

General Assembly

January Session, 2025

## Committee Bill No. 953

LCO No. **5562** 

Referred to Committee on GOVERNMENT ADMINISTRATION AND ELECTIONS

Introduced by: (GAE)

## AN ACT REDEFINING "STATE CONTRACTOR", "PROSPECTIVE STATE CONTRACTOR" AND "SUBCONTRACTOR" TO EXCLUDE STATUTORILY RECOGNIZED INDIAN TRIBES OF THIS STATE FOR PURPOSES OF CAMPAIGN FINANCE LAWS.

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

- Section 1. Subsection (f) of section 9-612 of the general statutes is
   repealed and the following is substituted in lieu thereof (*Effective October* 1, 2025):
- 4 (f) (1) As used in this subsection and subsections (g) and (h) of this 5 section:
- 6 (A) "Quasi-public agency" has the same meaning as provided in 7 section 1-120.
- 8 (B) "State agency" means any office, department, board, council,
  9 commission, institution or other agency in the executive or legislative
  10 branch of state government.

11 (C) "State contract" means an agreement or contract with the state or
12 any state agency or any quasi-public agency, let through a procurement

13 process or otherwise, having a value of fifty thousand dollars or more, 14 or a combination or series of such agreements or contracts having a 15 value of one hundred thousand dollars or more in a calendar year, for 16 (i) the rendition of services, (ii) the furnishing of any goods, material, 17 supplies, equipment or any items of any kind, (iii) the construction, 18 alteration or repair of any public building or public work, (iv) the 19 acquisition, sale or lease of any land or building, (v) a licensing 20 arrangement, or (vi) a grant, loan or loan guarantee. "State contract" 21 does not include any agreement or contract with the state, any state 22 agency or any quasi-public agency that is exclusively federally funded, 23 an education loan, a loan to an individual for other than commercial 24 purposes or any agreement or contract between the state or any state 25 agency and the United States Department of the Navy or the United 26 States Department of Defense.

27 (D) "State contractor" means a person, business entity or nonprofit 28 organization that enters into a state contract. Such person, business 29 entity or nonprofit organization shall be deemed to be a state contractor 30 until December thirty-first of the year in which such contract terminates. 31 "State contractor" does not include a municipality, [or] any other 32 political subdivision of the state or any Indian tribe of this state 33 recognized under subsection (b) of section 47-59a, including any entities 34 or associations duly created by the municipality [or] political 35 subdivision or Indian tribe exclusively amongst themselves to further 36 any purpose authorized by statute or charter, or an employee in the 37 executive or legislative branch of state government or a quasi-public 38 agency, whether in the classified or unclassified service and full or part-39 time, and only in such person's capacity as a state or quasi-public agency 40 employee.

(E) "Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into,

46 or (ii) holds a valid prequalification certificate issued by the 47 Commissioner of Administrative Services under section 4a-100. 48 "Prospective state contractor" does not include a municipality, [or] any 49 other political subdivision of the state or any Indian tribe of this state 50 recognized under subsection (b) of section 47-59a, including any entities 51 or associations duly created by the municipality, [or] political 52 subdivision or Indian tribe exclusively amongst themselves to further 53 any purpose authorized by statute or charter, or an employee in the 54 executive or legislative branch of state government or a quasi-public 55 agency, whether in the classified or unclassified service and full or part-56 time, and only in such person's capacity as a state or quasi-public agency 57 employee.

