

Senate Bill 219

Sponsored by Senator THOMSEN (at the request of Paul Koch) (Pre-session filed.)

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**.

Provides that contracting agency may not spend more than five percent of estimated contract price for procurement for services on conducting cost analysis as to whether contracting agency would incur less cost in conducting procurement than in performing services with contracting agency's own personnel or in making determination of whether performing services with contracting agency's own personnel is feasible.

Becomes operative January 1, 2014.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to capping costs for required preliminary steps before conducting public procurements;
3 creating new provisions; amending ORS 279B.030; and declaring an emergency.

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

5 **SECTION 1.** ORS 279B.030 is amended to read:

6 279B.030. (1)(a) Except as provided in ORS 279B.036, before conducting a procurement for ser-
7 vices with an estimated contract price that exceeds \$250,000, a contracting agency shall:

8 [(a)] **(A)** Demonstrate, by means of a written cost analysis in accordance with ORS 279B.033,
9 that the contracting agency would incur less cost in conducting the procurement than in performing
10 the services with the contracting agency's own personnel and resources; or

11 [(b)] **(B)** [*Demonstrate*] **Determine**, in accordance with ORS 279B.036, that performing the ser-
12 vices with the contracting agency's own personnel and resources is not feasible.

13 **(b) A contracting agency may not spend more than five percent of the estimated contract**
14 **price of a procurement on conducting the cost analysis under ORS 279B.033 or making a**
15 **determination of feasibility under ORS 279B.036.**

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

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

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

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

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

28 (d) The Port of Portland; or

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

3 **SECTION 2. The amendments to ORS 279B.030 by section 1 of this 2013 Act apply to**
4 **public contracts that a contracting agency first advertises or otherwise solicits or, if the**
5 **contracting agency does not advertise or otherwise solicit the public contract, to a public**
6 **contract into which a contracting agency first enters into on or after the operative date**
7 **specified in section 3 of this 2013 Act.**

8 **SECTION 3. (1) The amendments to ORS 279B.030 by section 1 of this 2013 Act become**
9 **operative on January 1, 2014.**

10 **(2) The Director of the Oregon Department of Administrative Services, the Director of**
11 **Transportation, the Attorney General or a contracting agency that adopts rules under ORS**
12 **279A.065 may take any action before the operative date specified in subsection (1) of this**
13 **section that is necessary to enable the director, the Attorney General or the contracting**
14 **agency to exercise, on and after the operative date specified in subsection (1) of this section,**
15 **all of the duties, functions and powers conferred on the director, the Attorney General or**
16 **the contracting agency by the amendments to ORS 279B.030 by section 1 of this 2013 Act.**

17 **SECTION 4. This 2013 Act being necessary for the immediate preservation of the public**
18 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
19 **on its passage.**

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