

Legislative History for Connecticut Act

PA 16-81

HB5228

Senate 3049-3053 5

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Elections

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**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2016**

**VOL. 59
PART 9
2751 – 3097**

/je
SENATE

299
May 4, 2016

All members have voted? All members have voted?
The machine will be closed. Mr. Clerk, will you
please call the tally.

THE CLERK:

House Bill 5427,

Total Number Voting	33
Those voting Yea	33
Those voting Nay	0
Absent and not voting	3

THE CHAIR:

The bill passes. Mr. Clerk.

THE CLERK:

On page 15, Calendar 484, Substitute for House Bill
Number 5228, AN ACT CONCERNING THE NOTIFICATION OF
THE DEPARTMENT OF ADMINISTRATIVE SERVICES PROJECTS,
THE DEFINITION OF PROJECT AND REPEALING OF PROVISION
CONCERNING STATE AGENCY REPORTING OF CERTAIN
CONTRACTOR INFORMATION. It's amended by House A.

THE CHAIR:

Senator Cassano.

SENATOR CASSANO (4TH):

Yes, thank you, Madam Chairman, Madam President. I
move acceptance of the Joint Committee's favorable
report and passage of the bill and move to
summarize.

THE CHAIR:

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SENATE

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May 4, 2016

The motion is on acceptance and passage in concurrence. Will you remark, sir?

SENATOR CASSANO (4TH):

Yes. This is the agency bill of DAS. There are three things that the bill basically does. It eliminates requirement to DAS advertisers in newspapers. This change makes it consistent with other state contracting statutes that require posting on the state contracting portal only. Section 14 repeals a variety of obsolete reporting statutes as an example of a requirement that they use floppy disks and store them would be eliminated. The vast part of the bill, remaining sections of the bill, increase the cost threshold of what constitutes a project program requiring consulting services to cost 300 to where the estimate would be 500. Some of these major projects that are done, large building projects, it simply isn't enough and this gives them flexibility in the bidding process.

THE CHAIR:

Thank you. Will you remark further? Senator Kane.

SENATOR KANE (32ND):

Thank you, Madam President. I rise for a couple questions to the proponent of the bill.

THE CHAIR:

Please proceed, sir.

Thank you, Madam President. Through you, to Senator Cassano. I have a question in regards to the fiscal

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SENATE

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May 4, 2016

note. It looks like the fiscal note says that there may be a savings. Is that your understanding?

Through you.

THE CHAIR:

Senator Cassano.

SENATOR CASSANO (4TH):

I'm sorry, I didn't hear the last part.

THE CHAIR:

Senator Kane would you -- can we keep the voices down in here please. Senator Kane.

SENATOR KANE (32ND):

Thank you, Madam President. I'll gladly reiterate my question. My question is in regards to the fiscal note. It looks like it says there may be a savings. Is that your understanding? Through you, Madam President.

THE CHAIR:

Senator Cassano.

SENATOR CASSANO (4TH):

Yes, they determined there would be a savings because of the, first of all they wouldn't be doing the newspaper advertising. That in itself could be a significant savings.

THE CHAIR:

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May 4, 2016

Senator Kane.

SENATOR KANE (32ND):

Thank you, Madam President. I appreciate Senator Cassano answering my questions.

THE CHAIR:

Thank you. Will you remark further? Will you remark further?

SENATOR CASSANO (4TH):

If there are no questions, I ask that we place it on the Consent Calendar.

THE CHAIR:

There is a --

SENATOR CASSANO (4TH):

A roll call vote, I'm sorry.

THE CHAIR:

A roll call vote will be had. Mr. Clerk.

THE CLERK:

Immediate roll call has been ordered in the Senate.
Immediate roll call has been ordered in the Senate.

THE CHAIR:

The machines are open.

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SENATE

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May 4, 2016

All members have voted? All members have voted?
The machine will be closed. Mr. Clerk, will you
please call the tally.

THE CLERK:

House Bill 5228,

Total Number Voting	36
Those voting Yea	36
Those voting Nay	0
Absent and not voting	0

THE CHAIR:

The bill is passed. Mr. Clerk.