58 (F) "Principal of a state contractor or prospective state contractor" 59 means (i) any individual who is a member of the board of directors of, 60 or has an ownership interest of five per cent or more in, a state contractor 61 or prospective state contractor, which is a business entity, except for an 62 individual who is a member of the board of directors of a nonprofit 63 organization, (ii) an individual who is employed by a state contractor or 64 prospective state contractor, which is a business entity, as president, 65 treasurer or executive vice president, (iii) an individual who is the chief 66 executive officer of a state contractor or prospective state contractor, 67 which is not a business entity, or if a state contractor or prospective state 68 contractor has no such officer, then the officer who duly possesses 69 comparable powers and duties, (iv) an officer or an employee of any 70 state contractor or prospective state contractor who has managerial or 71 discretionary responsibilities with respect to a state contract, (v) the 72 spouse or a dependent child who is eighteen years of age or older of an 73 individual described in this subparagraph, or (vi) a political committee 74 established or controlled by an individual described in this 75 subparagraph or the business entity or nonprofit organization that is the 76 state contractor or prospective state contractor.

(G) "Dependent child" means a child residing in an individual'shousehold who may legally be claimed as a dependent on the federal

79 income tax return of such individual.

80 (H) "Managerial or discretionary responsibilities with respect to a 81 state contract" means having direct, extensive and substantive 82 responsibilities with respect to the negotiation of the state contract and 83 not peripheral, clerical or ministerial responsibilities.

(I) "Rendition of services" means the provision of any service to a state
agency or quasi-public agency in exchange for a fee, remuneration or
compensation of any kind from the state or through an arrangement
with the state.

(J) "State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

94 (K) "Subcontractor" means any person, business entity or nonprofit 95 organization that contracts to perform part or all of the obligations of a 96 state contractor's state contract. Such person, business entity or 97 nonprofit organization shall be deemed to be a subcontractor until 98 December thirty-first of the year in which the subcontract terminates. 99 "Subcontractor" does not include (i) a municipality, [or] any other 100 political subdivision of the state or any Indian tribe of this state 101 recognized under subsection (b) of section 47-59a, including any entities 102 or associations duly created by the municipality, [or] political 103 subdivision or Indian tribe exclusively amongst themselves to further 104 any purpose authorized by statute or charter, or (ii) an employee in the 105 executive or legislative branch of state government or a quasi-public 106 agency, whether in the classified or unclassified service and full or part-107 time, and only in such person's capacity as a state or quasi-public agency 108 employee.

109 (L) "Principal of a subcontractor" means (i) any individual who is a

110 member of the board of directors of, or has an ownership interest of five 111 per cent or more in, a subcontractor, which is a business entity, except 112 for an individual who is a member of the board of directors of a 113 nonprofit organization, (ii) an individual who is employed by a 114 subcontractor, which is a business entity, as president, treasurer or 115 executive vice president, (iii) an individual who is the chief executive 116 officer of a subcontractor, which is not a business entity, or if a 117 subcontractor has no such officer, then the officer who duly possesses 118 comparable powers and duties, (iv) an officer or an employee of any 119 subcontractor who has managerial or discretionary responsibilities with 120 respect to a subcontract with a state contractor, (v) the spouse or a 121 dependent child who is eighteen years of age or older of an individual 122 described in this subparagraph, or (vi) a political committee established 123 or controlled by an individual described in this subparagraph or the 124 business entity or nonprofit organization that is the subcontractor.

125 (2) (A) No state contractor, prospective state contractor, principal of 126 a state contractor or principal of a prospective state contractor, with 127 regard to a state contract or a state contract solicitation with or from a 128 state agency in the executive branch or a quasi-public agency or a 129 holder, or principal of a holder, of a valid prequalification certificate, 130 shall make a contribution to, or, on and after January 1, 2011, knowingly 131 solicit contributions from the state contractor's or prospective state 132 contractor's employees or from a subcontractor or principals of the 133 subcontractor on behalf of (i) an exploratory committee or candidate 134 committee established by a candidate for nomination or election to the 135 office of Governor, Lieutenant Governor, Attorney General, State 136 Comptroller, Secretary of the State or State Treasurer, (ii) a political 137 committee authorized to make contributions or expenditures to or for 138 the benefit of such candidates, or (iii) a party committee;

(B) No state contractor, prospective state contractor, principal of a
state contractor or principal of a prospective state contractor, with
regard to a state contract or a state contract solicitation with or from the
General Assembly or a holder, or principal of a holder, of a valid

