

# THE FIRST WORD

September, 2019

## ACEC OKLAHOMA Board of Directors Address "Oklahoma First" Initiative Interim Study on "Oklahoma First" Tentatively Scheduled for October 10<sup>th</sup>

During the last legislative session, Senate Bill 376 was introduced by Senator Rob Standridge to further his "Oklahoma First" initiative aimed at ensuring more state contracts are awarded to Oklahoma businesses.

While SB 376 only addressed construction contracts, comments made by the Senator in a press release regarding the percentage of engineering contracts awarded to firms not headquartered in Oklahoma caused a great deal of concern to ACEC OKLAHOMA and many ACEC OKLAHOMA member firms due to its potential negative impacts to Qualifications-Based Selection (QBS).

As the session progressed, SB 376 was not considered by the House and did not become law. However, in the waning days of the session, similar language was inserted by a House/Senate Conference Committee, of which Senator Standridge was a member, into HB 2330 requiring awarding agencies to, *"...list the city, state and country in which the company that is seeking or awarded work is headquartered. If the company is an Oklahoma entity of which over fifty percent (50%) is owned by an out-of-state entity or individual, then, for the purposes of this section, the location of the company's headquarters shall be considered to be in the city, state and country of the majority owner. Any work the state awards that is not strictly awarded by the lowest price and that is awarded to a company not headquartered in Oklahoma shall require the awarding agency's director to provide reasons why the out-of-state company was chosen over an Oklahoma company."*

HB 2330 passed the House two days before the end of the session, and was one of the very last bills approved by the Senate just prior to adjournment of the 2019 Session. Governor Stitt signed the bill into law on May 28. HB 2330 is directly applicable to construction contracts under the State Competitive Bidding Act, but the precedent still was of concern to ACEC OKLAHOMA.

Needless to say, this has been a very hot topic over the past 2-3 months, and has caused a certain amount of division among ACEC OKLAHOMA's membership.

Your ACEC OKLAHOMA Board of Directors recognized the potential negative impacts to our organization and called a Special Board Meeting/conference call in early August to discuss this issue at-length and in-depth. Additional discussion occurred at the regularly scheduled August 22<sup>nd</sup> Board meeting.

After much discussion and deliberation, the Board unanimously agreed that this is a QBS issue, and that imposing any undue restrictions on contracts awarded based on firm ownership or providing statutory preference based on firm ownership could jeopardize the integrity of the QBS process.

As reported by Chairman of the Board Jim Hemphill at the General Membership Meeting on August 22<sup>nd</sup>, the Board of Directors **unanimously** adopted the following policy statement regarding the Oklahoma First initiative:

- 1. The Board of Directors is unified in our support of QBS and will oppose any effort to dilute or weaken the QBS process, and,**
- 2. The Board of Directors is also committed to reinforcing our efforts to maintain the trust and respect of our business partners.**

As a follow up to the legislation he introduced during the 2019 session, Senator Standridge requested an Interim Study regarding the Oklahoma First initiative. **Interim Study S19-062, A study on how the state and subdivisions put Oklahoma First** is tentatively scheduled before the Senate Business, Commerce, & Tourism Committee on Thursday, October 10<sup>th</sup>. Once ACEC OKLAHOMA receives "official" notification of the date, time, and location, we will provide that information to all ACEC OKLAHOMA members.

## Legislative Issues Cont. from Page 1

In other legislative news, we are sure that you will remember the “Transparency” issue from last session which would have required businesses with state contracts greater than \$100,000 to install software on their computers which would track all mouse clicks and key strokes, and take screen shots on three minute intervals. The legislation was requested by a company which makes and sells this tracking software, and alleges that states are losing millions of dollars per year by being charged for computer hours when no one is actually working at the computer.

The legislation, which did not see action by the House, was referred to an Interim Study... **IS H19-035, Utilizing Technology for Greater Transparency and Accountability in Government Contracting**...which is expected to come before the House Government Efficiency Committee later this Fall.

ACEC OKLAHOMA actively opposed this legislation last session, and will closely monitor the actions of the Committee as it considers this Interim Study.

Additionally, ACEC OKLAHOMA will be watching three other Interim Studies:

- **Interim Study H19-027 Funding & Authority Relationship between ODOT and Municipalities/Counties.** Questions on conflicts between state statute and administrative code on funding and maintenance of the state highway system and county highway system
- **Interim Study H19-040 Arkansas River Flood Event of 2019.** The goal will be to facilitate a state level after-action study of the events leading up to the historic flooding throughout the Upper & Lower Arkansas River Basin beginning in May 2019. Review and discuss steps taken by federal, state & local governmental agencies as well as public and private stakeholders to forecast, plan & ultimately mitigate the overall risk of loss to people, property, wildlife & environment as well as the overall resulting negative economic impact to local communities & the State of Oklahoma. Highlight the great efforts and successes throughout the Upper & Lower Arkansas Basin, but also recognize the need to study and determine areas & actions that may be taken to better prepare, plan, coordinate and respond to future events.
- **Interim Study S19-001 A study on advanced transportation technology readiness.**

While H19-027 and H19-040 are self explanatory, we're not sure of the specific issues to be addressed the S19-001, but assume it might be dealing with autonomous vehicles.

