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March 18, 2024

The Honorable Kristen Thompson
2300 N. Lincoln Blvd
Oklahoma City, OK 73105

Subject: **Opposition to SB 1849**

The National Cooperative Procurement Partners (NCPP), North America's professional association for cooperative procurement **OPPOSES** SB 1849 which proposes caps and the exclusion of labor-intensive services on interlocal cooperative purchasing agreements under the Public Competitive Bidding Act of 1974.

This proposed legislation will limit the use of an important contracting tool for Oklahoma Procurement and Public Works teams by imposing a \$1M spending limit for school districts through cooperative purchasing agreements. It will also exclude services requiring labor for political subdivisions.

To date, cooperative procurement has been used successfully across Oklahoma as a contracting method approved by the American Bar Association and the National Institute of Government Procurement. Its efficiency and advantageous pricing can significantly save taxpayer dollars for construction and installation projects.

Competition is still prevalent in cooperative procurement, where all contracts must adhere to public works requirements and labor rates. Cooperative contracts are probably the most vetted contracts in the public arena, as each contracting entity performs their own due diligence before using any cooperative contract.

As a former government manager and procurement professional, I can personally testify to the benefits of cooperative procurement.

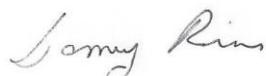
- It can often take months to solicit and award a construction contract. When addressing a parking lot or basketball court that must be resurfaced during a 3-week timeframe when students aren't on campus;

a leaky roof that is impacting a classroom, or a falling tree that takes out a recreation facility, school district teams need a contracting tool to quickly address these issues. Traditional bidding takes too long to be effective in these unique situations.

- Installation of commodities such as school security systems, HVAC and air quality units, artificial turf for fields, and gymnasium scoreboards can require specialized training, with electrical components, computer system integration, and ongoing monitoring and maintenance. Purchasing a product and having school facility teams install is not always an option, as it can take specific manufacturer training and skill sets. Bundling installation services with a commodity is becoming the norm in government contracting.
- When agencies aggregate their combined spending power through a cooperative contract, it often delivers better pricing than they might have received through their own bid process.
- Emergencies can be handled quickly, as contracts are ready to use, with set pricing. Your government and school district teams now have an extra tool to use in making decisions on how to quickly address these time-sensitive issues.

SB1849 will limit or remove the option of using this successful contracting tool by Oklahoma school districts and political subdivisions. On behalf of our membership of cooperative organizations, construction companies and public procurement professionals, **NCPP strongly opposes this bill.**

Thank you for your consideration,



Tammy Rimes, MPA
NCPP Executive Director