

PRELIMINARY STAFF MEASURE SUMMARY

CARRIER:

Senate Committee on Workforce

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

SUBSEQUENT REFERRAL TO:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Matthew Germer, Administrator

Meeting Dates: 3/2

WHAT THE MEASURE DOES: Requires Oregon Business Development Department to suspend public contracting certifications of disadvantaged, minority, women, or emerging small business enterprises that fail to perform a commercially useful function. Becomes operative January 1, 2016. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

BACKGROUND: The Oregon Business Development Department ensures a coherent, integrated approach to economic development in order to create a globally-competitive economy. Currently, the Department certifies disadvantaged, minority, women, or emerging small business enterprises (DMWESBs) in order to grant them access to certain benefits. Currently, the Department suspends certifications of DMWESBs in public contracts that enter into improper agreements, allow non-DMWESBs to make decisions on behalf of DMWESB, or use DMWESBs that do not perform a commercially useful function.

Senate Bill 584 requires the Department to suspend certifications of DMWESBs that fail to perform a commercially useful function in a public contract. The measure also directs local state agencies to treat state-certified DMWESBs as DMWESBs.