THE CLERK:

On page 37, Calendar 469, Substitute for House Joint
Resolution Number 135, RESOLUTION VACATING THE
DECISION OF THE CLAIMS COMMISSIONER TO DISMISS THE
CLAIM AGAINST THE STATE OF RENEI STONE AND REMANDING
THE CLAIM TO THE CLAIMS COMMISSIONER FOR A HEARING
ON THE MERITS.

THE CHAIR:

Senator Coleman. Good evening, sir.

SENATOR COLEMAN (2ND):

Good evening, Madam President. I move acceptance of
the Joint Committee's favorable report and adoption
of the resolution.

THE CHAIR:

**JOINT
STANDING
COMMITTEE
HEARINGS**

**GOVERNMENT
ADMINISTRATION
AND ELECTIONS
PART 1
1 – 468**

**2016
INDEX**

February 22, 2016
GOVERNMENT ADMINISTRATION 12:00 P.M.
AND ELECTIONS COMMITTEE
PUBLIC HEARING

CATHERINE LUDLUM: Thank you.

REP. JUTILA (37TH): Thank you. Any other questions, questions from members of the Committee? Okay thank you again Cathy.

CATHERINE LUDLUM: Thank you very much.

REP. JUTILA (37TH): Next speaker will be Commissioner Currey.

COMMISSIONER MELODY CURREY: Good afternoon. I'm Melody Currey, the Commissioner of Department of Administrative Services. You have my full testimony before you so out of respect for your time I'll simply summarize those concepts. Raised bill 5228 is my agency's annual technical bill. In short, the bill proposes to eliminate constructive newspaper advertisement requirements. We do it through the web on the portal and feel that that's sufficient. We feel an absolute statute which has a magnetic film tape that goes to DRS and the reports they can gather come through CORE so I don't believe it's a necessity to keep that.

An increase in the threshold of the definition of Project for Professional Services contracts from 300,000 to 500,000 for various professional service contracts on-call. The committee also has submitted testimony, we've submitted testimony of support of a few of the governor's bills on today's agendas, 5049 and 5050, as well as opposition testimony to section 13 of the Auditors of Public Accounts Bill 5247. We provided information to the committee on raised bill

GOVERNMENT ADMINISTRATION
AND ELECTIONS COMMITTEE
PUBLIC HEARING

12:00 P.M.

SB16
HB5228
SB104

MIKE MUSZYUSKI: Good afternoon Chairman Jutila, Chairman Cassano, members of the GAE committee. My name is Mike Muszyuski with the Connecticut Conference of Municipalities. At CCM, we have 158 member municipalities representing approximately 94% of Connecticut's population. We have submitted testimony on a variety of bills today but wanted to touch on a couple of them in particular. House Bill 5049 which is the governor's proposal. First, CCM supports delaying the implementation of the municipal Set Aside program.

We appreciate the intent of the program as it's been reiterated by a couple of the prior speakers. However, we feel as if the original implementation date of October 1 does not allow municipalities, CHRO and small businesses the time necessary for it to be implemented properly. We believe that a delay would provide meaningful discussions to take place and would be happy to participate in those discussions.

In regard to other sections of the bill, CCM has concerns with the provisions that would adjust pilot funding and other municipal aid. You heard from Betsy Gara from COST earlier describe some of the details regarding those but wanted to reiterate that pilot programs are highly important source of revenue for municipalities throughout the state. It's a way for the state to reimburse towns and cities for state-mandated tax exempt property. While CCM appreciates the efforts made by the governor and the general assembly regarding the protection of municipal aid, allowing additional cuts would have negative consequences for

GOVERNMENT ADMINISTRATION
AND ELECTIONS COMMITTEE
PUBLIC HEARING

12:00 P.M.

communities that are already struggling if there is any mid-year state aid cuts.

I just want to touch briefly on just a couple of other bills on the agenda which we have submitted testimony on. The first is Senate Bill 16 which would among other things make adjustments to the state agency regulation development process. We have concerns with this proposal that in particular situations could circumvent the particular review process and in doing so can remove transparency and hinder proper public notice and ability for comment by the public.

Another bill, House Bill 5228, which among other things allow DAS to solicit responses from consultants for state aid projects through the state contracting portal, the online system. We appreciate the importance and simplicity that this would have and therefore would suggest that the bill be amended to allow municipalities a similar provision. This would be the perennial issue regarding the publication of municipal legal notices.

