the awarding agency will achieve its goals
585 in the final reporting period. The Commission on Human Rights and
586 Opportunities shall: (1) Monitor the achievement of the annual goals
587 established by each awarding agency; and (2) prepare a quarterly report
588 concerning such goal achievement. The report shall be submitted to each
589 awarding agency that submitted a report, the Commissioner of
590 Economic and Community Development, the Commissioner of
591 Administrative Services and the cochairpersons and ranking members
592 of the joint standing committees of the General Assembly having
593 cognizance of matters relating to planning and development and
594 government administration. Failure by any awarding agency to submit
595 any reports required by this section shall be a violation of section 46a-
596 77.

597 [(n)] (o) Nothing in this section shall be construed to apply to the
598 janitorial or service contracts awarded pursuant to subsections (b) to (d),
599 inclusive, of section 4a-82.

600 [(o)] (p) The Commissioner of Administrative Services may adopt
601 regulations, in accordance with the provisions of chapter 54, to
602 implement the provisions of this section.

603 Sec. 4. Section 4a-60h of the general statutes is repealed and the
604 following is substituted in lieu thereof (*Effective July 1, 2026*):

605 (a) The Commissioner of Administrative Services shall be responsible
606 for the administration of the set-aside program for public works
607 contracts and state contracts for goods and services, as described in
608 subdivision (2) of subsection (b) of section 4a-60g, as amended by this
609 act. The commissioner shall conduct regular training sessions, as often
610 as the commissioner deems necessary, for state agencies to explain the
611 state set-aside program and to specify the factors that [must] shall be
612 addressed in calculating awarding agency goals under the program. The
613 commissioner shall conduct informational workshops to inform
614 businesses of state set-aside opportunities and responsibilities,
615 including the joint venture program.

616 (b) The Commission on Human Rights and Opportunities shall be
617 responsible for the administration of the set-aside program [for
618 municipal public works contracts and contracts for quasi-public agency
619 projects,] as described in [subdivisions (3) and (4)] subdivision (3) of
620 subsection (b) of section 4a-60g, as amended by this act. The commission
621 shall conduct regular training sessions, as often as the commission
622 deems necessary, for municipalities, quasi-public agencies and
623 contractors to explain the [municipal and quasi-public agency project]
624 set-aside program. The commission may adopt regulations in
625 accordance with the provisions of chapter 54, to carry out the purposes
626 of sections 4a-60g to 4a-60j, inclusive, as amended by this act. [, in regard
627 to the municipal and quasi-public agency project set-aside program.

628 (c) In any case where an individual contract is both a public works
629 contract of an awarding agency and a quasi-public agency project
630 contract, the provisions of this chapter governing awarding agency
631 public works contracts shall apply to such contract.]

632 [(d)] (c) The Commissioner of Administrative Services shall adopt
633 regulations in accordance with the provisions of chapter 54 to carry out
634 the purposes of sections 4a-60g to 4a-60j, inclusive, as amended by this
635 act, in regard to the state set-aside program. Such regulations shall
636 include (1) provisions concerning the application of the program to
637 individuals with a disability; (2) guidelines for a legally acceptable

638 format for, and content of, letters of credit authorized under subsection
639 (j) of section 4a-60g, as amended by this act; (3) procedures for random
640 site visits to the place of business of an applicant for certification at the
641 time of application and at subsequent times, as necessary, to ensure the
642 integrity of the application process; [and] (4) time limits for approval or
643 disapproval of applications; and (5) criteria for the joint venture
644 program established under subsection (l) of section 4a-60g, as amended
645 by this act.

646 [(e) On or before January 1, 1994, the Commissioner of
647 Administrative Services shall, by regulations adopted in accordance
648 with chapter 54, establish a process to ensure that small contractors,
649 small businesses and minority business enterprises have fair access to
650 all competitive state contracts outside of the state set-aside program.]

651 Sec. 5. Section 46a-68c of the general statutes is repealed and the
652 following is substituted in lieu thereof (*Effective July 1, 2026*):

653 [(a) In addition to the provisions of section 4a-60, each contractor with
654 fifty or more employees awarded a public works contract, municipal
655 public works contract or contract for a quasi-public agency project in
656 excess of fifty thousand dollars in any fiscal year, but not subject to the
657 provisions of section 46a-68d, shall develop and file an affirmative
658 action plan with the Commission on Human Rights and Opportunities
659 which shall comply with regulations adopted by the commission. The
660 executive director or the executive director's designee shall review and
661 formally approve, conditionally approve or disapprove the content of
662 the affirmative action plan not later than one hundred twenty days
663 following the date of the submission of the plan to the commission. If
664 the executive director or the executive director's designee fails to
665 approve, conditionally approve or disapprove a plan within such one-
666 hundred-twenty-day period, the plan shall be deemed to be either
667 approved or deficient without consequence. The executive director or
668 the executive director's designee shall, not later than fifteen days after
669 the date of deeming an affirmative action plan approved or deficient
670 without consequence, provide the contractor with written notification

671 of the action taken with respect to such plan. Failure to develop an
672 affirmative action plan that is either approved or deficient without
673 consequence shall act as a bar to bidding on or the award of future
674 contracts until such requirement has been met.

675 (b) When the executive director or the executive director's designee
676 approves an affirmative action plan pursuant to this section, the
677 executive director or the executive director's designee shall issue a
678 certificate of compliance to the contractor. Such certificate shall be prima
679 facie proof of the contractor's eligibility to bid or be awarded contracts
680 for a period of two years from the date of the certificate. Such certificate
681 shall not excuse the contractor from monitoring by the commission or
682 from the reporting and record-keeping requirements of sections 46a-68e
683 and 46a-68f. The executive director or the executive director's designee
684 may revoke the certificate of a contractor if the contractor does not
685 implement its affirmative action plan in compliance with this section
686 and sections 4a-60, 4a-60g, 46a-56, 46a-68b, 46a-68d, and 46a-68e to 46a-
687 68k, inclusive.]

688 (a) In addition to the provisions of section 4a-60, as amended by this
689 act, each contractor awarded a public works contract of more than one
690 hundred fifty thousand dollars, but not subject to the provisions of
691 section 46a-68d, as amended by this act, or a first-tier contractor who has
692 entered into an agreement with a construction manager subject to the
693 provisions of section 46a-68d, as amended by this act, that is valued at
694 one hundred fifty thousand dollars or more, shall develop and file a set-
695 aside plan with the Commission on Human Rights and Opportunities
696 which shall comply with the regulations adopted by the commission.
697 Any plan filed pursuant to this section shall be filed not later than forty-
698 five days from the date the contract or agreement is awarded. The
699 commission may grant one fifteen-day extension for such filing to a
700 contractor upon the request of the contractor.

701 (b) The executive director or the executive director's designee shall
702 review and formally approve, conditionally approve or disapprove the
703 content of the set-aside plan not later than one hundred twenty days

704 following the date of the submission of the plan to the commission. If
705 the executive director or the executive director's designee fails to
706 approve, conditionally approve or disapprove a plan within such one-
707 hundred-twenty-day period, the plan shall be deemed to be either
708 approved or deficient without consequence. If a plan is disapproved, the
709 contractor shall have forty-five days from the notice of disapproval to
710 resubmit an amended plan in order to remedy the reasons for
711 disapproval. The executive director or the executive director's designee
712 shall have thirty days to approve or disapprove the resubmitted plan. If
713 the executive director or the executive director's designee fails to review
714 the resubmitted plan within such thirty-day period, the plan shall be
715 deemed deficient without consequence. If the contractor fails to
716 resubmit a plan or to remedy the reasons for disapproval, the plan shall
717 receive a final disapproval from the executive director or the executive
718 director's designee.

719 (c) Any failure to submit a plan as required by this section or receipt
720 of a final disapproval of a plan shall constitute a discriminatory practice,
721 as defined in section 46a-51, as amended by this act. Any contractor who
722 has received a final disapproval may request reconsideration of the
723 disapproval according to the procedures for reconsideration set forth in
724 subsection (h) of section 46a-83.

