SA 11-005

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percent.

REP. COUTU: Thank you for your testimony.

GEORGE CASSIDY: Thank you.

REP. BERGER: Christopher Stone.

CHRISTOPHER STONE: Thank you, Mr. Chairman. Senator LeBeau, Representative Berger and members of the Commerce Committee, it's an honor for me to be here to testify.

I'm unfortunately in opposition to a bill that you've raised, United States Public Hearing Agenda, House Bill 6286. The bill relates to the Metropolitan District Commission, who I represent. The Metropolitan District -- some of us call it the MDC -- the local water and sewer authority. It serves eight member towns within Hartford County.

We have an extensive amount of contracting and procurement that goes on at the MDC. In fact, presently we're engaged in a $2 billion capital improvement to our sewer infrastructure. This bill creates a set-aside for minority contractors of no less than 25 percent, and while we concur that the goal is laudable, the manner in which it's achieved we feel is not only unworkable but arguably unconstitutional.

Without getting into the legal issues involved, the Supreme Court has indicated in a case of Carson, Richmond versus Carson, that set-asides of this nature must be based up empirical data rather than just general statements of past discrimination.

The MDC, pursuant to a special act which you passed back in 2008, specifically Special Act 08-09, did in fact conduct a disparity study,

where it analyzed its history, where they were, where they are in relation to disparity and its determination.

And the results of that study, conducted by an independent nationally recognized firm, was that the MDC did not historically engage in any discriminatory practice. Therefore, as we saw it, based upon the law, we could not adopt a race-based or gender-based set-aside program.

Notwithstanding that, that same special act allowed us to adopt what we call a small contract or small local contractor's set-aside program, without reliance upon the results of the disparity study. And, in fact, we've adopted that program. It's called the Small Local Business Enterprise Program. It is -- has been in effect since September of 2010. We've seen a good deal of contracts since that time dedicated to and awarded to small local contractors, "local" being contractors within the municipalities of the District, "small" being contractors who are under $50 million gross revenue as determined by the Department of Administrative Services.

What we've seen is upwards of $1 million in contracts, upwards of $1 million in procurements and goods being purchased, being given to small local businesses. Of those, by default -- not by intent, but by default, of those almost -- over 50 percent has been dedicated to or secured by minority businesses. So we've achieved, through the Small Local Business Program, that which is -- was intended or is intended by this bill.

What we would propose is a little variation, a small variation of this particular proposal, and that is to expand the reach, the breadth of our existing Small Local Business Program, and

I've submitted to the LCO attorney and I'll submit to the Committee a proposal that would broaden those contracts and those procurements that are available for the program to bring more small local businesses, and by default more minority businesses, into this set-aside program.

Presently, under DEP regulations, if the DEP provides any funding to the MDC for its clean water project, this $2 billion project I referred to, we cannot allocate any of those monies or any part of the program to our Small Local Business Program because we are, in effect, limiting competition amongst small local businesses.

We can limit the competition or apply it to our regular MDC capital improvement projects, but the $2 billion project is not included in the program. We'd like to include that and we proposed, and I'd submit it again to -- we'll submit it to the Committee, an amendment to Special Act 2008-09 which would allow us to use contracts, procurements, construction contracts that are DEP-funded for the SLB program. It would open up, as I said, upwards of $2 billion in potential contracts, where a percentage of those are to the small local business community, which in effect assists the minority and women-owned businesses within the District counts.

With that, Mr. Chairman, if any of the Committee members have any questions -- I will be submitting written testimony which provides a little more detail on the law and more detail on MDC's existing program. But I will also submit to each of the Committee members a copy of the proposed amendment to this bill, which I think accomplishes in a legal way that which was intended or is intended for this bill.

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GENERAL ASSEMBLY
HOUSE

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State of Connecticut House of Representatives Calendar for Wednesday April 27, 2011.

On page 24, Calendar Number 310, Substitute for House Bill Number 6286, AN ACT CONCERNING SMALL CONTRACTOR AND MINORITY BUSINESS ENTERPRISE SET ASIDE PROGRAMS IN THE METROPOLITAN DISTRICT COMMISSION, favorable report of the Committee on Government Administration and Elections.

SPEAKER DONOVAN:

Representative Jeff Berger.

REP. BERGER (73rd):

Good morning, Mr. Speaker.

SPEAKER DONOVAN:

Good morning, sir.

REP. BERGER (73rd):

I move for acceptance of the Joint Committee's favorable report and passage of the bill.

SPEAKER DONOVAN:

The question is on acceptance of the Joint Committee's favorable report and passage of the bill. Would you remark?

REP. BERGER (73rd):

Yes. Thank you, Mr. Speaker.

By the way of a summary and somewhat of a

background on the bill, the MDC, the Metropolitan District Commission, is a specially chartered municipal corporation providing water and sewer services to eight member towns, those member towns being Hartford, Bloomfield, West Hartford, East Hartford, Newington, Wethersfield, Windsor and Rocky Hill.

