



General Assembly

February Session, 2026

Substitute Bill No. 5255



**AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE
AUDITORS OF PUBLIC ACCOUNTS CONCERNING OVERSIGHT OF
STATE AGENCY GRANTS.**

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

1 Section 1. (NEW) (*Effective October 1, 2026*) (a) As used in this section:

2 (1) "Legislatively earmarked grants" means grants of state funds
3 specifically authorized in a special or public act of the General
4 Assembly, and includes appropriated funds and bond funds;

5 (2) "Subaward" means an award of legislatively earmarked grants
6 through a pass-through entity to a subrecipient for purposes of the goals
7 or objectives for which the state funds were authorized;

8 (3) "Subrecipient" means an entity that is receiving an award of a
9 legislatively earmarked grant from a state agency or other pass-through
10 entity; and

11 (4) "State agency" means any department, board, council,
12 commission, institution or other executive branch agency of state
13 government, including, but not limited to, each constituent unit.

14 (b) Not later than December 1, 2026, the Secretary of the Office of
15 Policy and Management shall develop: (1) A standard contract template
16 for legislatively earmarked grant awards, including, but not limited to,

17 audit specifications and required terms for subawards, (2) general
18 requirements for recipients of legislatively earmarked grant awards that
19 provide a subaward using such legislatively earmarked grant awards,
20 including, but not limited to, verifying that the subrecipient is not
21 suspended, disbarred or otherwise not eligible to receive a legislatively
22 earmarked grant award and obtaining an authorization for the state
23 agency or other pass-through entity to access relevant records, financial
24 statements and performance reports for purposes of monitoring the use
25 of the legislatively earmarked grant award to ensure that the subaward
26 was used for authorized purposes and such use complied with any
27 terms and conditions of the subaward and achieved the performance
28 goals associated with the legislatively earmarked grant award, and (3) a
29 general training program for state agencies in best practices concerning
30 legislatively earmarked grant awards and subawards, including on
31 using the applicable template and the requirements developed under
32 this subsection. The secretary shall offer the training developed
33 pursuant to this subsection not less than quarterly.

34 (c) On and after January 1, 2027, all state agencies shall use such
35 contract template for legislatively earmarked grant awards and shall
36 ensure that any of their employees responsible for awarding
37 legislatively earmarked grant awards and subawards attend the
38 training developed pursuant to subsection (b) of this section.

39 (d) Not later than December 1, 2027, and annually thereafter, each
40 state agency shall submit a report of all legislatively earmarked grant
41 awards and subawards disbursed by the state agency during the
42 preceding year to the Office of Policy and Management, in a form and
43 manner prescribed by the secretary. Such report shall include any
44 evaluations conducted by the state agency of the recipient or
45 subrecipients of such awards or subawards and any concerns the state
46 agency has concerning such recipients or subrecipients and may include
47 any requests of the state agency for additional staffing or resources for
48 purposes of complying with the monitoring requirements of this
49 section. Not later than January 1, 2028, and annually thereafter, the
50 secretary shall compile such reports into a summary of all such awards

51 and subawards categorized by agency and shall submit such summary,
52 in accordance with the provisions of section 11-4a of the general statutes,
53 to the joint standing committees of the General Assembly having
54 cognizance of matters relating to appropriations and the budgets of state
55 agencies, finance, revenue and bonding and government oversight.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2026	New section

Statement of Legislative Commissioners:

In Subsec. (b), "grantees" was changed to "recipients of", "legislatively earmarked" was inserted before references to "grant" for consistency and in Subsec. (d) a reference to "Office of Policy and Management" was added for clarity.

GOS *Joint Favorable Subst. -LCO*