725 Sec. 6. Section 46a-68d of the general statutes is repealed and the
726 following is substituted in lieu thereof (*Effective July 1, 2026*):

727 [In addition to the provisions of section 4a-60, every public works
728 contract, municipal public works contract or contract for a quasi-public
729 agency project subject to the provisions of part II of chapter 60 shall also
730 be subject to the provisions of this section. After a bid has been accepted
731 but before a contract is awarded, the successful bidder shall file with
732 and have obtained the approval of the executive director or the
733 executive director's designee for an affirmative action plan. The
734 executive director or the executive director's designee may provide for
735 conditional acceptance of an affirmative action plan provided written
736 assurances are given by the contractor that it will amend its plan to

737 conform to affirmative action requirements. In the case of a public works
738 contract, the state shall withhold two per cent of the total contract price
739 per month from any payment made to such contractor until such time
740 as the contractor has developed an affirmative action plan, and received
741 the approval of the executive director or the executive director's
742 designee. In the case of a municipal public works contract or contract
743 for a quasi-public agency project, the municipality or entity, as
744 applicable, shall withhold two per cent of the total contract price per
745 month from any payment made to such contractor until such time as the
746 contractor has developed an affirmative action plan and received the
747 approval of the commission. Notwithstanding the provisions of this
748 section, a contractor subject to the provisions of this section may file a
749 plan in advance of or at the same time as its bid. The executive director
750 or the executive director's designee shall review plans submitted
751 pursuant to this section within sixty days of receipt and either approve,
752 approve with conditions or reject such plan. When the executive
753 director or the executive director's designee approves an affirmative
754 action plan pursuant to this section, the executive director or the
755 executive director's designee shall issue a certificate of compliance to the
756 contractor as provided in section 46a-68c.]

757 (a) In addition to the provisions of section 4a-60, as amended by this
758 act, a contractor awarded a public works contract valued at one million
759 dollars or more or a construction manager, as defined in section 15-31m,
760 awarded a public works contract valued at one hundred fifty thousand
761 dollars or more, shall develop and file an affirmative action plan with
762 the Commission on Human Rights and Opportunities which shall
763 comply with regulations adopted by the commission. Any such plan
764 shall be filed not later than forty-five days from the date the contract is
765 awarded. The commission may grant one fifteen-day extension for such
766 filing to a contractor upon written request of the contractor.

767 (b) The executive director or the executive director's designee shall
768 review and formally approve, conditionally approve or disapprove the
769 content of the affirmative action plan not later than one hundred twenty
770 days following the date of the submission of the plan to the commission.

771 If the executive director or the executive director's designee fails to
772 approve, conditionally approve or disapprove a plan within such one-
773 hundred-twenty-day period, the plan shall be deemed to be either
774 approved or deficient without consequence. If a plan is disapproved, the
775 contractor shall have thirty days from the notice of disapproval to
776 resubmit an amended plan in order to remedy the reasons for
777 disapproval. If the contractor fails to resubmit a plan or to remedy the
778 reasons for disapproval, the plan shall receive a final disapproval from
779 the executive director or the executive director's designee.

780 (c) Any failure to submit a plan as required by this section or receipt
781 of a final disapproval of a plan shall constitute a discriminatory practice,
782 as defined in section 46a-51, as amended by this act. Any contractor who
783 has received a final disapproval may request reconsideration of the
784 disapproval according to the procedures for reconsideration set forth in
785 subsection (h) of section 46a-83.

786 Sec. 7. Section 46a-68e of the general statutes is repealed and the
787 following is substituted in lieu thereof (*Effective July 1, 2026*):

788 (a) Each contractor shall file, and shall cause each of [his] such
789 contractor's subcontractors to file, with the commission such
790 compliance reports at such times as the commission may direct.
791 Compliance reports shall contain such information as to the practices,
792 policies, programs and employment policies, employment programs,
793 and employment statistics of the contractor and each subcontractor and
794 be in such form as the commission may prescribe.

795 (b) All compliance reports shall be submitted not later than forty-five
796 days after the substantial completion of the contract. The executive
797 director or the executive director's designee shall have thirty days from
798 the date of submission of a compliance report to review and formally
799 approve or disapprove the compliance report. If the executive director
800 or the executive director's designee fails to approve, conditionally
801 approve or disapprove a plan within such thirty-day period, the plan
802 shall be deemed to be either approved or deficient without consequence.

803 (c) In the case of a public works contract subject to the provisions of
804 section 46a-68d, as amended by this act, the awarding agency shall
805 withhold two per cent of the total contract price per month from any
806 payment made to such contractor until such time as the contractor has
807 submitted all compliance reports required by the commission and the
808 reports have been approved by the executive director or the executive
809 director's designee or deemed deficient without consequence.

810 Sec. 8. Section 46a-68g of the general statutes is repealed and the
811 following is substituted in lieu thereof (*Effective July 1, 2026*):

812 No awarding agency [, or in the case of a municipal public works
813 contract, no municipality, or in the case of a quasi-public agency project
814 contract, no entity,] shall enter into a contract with any bidder or
815 prospective contractor unless the bidder or prospective contractor has
816 satisfactorily complied with the provisions of sections 4a-60, as
817 amended by this act, 4a-60g, as amended by this act, 46a-56 and 46a-68c
818 to 46a-68f, inclusive, as amended by this act, or submits a program for
819 compliance acceptable to the commission.

820 Sec. 9. Section 46a-68k of the general statutes is repealed and the
821 following is substituted in lieu thereof (*Effective July 1, 2026*):

822 (a) If the commission determines an awarding agency [or in the case
823 of a municipal public works contract, a municipality,] has a contract
824 compliance program which is at least equivalent to the requirements
825 and responsibilities of sections 4a-60 and 46a-68c to 46a-68f, inclusive,
826 as amended by this act, such agency, [or municipality,] subject to the
827 approval of the commission, may use its own compliance program. Any
828 contractor who is a party to a public works contract with such agency
829 [or municipality] may be relieved of the requirements and
830 responsibilities of said sections, provided such contractor complies with
831 the requirements of such agency's [or municipality's] contract
832 compliance program.

833 (b) The commission shall adopt regulations, in accordance with the
834 provisions of chapter 54, to carry out the purposes of this section,

835 including, but not limited to, establishing a procedure for such
836 determination and approval.

837 Sec. 10. Subdivision (2) of subsection (c) of section 4-68cc of the
838 general statutes is repealed and the following is substituted in lieu
839 thereof (*Effective July 1, 2026*):

840 (2) Before awarding a contract for a Neighborhood Security project,
841 the state or the municipality shall state in its notice of solicitation for
842 competitive bids or request for proposals or qualifications for such
843 contract that the bidder is required to comply with the provisions of
844 section 4a-60g, as amended by this act, the requirements concerning
845 nondiscrimination and affirmative action under [sections] section 4a-60,
846 as amended by this act, [and 4a-60a] and the provisions under
847 subdivision (1) of this subsection regarding the hiring of a
848 subcontractor. The state or the municipality may inquire whether a
849 bidder is a business enterprise that participates in the Neighborhood
850 Security Fellowship Program and may award preference points to such
851 bidder.

852 Sec. 11. Section 10a-151i of the general statutes is repealed and the
853 following is substituted in lieu thereof (*Effective July 1, 2026*):

854 For any qualified contract described in subdivision (1) of subsection
855 (b) of section 10a-151f, and any revenue contract or nonmonetary
856 contract that is not a qualified contract, as such terms are defined in
857 section 10a-151f, that is entered into or amended on or after July 1, [2017]
858 2026, by the chief executive officer of the Board of Regents for Higher
859 Education or the chief executive officer of an institution within the
860 jurisdiction of the Board of Regents for Higher Education or by the chief
861 executive officer of The University of Connecticut, the chief executive
862 officer shall require such contract to either (1) comply with the
863 provisions of subsection [(c)] (d) of section 4a-60, as amended by this
864 act, [and subsection (b) of section 4a-60a,] and set forth the full text of
865 subdivisions (1) to (5), inclusive, of subsection [(a)] (b) of section 4a-60,
866 as amended by this act, [and subdivisions (1) to (4), inclusive, of
867 subsection (a) of section 4a-60a,] or (2) set forth the following

868 affirmation: "Each party agrees, as required by [sections] section 4a-60
869 [and 4a-60a] of the Connecticut General Statutes, not to discriminate
870 against any person on the basis of race, color, religious creed, age,
871 marital status, national origin, ancestry, sex, gender identity or
872 expression, sexual orientation, status as a veteran, status as a victim of
873 domestic violence, intellectual disability, mental disability or physical
874 disability, including, but not limited to, blindness, unless it is shown by
875 such party that such disability prevents performance of the work
876 involved. Each party agrees to comply with all applicable federal and
877 state of Connecticut nondiscrimination and affirmative action laws,
878 including, but not limited to, [sections] section 4a-60 [and 4a-60a] of the
879 Connecticut General Statutes."

880 Sec. 12. Subsection (d) of section 31-51q of the general statutes is
881 repealed and the following is substituted in lieu thereof (*Effective July 1,*
882 *2026*):

883 (d) The provisions of this section shall not apply to a religious
884 corporation, entity, association, educational institution or society that is
885 exempt from the requirements of Title VII of the Civil Rights Act of 1964
886 pursuant to 42 USC 2000e-1(a) or is exempt from [sections 4a-60a,] the
887 provisions of section 4a-60, as amended by this act, concerning sexual
888 orientation, sections 46a-81b to 46a-81o, inclusive, pursuant to section
889 46a-81p, as amended by this act, with respect to speech on religious
890 matters to employees who perform work connected with the activities
891 undertaken by such religious corporation, entity, association,
892 educational institution or society.

893 Sec. 13. Subsection (b) of section 32-235 of the general statutes is
894 repealed and the following is substituted in lieu thereof (*Effective July 1,*
895 *2026*):

896 (b) The proceeds of the sale of said bonds, to the extent of the amount
897 stated in subsection (a) of this section, shall be used by the Department
898 of Economic and Community Development:

899 (1) [for] For the purposes of sections 32-220 to 32-234, inclusive,

900 including economic cluster-related programs and activities, and for the
901 Connecticut job training finance demonstration program pursuant to
902 sections 32-23uu and 32-23vv, provided (A) three million dollars shall
903 be used by said department solely for the purposes of section 32-23uu,
904 (B) not less than one million dollars shall be used for an educational
905 technology grant to the deployment center program and the nonprofit
906 business consortium deployment center approved pursuant to section
907 32-41l, (C) not less than two million dollars shall be used by said
908 department for the establishment of a pilot program to make grants to
909 businesses in designated areas of the state for construction, renovation
910 or improvement of small manufacturing facilities, provided such grants
911 are matched by the business, a municipality or another financing entity.
912 The Commissioner of Economic and Community Development shall
913 designate areas of the state where manufacturing is a substantial part of
914 the local economy and shall make grants under such pilot program
915 which are likely to produce a significant economic development benefit
916 for the designated area, (D) five million dollars may be used by said
917 department for the manufacturing competitiveness grants program, (E)
918 one million dollars shall be used by said department for the purpose of
919 a grant to the Connecticut Center for Advanced Technology, for the
920 purposes of subdivision (5) of subsection (a) of section 32-7f, (F) fifty
921 million dollars shall be used by said department for the purpose of
922 grants to the United States Department of the Navy, the United States
923 Department of Defense or eligible applicants for projects related to the
924 enhancement of infrastructure for long-term, on-going naval operations
925 at the United States Naval Submarine Base-New London, located in
926 Groton, which will increase the military value of said base. Such projects
927 shall not be subject to the provisions of [sections 4a-60 and 4a-60a]
928 section 4a-60, as amended by this act, (G) two million dollars shall be
929 used by said department for the purpose of a grant to the Connecticut
930 Center for Advanced Technology, Inc., for manufacturing initiatives,
931 including aerospace and defense, and (H) four million dollars shall be
932 used by said department for the purpose of a grant to companies
933 adversely impacted by the construction at the Quinnipiac Bridge, where
934 such grant may be used to offset the increase in costs of commercial

935 overland transportation of goods or materials brought to the port of
936 New Haven by ship or vessel; [.]

937 (2) [for] For the purposes of the small business assistance program
938 established pursuant to section 32-9yy, provided fifteen million dollars
939 shall be deposited in the small business assistance account established
940 pursuant to said section 32-9yy; [.]

941 (3) [to] To deposit twenty million dollars in the small business express
942 assistance account established pursuant to section 32-7h; [.]

943 (4) [to] To deposit four million nine hundred thousand dollars per
944 year in each of the fiscal years ending June 30, 2017, to June 30, 2019,
945 inclusive, and June 30, 2021, and nine million nine hundred thousand
946 dollars in the fiscal year ending June 30, 2020, in the CTNext Fund
947 established pursuant to section 32-39i, which shall be used by the
948 Department of Economic and Community Development to provide
949 grants-in-aid to designated innovation places, as defined in section 32-
950 39f, planning grants-in-aid pursuant to section 32-39l, and grants-in-aid
951 for projects that network innovation places pursuant to subsection (b) of
952 section 32-39m, provided not more than three million dollars be used
953 for grants-in-aid for such projects, and further provided any portion of
954 any such deposit that remains unexpended in a fiscal year subsequent
955 to the date of such deposit may be used by the Department of Economic
956 and Community Development for any purpose described in subsection
957 (e) of section 32-39i; [.]

958 (5) [to] To deposit two million dollars per year in each of the fiscal
959 years ending June 30, 2019, to June 30, 2021, inclusive, in the CTNext
960 Fund established pursuant to section 32-39i, which shall be used by the
961 Department of Economic and Community Development for the purpose
962 of providing higher education entrepreneurship grants-in-aid pursuant
963 to section 32-39g, provided any portion of any such deposit that remains
964 unexpended in a fiscal year subsequent to the date of such deposit may
965 be used by the Department of Economic and Community Development
966 for any purpose described in subsection (e) of section 32-39i; [.]

967 (6) [for] For the purpose of funding the costs of the Technology Talent
968 Advisory Committee established pursuant to section 32-7p, provided
969 not more than ten million dollars may be used on or after July 1, 2023,
970 for such purpose; [.]

971 (7) [to] To provide (A) a grant-in-aid to the Connecticut Supplier
972 Connection in an amount equal to two hundred fifty thousand dollars
973 in each of the fiscal years ending June 30, 2017, to June 30, 2021,
974 inclusive, and (B) a grant-in-aid to the Connecticut Procurement
975 Technical Assistance Program in an amount equal to three hundred
976 thousand dollars in each of the fiscal years ending June 30, 2017, to June
977 30, 2021, inclusive; [.]

978 (8) [to] To deposit four hundred fifty thousand dollars per year, in
979 each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive,
980 in the CTNext Fund established pursuant to section 32-39i, which shall
981 be used by the Department of Economic and Community Development
982 to provide growth grants-in-aid pursuant to section 32-39g, provided
983 any portion of any such deposit that remains unexpended in a fiscal year
984 subsequent to the date of such deposit may be used by the Department
985 of Economic and Community Development for any purpose described
986 in subsection (e) of section 32-39i; [.]

987 (9) [to] To transfer fifty million dollars to the Labor Department
988 which shall be used by said department for the purpose of funding
989 workforce pipeline programs selected pursuant to section 31-11rr,
990 provided, notwithstanding the provisions of section 31-11rr, (A) not less
991 than five million dollars shall be provided to the workforce
992 development board in Bridgeport serving the southwest region, for
993 purposes of such program, and the board shall distribute such money
994 in proportion to population and need, and (B) not less than five million
995 dollars shall be provided to the workforce development board in
996 Hartford serving the north central region, for purposes of such program;
997 [.]

998 (10) [to] To transfer twenty million dollars to Connecticut
999 Innovations, Incorporated, provided ten million dollars shall be used by

1000 Connecticut Innovations, Incorporated for the purpose of the proof of
1001 concept fund established pursuant to subsection (b) of section 32-39x
1002 and ten million dollars shall be used by Connecticut Innovations,
1003 Incorporated for the purpose of the venture capital fund program
1004 established pursuant to section 32-4100; [.]

1005 (11) [to] To provide a grant to The University of Connecticut of eight
1006 million dollars for the establishment, development and operation of a
1007 center for sustainable aviation pursuant to subsection (a) of section 10a-
1008 1100; [.] and

1009 (12) [for] For up to twenty million dollars in investments in federally
1010 designated opportunity zones through an impact investment firm
1011 including, subject to the approval of the Governor, funding from the
1012 Economic Assistance Revolving Fund, established pursuant to section
1013 32-231.

