

# House Bill 3496

Sponsored by Representative CONGER; Representatives PARRISH, WHISNANT, Senators OLSEN, TELFER

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Department of Transportation to establish pilot program under which department contracts with private contractor to perform vehicle registration functions department now performs. Requires department to evaluate implementation of program on annual basis and report to Legislative Assembly. Prescribes contents of report. Sunsets program January 1, 2015.

Exempts department from requirement to demonstrate by means of cost analysis that department would incur less cost in conducting a procurement than in performing service with department's own personnel and resources. Becomes operative 91 days after effective date of Act.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to public contracting by the Department of Transportation; creating new provisions;  
3 amending ORS 279B.030; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) The Department of Transportation shall establish a pilot program under**  
6 **which the department, in accordance with the Public Contracting Code, solicits bids for the**  
7 **program and awards a contract to a private contractor to provide services related to vehicle**  
8 **registration that the department now provides. The department shall ensure that the con-**  
9 **tractor the department selects is qualified to provide the services that the department and**  
10 **provisions of law relating to vehicle registration now require.**

11 **(2) The department shall implement the pilot program described in subsection (1) of this**  
12 **section on a phased or incremental basis or otherwise in a manner that is consistent with**  
13 **minimizing disruption or interruption of service to the public.**

14 **(3) The department shall identify and compile the statutes and rules that govern the**  
15 **department's vehicle registration functions and include the compilation in each edition of the**  
16 **report the department submits to the Legislative Assembly under subsection (4) of this sec-**  
17 **tion.**

18 **(4) The department shall evaluate the implementation of the pilot program on an annual**  
19 **basis and shall report the results of the evaluation to the Legislative Assembly on or before**  
20 **the date on which each regular session of the Legislative Assembly convenes. The report at**  
21 **a minimum must include the information specified in subsection (3) of this section and must:**

22 **(a) Compare the costs of providing the service through the contractor with the costs of**  
23 **providing the service using the department's own personnel and resources; and**

24 **(b) Evaluate the contractor's performance of the required services on the basis of cus-**  
25 **tomers satisfaction, efficiency and cost.**

26 **SECTION 2. ORS 279B.030 is amended to read:**

27 **279B.030. (1) Except as provided in ORS 279B.036, before conducting a procurement for services**  
28 **with an estimated contract price that exceeds \$250,000, a contracting agency shall:**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (a) Demonstrate, by means of a written cost analysis in accordance with ORS 279B.033, that the  
 2 contracting agency would incur less cost in conducting the procurement than in performing the  
 3 services with the contracting agency's own personnel and resources; or

4 (b) Demonstrate, in accordance with ORS 279B.036, that performing the services with the con-  
 5 tracting agency's own personnel and resources is not feasible.

6 (2) If a local contracting agency authorizes a department, bureau, office or other subdivision of  
 7 the local contracting agency to conduct a procurement on behalf of another department, bureau,  
 8 office or subdivision of the local contracting agency, the department, bureau, office or subdivision  
 9 on whose behalf the procurement is conducted shall comply with the requirement set forth in sub-  
 10 section (1) of this section.

11 (3) Subsection (1) of this section does not apply to:

12 (a) A local contracting agency or a local contract review board for a city that has a population  
 13 of not more than 15,000 or a county that has a population of not more than 30,000;

14 (b) A community college that enrolls not more than 1,000 full-time equivalent students, as de-  
 15 fined in ORS 341.005;

16 (c) A special district, as defined in ORS 198.010, a diking district formed under ORS chapter 551  
 17 and a soil and water conservation district organized under ORS 568.210 to 568.808;

18 **(d) The Department of Transportation;**

19 *[(d)]* (e) The Port of Portland; or

20 *[(e)]* (f) Procurements for client services, *[as defined in OAR 125-246-0110]* **the definition and**  
 21 **scope of which the Oregon Department of Administrative Services specifies by rule.**

22 **SECTION 3. The amendments to ORS 279B.030 by section 2 of this 2011 Act apply to a**  
 23 **contract that the Department of Transportation first advertises or otherwise solicits on or**  
 24 **after the operative date set forth in section 4 of this 2011 Act or, if the department does not**  
 25 **advertise or solicit the contract, to a contract that the department enters into on or after**  
 26 **the operative date set forth in section 4 of this 2011 Act.**

27 **SECTION 4. (1) The amendments to ORS 279B.030 by section 2 of this 2011 Act become**  
 28 **operative on the 91st day following the effective date of this 2011 Act.**

29 **(2) The Director of Transportation may take any action before the operative date speci-**  
 30 **fied in subsection (1) of this section that is necessary to enable the director to exercise, on**  
 31 **and after the operative date specified in subsection (1) of this section, all of the duties,**  
 32 **functions and powers conferred on the director by the amendments to ORS 279B.030 by sec-**  
 33 **tion 2 of this 2011 Act.**

34 **SECTION 5. Section 1 of this 2011 Act is repealed on January 1, 2015.**

35 **SECTION 6. This 2011 Act being necessary for the immediate preservation of the public**  
 36 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**  
 37 **on its passage.**