Mr. Speaker, in 2008, the Legislature amended our special charter to allow us to adopt a small local business program hereto called SLBE, Small Business -- Small Local Business Enterprise Program.

Mr. Speaker, the substitute House Bill 6286 is an amendment bill needed to expand the reach of SLBE. It allows MDC to keep some of its contracting dollars within its territorial limits, recognizing the fact that the primary funding source for the projects are the residents and businesses within a district.

I move its passage.

SPEAKER DONOVAN:

Will you remark further on the bill? Remark further on the bill?

Representative Camillo.

REP. CAMILLO (151st):

Thank you, Mr. Speaker.

Good morning. Quickly, I'll make this quick. I can't add anything to what Representative Berger said, and I urge its passage.

Thank you.

SPEAKER DONOVAN:

Thank you, Representative.

Care to remark further on the bill? Care to remark further on the bill? If not, staff and guests please come to the well of the House. Members take their seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the chamber. The House of Representatives is voting by roll call. Members to the chamber, please.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? Please check the roll call board to make sure your vote has been properly cast. If all the members have voted, the machine will be locked. The Clerk will please take a tally.

Will the Clerk please announce the tally.

THE CLERK:

House Bill Number 6286.

Total Number voting	135
Necessary for adoption	68
Those voting Yea	135
Those voting Nay	0
Those absent and not voting	16

SPEAKER DONOVAN:

The bill passes.

Will the Clerk please call Calendar Number 91.

THE CLERK:

On page 5, Calendar 91, House Bill Number 5178, AN ACT AUTHORIZING NOTICE OF ZONE CHANGES TO BE SENT BY ELECTRONIC MAIL, favorable report of the Committee on Planning and Development.

SPEAKER DONOVAN:

The Chair of Planning and Development, Representative Gentile, you have the floor, madam.

REP. GENTILE (104th):

Thank you, Mr. Speaker. Good morning.

Mr. Speaker, I move for acceptance of the Joint Committee's favorable report and passage of the bill.

SPEAKER DONOVAN:

The question is on acceptance of the Joint Committee's favorable report and passage of the bill. Will you remark?

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Thank you, Mr. President.

Also on calendar page 13, Calendar 423, House Bill 6286, Mr. President, move to place that item on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

And additionally on calendar page 27, Calendar 92, Senate Bill 912, Mr. President, move to place that item on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, if the Clerk would call the items on the first consent calendar and if we might proceed to a vote on that consent calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Immediate roll call has been ordered in the Senate on the consent calendar. Will all Senators please return to the Chamber. Immediate roll call

has been ordered in the Senate on the consent calendar. Will all Senators please return to the Chamber.

Mr. President, those items placed on the first consent calendar begin on calendar page 11, Calendar Number 373, Substitute for Senate Bill 951; calendar page 12, Calendar 414, Substitute for House Bill 6299; Calendar 416, House Bill 6345; Calendar 417, Substitute for House Bill 6462; calendar page 13, Calendar 419, Substitute for House Bill 6310; Calendar 420, House Bill 6419; Calendar 423, Substitute for House Bill 6286; Calendar 425, Substitute for House Bill 5174.

Calendar page 19, Calendar Number 479, House Bill 5468; calendar page 26, Calendar Number 56, Substitute for Senate Bill 28; calendar page 27, Calendar Number 92, Senate Bill 912; and calendar page 32, Calendar Number 190, Substitute for Senate Bill 957.

Mr. President, that completes the items placed on the first consent calendar.

THE CHAIR:

This is an inquiry, was Calendar 416 on page 12 among those items that you called?

THE CLERK:

Yes, Mr. President. Calendar Number 416, which was House Bill 6345 was called and placed on the first consent calendar.

THE CHAIR:

Thank you.

THE CLERK:

The Senate is now voting by roll call on the consent calendar. Will all Senators please return to the Chamber. Immediate roll call has been ordered in the Senate on the consent calendar. Will all Senators please return to the Chamber.

THE CHAIR:

The machine is open.

Senators, please check the board to see that your vote is properly recorded. If all members have voted and if all votes are properly recorded the machine will be locked. Would the Clerk please take a tally.

THE CLERK:

Motion is on adoption of Consent Calendar Number 1.

Total Number voting	36
Necessary for adoption	19

Those voting Yea 36

Those voting Nay 0

Those absent and not voting 0

THE CHAIR:

The consent calendar is passed.

SENATOR LOONEY:

Mr. President.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Yes. Thank you. Thank you, Mr. President.

I have some additional items to mark go at this time.

THE CHAIR:

You may proceed, sir.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, first, on calendar page 6, Calendar 229, Senate Bill 205 might be marked go. Next, Mr. President, calendar page 36, Calendar 273, Senate Bill 1115 is marked go. And then, Mr. President, moving back to calendar page 9, Calendar 330, Senate Bill 3673 is marked go.

THE CHAIR: