

STAFF MEASURE SUMMARY

House Committee On Consumer Protection and Government Effectiveness

**Fiscal:** Has minimal fiscal impact

**Revenue:** No Revenue Impact

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**Action Date:** 05/05/15

**Action:** Do Pass.

**Meeting Dates:** 04/28, 05/05

**Vote:**

Yeas: 7 - Buehler, Fagan, Holvey, McLain, Nearman, Rayfield, Stark

**Prepared By:** Patrick Brennan, Committee Administrator

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**WHAT THE MEASURE DOES:**

Requires Department of Administrative Services to procure or supervise procurement of information technology goods and services for Oregon Health Authority.

**ISSUES DISCUSSED:**

- Importance of oversight and accountability in public contracting
- Subjects procurements by Oregon Health Authority to oversight by Department of Administrative Services
- Other legislation regarding information technology procurements
- Types of contracting approaches

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

The agency contracting process for procuring goods and services is governed by statute, agency policy, and agency administrative rules. The Department of Administrative Services (DAS) is responsible for developing contracting policies and administrative rules for agencies. Currently, information technology projects are procured or supervised in procurement by DAS; however Oregon Health Authority (OHA) is exempt from this requirement. Other OHA exemptions include educational and research activities relating to prevention and misuse of controlled substances, purchasing pharmaceutical agents and medical supplies in case of public health emergency, coordinating the school based health centers and housing for people with chronic mental illness.

In 2014, the Legislative Assembly enacted House Bill 4122, requiring OHA to consult with the Chief Information Officer and DAS when procuring information technology project contracts. Senate Bill 7-A removes OHA's exemption from the general requirement for DAS to either procure or supervise procurement of information technology goods and services on behalf of state agencies.