



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

OFFICE OF THE SECRETARY

*TESTIMONY SUBMITTED TO THE
GOVERNMENT ADMINISTRATION AND ELECTIONS COMMITTEE
March 8, 2011*

House Bill No. 5987

**AN ACT REQUIRING A MORE EFFICIENT USE OF OFFICE SPACE LEASED BY
THE STATE**

Senator Slossberg, Representative Morin, and distinguished members of the Government Administration and Elections Committee, thank you for the opportunity to submit written testimony on House Bill No. 5987.

This bill would require OPM and DPW to evaluate the state's current use of leased office space and develop plans to (1) renegotiate or terminate costly lease agreements and (2) consolidate the workforce to save 15% of the current lease payments. OPM supports the concept behind the bill, but would like to offer several revisions for consideration.

We don't believe that a plan should be put forward outlining the state's strategy for renegotiating or terminating leases as any such plan would be public and essentially "show the state's cards" to landlords putting us at a disadvantage. Also, the development of a plan to consolidate the workforce would inherently identify leased locations that we would vacate.

While we support the development of a plan to consolidate the workforce to save on lease payments, we're concerned that the specification of 15% in savings is too vague with no time frame established. Furthermore, the costs to relocate a lease to state-owned space must be taken into consideration and we'd advise an economic cost vs. benefit analysis for each proposed relocation (or remaining at a leased location) be performed.

Thank you for the opportunity to present this testimony and we'd be happy to answer any questions.