143 pregualification certificate, shall make a contribution to, or, on and after 144 January 1, 2011, knowingly solicit contributions from the state 145 contractor's or prospective state contractor's employees or from a 146 subcontractor or principals of the subcontractor on behalf of (i) an 147 exploratory committee or candidate committee established by a 148 candidate for nomination or election to the office of state senator or state 149 representative, (ii) a political committee authorized to make 150 contributions or expenditures to or for the benefit of such candidates, or 151 (iii) a party committee;

152 (C) If a state contractor or principal of a state contractor makes or 153 solicits a contribution as prohibited under subparagraph (A) or (B) of 154 this subdivision, as determined by the State Elections Enforcement 155 Commission, the contracting state agency or quasi-public agency may, 156 in the case of a state contract executed on or after February 8, 2007, void 157 the existing contract with such contractor, and no state agency or quasi-158 public agency shall award the state contractor a state contract or an 159 extension or an amendment to a state contract for one year after the 160 election for which such contribution is made or solicited unless the 161 commission determines that mitigating circumstances exist concerning 162 such violation. No violation of the prohibitions contained in 163 subparagraph (A) or (B) of this subdivision shall be deemed to have 164 occurred if, and only if, the improper contribution is returned to the 165 principal by the later of thirty days after receipt of such contribution by 166 the recipient committee treasurer or the filing date that corresponds 167 with the reporting period in which such contribution was made;

168 (D) If a prospective state contractor or principal of a prospective state 169 contractor makes or solicits a contribution as prohibited under 170 subparagraph (A) or (B) of this subdivision, as determined by the State 171 Elections Enforcement Commission, no state agency or quasi-public 172 agency shall award the prospective state contractor the contract 173 described in the state contract solicitation or any other state contract for 174 one year after the election for which such contribution is made or 175 solicited unless the commission determines that mitigating

circumstances exist concerning such violation. The Commissioner of
Administrative Services shall notify applicants of the provisions of this
subparagraph and subparagraphs (A) and (B) of this subdivision during
the prequalification application process;

180 (E) The State Elections Enforcement Commission shall make 181 available to each state agency and quasi-public agency a written notice 182 advising state contractors and prospective state contractors of the 183 contribution and solicitation prohibitions contained in subparagraphs 184 (A) and (B) of this subdivision. Such notice shall: (i) Direct each state 185 contractor and prospective state contractor to inform each individual 186 described in subparagraph (F) of subdivision (1) of this subsection, with 187 regard to such state contractor or prospective state contractor, about the 188 provisions of subparagraph (A) or (B) of this subdivision, whichever is 189 applicable, and this subparagraph; (ii) inform each state contractor and 190 prospective state contractor of the civil and criminal penalties that could 191 be imposed for violations of such prohibitions if any such contribution 192 is made or solicited; (iii) inform each state contractor and prospective 193 state contractor that, in the case of a state contractor, if any such 194 contribution is made or solicited, the contract may be voided; (iv) inform 195 each state contractor and prospective state contractor that, in the case of 196 a prospective state contractor, if any such contribution is made or 197 solicited, the contract described in the state contract solicitation shall not 198 be awarded, unless the commission determines that mitigating 199 circumstances exist concerning such violation; and (v) inform each state 200 contractor and prospective state contractor that the state will not award 201 any other state contract to anyone found in violation of such 202 prohibitions for a period of one year after the election for which such 203 contribution is made or solicited, unless the commission determines that 204 mitigating circumstances exist concerning such violation. Each state 205agency and quasi-public agency shall include in the bid specifications 206 or request for proposals for a state contract, a copy of or Internet link to 207 such notice. No state agency or quasi-public agency shall execute a state 208 contract unless such contract contains a representation that the chief 209 executive officer or authorized signatory of the contract has received

