



DEPARTMENT OF ADMINISTRATIVE SERVICES

STATE OF CONNECTICUT

165 Capitol Avenue  
Hartford, CT 06106-1658

HB 6297

**AAC Certain Authorities and Duties  
of the Department of Administrative Services**

**Government Administration & Elections Committee  
February 2, 2009**

Good morning Senator Slossberg, Representative Spallone, Ranking Members and other distinguished members of the Government Administration & Elections Committee. I am Brenda Sisco, Commissioner of the Department of Administrative Services.

I am here today to testify in support of House Bill 6297. This is a proposal that DAS asked the Committee to raise, and we thank the Chairs and the Committee for doing so.

In general, this bill makes a number of small changes to DAS statutes so that we can operate more efficiently and effectively. The bill also makes some technical changes.

Specifically, the bill makes changes to three sets of DAS statutes:

Collections - C.G.S. § 4a-16. In Section 1 of the bill, we are seeking a technical change to our small estate administration statute to bring that statute back in synch with the Probate Court small estate statute (§ 45a-273).

What was considered a "small estate" under these two statutes historically has been the same. However, in 2007, the maximum value of the estates subject to settlement under the Probate law was increased from \$20,000 to \$40,000, but the maximum value of the estates under DAS's statute remained at \$20,000. Bringing these two statutes back into agreement will streamline administration of these cases, and ensure that we are evenhandedly recovering debts owed to the state.

With regard to Section 1, however, we do suggest that rather than simply changing the threshold in 4a-16 from \$20,000 to \$40,000, that the Committee instead consider linking the two small administration statutes, so that each time the threshold in one statute changes, the other need not play catch up in the following legislative session. We have attached language, which we worked on with the Office of the Probate Court Administrator, that would accomplish this goal, and we respectfully ask the Committee to consider it.

Procurement Advertising - § 4a-57. Section 2 of the bill is very straightforward. It simply deletes the requirement that DAS advertise state contract opportunities in newspapers and requires posting on the web - on the State Contracting Portal - instead. DAS has been posting all state procurement opportunities on the State Contracting Portal for a full ten years, and all other state agencies have been using this system since at least 2004 to post their contract opportunities (and all resulting contracts). This system is far more efficient and transparent, and eliminating newspaper advertising will save the state money.

Contractor Prequalification - §§ 4a-100 & 4a-101. The remaining sections of this bill make changes to the Contractor Prequalification and state construction bidding statutes to fix some inconsistencies in those statutes and to improve the process of choosing good contractors for state construction projects.

An example regarding consistency is the change we are seeking in lines 103-104 of the bill. Subsection (i) of § 4a-100 (which is not included in the bill because it is not being changed) currently gives the DAS commissioner authority to *deny an initial or renewal prequalification* application if a principal or key person in the company has had a recent conviction, or has entered a plea of guilty or nolo contendere for, or has admitted to, certain illegal conduct. Subsection (k)(2) of the same statute, which addresses when the commissioner can *deny or revoke* prequalification, only refers to "convictions," not pleas, nolos or admissions. This bill brings consistency to those two subsections.

Regarding process improvement, the state currently has difficulty receiving accurate and timely performance evaluations of subcontractors who do work on state jobs because the contractors who are required to fill out these evaluations are concerned about being sued. This is an important issue if we want to be able to ensure that only competent, reliable companies with integrity are working on state-funded projects. In an effort to promote truthful evaluations, this bill provides contractors with the same protection against liability for good faith evaluations that they perform on their subs as state agencies and officials have when they complete evaluations on the prime contractors.

Sections 3 through 5 of this bill also make changes intended to save money for the state and municipalities. Again, we are seeking to go paperless with notices of all state and municipal construction opportunities. This will save both state agencies and municipalities advertising dollars and will increase competition (and therefore lower costs) for state-funded jobs. Since DAS Contractor Prequalification has always been an online process, and DPW has been using the State Contracting Portal to post construction contract opportunities for a number of years, we believe this will be a painless transition that will yield savings.

Another cost savings change in this bill is the elimination of current language that states that, when bidding on a construction job, if a company fails to submit a hard copy of its prequalification certificate with its bid documents, the bid is invalid. Currently, there is no provision in the law that allows DPW, a municipality, or another state agency to waive

this technical defect or allow it to be cured. What this means is that a low-bidder contractor must be thrown out of the bid process if it fails to include its prequalification certificate with its bid documents - even if the contractor is in fact prequalified by DAS. This provision costs towns, DPW, and other awarding authorities real money, since they must then go to the next lowest bidder, which may have bid several hundred thousand dollars more than the first contractor.

The requirement to submit a hard-copy certificate also may be inconsequential, since the prequalification status of any company can be viewed 24/7 on the internet, is in real time, and cannot be altered as a hard-copy document can be. This bill changes the statute so that an awarding authority may require a hard-copy prequalification certificate with the bid documents, but if a town does not require it, the bid does not become invalid. We believe this change will result in potentially significant savings for towns and municipalities.

Again, I thank the GAE Committee for raising HB 6297, and thank you for the opportunity to testify. I am happy to answer any questions the Committee may have.

## Recommended JFS language for HB 6297

Section 1. Section 4a-16 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective upon passage*):

When any person supported or cared for by the state under a program of public assistance or in an institution maintained by the Department of Public Health, Department of Mental Retardation or Department of Mental Health and Addiction Services, or when an inmate of the Department of Correction, or when any child committed to the Commissioner of Social Services or Commissioner of Children and Families dies leaving only personal estate, including personal assets owing and due the estate after death, not exceeding [twenty thousand dollars in value] the aggregate value listed in 45a-273(a), the Commissioner of Administrative Services or the commissioner's authorized representative shall, upon filing with the probate court having jurisdiction of such estate a certificate that the total estate is under [twenty thousand dollars] said aggregate value and the claim of the state, together with the expense of last illness not exceeding three hundred seventy-five dollars and funeral and burial expenses in accordance with section 17b-84, equals or exceeds the amount of such estate, be issued a certificate by said court that the commissioner is the legal representative of such estate only for the following purpose. The commissioner shall have authority to claim such estate, the commissioner's receipt for the same to be a valid discharge of the liability of any person turning over the same, and to settle the same by payment of the expense of last illness not exceeding three hundred seventy-five dollars, expense of funeral and burial in accordance with section 17b-84 and the remainder as partial or full reimbursement of the claim of the state for care or assistance rendered to the decedent. The commissioner shall file with said probate court a statement of the settlement of such estate as herein provided.

Sec. 4. Subsection (g) of section 4a-101 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(g) Notwithstanding the provisions of [subsection (a) of] this section, any [political subdivision] public agency of the state, when evaluating the performance of a contractor's subcontractors or substantial subcontractors, to the extent known, may rely on an evaluation of such subcontractors or substantial subcontractors that is conducted by the contractor. No contractor shall be held liable to any subcontractor or substantial subcontractor for any loss or injury sustained by such subcontractor or substantial subcontractor as the result of such evaluation provided to a public agency, unless such contractor is found by a court of competent jurisdiction to have acted in a wilful, wanton or reckless manner.

{please note, lines 150 and 151 of Raised Bill 6297 use the term "substantial contractor" - the statutory term used throughout these statutes is actually "substantial subcontractor."}