1014 Sec. 14. Section 46a-51 of the general statutes is repealed and the
1015 following is substituted in lieu thereof (*Effective July 1, 2026*):

1016 As used in [section 4a-60a and] this chapter:

1017 (1) "Blind" refers to an individual whose central visual acuity does
1018 not exceed 20/200 in the better eye with correcting lenses, or whose
1019 visual acuity is greater than 20/200 but is accompanied by a limitation
1020 in the fields of vision such that the widest diameter of the visual field
1021 subtends an angle no greater than twenty degrees;

1022 (2) "Commission" means the Commission on Human Rights and
1023 Opportunities created by section 46a-52;

1024 (3) "Commission legal counsel" means a member of the legal staff
1025 employed by the commission pursuant to section 46a-54;

1026 (4) "Commissioner" means a member of the commission;

1027 (5) "Court" means the Superior Court or any judge of said court;

1028 (6) "Discrimination" includes segregation and separation;

1029 (7) "Discriminatory employment practice" means any discriminatory
1030 practice specified in subsection (b), (d), (e) or (f) of section 31-51i or
1031 section 46a-60 or 46a-81c;

1032 (8) "Discriminatory practice" means a violation of section 4a-60, as
1033 amended by this act, [4a-60a,] 4a-60g, as amended by this act, 4a-60j, 31-
1034 40y, subsection (b), (d), (e) or (f) of section 31-51i, subparagraph (C) of
1035 subdivision (15) of section 46a-54, subdivisions (16) and (17) of section
1036 46a-54, section 46a-58, 46a-59, 46a-60, 46a-64, 46a-64c, 46a-66 or 46a-68,
1037 sections 46a-68c to 46a-68f, inclusive, as amended by this act, sections
1038 46a-70 to 46a-78, inclusive, subsection (a) of section 46a-80, sections 46a-
1039 81b to 46a-81o, inclusive, sections 46a-80b to 46a-80e, inclusive, sections
1040 46a-80k to 46a-80m, inclusive, or section 19a-498c;

1041 (9) "Employee" means any person employed by an employer but shall
1042 not include any individual employed by such individual's parents,
1043 spouse or child. "Employee" includes any elected or appointed official
1044 of a municipality, board, commission, counsel or other governmental
1045 body;

1046 (10) "Employer" includes the state and all political subdivisions
1047 thereof and means any person or employer with one or more persons in
1048 such person's or employer's employ;

1049 (11) "Employment agency" means any person undertaking with or
1050 without compensation to procure employees or opportunities to work;

1051 (12) "Labor organization" means any organization which exists for the
1052 purpose, in whole or in part, of collective bargaining or of dealing with
1053 employers concerning grievances, terms or conditions of employment,
1054 or of other mutual aid or protection in connection with employment;

1055 (13) "Intellectual disability" means intellectual disability as defined in
1056 section 1-1g;

1057 (14) "Person" means one or more individuals, partnerships,
1058 associations, corporations, limited liability companies, legal
1059 representatives, trustees, trustees in bankruptcy, receivers and the state

1060 and all political subdivisions and agencies thereof;

1061 (15) "Physically disabled" refers to any individual who has any
1062 chronic physical handicap, infirmity or impairment, whether congenital
1063 or resulting from bodily injury, organic processes or changes or from
1064 illness, including, but not limited to, epilepsy, deafness or being hard of
1065 hearing or reliance on a wheelchair or other remedial appliance or
1066 device;

1067 (16) "Respondent" means any person alleged in a complaint filed
1068 pursuant to section 46a-82, as amended by this act, to have committed a
1069 discriminatory practice;

1070 (17) "Discrimination on the basis of sex" includes, but is not limited
1071 to, discrimination related to pregnancy, child-bearing capacity,
1072 sterilization, fertility or related medical conditions;

1073 (18) "Discrimination on the basis of religious creed" includes, but is
1074 not limited to, discrimination related to all aspects of religious
1075 observances and practice as well as belief, unless an employer
1076 demonstrates that the employer is unable to reasonably accommodate
1077 to an employee's or prospective employee's religious observance or
1078 practice without undue hardship on the conduct of the employer's
1079 business;

1080 (19) "Learning disability" refers to an individual who exhibits a severe
1081 discrepancy between educational performance and measured
1082 intellectual ability and who exhibits a disorder in one or more of the
1083 basic psychological processes involved in understanding or in using
1084 language, spoken or written, which may manifest itself in a diminished
1085 ability to listen, speak, read, write, spell or to do mathematical
1086 calculations;

1087 (20) "Mental disability" refers to an individual who has a record of, or
1088 is regarded as having one or more mental disorders, as defined in the
1089 most recent edition of the American Psychiatric Association's
1090 "Diagnostic and Statistical Manual of Mental Disorders";

1091 (21) "Gender identity or expression" means a person's gender-related
1092 identity, appearance or behavior, whether or not that gender-related
1093 identity, appearance or behavior is different from that traditionally
1094 associated with the person's physiology or assigned sex at birth, which
1095 gender-related identity can be shown by providing evidence including,
1096 but not limited to, medical history, care or treatment of the gender-
1097 related identity, consistent and uniform assertion of the gender-related
1098 identity or any other evidence that the gender-related identity is
1099 sincerely held, part of a person's core identity or not being asserted for
1100 an improper purpose;

1101 (22) "Veteran" [means veteran as defined] has the same meaning as
1102 provided in subsection (a) of section 27-103;

1103 (23) "Race" is inclusive of ethnic traits historically associated with
1104 race, including, but not limited to, hair texture and protective hairstyles;

1105 (24) "Protective hairstyles" includes, but is not limited to, wigs,
1106 headwraps and hairstyles such as individual braids, cornrows, locs,
1107 twists, Bantu knots, afros and afro puffs;

1108 (25) "Domestic violence" has the same meaning as provided in
1109 subsection (b) of section 46b-1; and

1110 (26) "Sexual orientation" means a person's identity in relation to the
1111 gender or genders to which they are romantically, emotionally or
1112 sexually attracted, inclusive of any identity that a person (A) may have
1113 previously expressed, or (B) is perceived by another person to hold.

1114 Sec. 15. Section 46a-56 of the general statutes is repealed and the
1115 following is substituted in lieu thereof (*Effective July 1, 2026*):

1116 (a) The commission shall:

1117 (1) Investigate the possibilities of affording equal opportunity of
1118 profitable employment to all persons, with particular reference to job
1119 training and placement;

1120 (2) Compile facts concerning discrimination in employment,
1121 violations of civil liberties and other related matters;

1122 (3) Investigate and proceed in all cases of discriminatory practices
1123 under this chapter and noncompliance with the provisions of section 4a-
1124 60, as amended by this act, [or 4a-60a] or sections 46a-68c to 46a-68f,
1125 inclusive, as amended by this act, provided, the commission, whenever
1126 it has reason to believe that a person who is a party to a discriminatory
1127 practice case has engaged or is engaged in conduct that constitutes a
1128 violation of part VI, of chapter 952, may refer such matter to the Office
1129 of the Chief State's Attorney and said office shall conduct a further
1130 investigation as deemed necessary;

1131 (4) From time to time, but not less than once a year, report to the
1132 Governor as provided in section 4-60, making recommendations for the
1133 removal of such injustices as it may find to exist and such other
1134 recommendations as it deems advisable and describing the
1135 investigations, proceedings and hearings it has conducted and their
1136 outcome, the decisions it has rendered and the other work it has
1137 performed;

1138 (5) Monitor state contracts to determine whether they are in
1139 compliance with [sections 4a-60 and 4a-60a] section 4a-60, as amended
1140 by this act, and those provisions of the general statutes which prohibit
1141 discrimination;

1142 (6) Compile data concerning state contracts with female and minority
1143 business enterprises and submit a report annually to the General
1144 Assembly concerning the employment of such business enterprises as
1145 contractors and subcontractors;

1146 (7) Develop and include on the commission's Internet web site a link
1147 concerning the illegality of sexual harassment, as defined in section 46a-
1148 60, and the remedies available to victims of sexual harassment;

1149 (8) Develop and make available at no cost to employers an online
1150 training and education video or other interactive method of training and

1151 education that fulfills the requirements prescribed in subdivision (15) of
1152 section 46a-54;

1153 (9) Develop, in conjunction with organizations that advocate on
1154 behalf of victims of domestic violence, and include on the commission's
1155 Internet web site a link concerning domestic violence and the resources
1156 available to victims of domestic violence; and

1157 (10) Develop, in conjunction with organizations that advocate on
1158 behalf of victims of domestic violence, and make available at no cost to
1159 each state agency an online training and education video or other
1160 interactive method of training and education that fulfills the
1161 requirements prescribed in subdivision (19) of section 46a-54.