Just very quickly, I just want to touch on Senate Bill 104 the state civic network. We support this proposal as would be an opportunity for both to provide transparency within state government. I would be happy to answer any questions.

REP. JUTILA (37TH): Thank you. Any questions from members of the committee? Thank you for your testimony.

MIKE MUSZYUSKI: Thank you.



**GOVERNMENT ADMINISTRATION &
ELECTIONS COMMITTEE**

February 22, 2016

The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 96% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

HB 5228 An Act Concerning the Notification of the Department of Administrative Services Projects, The Definition of "Project" and Repealing a Provision Concerning State Agency Reporting of Certain Contractor Information

The bill would, among other things, allow the Department of Administrative Services (DAS) to solicit responses from consultants for particular state projects through the State Contracting Portal (online) rather than post in a newspaper. CCM appreciates the importance and simplicity that this change would have, therefore suggest the **bill be amended to allow municipalities a similar provision to provide significant relief from a long standing costly and outdated mandate on towns and cities by *modifying* the requirement to post the full text of all legal notices in local newspapers.**

CCM asks the bill to be amended to require the complete text to be available on the municipality's website – with a summary to be published in a newspaper indicating where the reader can find the full document (i.e., town hall or website).

The purpose of Section 1-2 of the state statutes was to ensure the public is provided information on governmental actions and issues that may impact them. It was not intended to provide a safeguard for an unaffiliated third party to disseminate the information. **Municipal officials are custodians of public records** who have sworn obligations and professional standards to protect the integrity of such records.

No one is seeking to hamper the public's right to know. Towns and cities make every effort to ensure proper notice is provided to residents, whether the complete text is online, available at town hall, municipal library or able to be sent via mail to interested residents. Rather, municipalities are seeking a more cost effective and efficient manner in which to provide the information.

In the 21st century, the quickest, most transparent and cost-effective way to get information to the most amounts of residents is via the Internet. The Internet is where people shop, communicate, do

their banking, and share general information. *Municipal and state websites have become a critical lifeline that link living rooms to their governments instantly.* Just like the rise of local cable access stations, the Internet and municipal/state websites have allowed governmental activities to emerge even further into the public spotlight. Despite these obvious advances, in 2016, Connecticut's hometowns continue to be mandated to post their legal notices in printed newspapers with dwindling circulations. To this end, local governments spend millions of dollars every year publishing lengthy documents, in their entirety, in local publications.

Municipalities continue to make sacrifices and explore ways to be more efficient and saving money. Now is the time for the legislature to enact meaningful mandates relief for towns and cities - at no cost to the State.

CCM urges the committee to **amend HB 5228 to allow a summary of a municipal legal notice to be published in local newspapers**, along clear instructions as to how to get additional information or the complete text **on the municipalities website.**

★★★★

If you have any questions, please contact Mike Muszynski, Advocacy Manager of CCM at mmuszynski@ccm-ct.org or (203) 500-7556.

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Pg 1, line 10



DEPARTMENT OF ADMINISTRATIVE SERVICES

165 Capitol Avenue, Hartford, CT 06106

House Bill 5228

An Act Concerning the Notification of Department of Administrative Services Projects, the Definition of "Project" and Repealing a Provision Concerning State Agency Reporting of Certain Contractor Information

Testimony of Commissioner Melody A. Currey

Government Administration & Elections Committee

February 22, 2016

Good afternoon Senator Cassano, Representative Jutila, Senator McLachlan, Representative Smith and distinguished members of the Government Administration and Elections Committee. I would like to thank the Committee for raising this concept on behalf of the Department of Administrative Services (DAS) and for allowing me to provide comments on House Bill 5228, An Act Concerning the Notification of Department of Administrative Services Projects, the Definition of "Project" and Repealing a Provision Concerning State Agency Reporting of Certain Contractor Information.

Sections 1 and 3 eliminate the requirement to advertise specific construction-related contracts in newspapers and instead requires us to post these contract opportunities on the State Contracting Portal. These changes will save the State money, ensure that the public has 24/7/365 statewide access to construction contracting opportunities, and streamline agency processing of these notifications.

These changes will also make the construction contracting statutes consistent with the statutes that apply to other kinds of contracts DAS administers, as well as with the State Contracting Standards Board's mandate that all contracting opportunities with executive branch state agencies be posted on the Portal.

