

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

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	5 - 0 - 0
Yeas:	Boquist, Dingfelder, George, Rosenbaum, Shields
Nays:	0
Exc.:	0
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	2/8, 2/13

WHAT THE MEASURE DOES: Prohibits state contracting agency from accepting bid or proposal from contractor if contractor assisted or advised contracting agency in developing solicitation document or materials related to contract. Permits contracting agency to apply for exception. Requires Department of Administrative Services to report to Legislative Assembly information about special procurements for goods and services. Requires contracting agencies subject to Department authority to maintain records to enable providing needed information to Department. Allows bidder or proposer to submit personnel deployment disclosure with bid or proposal. Allows preference be given to bidder or proposer based on personnel deployment disclosure under certain circumstances. Becomes operative January 1, 2013. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Complaints that public contracting is not as transparent as it could be
- Whether local contracting agencies should be included
- Exceptions to competitive bid process
- Scope of the Public Construction Contracting Work Group

EFFECT OF COMMITTEE AMENDMENT: Exempts Secretary of State and State Treasurer from measure's provisions. Deletes proposed requirement that Department report percentage of total procurements awarded to contractors headquartered in Oregon or owned by Oregon residents. Deletes requirement that Department report on public construction contracts exempt from competitive bidding requirements. Specifies that records maintained for new reporting provision are not to be used to evaluate proposals or invitations to bid. Specifies that provision related to personnel deployment disclosure applies only to procurements for goods and services, not for public construction contracts. Specifies that provision prohibiting agency from accepting bid from bidder who assisted agency in developing solicitation materials applies only to procurements for goods and services, not for public construction contracts. Deletes "first-tier" when describing subcontractors in the personnel deployment provision. Deletes Department of Transportation from provision relating to rulemaking on personnel deployment provision.

BACKGROUND: According to the SEIU report "Moving Oregon Forward 2012: An Update," state contracts have expanded by about 10 percent per year since 2007. *The Oregonian* reported in November 2011 that the state has \$9.7 billion in active contracts with more than 4,000 vendors and that at least \$3.3 billion goes to out-of-state vendors.

The state has been criticized for not having comprehensive, searchable information about contracts. The Oregon Procurement Information Network (ORPIN) system reports information on contracts made by agencies under Department authority. It can be accessed by the public through the Oregon Transparency website. The contract values reported are estimates, and the accuracy has been questioned.

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