

**TESTIMONY PRESENTED TO THE FINANCE, REVENUE AND BONDING
COMMITTEE
March 18, 2013**

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Testimony On House Bill No. 6601

**AN ACT CLARIFYING THE APPROVAL PROCESS FOR CERTAIN ADMINISTRATIVE FEES
ALLOWED TO PRIVATE AND NONPROFIT ENTITIES**

Senator Fonfara, Representative Widlitz and distinguished members of the Finance, Revenue and Bonding Committee, thank you for the opportunity to offer testimony on House Bill No. 6601, An Act Clarifying the Approval Process for Certain Administrative Fees Allowed to Private and Nonprofit Entities.

Under current law, the Secretary of OPM may authorize state agencies to enter into agreements with entities who wish to utilize government services and programs electronically. The law also allows for imposition and collection of an administrative fee for such utilization, provided that such fees be approved by the Finance Advisory Committee (FAC) prior to being imposed. This bill would change the approval body from the FAC to the General Assembly's Finance Committee.

I am not supportive of this change as written because it could result in delays in moving forward with agreements to access government services or programs electronically if an administrative fee is essential to any such agreement. I have no particular issue with the Finance Committee or any other committee of the General Assembly exercising oversight of the process. However, the General Assembly is in session for only a short time each year, thus limiting the window for approval of any agreements. The FAC has a monthly meeting schedule, providing year-round availability and flexibility in implementing any administrative fee arrangements. If the Finance Committee decides that the change in approval body should move forward, I ask that you consider adding language deeming any administrative fee proposal approved if the committee does not take action on a request within 30 days of submittal to the committee.

In addition, I call your attention to Senate Bill No. 434, submitted by the Department of Administrative Services, which has been referred to the Committee on Government Administration and Elections. Section 1 of that bill proposes another important change to section 4-60u of the general statutes that should also be incorporated into this bill.

I would like to again thank the committee for the opportunity to present this testimony. I respectfully request that the Committee take no action on this bill or to incorporate the revisions noted above.