



DEPARTMENT OF ADMINISTRATIVE SERVICES

Senate Bill No. 1184

An Act Implementing the Recommendations of the Department of Administrative Services Concerning State Contracting Requirements and Certain Procurement Thresholds

Testimony of the Department of Administrative Services (DAS)

Committee on Government Administration and Elections

March 10, 2023

Good morning, Senator Flexer, Representative Blumenthal, Senator Sampson, Representative Mastrofrancesco, and distinguished members of the Government Administration and Elections Committee. My name is Gene Burk, and I am the Director of Procurement Programs & Services at the Department of Administrative Services (“DAS”). I want to thank the Committee for raising our bill.

SB 1184 enables DAS to improve business-friendly contracting practices, support small, minority, and woman owned businesses and implement administrative efficiencies, including adjustments to contracting thresholds to account for inflation.

Two provisions in this bill further the interests of small, minority, and women owned businesses. The first raises the threshold for requiring contractor prequalification from \$500,000 to \$1 million. Raising this project threshold increases contracting opportunities for smaller contractors without the bonding requirements which have posed a barrier to prequalification for many of these businesses. The other provision updates the set-aside spend reporting requirements by leveraging existing digital tools to improve the timeliness of the reporting. The proposal revises set-aside reporting timelines to align them with the fiscal year cycle and to improve efficiencies in agency reporting by allowing for automation of the reporting process.

The first of the administrative efficiencies clarifies DAS contracting authority to authorize DAS to contract directly with other states. This authority was granted in a limited manner to the Department of Social Services last year. Connecticut state agencies and political subdivisions authorized to make purchases under DAS contracts would benefit from the additional goods/services available under DAS contracts entered with other states. Second, the bill removes the burdensome requirement that DAS post on its website notice of minor, nonrecurring, or emergency purchases of \$10,000 or less. Third, the proposal eliminates the requirement that state technology contractors must file subcontracting agreements with DAS. Fourth, the proposal changes the last of the contract affidavit requirements to a contract representation, just like the legislature approved for the other affidavit requirements last year. Finally, this proposal updates

the thresholds for publication of notices of planned purchases and for what is deemed a minor nonrecurring and emergency purchase. These thresholds were last updated in 1999 and our proposed thresholds maintain legislative intent while accounting for inflation.

On behalf of the Department of Administrative Service, I appreciate your consideration of **SB 1184**. This bill, if approved, complements the procurement modernization bills enacted over the last two years and furthers DAS' goal of creating a business-friendly environment in Connecticut.

Again, thank you for the opportunity to submit testimony on this proposal. I urge **SUPPORT** of **Senate Bill No. 1184, An Act Implementing the Recommendations of the Department of Administrative Services Concerning State Contracting Requirements and Certain Procurement Thresholds**