

**March 9, 2023**

**House Government & Veterans Affairs Committee**

**SB 2347**

Mr. Chairman and members of the House Government & Veterans Affairs Committee, my name is Tom Todd. I am a co-owner of Northwest Contracting – a long time Bismarck based construction company which specializes in vertical commercial construction. I also serve on the board of the Associated General Contractors of North Dakota and was the association's 2018 President.

Engrossed SB 2347 proposes to increase the design threshold to \$500,000 for most public projects and \$1,000,000 for "pre-engineered units". There are several reasons I do not support the proposed changes.

Changing the threshold dollar amount from a single dollar amount, currently \$200,000, to several different dollar amounts, \$500,000 and \$1M as currently proposed, creates a lot of confusion in our industry. In the past there were varying dollar amounts in the Century Code until recently when this was changed back to a single amount for all projects to resolve this confusion. We believe the design and bidding threshold amount should be the same.

Further, it makes it very difficult to publicly bid a project apples to apples without an Architect or Engineer involved. For publicly bid projects an Architect or Engineer creates the basis of design for the project, which attempts to have all contractors bid the same scope.

For those reasons, we do not view SB 2347 as necessary, and we would request a Do Not Pass Committee Recommendation.

Thank you for allowing me to present this testimony.