



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
BURTON M. CROSS BUILDING, 3RD FLOOR
78 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0078

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JANET T. MILLS
GOVERNOR

KIRSTEN LC FIGUEROA
COMMISSIONER

*Testimony of Anya Trundy, Chief of Legislative and Strategic Operations
Department of Administrative and Financial Services*

**LD 2047, An Act to Increase the Expenditure Limit for Information Bidding Processes
and Update References to the Office of Procurement Services**

Presented by Representative Holly Stover
To the Joint Standing Committee on State and Local Government

Senator Nangle and members of the Joint Standing Committee on State and Local Government, I am Anya Trundy, Chief of Legislative and Strategic Operations for the Department of Administrative and Financial Services. I present to you DAFS department bill LD 2047, which is comprised of two equally straightforward parts.

Part A of this bill would increase the threshold for using informal bidding processes for the procurement of goods or services from \$10,000 to \$25,000. Currently, any purchase of goods or services expected to cost more than \$10,000 must go through the more intensive and time consuming formal competitive bid process. While this more involved scrutiny is appropriate when purchasing goods and services at higher dollar values, it frustrates departments and agencies with the difficulty and delay it adds to making relatively minor purchases and contracting for simple services. The volume of procurements ensnared by the current outdated threshold also inefficiently consumes staff capacity and creates backlogs within the Office of Procurement Services.

This threshold has not been updated since 1999 and the buying power of \$10,000 is almost half what it was then—\$10,000 in 1999 adjusted for inflation is equal to \$18,670 today. The Bureau of General Services is comfortable increasing the threshold beyond that to \$25,000 in hopes that further adjustment isn't needed for at least a decade.

"Oral proposals" would also be amended to "informal written quotes" for better record keeping. Currently, only the bid accepted by the soliciting agency is written up. Going forward all informal bids would be submitted in writing. This slight shift is intended to increase accountability to ensure that agencies are actually soliciting multiple bids and the State's business is in fact being awarded to the best value bidder. It will also yield more data points about pricing.

Part B replaces the term “Bureau of Purchases” and other inconsistent references with “Office of Procurement Services” and the term “State Purchasing Agent” or similar with “Chief Procurement Officer” across 55 iterations throughout the Maine Revised Statutes. Office of Procurement Services and Chief Procurement Officer are how the division and position have been referred to for some time—this change serves to simply make statutory references consistent.

Thank you for your time and consideration. I will do my best to answer any questions the Committee may have at this time and come back to you at the work session with any answers I can't provide today.