Regardless, all three studies may deal with engineering issues and prompt future legislation which would impact the consulting engineering profession.

ACEC OKLAHOMA will keep you updated as necessary.

## Have You Subscribed to ACEC's New Podcast Series “Engineering Influence”?



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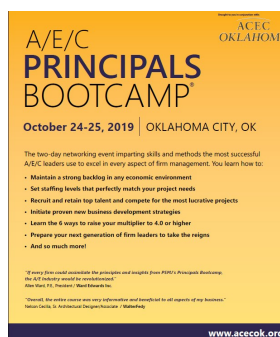
“Engineering Influence” is a Podcast series produced in-house by ACEC.

The two most recent podcasts are from the just-concluded FIDIC Annual Conference featuring discussions of the economic outlook for Europe for engineering, and, Dr. Michele Kruger, the Chair of FIDIC's Diversity and Inclusivity Committee, discussing the business impacts that come from diverse hiring and retention policies.

Other recent topics include:

- How to be a Professional Procrastinator
- Private Industry Brief on Public/Private Partnerships
- An interview with Bloomberg Government's Shaun Courtney to discuss current affairs in Washington, what's happening in Congress and the prospects for an infrastructure bill.

Check it out by visiting <https://acecnational.podbean.com/>



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## President's Monthly Update

### September, 2019

#### Linda Bauer Darr, President & CEO

I hope you all enjoyed a great Labor Day weekend! Thanks to all who participated in the recent webinar for MO leaders on our proposed Strategic Plan. The draft Plan could not have taken shape without the benefit of input from over 1,000 stakeholders – from ACEC's members and volunteer leaders to stakeholders in the industry, in government, and in the media. We continue to welcome your thoughts and questions leading up to the Plan's formal presentation to the Board for a vote on October 13 – feel free to reach out to me at any time. And don't forget to register for the Fall Conference in Chicago if you have not already done so – the Early Bird cutoff date is coming up on September 12.

#### MO Services

- ACEC's award-winning magazine *Engineering Inc.* will switch to a seasonal publication schedule (four issues per year) beginning in February, 2020; the magazine will still deliver the best coverage of the business of engineering, including advocacy updates, marketplace news, Member Firm innovations, and starting next year, in-depth profiles of Member Organizations.
- Met with Treasury Department staff to discuss solutions to the problem of governmental entities requiring payment in exchange for allocating the Section 179D energy efficient commercial tax deduction to the designer.
- Submitted pre-publication comments on EPA/U.S. Army Corps of Engineers proposed compensatory mitigation rule changes.

#### General

- Produced a new podcast episode on the business case for a diverse workplace, featuring an interview with Chandra Storrusten, CEO & Chief Value Creation Officer at Visible Value; remember, our Engineering Influence podcasts are found here and to date we have archived 20 for your listening pleasure!
- ACEC Superfund and Emerging Contaminants Work Group submitted four recommended program performance measures to EPA's Office of Superfund Remediation & Technology Innovation.
- Participated in National Governors Association infrastructure stakeholder summit focused on multimodal investments and technology innovations for congestion relief and economic development.

#### Advocacy and External Affairs

- Held a monthly advocacy conference call with the MOs; the next call is scheduled for September 19 at 1:00 p.m. EDT – contact Steve Hall for further details.
- Senator John Barrasso (R-WY), the Chairman of the Senate Environment and Public Works Committee, joined members of ACEC's Executive Committee during their summer meeting in Jackson Hole to discuss his \$287 billion surface transportation reauthorization bill.
- ACEC sent a letter to the Treasury Department requesting guidance on the application of the R&D tax credit to the engineering industry in order to streamline audits and provide improved direction to firms that claim the credit.
- Sent recommendations to the U.S. Army Corps of Engineers updating EP 715-1-7, the Engineer Pamphlet providing guidance to USACE contracting staff; the recommendations address industry concerns over the Corps' policy of competing task orders and include updated best practices for effective selection of a firm for a specific task order under a multiple award IDC.
- Met with members of Senate staff on passage of United States–Mexico–Canada Agreement (USMCA).
- Met with GSA staff on numerous open FAR cases and issues related to procurement.

