

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: Bonamici, Boquist, George, Monroe, Shields

Nays: 0

Exc.: 0

Prepared By: Patrick Brennan, Administrator

Meeting Dates: 3/21, 4/6, 4/11, 4/18

WHAT THE MEASURE DOES: Permits public agencies to enter into an ‘indefinite quantity contract’ for architectural, engineering, land surveying and related services if the agency anticipates a recurring need for the service and cannot specify in advance a particular quantity of services needed or makes a determination they should only award a contract for a minimum quantity of service. Prohibits the agency that awards the indefinite quantity contract from requiring the contractor to obtain professional liability insurance if the contractor does not require a professional license or a licensed engineer to perform the work. Requires the agency that awards the indefinite quantity contract to issue a work order for at least the minimum quantity of service stated in the solicitation or pay the contractor a minimum of five percent of the amount the agency budgeted for the term of the contract. Requires the agency that awards the indefinite quantity contract to issue a work order for additional services from the contractor before issuing a new request for proposals for the same or similar services. Requires agency to award indefinite quantity contracts of \$100,000 or less to certified disadvantaged, minority women or emerging small business enterprise.

ISSUES DISCUSSED:

- Businesses receiving contracts but not being given work on projects
- Applicability to state and local governments

EFFECT OF COMMITTEE AMENDMENT: Allows for contracts for architectural, engineering or land surveying services *or related services*. Specifies that such contracts may not be for more than three years. Provides that a contracting agency awarding an indefinite quantity contract must award it to a certified disadvantaged, minority, women or emerging small business enterprise under ORS 200.055 if the contract is for \$100,000 or less. Specifies that the contracting agency must specify as the minimum quantity of services a quantity that is equivalent in cost to five percent of the total amount budgeted for such services for the term of the indefinite quantity contract.

BACKGROUND: Indefinite quantity (IDQ) contracts are a type of contract that provides for an indefinite quantity of supplies or services during a fixed period of time. They are most often used for service contracts and for architect-engineering services. A government agency places delivery orders (for supplies) or task orders (for services) against a basic contract for individual requirements. Minimum and maximum quantity limits are specified in the basic contract, as either a number of units for supplies or as a dollar value for services. IDQ contracts are most often used when the agency cannot predetermine, above a specified minimum, the precise quantity of supplies or services that will be required during the contract period.

Senate Bill 667-A permits contracting agencies to utilize indefinite quantity contracts in cases where there is an anticipation of a recurring need for architectural, engineering, land surveying or related services.

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This summary has not been adopted or officially endorsed by action of the committee.