

TESTIMONY OF

**Sherry Neas, Director, Central Services Division**

Good morning, Chairman Porter and members of the committee. My name is Sherry Neas, Central Services Division Director of the Office of Management and Budget (OMB).

OMB worked with the State Mill and legal counsel regarding a proposed amendment to HB 1062.

Section 7 (Page 4) of the bill contains a broad exemption from state procurement.

The State Mill and OMB collaborated on a more specific exemption that was incorporated into SB 2042 by amendment to allow for limited competitive, noncompetitive and negotiated purchases for:

“Contracts for specialized equipment, machinery, and materials required for manufacturing, production and distribution by the North Dakota mill and elevator association under 54-18-02.”

The hearing on SB 2042 was last week, and the amendment was approved.

OMB and the State Mill are proposing a similar amendment to HB 1062. A copy of the proposed amendment is attached to my testimony.

The amendment removes the original exemption language on page 4 and inserts a new reference to the exemption created in N.D.C.C. § 54-44.4 through SB 2042.

Conclusion: Chairman Porter and committee members, this concludes my testimony. I ask your support of the proposed amendment to HB 1062. I would be happy to answer any questions.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1062

Page 4, line 2-3, replace "Actions of the commission under this subsection are exempt from chapter 54-44.4" with "Contracts for specialized equipment, machinery, and materials under this subsection may be procured pursuant to section 54-44.4-05"

Renumber accordingly