

North Dakota Senate Bill 2370
House Government and Veterans Affairs Committee
Thursday, March 9, 2023
Marc Taylor, Plains Ag

Mr. Chairman and committee members, my name is Marc Taylor and I, along with my partners, own the Plains Ag farm equipment dealership group. I am also the Government Bid Supervisor of our group which means I am in charge of all Government Bids.

Our family-owned business is proud to have locations in 9 communities across Western, ND. We have a dedicated team of over 200 employees who live in and support these communities. We pay 100% of the cost of health insurance for our employees and their dependents. All of the Plains Ag owners are also North Dakota residents who pay real estate and income taxes in North Dakota. We also conduct an annual program where we choose a school and provide mittens and caps for children. I tell you all of this so that you know that we are North Dakotans who invest heavily in our local communities.

There are several points that I am attempting to make:

- 1) Plains Ag and I have experience in bids dating back to 1984.
- 2) We have been very successful in securing many bids.
- 3) Plains Ag is very active in many western North Dakota communities where we pay taxes, our employees pay taxes, and all of us continue to invest.

Government Bids are an important segment of our business and we have been successful in securing many of the bids we submitted. As recently as last Wednesday, we were awarded the bid for up to 15 mowers that will be used for mowing road ditches throughout most of the state. Earlier this year, Plains Ag was also awarded the bid for tractors that will be used for mowing, snow blowing, and more.

Years ago, manufacturers were not very aggressive with government bids. However, that has changed – at least with Case IH. Based on my experience, I expect we can provide discounts that puts us in a very competitive position with nearly all bids.

As tax-paying residents we absolutely support allowing local governments to secure the best deal possible. In addition, we also believe it is in the best interests of our state for local governments to purchase products from fellow North Dakotans – provided the products are sold in a competitive environment...and there is much competition in the farm and construction equipment sector.

In addition, competitive bidding among North Dakotans often provides greater scrutiny or insight on the exact product specifications for our region. As an example, the solicitation from the North Dakota DOT had five amendments before the final bid acceptance. The amendments often expand the opportunity for additional competition by explaining various specifications in greater detail.

Several years ago, the DOT solicited a bid for mowers with a specification for a 540 RPM drive line. After a discussion with the DOT as to why those specifications were listed, I was told the drive line maintenance was too high and the DOT wanted a heavier driveline to reduce costs. I suggested changing the specification 1,000 RPM as it would experience about a 50% reduction in stress. I engaged an engineer from one of the mower companies to write a letter to back up my position and the specification change greatly reduced the maintenance.

As we consider this bill, our only request is for a level playing field that allows us to receive notice of bid opportunities and also the opportunity to submit bids for farm and construction equipment purchases.

A big question I have is, does SB 2370 allow a city or county the ability to circumvent local, North Dakota businesses and purchase equipment from an out of state business, who may not even provide the lowest bid because we and other North Dakotans were not given an opportunity to bid?

I don't know all of the details involved with this bill or the current law but, my two other questions are:

1. Does this bill promote sending our tax dollars out of North Dakota vs. keeping those dollars in state?
2. Is this bill good for North Dakota businesses?

Mr. Chairman, members of the Committee, would you please help to ensure that North Dakota businesses and employees have a shot at providing competitive bids. Thank you for the opportunity to express my thoughts Mr. Chairman.

Marc Taylor,
Plains Ag