

MEMORANDUM

TO: Vermont Senate Committee on Government Operations

FROM: Emily Kisicki, Deputy Commissioner of BGS

DATE: March 27, 2025

SUBJECT: Impacts of H.244, *an act relating to State contracting standards for advertising*

Thank you for the opportunity for the Department of Buildings and General Services (BGS) to comment on H.244. We appreciate the chance to share our perspective and concerns. The importance of local media cannot be understated, and we understand and agree with the underlying goal of supporting our local news organizations.

H.244 would create a new layer of process for internal users as well as for the vendor community and would potentially tie the hands of state agencies by preventing them from having the discretion and flexibility to determine the most efficient and cost-effective way to reach target audiences in marketing campaigns.

This bill would require that when contracting for advertising services for the State or its agencies, departments, instrumentalities, or institutions, the Commissioner of BGS shall contract with local news and/or broadcast organizations for not less than 70% of the total annual value of such advertising services. This represents a significant shift in the current process for state government advertising contracts, which is predominantly done directly through state agencies in a decentralized manner through delegated authority rather than through BGS.

From a solicitation and contracting perspective, it would necessitate additional requirements to be inserted into the Request for Proposal process. For instance, we would likely require a certification form of the supplier community to ensure they meet requirements identified under §910(e)(2)(B-F) each time a solicitation is issued. The feedback we hear in our Office of Purchasing and Contracting is that our vendor community wants a simplified process, and this would add another layer to that process and make it a step harder to do business with the State.

The State already has a preference for Vermont businesses built into our contracting process. Generally, State adheres to an open competitive bidding process. Bulletin 3.5 recognizes that all other considerations being equal, preference will be given to resident bidders of the State and/or products raised or manufactured in the State. BGS suggests that it would be worthwhile to take a step back to evaluate data and work on best practices for advertising contracting in a way that supports the application of the existing preference or other methods to support local media without legislating a specific spending benchmark or otherwise restricting the ability of agencies and departments to determine the best method of reaching their audience.

Again, thank you for the opportunity for BGS to weigh in on this discussion, and we appreciate the Committee's time and consideration. We encourage the Committee to hear from other state agencies and departments regarding their perspective on H.244 and how this might impact their operations.

Sincerely,

Emily Kisicki, Deputy Commissioner
VT Department of Buildings and General Services