This would merely be a technical conforming change for the contracting community for many reasons:

- 1) DAS has been posting construction contract opportunities on the Portal (as well as in newspapers) for several years, so contractors are well aware that they should look on the Portal and should sign up on the Portal for automatic notification of contracting opportunities;
- 2) C.G.S. § 4b-91, which establishes the process for bidding design-bid-build projects, was revised in 2009 to require requests for bids to be posted on the Portal and to eliminate the requirement for newspaper advertising; and
- 3) Construction Managers at Risk (CMRs) have been using the State Contracting Portal to advertise for sub-bids since at least 2009.



DEPARTMENT OF ADMINISTRATIVE SERVICES

165 Capitol Avenue, Hartford, CT 06106

HB 5228 also modifies the definition of a "project" as it relates to our use of architects, engineers and other construction-related consultants. Under current law, a "project," is defined in C.G.S. §4b-55(g) as "any state program requiring consultant services if the cost of such services is estimated to exceed three hundred thousand dollars." "Consultant services" means "those professional services rendered by architects, professional engineers, landscape architects, land surveyors, accountants, interior designers, environmental professionals, construction administrators, planners or financial specialists..." (C.G.S. §4b-55(c))

If a program meets the definition of a "project," the formal consultant selection process set forth in C.G.S. §4b-57 and C.G.S. §4b-58 is triggered. This selection process can take more than six months to complete. Section 2 of HB 5228 increases the cost threshold of what constitutes a project from a program requiring consultant services estimated to cost \$300,000 to one where the consultant services are estimated to cost \$500,000.

Raising this threshold will enable DAS to continue its efforts to streamline and improve the processes associated with all of its project delivery methods. Specifically, it will enable DAS to concentrate its time and resources on the large construction projects for which the full formal selection process is truly necessary, thereby improving the turn-around time for those large projects.

This change will also improve DAS's ability to provide timely and high quality service in connection with its on-call contracts. DAS is authorized to select consultants to be on an "on-call" list established for the purpose of providing consultant services. This "on-call" list enables DAS to expeditiously identify and select qualified providers in a competitive and transparent way and then call upon them on an as needed basis to perform specific tasks without the need for the lengthy formal selection process necessary for large-scale construction. Given the existing definition of project, however, we cannot use the on-call list for any work where we believe the consultant services may exceed \$300,000.00. As consultant services cover a wide array of disciplines, this limitation impacts DAS - and the agencies we serve --across a broad spectrum of services.

Raising the cost threshold for what constitutes a project will enable DAS to continue its efforts to improve our service delivery to client agencies, streamline bidding and selection processes, and complete projects all without compromising competition or transparency.

Additionally, Section 15 repeals C.G.S. §4a-80. Under C.G.S. §4a-80, when an agency contracts for the purchase of goods or services or enters into a lease, that agency must obtain the Social Security number or federal employee identification number (FEIN) of the contractor. It further requires each public agency to provide to the Department of Revenue Services, a yearly report on a "compatible magnetic tape file or some other form which is acceptable to the commissioner" a list of all such contractors, together with the contractor's name, address, social security number or FEIN.



DEPARTMENT OF ADMINISTRATIVE SERVICES

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To the extent that C.G.S. §4a-80 requires agencies to provide DRS with a list of contractors and their social security numbers or FEINs on a magnetic tape file or other format acceptable to DRS, it is obsolete.

To the extent that an agency needs a contractor's social security number or FEIN in order to process payments, such need is already addressed by C.G.S. § 4a-78, which requires the contractors to provide their social security number or FEIN to state agencies.

This statute was enacted in P.A. 93-288, a decade before the State moved all of the executive branch financial data into the Core-CT system. Currently, if DRS needs information about state contractors, it can simply access that information from Core-CT. There is no need for agencies to generate separate, potentially inconsistent, lists to send to DRS. As such, C.G.S. §4a-80 is unnecessary. DAS discussed this concept with DRS and they agreed that this section could be repealed.

The remaining sections of HB 5228 (sections 4 through 14) are merely technical changes suggested by the Legislative Commissions Office to conform the affected statutes to modern drafting standards.

We thank the Committee for permitting DAS to comment on House Bill 5228 and we hope you will support this bill.