76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session MEASURE: HB 2958 STAFF MEASURE SUMMARY

House Committee on General Government and Consumer Protection

REVENUE: No revenue impact FISCAL: Fiscal statement issued

Action: Without Recommendation as to Passage, Be Referred to the Committee on Rules, and then Be

Referred to Joint Committee on Ways and Means by Prior Reference

Vote: 8 - 0 - 0

Yeas: Cameron, Clem, Conger, Matthews, Sheehan, Smith J., Holvey, Whisnant

Nays: 0 Exc.: 0

Prepared By: Jan Nordlund, Administrator

Meeting Dates: 2/22, 4/20

WHAT THE MEASURE DOES: Requires Department of Consumer and Business Services (DCBS) to compile and submit a report annually to the Legislative Assembly regarding funds dispersed or distributed in Oregon under American Recovery and Reinvestment Act (ARRA). Specifies that DCBS shall identify the business entities that received the funds and shall categorize the businesses with particular attention to the following business types: minority-owned, womenowned, emerging small, or disadvantaged. Sunsets on January 2, 2014. Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Concerns of minority groups regarding public contracts
- Transparency requirements under ARRA
- Tracking only certified businesses
- Appropriate agency to compile and report data
- Governor's role in collecting and reporting on ARRA projects
- Disaggregation of data
- ARRA directives on minority- and women-owned businesses

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Federal American Recovery and Reinvestment Act was enacted in 2009. With an expected cost of \$787 billion, ARRA distributes funds through three channels: tax cuts and transfer payments; federal aid to states; and direct federal spending. While a significant share of total spending occurred in 2009, most either occurred in 2010 or will occur in 2011.

Oregon may receive as much as \$3.9 billion in economic assistance in important areas such as health care, education, energy efficiency, public safety and infrastructure. The Governor established the Economic Recovery Executive Team (Team) to coordinate and track the infusion of federal stimulus dollars into Oregon. The Team works closely with state agencies on implementation of ARRA, including: grant application design and related policy development; contract, procurement and vendor issues; communication and outreach; and compliance and auditing issues. Additionally, the Team oversees the development of the Oregon Stimulus Transparency and Accountability Tracking System (ORSTATS). The website the Team developed (http://www.oregon.gov/recovery/index.page) allows the public to track projects by location and category. Raw data on nearly 2,700 awards to agencies and their sub-recipients and vendors can be downloaded.