1162 (b) The commission may, when it is deemed in the best interests of
1163 the state, exempt a contractor from the requirements of complying with
1164 any or all of the provisions of section 4a-60, as amended by this act, [4a-
1165 60a,] 46a-68c, as amended by this act, 46a-68d, as amended by this act,
1166 or 46a-68e, as amended by this act, in any specific contract. Exemptions
1167 under the provisions of this section may include, but not be limited to,
1168 the following instances: (1) If the work is to be or has been performed
1169 outside the state and no recruitment of workers within the limits of the
1170 state is involved; (2) those involving less than specified amounts of
1171 money or specified numbers of workers; (3) to the extent that they
1172 involve subcontracts below a specified tier. The commission may also
1173 exempt facilities of a contractor which are in all respects separate and
1174 distinct from activities of the contractor related to the performance of
1175 the contract, provided such an exemption shall not interfere with or
1176 impede the effectuation of the purposes of this section and sections 4a-
1177 60, as amended by this act, [4a-60a,] 4a-60g, as amended by this act, and
1178 46a-68b to 46a-68k, inclusive, as amended by this act.

1179 (c) (1) If the commission determines through its monitoring and
1180 compliance procedures that a contractor or subcontractor is not
1181 complying with antidiscrimination statutes or contract provisions
1182 required under section 4a-60, as amended by this act, [or 4a-60a] or
1183 sections 46a-68c to 46a-68f, inclusive, as amended by this act, the

1184 commission may issue a complaint pursuant to subsection (c) of section
1185 46a-82, as amended by this act. Such complaint shall be scheduled for a
1186 hearing before a human rights referee appointed by the chief referee to
1187 act as a presiding officer. Such hearing shall be held in accordance with
1188 chapter 54 and section 46a-84. If, after such hearing, the presiding officer
1189 makes a finding of noncompliance with antidiscrimination statutes or
1190 contract provisions required under section 4a-60, as amended by this
1191 act, [or 4a-60a] or sections 46a-68c to 46a-68f, inclusive, as amended by
1192 this act, the presiding officer shall order such relief as is necessary to
1193 achieve full compliance with any antidiscrimination statute and
1194 required contract provisions.

1195 (2) The presiding officer may:

1196 [(1) (A) In the case of a state contract, order the state] (A) Order the
1197 awarding agency to retain two per cent of the total contract price per
1198 month on any existing contract with such contractor that the [state]
1199 agency withheld pursuant to section [46a-68d and] 46a-68e, as amended
1200 by this act, and in the case of a state contract, transfer the funds to the
1201 State Treasurer for deposit in the special fund described in subsection
1202 (e) of this section; [, or (B) in the case of a municipal public works or
1203 quasi-public agency contract, order the municipality or entity to retain
1204 two per cent of the total contract price per month on any existing
1205 contract with such contractor; (2) prohibit]

1206 (B) Prohibit the contractor from participation in any further [contracts
1207 with state agencies or any further municipal public works contracts or
1208 quasi-public agency project contracts, as applicable] public works
1209 contracts until: [(A)] (i) The expiration of a period of two years from the
1210 date of the finding of noncompliance, or [(B)] (ii) the presiding officer
1211 determines that the contractor has adopted policies consistent with such
1212 statutes, provided the presiding officer shall make such determination
1213 not later than forty-five days after such finding of noncompliance; [(3)
1214 publish]

1215 (C) Publish, or cause to be published, the names of contractors or
1216 unions that the presiding officer has found to be in noncompliance with

1217 such provisions; [(4) notify]

1218 (D) Notify the Attorney General that, in cases in which there is
1219 substantial violation or the threat of substantial violation of section 4a-
1220 60, as amended by this act, [or 4a-60a,] appropriate proceedings should
1221 be brought to enforce such provisions, including the enjoining of
1222 organizations, individuals or groups that prevent, or seek to prevent,
1223 compliance with section 4a-60, as amended by this act; [or 4a-60a; (5)
1224 recommend]

1225 (E) Recommend to the Equal Employment Opportunity Commission
1226 or the Department of Justice that appropriate proceedings be instituted
1227 under Title VII of the Civil Rights Act of 1964 or related laws when
1228 necessary; [(6) recommend]

1229 (F) Recommend to the appropriate prosecuting authority that
1230 criminal proceedings be brought for the furnishing of false information
1231 to any awarding agency or to the commission; [(7) order]

1232 (G) Order the contractor to bring itself into compliance with
1233 antidiscrimination statutes or contract provisions required under
1234 section 4a-60, as amended by this act, [or 4a-60a] or sections 46a-68c to
1235 46a-68f, inclusive, as amended by this act, not later than a period of
1236 thirty days after the issuance of such order or, for good cause shown,
1237 within an additional period of thirty days, and, if such contractor fails
1238 to bring itself into such compliance within such time period and such
1239 noncompliance is substantial or there is a pattern of noncompliance,
1240 recommend to the awarding agency that such agency declare the
1241 contractor to be in breach of the contract and that such agency pursue
1242 all available remedies; [or, in the case of a municipal public works or
1243 quasi-public agency project contract, recommend the municipality or
1244 entity to make such a declaration and pursue all available remedies; (8)
1245 order]

1246 (H) Order the awarding agency [or, in the case of a municipal public
1247 works or quasi-public agency project contract, the municipality or
1248 entity,] to refrain from entering into further contracts, or extensions or

1249 other modifications of existing contracts, with any noncomplying
1250 contractor, until such contractor has satisfied the commission that such
1251 contractor has established and will carry out personnel and
1252 employment policies in compliance with antidiscrimination statutes
1253 and section 4a-60, as amended by this act, [or 4a-60a] and sections 46a-
1254 68c to 46a-68f, inclusive, as amended by this act; or [(9) order]

1255 (I) Order two or more remedies or other relief designed to achieve
1256 full compliance with antidiscrimination statutes and required contract
1257 provisions.

1258 (3) The commission shall adopt regulations, in accordance with
1259 chapter 54, to implement the provisions of this section.

1260 (d) If the commission determines, through its monitoring and
1261 compliance procedures, that, with respect to a [state contract, municipal
1262 public works contract or quasi-public agency project] public works
1263 contract, a contractor, subcontractor, service provider or supplier of
1264 materials has (1) fraudulently qualified as a minority business
1265 enterprise, or (2) performed services or supplied materials on behalf of
1266 another contractor, subcontractor, service provider or supplier of
1267 materials knowing (A) that such other contractor, subcontractor, service
1268 provider or supplier has fraudulently qualified as a minority business
1269 enterprise in order to appear to comply with antidiscrimination statutes
1270 or contract provisions required under section 4a-60, as amended by this
1271 act, [or 4a-60a,] and (B) that such services or materials are to be used in
1272 connection with a contract entered into pursuant to subsection (b) of
1273 section 4a-60g, as amended by this act, the commission may issue a
1274 complaint pursuant to subsection (c) of section 46a-82, as amended by
1275 this act. Such complaint shall be scheduled for a hearing before a referee
1276 assigned by the chief referee to act as a presiding officer. Such hearing
1277 shall be held in accordance with the provisions of chapter 54 and section
1278 46a-84. If, after such hearing, the presiding officer makes a finding that
1279 a contractor, subcontractor, service provider or supplier of materials has
1280 violated this subsection, the presiding officer shall assess a civil penalty
1281 of not more than ten thousand dollars upon such contractor,

1282 subcontractor, service provider or supplier of materials.

1283 (e) The Attorney General, upon complaint of the commission, shall
1284 institute a civil action in the superior court for the judicial district of
1285 Hartford to recover any penalty assessed pursuant to subsection (d) of
1286 this section. Any penalties recovered pursuant to this subsection shall
1287 be deposited in a special fund and shall be held by the State Treasurer
1288 separate and apart from all other moneys, funds and accounts. The
1289 resources in such fund shall, pursuant to regulations adopted by the
1290 commission, in accordance with the provisions of chapter 54, be used to
1291 assist minority business enterprises. As used in this section, "minority
1292 business enterprise" means any contractor, subcontractor or supplier of
1293 materials fifty-one per cent or more of the capital stock, if any, or assets
1294 of which is owned by a person or persons: (1) Who are active in the daily
1295 affairs of the enterprise; (2) who have the power to direct the
1296 management and policies of the enterprise; and (3) who are members of
1297 a minority, as defined in subsection (a) of section 32-9n.

