76th OREGON LEGISLATIVE ASSEMBLY – 2012 Regular Session **MEASURE: SB 1556**
STAFF MEASURE SUMMARY **CARRIER: Sen. Monnes Anderson**
Senate Committee on Business, Transportation & Economic Development

REVENUE: No revenue impact
FISCAL: Minimal fiscal impact, no statement issued

Action:		Do Pass
Vote:		6 - 0 - 0
	Yeas:	Atkinson, Burdick, Edwards, Girod, Starr, Beyer
	Nays:	0
	Exc.:	0
Prepared By:		Patrick Brennan, Administrator
Meeting Dates:		2/9, 2/14

WHAT THE MEASURE DOES: Permits contracting agencies to give preference to a bidder or proposer that exceeds the federal Buy America requirements that apply to federally funded transit projects. Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Background on Buy America requirements
- Oregon companies that could benefit from measure
- Permissive, rather than prescriptive measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The federal Buy America requirement specifies that no funds may be obligated by the Federal Transit Administration (FTA) to a project receiving FTA grant moneys unless all iron, steel and manufactured products used in the project are produced in the United States. The FTA may grant a waiver in situations where following through with the requirement would be inconsistent with the public interest, the materials for which the waiver is requested are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality, or the inclusion of a domestic item or domestic material will increase the cost of the contract between the grantee and the item supplier by more than 25 percent. Buy America provisions also do not apply to the procurement of buses or other rolling stock such as train control, communication or traction power equipment if the cost of components produced domestically is more than 60 percent of the cost of all components and final assembly takes place in the United States. Labor costs involved in final assembly are not included in calculating the cost of components.

Senate Bill 1556 permits a contracting agency to provide a preference to a bidder or proposer that exceeds the federal Buy America requirements that apply to federally funded transit projects.