

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Without Recommendation as to Passage and Be Referred to the Committee on Rules
Vote:	7 - 0 - 1
Yeas:	Clem, Conger, Matthews, Sheehan, Smith J., Holvey, Whisnant
Nays:	0
Exc.:	Cameron
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	4/19

WHAT THE MEASURE DOES: Raises threshold for requiring a cost analysis or feasibility determination for procurement from \$250,000 to \$2 million. Requires contracting agency to include the agency's indirect overhead costs in the cost analysis. Removes prohibition on proceeding with a procurement if the contractor's costs are lower solely because the contractor pays employees less than the agency does. Deletes requirement that contracting agency is to prepare an appropriation request to hire or obtain resources necessary to perform services that agency determined would be less costly to perform in-house but lacked the necessary staff and resources to perform. Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Referral to House Rules

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Under current statutes, a contracting agency must conduct a cost analysis or feasibility determination before procuring services with an estimated price that exceeds \$250,000. Exempt from the requirement are small cities and counties, small community colleges, special districts, Port of Portland, and procurement for client services.