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Rep. Terrance Carroll
Rep. Lynn Hefley
Rep. Keith King
Rep. Rosemary Marshall
Sen. Jim Dyer
Sen. Peter Groff
Sen. Shawn Mitchell
Sen. Jennifer Veiga

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SUMMARY OF MEETING

COMMITTEE ON LEGAL SERVICES

April 19, 2006

The Committee on Legal Services met on Wednesday, April 19, 2006, at 12:09 p.m. in HCR 0112. The following members were present:

Representative McGihon, Chair
Representative Carroll T. (present at 12:12 p.m.)
Representative Hefley
Representative King
Representative Marshall
Senator Dyer
Senator Groff
Senator Grossman, Vice-chair
Senator Veiga

Representative McGihon called the meeting to order. Representative McGihon left to attend another meeting.

Senator Grossman said the Committee will not be hearing the rule review bill today. We are, however, going to be dealing with the issue of the publication contract for the Colorado Revised Statutes.

Jennifer Gilroy, Revisor of Statutes, Office of Legislative Legal Services, addressed agenda item 2 - Update on Publication Contract.

Ms. Gilroy said she is joined today by Nikki Daugherty from LexisNexis. She's our representative and also the director of government relations and contracts at LexisNexis. She's here to answer any questions the Committee might have. The primary reason we're here and the primary reason I asked to be placed on your agenda today is because LexisNexis, who is our contract

printer, has asked us to be able to outsource the print and distribution portion of our contract with them to a company that's local to them out in Virginia. As it turns out, our contract with LexisNexis does require consent from the Committee in order for them to do that. I want to back up just a bit and set the stage, since many of you were not on the Committee at the time this contract was put in place 4 years ago. We are actually a rare state in the sense that we are one of the few states that actually does all the publication work in-house. The Office does the publication work in terms of preparing the statutes, Session Laws, source notes, editorial notes, indices, annotations, charts, and everything you find in the red book. Then, we send that, by database, to LexisNexis for them to actually do the printing and binding of both the Session Laws and the Colorado Revised Statutes pursuant to our contract with them. LexisNexis actually prints and binds the books and also produces a searchable CD-ROM and has even provided us with an historical CD-ROM that gives us all the statutes from back when they started the contract. In addition, they provide for the Colorado Revised Statutes and Session Laws to be provided on-line in a searchable format free of charge to users of our Colorado General Assembly webpage. They are also responsible, under the contract, for distributing the Session Laws, statutes, CD-ROMs, etc., to our government consumers or clients. We actually provide free of charge, at no cost, approximately 3,200 sets of statutes to various state and local governments and courts for their use. They are considered property of the state of Colorado. In addition, LexisNexis sells to private consumers, such as law firms, who use both their programs as well as the statutory books. We are currently in the middle of the fourth year of a 5-year contract. By statute, we are limited to a 5-year contract, which was entered into January 1, 2003. In December 2007, subsequent to the next 2007 session, this contract will expire. The statute does require that we have a new contract in place at least 6 months prior to the expiration. That puts you at about June 2007 for making a decision about a new contract. You will probably have to address this over the course of the session next year, so I will be coming back at your next meeting, which will be August or September, after the summer, to address in more detail whether or not you wish to extend the current contract, which you're authorized to do under statute for up to a 5-year period of time, or if you prefer to put it out to bid. As I said, I can discuss that in more detail with you and our relationship with LexisNexis at that time.

Ms. Gilroy said I'd like now to focus on the primary reason we're here today and that is to address the contractual arrangement we have with LexisNexis in terms of allowing them to outsource the print contract to this other company, Cadmus Communications. LexisNexis, who we work with regularly, is located in Charlottesville, Virginia. Cadmus Communications'

homebase is in Richmond, Virginia, which is about an hour away. However, they've indicated that they wish to use the printing facilities available through LexisNexis on their properties for the first year. For this 2006 publication, they'd be using the printing equipment available at LexisNexis and thereafter would do it through Richmond. I've received assurances from Ms. Daugherty that the quality and the timeliness will be maintained in terms of what we have received so far. I've actually put out some samples on the tables of some of the books that Cadmus Communications has actually printed. The books you see from Virginia, Idaho, and Indiana give you some example of the quality of work that Cadmus does produce. They're considered the fifth-largest periodical printer and are quite well-known as a world leader for providing services to scientific, technical, and medical publishers. I think LexisNexis has had a relationship with them for approximately 20 years in doing this sort of business relationship. Under our contract that we have currently with LexisNexis, in order for us to authorize them to outsource the print and distribution responsibilities, the Committee would need to give written permission to LexisNexis to proceed for this year and the following year, the final year of the contract. I have prepared a letter of consent for the Committee's review and attached it to my memo. What I'm seeking today is your consideration and any questions you have of me, but ultimately you have to vote on whether or not to give consent to LexisNexis to be able to outsource the printing and distribution of the statutes and Session Laws to Cadmus Communications.

Representative King asked if there are any price considerations with outsourcing? Ms. Gilroy said no, the price under our contract remains the same. There are no additional costs and no reduced costs.

Ms. Daugherty said the only thing she wanted to add was to emphasize LexisNexis' primary responsibility under the contract. Also, this isn't a pass-through from Ms. Gilroy's office to Cadmus. We have a legal attorney who receives the database and reviews it and we do all of the composition, so it still remains primarily an in-house operation and then we oversee that with the communication between Cadmus and our offices. I just want to make sure that you knew that the oversight is still in place.

Senator Grossman said the letter Ms. Gilroy has doesn't have any provision for extension or rebidding. Is that going to be the decision of the Committee over the interim? Ms. Gilroy said that is correct.

Representative Hefley said that is one of the things I was going to point out, that it would still follow the process next year. I did want to say as well that

I was here when we went through it before and some of you were on the Committee. It was very grueling experience in a way to try to get through all that, but I think we did a great job and I feel that we're very satisfied currently with the work you all have done and I want to thank you.

Ms. Gilroy said I want to point out one further thing, too. LexisNexis' printing equipment is such that when we missed a deadline a couple years back in getting our database to LexisNexis, we missed it by one or two days, it put us back in the line a bit in getting our statutes printed and our receipt of them was delayed as a result. What I have understood from this potential outsourcing to Cadmus Communications is that they are in the business exclusively of printing and so they have "redundancy of equipment", meaning they have multiple printing facilities, so if there's any problem with equipment or what-have-you, we don't get bumped, or if we're delayed a day or two in getting our database to them, we won't have that significant delay in getting it back. I wanted to point out that there might be an advantage to us, although not in cost, but in efficiency.

12:19 p.m.

Hearing no further discussion or testimony, Senator Veiga moved that the Committee sign the letter of permission for subcontracting the printing and distribution. Senator Grossman asked Ms. Gilroy if it's sufficient that Representative McGihon sign the letter at the direction of the Committee? Ms. Gilroy said yes. Senator Grossman asked Senator Veiga if that would be her motion? Senator Veiga said that would be her motion. The motion passed on a 8-0 vote, with Representative Carroll, Representative Hefley, Representative King, Representative Marshall, Senator Dyer, Senator Groff, Senator Grossman, and Senator Veiga voting yes.

The Committee next discussed meeting again to hear the rule review bill.

12:21 p.m.

The Committee adjourned.