1298 Sec. 16. Subsection (a) of section 46a-68 of the general statutes is
1299 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1300 *2026*):

1301 (a) Each state agency, department, board and commission with
1302 twenty-five [] or more [] full-time employees shall develop and
1303 implement, in cooperation with the Commission on Human Rights and
1304 Opportunities, an affirmative action plan that commits the agency,
1305 department, board or commission to a program of affirmative action in
1306 all aspects of personnel and administration. Such plan shall be
1307 developed pursuant to regulations adopted by the Commission on
1308 Human Rights and Opportunities in accordance with chapter 54 to
1309 ensure that affirmative action is undertaken as required by state and
1310 federal law to provide equal employment opportunities and to comply
1311 with all responsibilities under the provisions of sections 4-61u to 4-61w,
1312 inclusive, sections 46a-54 to 46a-64, inclusive, section 46a-64c and
1313 sections 46a-70 to 46a-78, inclusive. The executive head of each such
1314 agency, department, board or commission shall be directly responsible

1315 for the development, filing and implementation of such affirmative
1316 action plan. The Metropolitan District of Hartford County shall be
1317 deemed to be a state agency for purposes of this section and sections 4a-
1318 60, as amended by this act, [4a-60a] and 4a-60g, as amended by this act.

1319 Sec. 17. Subsection (d) of section 46a-81i of the general statutes is
1320 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1321 *2026*):

1322 (d) Every state contract or subcontract for construction on public
1323 buildings or for other public work or for goods and services shall
1324 conform to the intent of section [4a-60a] 4a-60, as amended by this act.

1325 Sec. 18. Section 46a-81p of the general statutes is repealed and the
1326 following is substituted in lieu thereof (*Effective July 1, 2026*):

1327 The provisions of [sections 4a-60a and] section 4a-60, as amended by
1328 this act, concerning sexual orientation and sections 46a-81b to 46a-81o,
1329 inclusive, shall not apply to a religious corporation, entity, association,
1330 educational institution or society with respect to the employment of
1331 individuals to perform work connected with the carrying on by such
1332 corporation, entity, association, educational institution or society of its
1333 activities, or with respect to matters of discipline, faith, internal
1334 organization or ecclesiastical rule, custom or law which are established
1335 by such corporation, entity, association, educational institution or
1336 society.

1337 Sec. 19. Section 46a-81q of the general statutes is repealed and the
1338 following is substituted in lieu thereof (*Effective July 1, 2026*):

1339 The provisions of [sections 4a-60a and] section 4a-60, as amended by
1340 this act, concerning sexual orientation and sections 46a-81b to 46a-81o,
1341 inclusive, shall not apply to the conduct and administration of a ROTC
1342 program established and maintained pursuant to 10 USC Sections 2101
1343 to 2111, inclusive, as amended from time to time, and the regulations
1344 thereunder, at an institution of higher education. For purposes of this
1345 section, "ROTC" means the Reserve Officers' Training Corps.

1346 Sec. 20. Subsection (c) of section 46a-82 of the general statutes is
1347 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1348 *2026*):

1349 (c) The commission, whenever it has reason to believe that any
1350 contractor or subcontractor is not complying with antidiscrimination
1351 statutes or contract provisions required under section 4a-60, as amended
1352 by this act, [4a-60a] or 4a-60g, as amended by this act, or the provisions
1353 of sections 46a-68c to 46a-68f, inclusive, as amended by this act, may
1354 issue a complaint.

1355 Sec. 21. Subsection (e) of section 46a-86 of the general statutes is
1356 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1357 *2026*):

1358 (e) In addition to any other action taken under this section, upon a
1359 finding of noncompliance with antidiscrimination statutes or contract
1360 provisions required under section 4a-60, as amended by this act, [or 4a-
1361 60a] or the provisions of sections 46a-68c to 46a-68f, inclusive, as
1362 amended by this act, the presiding officer shall file with the commission
1363 and serve on the respondent an order with respect to any remedial
1364 action imposed pursuant to subsection (c) or (d) of section 46a-56, as
1365 amended by this act.

1366 Sec. 22. Section 46a-81aa of the general statutes is repealed and the
1367 following is substituted in lieu thereof (*Effective July 1, 2026*):

1368 The provisions of subsection [(a)] (b) of section 4a-60, as amended by
1369 this act, subsection (c) of section 8-169s, section 8-265c, subsection (c) of
1370 section 8-294, section 8-315, subsection (a) of section 10-15c, section 10-
1371 153, subsection (b) of section 10a-6, subsection (a) of section 11-24b,
1372 sections 16-245r and 16-247r, subsection (b) of section 28-15, section 31-
1373 22p, subsection (e) of section 31-57e, sections 32-277, 38a-358 and 42-
1374 125a, subsection (c) of section 42-125b, subsection (a) of section 46a-58,
1375 subsection (a) of section 46a-59, subsection (b) of section 46a-60,
1376 subsection (a) of section 46a-64, subsections (a) and (e) of section 46a-
1377 64c, subsection (a) of section 46a-66, subsection (a) of section 46a-70,

1378 subsection (a) of section 46a-71, subsection (b) of section 46a-72,
 1379 subsection (a) of section 46a-73, subsection (a) of section 46a-75,
 1380 subsection (a) of section 46a-76, subsections (b) and (c) of section 52-571d
 1381 and section 53-37a that prohibit discrimination on the basis of gender
 1382 identity or expression shall not apply to a religious corporation, entity,
 1383 association, educational institution or society with respect to the
 1384 employment of individuals to perform work connected with the
 1385 carrying on by such corporation, entity, association, educational
 1386 institution or society of its activities, or with respect to matters of
 1387 discipline, faith, internal organization or ecclesiastical rule, custom or
 1388 law which are established by such corporation, entity, association,
 1389 educational institution or society.

1390 Sec. 23. Section 4a-60a of the general statutes is repealed. (*Effective July*
 1391 *1, 2026*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2026	46a-68b
Sec. 2	July 1, 2026	4a-60
Sec. 3	July 1, 2026	4a-60g
Sec. 4	July 1, 2026	4a-60h
Sec. 5	July 1, 2026	46a-68c
Sec. 6	July 1, 2026	46a-68d
Sec. 7	July 1, 2026	46a-68e
Sec. 8	July 1, 2026	46a-68g
Sec. 9	July 1, 2026	46a-68k
Sec. 10	July 1, 2026	4-68cc(c)(2)
Sec. 11	July 1, 2026	10a-151i
Sec. 12	July 1, 2026	31-51q(d)
Sec. 13	July 1, 2026	32-235(b)
Sec. 14	July 1, 2026	46a-51
Sec. 15	July 1, 2026	46a-56
Sec. 16	July 1, 2026	46a-68(a)
Sec. 17	July 1, 2026	46a-81i(d)
Sec. 18	July 1, 2026	46a-81p
Sec. 19	July 1, 2026	46a-81q
Sec. 20	July 1, 2026	46a-82(c)

Sec. 21	July 1, 2026	46a-86(e)
Sec. 22	July 1, 2026	46a-81aa
Sec. 23	July 1, 2026	Repealer section

Statement of Legislative Commissioners:

In Section 1(1), subparagraph designators "(A)" and "(B)" were added and Subpara. (B) was reworded for clarity, in Section 2(d)(1), "subsection (a)" was changed to "subsection [(a)] (b)" for accuracy, in Section 3(a)(4)(B), the first clause designator was deleted for clarity, in Section 3(b)(2), "and in accordance with the goals established under subdivision (3) of this subsection" was added for consistency, in Section 3(j)(2), "(c)" was changed to "(d)" for accuracy, and Sections 13 and 15(c) were divided into paragraphs for consistency with standard drafting conventions.

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 26 \$	FY 27 \$
Department of Administrative Services	GF - Cost	1,385,341	1,135,341
Human Rights & Opportunities, Com.	GF - Cost	290,470 to 690,470	290,470 to 690,470
Human Rights & Opportunities, Com.	GF - Potential Cost	See Below	See Below
Resources of the General Fund	GF - Potential Revenue Impact	See Below	See Below
State Comptroller - Fringe Benefits ¹	GF - Cost	417,607	417,607

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
Various Municipalities	STATE MANDATE ² - Cost	See Below	See Below

Explanation

This bill makes changes and adds additional requirements to the contract procurement process for public works projects related to non-discrimination compliance, the Small and Minority Owned Business

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.71% of payroll in FY 26.

² State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

Set-Aside Program, and affirmative action plans for certain state contractors.

The additional requirements added to the procurement process require nine additional employees³ within the Department of Administrative Services (DAS) and technical and technological changes to the procurement process resulting in a cost of \$1,745,763 in FY 26 and \$1,495,763 in FY 27. The costs include \$885,341 in salary within DAS, \$360,341 in fringe benefits and \$500,000 in FY 26 and \$250,000 in FY 27 in other expenses related to technical and technological changes to DAS procurements processes and systems.

