

TESTIMONY OF

Sherry Neas, Central Services Division Director

Chairman Kasper and members of the House Government and Veterans Affairs Committee. I am Sherry Neas, Director of the Office of Management and Budget (OMB) Central Services Division. I am here to testify in favor of Senate Bill No. 2162 related to emergency purchases and state purchasing practices.

Section 1

OMB supports the proposed new statute related to OMB developing guidelines for vendor communications. The language clarifies that that actual and potential bidders may communicate with state officials and members of the legislative assembly.

Section 2

Section 2 amends the existing emergency purchase laws that are under the section of law related to exemptions from the procurement process. Current law does not provide guidance for noncompetitive emergency purchases, and the bill creates a requirement for documentation of the basis for a noncompetitive emergency purchase. When Federal funds are used for a purchase, the Federal granting agency often requires approval of noncompetitive purchase. The bill creates a requirement for OMB or the purchasing agency to ensure that the procurement process and documentation satisfies requirements for federal reimbursement.

Section 3

Section 3 creates a new section of law related to payments which references the existing statute, N.D.C.C. § 13-01.1-01. The existing statute requires, "if no date for payment is specified by contract, [payment shall be made] within forty-five days after receipt of the invoice covering the delivered items or services."

This section of the bill simply specifies that the purchasing agency and vendor may negotiate payment terms and it references the existing law that will apply in instances where a contract fails to specify payment terms.

Section 4

This section of the bill amends current law regarding the procurement information website to require OMB to establish standardized procedures for submission of electronic bid and proposals through the procurement information website. The bill requires OMB, in consultation with the office of the attorney general, to establish standardized solicitation documents. The bill further discourages overly lengthy procurement documents and encourages OMB and purchasing agencies to "use their best efforts to minimize the length of solicitations."

Mr. Chairman and committee members, this concludes my testimony. Again, I thank the bill's sponsors for the opportunity to collaborate on amendments to this bill. OMB ask your support for Senate Bill 2162 as amended. I would be happy to answer any questions.