DEPARTMENT OF ADMINISTRATIVE SERVICES

STATE OF CONNECTICUT

165 Capitol Avenue
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Raised Bill 5327

An Act Expanding Certain Reverse Auction Authority to the Purchase of Certain Services by Municipalities, School Districts and State Agencies

Government Administration and Elections Committee
March 1, 2010

As the agency responsible for statewide procurement, the Department of Administrative Services (DAS) offers the following testimony regarding Raised Bill 5327, An Act Expanding Certain Reverse Auction Authority to the Purchase of Certain Services by Municipalities, School Districts and State Agencies. DAS supported the legislation enacted in 2008, P.A. 08-141, that gave DAS and other contracting agencies the authority to conduct on-line reverse auctions in connection with the award of contracts for good and supplies when the contracting agency determines that the use of a reverse auction is advantageous to the contracting agency and will ensure a competitive contract award.

Similarly, **DAS supports Raised Bill 5327**, which expands the authority to conduct on-line reverse auctions to the award of contracts for services. DAS acknowledges that on-line reverse auctions may not the best mechanism for awarding contracts for services in all cases; however, where the award of a service contract will be driven exclusively by price, an on-line reverse auction may indeed be the most advantageous method of awarding the contract. House Bill 5327 simply gives towns, school districts and state agencies another tool to help them reduce costs.

Thank you for the opportunity to submit testimony on this bill.