## such notice; and

211 (F) (i) Any principal of the state contractor or prospective state 212 contractor submitting a bid or proposal for a state contract shall certify 213 that neither the contractor or prospective state contractor, nor any of its principals, have made any contributions to, or solicited any 214 215 contributions on behalf of, any party committee, exploratory committee, 216 candidate for state-wide office or for the General Assembly, or political 217 committee authorized to make contributions to or expenditures to or for, 218 the benefit of such candidates, in the previous four years, that were 219 determined by the State Elections Enforcement Commission to be in 220 violation of subparagraph (A) or (B) of this subdivision, without 221 mitigating circumstances having been found to exist concerning such 222 violation. Each such certification shall be sworn as true to the best 223 knowledge and belief of the person signing the certification, subject to 224 the penalties of false statement. If there is any change in the information 225 contained in the most recently filed certification, such person shall 226 submit an updated certification not later than thirty days after the 227 effective date of any such change or upon the submittal of any new bid 228 or proposal for a state contract, whichever is earlier.

(ii) Each state agency and quasi-public agency shall include in the bid
specifications or request for proposals for a state contract a notice of the
certification requirements of this subparagraph. No state agency or
quasi-public agency shall execute a state contract unless the state agency
or quasi-public agency obtains the written certification described in this
subparagraph.

(iii) Any principal of the state contractor or prospective state contractor submitting a bid or proposal for a state contract shall disclose on the certification all contributions made by any of its principals to any party committee, exploratory committee, candidate for state-wide office or for the General Assembly, or political committee authorized to make contributions to or expenditures to or for the benefit of such candidates for a period of four years prior to the signing of the contract or date of the response to the bid, whichever is longer, and certify that all suchcontributions have been disclosed.

244 (3) (A) On and after December 31, 2006, neither the Governor, 245 Lieutenant Governor, Attorney General, State Comptroller, Secretary of 246 the State or State Treasurer, any candidate for any such office nor any 247 agent of any such official or candidate shall knowingly, wilfully or 248 intentionally solicit contributions on behalf of an exploratory committee 249 or candidate committee established by a candidate for nomination or 250 election to any public office, a political committee or a party committee, 251 from a person who he or she knows is prohibited from making 252 contributions, including a principal of a state contractor or prospective 253 state contractor with regard to a state contract solicitation with or from 254 a state agency in the executive branch or a quasi-public agency or a 255 holder of a valid prequalification certificate.

256 (B) On and after December 31, 2006, neither a member of the General 257 Assembly, any candidate for any such office nor any agent of any such 258 official or candidate shall knowingly, wilfully or intentionally solicit 259 contributions on behalf of an exploratory committee or candidate 260 committee established by a candidate for nomination or election to any 261 public office, a political committee or a party committee, from a person 262 who he or she knows is prohibited from making contributions, 263 including a principal of a state contractor or prospective state contractor 264 with regard to a state contract solicitation with or from the General 265 Assembly or a holder of a valid prequalification certificate.

(4) The provisions of this subsection shall not apply to the campaign
of a principal of a state contractor or prospective state contractor or to a
principal of a state contractor or prospective state contractor who is an
elected public official.

(5) Each state contractor and prospective state contractor shall make
reasonable efforts to comply with the provisions of this subsection. If
the State Elections Enforcement Commission determines that a state
contractor or prospective state contractor has failed to make reasonable

- 274 efforts to comply with this subsection, the commission may impose civil
- 275 penalties against such state contractor or prospective state contractor in
- accordance with subsection (a) of section 9-7b.

This act sha sections:	all take effect as follows	and shall amend the following
Section 1	October 1, 2025	9-612(f)

## Statement of Purpose:

To redefine "state contractor", "prospective state contractor" and "subcontractor" to exclude statutorily recognized Indian tribes of this state for purposes of campaign finance laws.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. OSTEN, 19th Dist.; REP. WILSON, 46th Dist. REP. NOLAN, 39th Dist.

<u>S.B. 953</u>