The additional requirements include changes to the certification process for contracts, the inclusion of the Commission on Human Rights and Opportunities (CHRO) who have an expanded role in the procurement process, a joint venture program, and a project-by-project goal system.

The additional requirements also impact certain municipal public work projects resulting in a cost to municipalities related to increased administrative burden.

There is a potential cost to the state and municipalities related to increased contract costs to the extent the additional requirements result in any delays in the procurement process.

Sections 3 and 4 shift most of the enforcement responsibility for enforcing violations of the Set-Aside Law to the Commission on Human Rights and Opportunities (CHRO) which will require two additional employees⁴ and resulting in a cost of \$140,470 in FY 26 and FY 27, with an associated fringe cost of \$57,185. These positions will help to facilitate the additional investigations and potential litigation, and oversight

³ These positions include a Lead Planning Analyst, three Contract Analysts, two Research Analysts, two Construction Services Selection and Bidding Specialists, and a Staff Attorney.

⁴ These positions include a Human Rights Attorney I, and an HRO Trainee.

responsibilities created by the legislation.

Sections 5-7 require applicable contractors to submit a set-aside plan to CHRO for review resulting in a cost to CHRO of either \$150,000, or \$550,000⁵ in FY 26 and either \$50,00, or \$150,000 in FY 27 to purchase software to implement this section of legislation. CHRO will require a new project planning and tracking system to facilitate additional oversight responsibilities.

Section 14 of the bill makes failure to pay small contractors within a certain timeframe under the set-aside program a discriminatory practice subject to CHRO investigation and enforcement resulting in a potential cost to CHRO and potential revenue to the General Fund. The exact cost will depend on if additional investigations are undertaken by CHRO as a result of this section. The exact revenue will depend on the number of additional penalties imposed as a result of the bill.

The Out Years

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

⁵ The difference in price is due to different functions of each system. One system will only provide internal tracking system for use within CHRO at an estimated one-time cost of \$100,000 and an ongoing cost of \$50,000 per year. The other system will allow CHRO and contractors to submit plans externally and provide updates through the review process at an estimated one-time cost of \$400,000 and an ongoing cost of \$150,000 per year.

OLR Bill Analysis**sSB 1518*****AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE STATE DISPARITY STUDY.*****SUMMARY**

This bill makes changes to the state laws on non-discrimination contract compliance, the Small and Minority Owned Business Set-Aside Program, and affirmative action plans for certain state contractors. Among other things, it:

1. standardizes the definition of the “public works contracts” to which these laws apply, and in doing so, changes value thresholds that determine whether the contracts are subject to the laws;
2. changes the set-aside program’s current 25% set-aside requirements to one that must be annually determined by the Department of Administrative Services (DAS) commissioner and the Commission on Human Rights and Opportunities (CHRO) based on certain factors;
3. requires DAS to establish a program allowing a small contractor and a person who does not qualify as a small contractor to form a joint venture eligible to perform a public works contract set aside or reserved for small contractors or minority business enterprises (MBEs) (see BACKGROUND);
4. sets specific deadlines for submitting and approving a covered contractor’s set-aside plans, affirmative action plans, and compliance reports;
5. requires awarding agencies, for contracts over \$1 million, to withhold 2% of the total contract price per month until the

required compliance reports are submitted and approved; and

6. makes failure to timely pay a small contractor a discriminatory practice subject to CHRO investigation and enforcement.

It also makes numerous minor, technical, and conforming changes (primarily related to standardizing the definition of a “public works contract”).

EFFECTIVE DATE: July 1, 2026

“PUBLIC WORKS CONTRACT” DEFINITION

The state’s current laws on anti-discrimination contract compliance, the Small and Minority Owned Business Set-Aside program, and affirmative action plans for state contractors generally set various diversity-related requirements for the contractors on public works contracts, municipal public works contracts, and quasi-public agency projects.

Under these current laws, a “public works contract” is an agreement between any individual, firm, or corporation and the state or any of its political subdivisions (other than a municipality) for construction, rehabilitation, conversion, extension, demolition, or repair of a public building or highway or other changes or improvements in real property, or which is financed in whole or in part by the state, including, but not limited to, matching expenditures, grants, loans, insurance, or guarantees.

A “municipal public works contract” and “quasi-public agency project” are substantially similar to a public works contract, except that either a municipality or quasi-public agency is a party to the contract, and the project is anticipated to cost more than \$50,000.

The bill broadens the definition of a “public works contract” under these three laws to cover contracts with the state, municipalities, and quasi-public agencies. Under the bill, a “public works contract” is an agreement for construction, rehabilitation, conversion, extension,

demolition, or repair of improvements in real property that is financed in whole or in part with at least \$150,000 from the state, such as through matching expenditures, grants, loans, insurance, or guarantees, but excluding contracts for paving roads or related services. In doing so, the bill sets a new value threshold of \$150,000 in state funding for determining when a project becomes a “public works project” covered by those laws. It also creates a new exemption under these laws for any paving contracts.

§§ 2, 11 & 23 — NONDISCRIMINATION CONTRACT COMPLIANCE LAW

Contract Compliance Law (§ 2 & 23)

The state’s contract compliance law generally requires a contractor on a public works contract to (1) agree and warrant to make good faith efforts to employ minority business enterprises as subcontractors and materials suppliers on the project and (2) include a nondiscrimination affirmation provision certifying that the contractor understands the law’s obligations and will maintain a policy to assure that the contract will be performed in compliance with the nondiscrimination requirements.

In applying its broadened definition of a “public works contract” to these requirements, the bill changes the value thresholds for when these requirements apply. It (1) creates a new threshold of \$150,000 in state funding for state contracts and (2) changes the threshold from \$50,000 in a project’s costs to \$150,000 in state funding for municipal and quasi-public contracts. It also exempts paving contracts from all of them.

The bill also removes standalone provisions on sexual orientation nondiscrimination and applies the state’s contract compliance law to this type of discrimination. In doing so, it explicitly applies, among other things, the law’s good faith determination analysis to contractors’ compliance and requires the contractor to develop and maintain adequate documentation, as determined by CHRO, of its good faith efforts.

Higher Education Contracts (§ 11)

Current law generally requires certain contracts entered into by the constituent units of the state's higher education system to include the same nondiscrimination provisions as the state's contract compliance law. For contracts entered into on or after July 1, 2026, the bill requires the protected classes specified in these contract provisions to include veterans and domestic violence victims (two groups that have become protected classes in recent years).

§§ 3 & 4 — SET-ASIDE PROGRAM

Set-Aside Amounts

Current law generally requires state agencies and contractors awarded state-financed municipal public works or quasi-public agency contracts to set aside or reserve (1) 25% of the total value of the contracts for exclusive bidding by small contractors and (2) 25% of that amount (6.25% of the total) for exclusive bidding by small contractors that are MBEs (i.e. owned by women, ethnic minorities, or people with disabilities; see BACKGROUND).

Under current law, this requirement applies to (1) municipal public works and quasi-public agency contracts anticipated to be for more than \$50,000 and (2) state public works contracts regardless of their value. The bill instead applies the requirement to any of those contracts financed with at least \$150,000 of state funding, regardless of the contract's value. It also exempts paving contracts.

The bill removes both fixed 25% set-aside requirements for small contractors and MBEs. Instead, it requires the CHRO executive director, or her designee, to establish goals for including small contractors and MBEs on all public works contracts to attain parity with the availability of contractors required for the specific contract according to their industry and the relevant geographic area. This availability must be determined using annual data derived from the number of DAS-certified small contractors and MBEs as a percentage of businesses in the relevant industries registered with the secretary of the state.

The bill correspondingly requires the DAS commissioner, in

consultation with CHRO, to determine the value of the set-asides at least annually to attain parity with the percentage of available small contractors and MBEs in the relevant industries in the state in accordance with the goals CHRO must set.

Statement of Purpose

The current set-aside law generally (1) finds that there is a serious need to help small contractors, MBEs, nonprofit organizations, and individuals with disabilities to be considered for and awarded state contracts and (2) declares the need to award contracts under the set-aside law as a matter of legislative determination. The bill further specifies that these findings and determinations are based on a state-validated study of contracting disparities and that the need for the set-aside law will apply until a subsequent state-validated disparity study finds that there are no longer disparities in state contracting, in which case, the determination will not apply to areas where disparities have been eliminated.

