

STAFF MEASURE SUMMARY

House Committee On Consumer Protection and Government Effectiveness

Fiscal: Has minimal fiscal impact

Revenue: Has minimal revenue impact

Action Date: 05/26/15

Action: Do Pass As Amended And Be Printed Engrossed.

Meeting Dates: 05/12, 05/26

Vote:

Yeas: 6 - Buehler, Fagan, Holvey, McLain, Rayfield, Stark

Nays: 1 - Nearman

Prepared By: Patrick Brennan, Committee Administrator

WHAT THE MEASURE DOES:

Eliminates requirement that bidder and proposer for public contract to a state or local contracting agency demonstrate responsibility by submitting signed affidavit that attests that bidder or proposer complied with tax laws of this state. Requires bidder and proposer for public contract with a local contracting agency to attest being current on state taxes. Becomes operative 91 days after effective date of Act. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Adverse impact of notarization requirement for affidavits on small businesses
- Similar legislation relating to construction contracting process
- Proposed amendments

EFFECT OF COMMITTEE AMENDMENT:

Resolves conflicts with Senate Bill 491. Extends provisions of the measure eliminating requirement for bidders and proposers of public contracts to submit signed affidavit and provisions requiring bidders and proposers to attest to being current on state taxes to public contracts with state agencies.

BACKGROUND:

The current requirement for a signed affidavit demonstrating tax responsibility was created by the Legislative Assembly with the passage of House Bill 4122 (2014), which requires an independent quality assurance review of information technology initiatives and the distribution of preliminary and final reports to the State Chief Information Officer, the Director of the Department of Administrative Services, and the appropriate agency director, board, commission or governing body. These provisions apply to executive branch state agencies and public corporations even if an entity is exempt from the Public Contracting Code under ORS 279A.050 (2) or (7). Additionally, the 2014 measure required any bidder or proposer on a procurement under ORS 279B to submit an affidavit attesting the bidder or proposer has complied with the state and local tax laws.

The affidavit requirement created by House Bill 4122 requires each such statement to be observed and certified by a notary public. Senate Bill 675-B revises the requirement by instead allowing compliance with state and local tax laws to be provided through an attestation.