78th OREGON LEGISLATIVE ASSEMBLY – 2015 Regular Session PRELIMINARY STAFF MEASURE SUMMARYMEASURE: HB 2375-A11 CARRIER:

Senate Committee on Business and Transportation

REVENUE: No Revenue Impact **FISCAL:** Fiscal impact issued **SUBSEQUENT REFERRAL TO:**

Action: Vote:

Yeas: Nays: Exc.:

Prepared By: James LaBar, Administrator

Meeting Dates: 5/18, 6/3

WHAT THE MEASURE DOES: Requires state contracting agency to use solicitation template and contract form developed by the Attorney General and the Department of Administrative Services (DAS) as basis for all public procurements and contracts. Allows exception for unique procurements if agency receives approval from the Attorney General or DAS. Requires person conducting procurements for state agency to complete training or have professional experience. Requires DAS to establish training and experience requirements. Directs Secretary of State and State Treasurer to develop and use own forms and templates and establish training and experience standards for own staff conducting procurements or administering public contracts. Requires DAS to develop recommendations for promoting best practices, and to report to Legislative Assembly by November 30, 2015. Becomes operative January 1, 2016. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

(A11 amendment): Changes "significant" to "unreasonable" with the regards to mitigating risk by using contract form. Clarifies intent of bill not to alter the ability for state agencies to negotiate terms and conditions that are fundamental in Public Contracting Code. Exempts emergency procurements from provision's requirements. Sets date of December 31, 2017 for Secretary of State and Treasurer to establish standards for education and training for a person to conduct procurement or administration of public contracts. Clarifies date of compliance for education and training to be no later than December 31, 2018. Includes additional clarifying modifications.

BACKGROUND: The Department of Administrative Services (DAS) recently contracted with a consulting firm about making improvements in contracts and purchasing processes, and one of the recommendations was for Oregon state government to develop standardized forms and contracts for state agency procurements. The Oregon Department of Justice reviewed 3,200 state agency contracts, and found that agencies had used over 400 different forms. Other states are currently working on making similar improvements to contract forms, as well as providing increased training for state employees who administer contracts.

The vote count in the Consumer Protection and Government Effectiveness Committee was 7-0, and the House vote count was 58-0-2.