



TESTIMONY

TO: HOUSE COMMERCE COMMITTEE

FROM: SCOTT HEIDNER, EXECUTIVE DIRECTOR
AMERICAN COUNCIL OF ENGINEERING COMPANIES OF
KANSAS (ACEC KS)

RE: HB 2234

DATE: FEBRUARY 7, 2023

Chairman Tarwater, members of the committee, thank you for the opportunity to submit testimony on HB 2234. I submit this on behalf of ACEC KS, the trade association representing private consulting engineering companies in Kansas. ACEC KS supports the passage of SB 94.

It has been the public policy of the State of Kansas for decades that projects whose costs fall under a certain threshold can procure design services by use of an on-call process. Firms can submit their qualifications in an effort to be included in the pool of available on-call service providers for these projects, and all those who are accepted can be selected for projects under the cost threshold without going through the traditional procurement process.

This is important for several reasons, but I'll focus on the impact to ACEC Kansas members. To go through the full procurement process requires a significant financial cost for our members firms. For larger

projects, this investment is appropriate. But for smaller projects, many if not most firms would not bother to submit because, even if selected, the project would simply not be profitable due to the upfront costs of the proposal. This would result in a severely diminished pool of service providers for state agencies to choose from.

This is still a qualifications-based selection process, as all the firms on the shortlist were placed there based on their qualifications and experience. The process has worked to the success and satisfaction of both state agencies and private companies since its inception.

The reason HB 2234 is needed is to react to the reality that inflation has reduced the real dollar value of the threshold over time. Periodically, state agencies and private business partner as we have here today to bring an adjustment to that threshold in recognition of these changes. Passage of HB 2234 will ensure that this process remain relevant and efficient moving forward.

Thank you for the opportunity to appear today, and I would be happy to answer questions at the appropriate time.