



House Bill 7127

**AN ACT CONCERNING STATE AGENCY CONTRACTS FOR THE LICENSING OF
SOFTWARE APPLICATIONS**

Testimony of the Department of Administrative Services

Government Administration and Elections Committee

March 7, 2025

Senator Flexer, Representative Blumenthal, Senator Sampson, Representative Mastrofrancesco, and distinguished members of the Government Administration and Elections Committee. We thank you for the opportunity to submit testimony on **House Bill 7127: An Act Concerning State Agency Contracts for Licensing of Software Applications**, which would prohibit state agency contracts for licensing software applications from limiting a state agency's ability to install the software on the state agency's hardware.

The Department of Administrative Services (DAS) has concerns with the bill as drafted, as it implies that if an agency were to pay a certain amount of money for software, they could put it on whichever hardware they prefer. This approach does not consider the marketplace's complications for these software applications. For example, software is priced differently based on the power of the underlying hardware. The more powerful the hardware, the more a software company can charge because it has more capability.

Current technology companies also offer discounts when the state runs their software in their own cloud offering. If passed, we are concerned the state will be forced to pay more for these bundled services because these discounts would no longer be available from these software companies.

The technology marketplace is a changing set of partnerships and collaborations. The prohibitions in this bill do not account for the complications in software licensing, software subscriptions, cloud arrangement, security requirements and other nuances that drive which software can run on which versions of hardware.

For the above reasons, we ask that the committee oppose House Bill 7127.