

STAFF MEASURE SUMMARY**Senate Committee On Business and Transportation****Fiscal:** Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:** 06/03/15**Action:** Do Pass The A-Eng Bill. Refer To Rules.**Meeting Dates:** 05/18, 06/03**Vote:**

Yeas: 4 - Girod, Monroe, Riley, Thomsen

Exc: 1 - Beyer

Prepared By: James LaBar, Committee Administrator

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:

- Ability of state agencies to negotiate terms and conditions of contracts
- Unintended consequences of measure, including de-incentivizing high-quality businesses from bidding on contracts
- Possible amendments to address concerns and reach consensus

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

The Department of Administrative Services 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.