

March 9, 2023

RE: North Dakota Senate Bill 2370

Chairman Schauer and members of the House Government and Veteran Affairs Committee

Sourcewell strongly supports Senate Bill 2370 which would allow cities and counties in the state of North Dakota to enter into cooperative purchasing agreements.

Sourcewell is a cooperative procurement organization serving government agencies in North Dakota and across the country. Cooperative purchasing contracts offer the same qualities of any government contract, and more. The solicitations are bid to meet requirements of government procurement rules including public advertising and fair solicitation evaluation where price and value are among the most important factors in determining responsible and responsive vendors.

Currently only school districts and the state of North Dakota are allowed to enter cooperative purchasing contracts. Senate Bill 2370 extends this authority to counties and cities and would allow them to enter into cooperative purchasing agreements with other political subdivisions.

Cooperative purchasing provides government efficiencies, access to industry leading goods and services, and cost savings. Cooperative purchasing combines multiple governments buying requirements into a single contract to harness volume discounts and purchasing power. By using cooperative contracts, procurement teams can further negotiate lower prices and reduce procurement time. Industry also recognizes the role cooperative purchasing plays in government procurement in that it provides them an opportunity to serve governments and satisfy their rules and regulations. The value of cooperative purchasing has long been recognized as an acceptable and legal means of government procurement by both the American Bar Association as well as the National Institute of Government Procurement. It is currently utilized widely by both the state of North Dakota and North Dakota school districts.

Sourcewell urges the passage of Senate Bill 2370 to provide another cooperative purchasing tool to cities and counties while continuing to be good stewards of public dollars.

Sincerely,

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