Exception for Construction Managers

Current law requires a contractor or subcontractor awarded a contract or portion of one under the set-aside law to perform at least 30% of the work with its own workforce and at least 50% of the work with other contractors or subcontractors who are eligible small contractors or MBEs. The bill exempts from this requirement (1) construction managers who have been awarded a public works contract for at least \$150,000 and must, under the bill, file an affirmative action plan with CHRO, and (2) joint ventures (see below).

Joint Ventures

The bill creates a process to allow joint ventures to qualify for contracts for set-aside projects. Under the bill, a “joint venture” is an agreement between a small contractor and a person who does not qualify as a small contractor to perform a public works contract set aside or reserved for small contractors under the program.

The bill requires the DAS commissioner, by September 1, 2026, to

establish a program to enable small contractors or MBEs to enter into a written agreement, on a form set by the commissioner, to establish a joint venture with a contractor that is not a small contractor or MBE. Under the bill, any joint venture that meets criteria the commissioner must establish through regulations is eligible to be awarded a contract as a small contractor or MBE under the set-aside law upon presenting the agreement. (It is unclear if this would include a joint venture between an MBE and a small contractor who is not an MBE.)

The bill requires the criteria and requirements for the agreement to at least specify:

1. the percentage of work to be performed by the small contractor or MBE;
2. the percentage of revenue from the contract allocated to the small contractor or MBE;
3. reporting and documentation requirements;
4. restrictions on how many joint ventures a large contractor may enter into;
5. each contractor's responsibilities under the contract;
6. the parties' responsibilities for negotiating the contract, sourcing labor, and contract performance;
7. notification requirements for joint venture termination;
8. a pre-qualification requirement for a large contractor;
9. a prohibition on the small contractor being affiliated with the large contractor; and
10. any other requirement the commissioner deems necessary.

In addition, the bill prohibits anyone who has been suspended or disqualified from being awarded a contract by another state or a federal

agency or under federal law from establishing a joint venture. It makes it a discriminatory practice, subject to CHRO investigation and enforcement powers, to establish a joint venture in bad faith or make a fraudulent representation about a joint venture.

The bill also makes various conforming changes related to joint ventures, such as (1) allowing an awarding agency to require a joint venture to provide a copy of the joint venture agreement, (2) allowing audits of joint ventures that apply for a set-aside contract, and (3) requiring the DAS commissioner's workshops on the set-aside program to include information about the joint venture program.

Hearing Process for Enforcing Violations

The bill changes the process for enforcing violations of the set-aside law, generally requiring CHRO to enforce violations rather than the awarding agency. Under current law, if an awarding agency believes that a contractor or subcontractor awarded a set-aside contract willfully violated the set-aside law, the agency generally must notify the contractor or subcontractor, hold a hearing on the violation, and, if it finds that the contractor willfully violated the law, suspend all set-aside contract payments to the contractor or subcontractor and impose a civil penalty of up to \$10,000.

The bill instead requires the agency to notify CHRO (in addition to the contractor or subcontractor, as currently required) in a way set by the commission. It also eliminates agencies' authority to conduct hearings and issue fines. It correspondingly allows CHRO to file a complaint alleging a violation with its office of public hearings and requires the office to hold a hearing under an existing law that allows it to hold hearings about violations of the set-aside law. Generally, under this law, the hearing's presiding officer must assess a civil penalty of up to \$10,000 if he or she finds that the contractor or subcontractor (1) fraudulently qualified as an MBE or (2) performed services or supplied materials for another contractor or subcontractor knowing that the (a) other contractor or subcontractor fraudulently qualified as an MBE and (b) services were used in connection with a contract under the set-aside

law.

As under existing law, the DAS commissioner may adopt regulations to implement these provisions.

§§ 5-7 — CHRO AFFIRMATIVE ACTION PLANS & COMPLIANCE REPORTS

Contracts for Less Than \$1 Million (§ 5)

Under current law, a contractor with at least 50 employees who is awarded a public works or municipal public works contract, or a quasi-public agency project for between \$50,000 and \$1 million, must develop and file an affirmative action plan with CHRO. The bill applies this requirement to “public works contracts” as defined in the bill, and in doing so, (1) applies it to contractors regardless of how many employees they have and (2) requires the project to have at least \$150,000 in state funding. It also increases the applicable contract value threshold from \$50,000 to \$150,000.

The bill removes the current procedure for submitting and approving these plans, and replaces it with one that, among other things, requires contractors to submit a set-aside plan (rather than an affirmative action plan) and sets deadlines for contractors to do so. It also removes current provisions that generally (1) make a failure to develop an approved plan a bar on bidding on or being awarded future contracts; (2) require CHRO to issue certificates of compliance, valid for two years, to contractors with approved plans; and (3) allow CHRO to revoke a certificate if the contractor does not implement the plan as required by law.

Instead, under the bill, contractors awarded a public works contract (as defined by the bill) for more than \$150,000 but less than \$1 million, or a first-tier contractor who has entered into an agreement worth at least \$150,000 with a construction manager subject to the requirements for contracts for over \$1 million (see below), must develop and file a set-aside plan with CHRO, which must comply with the commission’s regulations. The contractor must file the plan within 45 days after the contract or agreement is awarded, and CHRO may grant one 15-day

extension upon the contractor's request.

CHRO's executive director or her designee must review and formally approve, conditionally approve, or disapprove the set-aside plan within 120 days after it is submitted. If they fail to do so within that period, the plan is deemed to be approved or deficient without consequence. If the plan is disapproved, the contractor must, within 45 days after the notice of disapproval, resubmit an amended plan to remedy the reasons for disapproval. The executive director or designee must then approve or disapprove the resubmitted plan within 30 days. If they fail to do so within that period, the plan is deemed deficient without consequence. If the contractor fails to resubmit a plan, or to remedy the reasons for disapproval, the plan must receive a final disapproval from the executive director or her designee.

Under the bill, a failure to submit a plan or a final disapproval of a plan is a discriminatory practice subject to CHRO investigation and enforcement powers. A contractor who receives a final disapproval may request reconsideration under the existing procedures for reconsiderations.

Contracts for at Least \$1 Million (§ 6)

The bill generally requires contractors awarded a public works contract (as defined by the bill) worth at least \$1 million, and construction managers awarded a public works contract worth at least \$150,000, to follow the same approval process as described above. However, they must file affirmative action plans (as under current law), rather than set-aside plans.

In standardizing the approval process, the bill removes provisions in the current law for contracts over \$1 million that generally:

1. require contractors to file their plans for approval after their bid was accepted but before the contract is awarded;
2. allow CHRO to conditionally accept a plan if the contractor gives written assurance that it will amend the plan to meet affirmative

action requirements;

3. require 2% of the total contract price to be withheld per month from any payment to the contractor until it develops an affirmative action plan (existing law, unchanged by the bill, still allows CHRO to order this after a hearing); and
4. allow a contractor to file a plan in advance or at the same time as a bid.

Compliance Report Deadlines (§ 7)

Current law requires contractors and subcontractors to file compliance reports with CHRO when the commission directs it, but does not set a deadline for them to do so. The bill requires the reports to be submitted within 45 days after the substantial completion of the contract (it does not define “substantial completion”). It requires CHRO’s executive director, or her designee, to review and formally approve or disapprove the report within 30 days. If they fail to approve, conditionally approve, or disapprove one within that time, it is deemed approved or deficient without consequence.

For public works contracts of at least \$1 million, the bill also requires the awarding agency to withhold 2% of the total contract price per month from any payment made to the contractor until it submits all compliance reports required by CHRO and they have been approved or deemed deficient without consequence.

§ 14 — FAILURE TO TIMELY PAY SMALL CONTRACTORS

The law requires a small contractor to be paid on a contract awarded under the set-aside program within 25 days after the due date for paying the contract. The bill makes a failure to do so a discriminatory practice subject to CHRO investigation and enforcement.

BACKGROUND

Small Contractors and MBEs Under the Set-Aside Law

Under the set-aside law, a “small contractor” is generally a:

1. contractor or subcontractor that (a) maintains its principal place of business in the state and (b) is registered as a small business in the federal database maintained by the U.S. General Services Administration, as required to do business with the federal government, or
2. nonprofit entity that (a) had gross revenues of \$20 million or less during its most recent fiscal year and (b) is independent.

“Minority Business Enterprises” are generally small contractors with majority ownership by women, minorities, or people with disabilities. The owner must have (1) managerial and technical competence, (2) experience directly related to his or her principal business activities, and (3) the power to direct the enterprise’s management or policies (CGS § 4a-60g(a)).

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 13 Nay 6 (03/26/2025)