

2016 STATE LEGISLATIVE PRIORITIES

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The American Council of Engineering Companies of Kansas (ACEC Kansas) is focused on promoting and protecting the business interests of Kansas engineering companies and their ability to serve their clients. With 73 member firms, ACEC Kansas represents small, medium, and large engineering firms, who serve clients in Kansas, the United States, and throughout the world. The following outlines ACEC Kansas's priorities for the 2016 legislative session.

2016 TOP PRIORITIES:

- Procurement
- Transportation Funding
- Private Sector Engagement
- Contracting

IMPORTANT PRIORITIES:

- Alternative Project Delivery
- Taxing Professional Services

STANDING POSITIONS:

- Licensure
- Labor and Workers' Compensation/
Unemployment Insurance
- Workforce Development and Education
- State Building Codes



TOP PRIORITIES

1.0 PROCUREMENT

From design through construction, to operation and maintenance, the method used to select professional engineering services has a profound effect on project quality and total cost. Any selection method other than selecting professional engineering consultants based on qualifications can prove costly to the client, the taxpayer, and the project user.

ACEC KANSAS POSITION

ACEC Kansas supports legislation that protects and promotes the use of qualification-based selection (QBS) by state agencies. ACEC Kansas also supports state laws requiring local governments receiving federal and/or state funding including grant and loan programs to use QBS for selecting professional services provided by engineering consultants.

2.0 TRANSPORTATION FUNDING

Transportation infrastructure is the backbone of the economy. A strong and efficient transportation system is critical for protecting public health and safety, promoting commerce, and keeping Kansas and America competitive. Without it, emergency workers can't respond, manufacturers and farmers can't get their products to market, students can't get to school, and workers can't get to jobs.

ACEC KANSAS POSITION

ACEC Kansas supports robust funding for transportation infrastructure to provide and maintain systems for Kansans to safely and efficiently go about their daily lives. Kansans across the state know that our transportation needs far outweigh the dedicated resources. The funds taken from current transportation programs should be restored and a stable long-term funding stream established for the exclusive use of transportation. This commitment will add jobs, save lives, and grow the Kansas economy.

ACEC Kansas supports protecting and increasing revenue through a variety of methods such as increasing the fuel tax, implementing an alternate fuel tax, and exploring other innovative funding mechanisms.

ACEC Kansas opposes continued sweeps from the State Highway Fund.

3.0 PRIVATE SECTOR ENGAGEMENT

ACEC firmly believes private industry is in the best position to provide innovative, timely, and cost-effective services that best serve the public interest. In an ongoing study across all 50 states, New York University is finding contracting out engineering and design services to the private sector costs less and is an effective means to reduce state spending. In Kansas, the study found taxpayers save more than \$43,000 per engineer by engaging private sector engineering firms instead of in-house staff to provide highway and transportation engineering and design.

ACEC KANSAS POSITION

ACEC Kansas supports policies and legislation encouraging state and local agencies to contract out professional design services to private consultants.

4.0 CONTRACTING

Engineering firms routinely enter into written contracts - agreements that are enforceable by law - to provide services to both public and private sector clients. In addition to the offer of services for an agreed upon compensation, contracts typically include a wide range of terms that influence the risk each party undertakes in fulfilling the contract. Engineering firms seek to create terms that fairly and reasonably distribute risk between the parties and are consistent with insurance coverage available in the normal course of business. While the legal tenets of contracting are expressed through current statutes and case law, changes to state statutes can influence the fairness and reasonableness of contract terms.

Contract language that limits free market business practices such as mandating where services are performed or where a firm's employees live can negatively affect quality of service, innovation, period of performance, and resource allocation.

ACEC KANSAS POSITION

ACEC Kansas supports statutes and policies that result in contracts that are fair and reasonable for all parties involved. No statute or policy should shift the customary risks and responsibilities of one party to another nor allow terms that unduly risk the very solvency of either party.

ACEC KANSAS POSITION

ACEC Kansas opposes local preference or protectionist legislation, which mandates where employees live or where services are performed.

IMPORTANT PRIORITIES

1.0 ALTERNATIVE PROJECT DELIVERY

The traditional project delivery approach to design and construct infrastructure projects is often referred to as design-bid-build. In this approach, the client separately hires an engineering firm to design the infrastructure improvement such as a highway or building and a construction firm to build it. Alternative project delivery methods such as design-build, public-private partnerships (P3s), and construction-management-at-risk have proven successful when used for the right project and in the appropriate circumstance. Often, alternative methods are used to accelerate a project schedule,

to take advantage of private financing, and/or to reduce total project cost. Both the traditional form of project delivery as well as newer mechanisms can be very effective depending on the specifics of each project and the needs of the agency client.



ACEC KANSAS POSITION

ACEC Kansas supports legislation that would allow alternative project delivery methods be used under appropriate circumstances.

2.0 TAXING PROFESSIONAL SERVICES

ACEC Kansas is opposed to the concept of levying a sales tax on businesses that provide professional services to their clients. Such taxation is regressive, inhibits competition, and is inherently difficult, and burdensome to administer. Because over 50 percent of engineering business comes from tax exempt clients, taxes on professional services have historically failed to generate the amount of forecasted revenue. Taxing professional services would put Kansas firms at a competitive disadvantage across the country and globally.

ACEC KANSAS POSITION

ACEC Kansas opposes any legislation that would impose a sales tax on professional services.

STANDING POSITIONS

1.0 LICENSURE

ACEC Kansas supports specific technical licensure for qualified professionals in the disciplines of engineering, architecture, landscape architecture, land surveying, and geology as outlined by state statutes as well as the rules and regulations of the Kansas State Board of Technical Professions (KSBTP). In addition, ACEC Kansas supports proper and adequate funding for the operation of the KSBTP.

2.0 LABOR AND WORKERS' COMPENSATION/UNEMPLOYMENT INSURANCE

ACEC Kansas promotes the continuation of Kansas as a right-to-work state, and opposes any mandates that state contracts require a prevailing wage or the use of organized labor. We oppose local preference legislation in terms of the location of physical offices or individuals who work on state and local contracts. ACEC Kansas supports a fair and balanced system for workers' compensation and unemployment compensation.

3.0 WORKFORCE DEVELOPMENT AND EDUCATION

A crucial element of ACEC Kansas member firms' continued success is the ability to hire career-ready engineers and professionals. ACEC Kansas supports policies, programs, and adequate funding that will improve science, technology, engineering, and mathematics (STEM) education at every level. In addition, we support continued funding of the University Engineering Initiative Act (UEIA) to increase the number of undergraduate engineering degrees from the three Kansas research universities.

4.0 STATE BUILDING CODES

ACEC Kansas supports the consistency and certainty afforded by adoption of codes from the International Code Council and the National Electric Code (NFPA 70) without local or state amendments.



ACEC KANSAS MISSION:

The American Council of Engineering Companies of Kansas (ACEC Kansas) is the trade association representing private consulting engineering firms doing work in the State of Kansas. ACEC Kansas serves the needs of those firms and is dedicated to the promotion and development of the highest standards of professional competence and ethics.