

Government Administration and Elections Committee
JOINT FAVORABLE REPORT

Bill No.: HB-5262

AN ACT CONCERNING THE REPORTING OF THE TRIENNIAL AUDIT OF
STATE CONTRACTING AGENCIES BY THE STATE CONTRACTING

Title: STANDARDS BOARD.

Vote Date: 3/23/2018

Vote Action: Joint Favorable Substitute

PH Date: 3/5/2018

File No.: 430

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SPONSORS OF BILL:

Government Administration and Elections Committee

Rep. Michael Winkler, 56th Dist.

REASONS FOR BILL:

Proponents explain that the State Contracting Standards Board (SCSB) was enacted in 2007 to ensure the effectiveness and integrity of state contracting and procurement processes and practices after Governor Rowland pled guilty to various unethical dealings with contractors who conducted business with the state, and to act as a safeguard against wasteful contracting by state agencies. Current law requires the SCSB to audit state contracting agencies every three years and to issue a compliance report within thirty days after the audit. The bill, as originally drafted, (1) clarifies that the report shall be delivered to the state contracting agency and (2) seeks to keep the General Assembly abreast of the compliance audits by requiring the board to submit such report to the Appropriations and Government Administration and Elections committees, and to the committee of cognizance over the contracting agency. Advocates of the bill shared opinion that the General Assembly should be kept informed of state agencies capability to conform to purchasing requirements and seeks to close the gap of information between the executive and legislative branch of government in regards to state contracting.

Substitute Language – LCO No. 2676:

Substitute language makes the following changes: (1) clarifies that the report shall be delivered to the state contracting agency, (2) allows the state contracting agency to provide a

written report to the board within sixty days after receipt of the report, and (3) allows, instead of requires, the board to submit the compliance report and the contracting agency's written response, to the Appropriations Committee, Government Administration and Elections Committee, and the committee of cognizance over the contracting agency. Testimony submitted by the Connecticut Department of Transportation shared concerns that the contracting agencies would not have an opportunity to review and comment on the board's report prior to its submission to the aforementioned committees.

RESPONSE FROM ADMINISTRATION/AGENCY:

James Redeker, Commissioner, Connecticut Department of Transportation (CTDOT):

Opposes the bill. State Contracting Standards Board statutes already provide a remedy should the board find an agency not in compliance with procedures pursuant to general statutes section 4e-7. Furthermore, a summons for a hearing before the Appropriations Committee, General Elections and Administrations Committee, or the committee of cognizance over the contracting agency would take away from limited resources of the CTDOT. CTDOT testimony also provided suggested language to allow contracting agencies an opportunity to respond to the compliance audit report submitted by the board.

NATURE AND SOURCES OF SUPPORT:

Mark Kirschner, Information Technology Analyst, Department of Administrative Service Bureau of Enterprise Systems & Technology's Data Center Operations

(DAS/BEST): Member of CSEA SEIU Local 2001. The bill ensures the report by the State Contracting Standards Board is seen by their relevant legislative committees.

Jan Lawrence, Information Technology Analyst, Department of Developmental Services (DDS)

Member of CSEA SEIU Local 2001. The bill ensures the report by the State Contracting Standards Board is seen by their relevant legislative committees.

Zak Leavy, Legislative Advocate, American Federation of State, County and Municipal Employees (AFSCME) Council 4

The bill would require the State Contracting Standards Board to send all of their reports to the committees of cognizance in the General Assembly.

Chuck Lee, Supervising Environmental Analyst, Connecticut Department of Energy and Environmental Protection

Member of CSEA SEIU Local 2001. The bill ensures the report by the State Contracting Standards Board is seen by their relevant legislative committees.

Stuart Mahler, Member, State Contracting Standards Board (SCSB)

Offers testimony as an individual and not as a member on behalf of the board. The General Assembly needs to know how well state agencies are conforming to purchasing requirements.

Dawn McKay, Environmental Analyst, Connecticut Department of Energy and Environmental Protection

Member of CSEA SEIU Local 2001. The bill ensures the report by the State Contracting Standards Board is seen by their relevant legislative committees.

Lori J. Pelletier, President, Connecticut American Federation of Labor and Congress of Industrial Organizations (AFL-CIO): The State Contracting Standards Board (SCSB) has been limited in its ability to perform its core functions due to repeated attempts to eviscerate its funding, its inability to achieve a quorum, and insufficient staffing levels. This is concerning because SCSB has the potential to identify significant cost savings and efficiencies through state agencies. This bill closes the information gap between the executive and legislative branches, and facilitates a better working relationship between the SCSB and the General Assembly.

Timothy Searles, Information Technology Analyst, Department of Developmental Services (DDS): Member of CSEA SEIU Local 2001. The State Contracting Standards Board (SCSB) acts as a bulwark against wasteful or unwise contracting by state agencies. In its current form, SCSB has identified ways to modify existing contracts or to bring work in house which would save the state hundreds of millions of dollars.

NATURE AND SOURCES OF OPPOSITION:

Ted von Rosenvinge, Government Affairs Committee Chairman, American Council of engineering Companies of Connecticut (ACEC-CT): This bill increase cost, regulation, delay, and make it more difficult to do business with state agencies. The entire premise as to how to compare and contrast costs of public and private entities is flawed; therefore, the proposed bill is also flawed. ACEC-CT shared testimony of a 2016 research conducted by New York University comparing private vs. public sector costs of performing engineer services in states across the country. The research concluded that private sector engineers deliver services less expensive than public sector engineers. ACEC-CT recommends eliminating the State Contracting Standards Board as it has a pro-union bias, and is a tool to advance their own agenda using taxpayer money.

Reported by: Ussawin R. Bumpen

Date: 4/16/208