SB 809-4 (LC 3361) 4/15/15 (TSB/ps)

PROPOSED AMENDMENTS TO SENATE BILL 809

1 On page 1 of the printed bill, line 16, delete "\$1" and insert "\$5".

2 On page 2, line 5, delete "1" and insert "5".

3 After line 10, insert:

4 "SECTION 2a. Section 2 of this 2015 Act is amended to read:

Sec. 2. (1) The Commissioner of the Bureau of Labor and Industries, by rule and in consultation with affected crafts, trades and other worker associations and with contractors and subcontractors that perform contracts for public works for public agencies, may determine:

9 "(a) The percentage of the total hours that a bidder's employees worked 10 on contracts during the previous calendar year for which the bidder was re-11 quired to employ apprentices participating in programs of apprenticeship or 12 training under ORS 660.002 to 660.210 in order for a public agency to deter-13 mine that the bidder is responsible under ORS 279C.375 (4), if the bidder 14 submits a bid for a contract for public works with an estimated contract 15 price of [\$5] **\$3** million or more; or

"(b) The percentage of the total hours that employees of training agents approved by a local joint committee worked on contracts during the previous calendar year for which the training agents were required to employ apprentices participating in programs of apprenticeship or training under ORS 660.002 to 660.210 in order for a public agency to determine that a bidder associated with the local joint committee is responsible under ORS 279C.375 (4), if the bidder submits a bid for a contract for public works with an esti1 mated contract price of [\$5] \$3 million or more.

2 "(2) The commissioner may not set a percentage under subsection (1) of 3 this section that is less than the percentage set forth in ORS 279C.375 (4).

"(3)(a) The commissioner shall review the percentages described in subsection (1) of this section at least once every other year to determine
whether the commissioner should set a different percentage.

"(b) The commissioner shall recommend to the Legislative Assembly, not later than December 31, 2022, any reduction the commissioner
deems necessary in the estimated contract price at which bids or proposals for a contract for public works become subject to the requirements of ORS 279C.375 (4).".

12 On page 4, line 40, delete "\$1" and insert "\$5".

13 On page 5, after line 31, insert:

"SECTION 3a. ORS 279C.375, as amended by section 3 of this 2015 Act,
 is amended to read:

"279C.375. (1) After a contracting agency has opened bids and determined 16 that the contracting agency will award a public improvement contract, the 17 contracting agency shall award the contract to the lowest responsible bidder. 18 "(2) At least seven days before awarding a public improvement contract, 19 unless the contracting agency determines that seven days is impractical un-20der rules adopted under ORS 279A.065, the contracting agency shall issue to 21each bidder or post, electronically or otherwise, a notice of the contracting 22agency's intent to award a contract. This subsection does not apply to a 23contract to which competitive bidding does not apply under ORS 279C.335 24(1)(c) or (d). The notice and the manner in which the contracting agency is-25sues or posts the notice must conform to rules adopted under ORS 279A.065. 26"(3) In determining the lowest responsible bidder, a contracting agency 27shall do all of the following: 28

"(a) Check the list created by the Construction Contractors Board under
 ORS 701.227 for bidders who are not qualified to hold a public improvement

1 contract.

"(b) Determine whether the bidder is responsible. A responsible bidder
must demonstrate to the contracting agency that the bidder:

"(A) Has available the appropriate financial, material, equipment, facility
and personnel resources and expertise, or has the ability to obtain the resources and expertise, necessary to meet all contractual responsibilities.

"(B) Holds current licenses that businesses or service professionals operating in this state must hold in order to undertake or perform the work
specified in the contract.

10 "(C) Is covered by liability insurance and other insurance in amounts the 11 contracting agency requires in the solicitation documents.

"(D) Qualifies as a carrier-insured employer or a self-insured employer
 under ORS 656.407 or has elected coverage under ORS 656.128.

¹⁴ "(E) Has made the disclosure required under ORS 279C.370.

"(F) Completed previous contracts of a similar nature with a satisfactory 15record of performance. For purposes of this subparagraph, a satisfactory re-16 cord of performance means that to the extent that the costs associated with 17 and time available to perform a previous contract remained within the 18 bidder's control, the bidder stayed within the time and budget allotted for 19 the procurement and otherwise performed the contract in a satisfactory 20manner. The contracting agency shall document the bidder's record of per-21formance if the contracting agency finds under this subparagraph that the 22bidder is not responsible. 23

"(G) Has a satisfactory record of integrity. The contracting agency in evaluating the bidder's record of integrity may consider, among other things, whether the bidder has previous criminal convictions for offenses related to obtaining or attempting to obtain a contract or subcontract or in connection with the bidder's performance of a contract or subcontract. The contracting agency shall document the bidder's record of integrity if the contracting agency finds under this subparagraph that the bidder is not responsible.

SB 809-4 4/15/15 Proposed Amendments to SB 809 1 "(H) Is legally qualified to contract with the contracting agency.

"(I) Supplied all necessary information in connection with the inquiry concerning responsibility. If a bidder fails to promptly supply information concerning responsibility that the contracting agency requests, the contracting agency shall determine the bidder's responsibility based on available information, or may find that the bidder is not responsible.

"(c) Document the contracting agency's compliance with the requirements
of paragraphs (a) and (b) of this subsection in substantially the following
form:

| | " |
|---|---|
| L | RESPONSIBILITY DETERMINATION FORM |
| 2 | |
| | Project Name: |
| ŀ | Bid Number: |
| | Business Entity Name: |
| 6 | CCB License Number: |
| 7 | Form Submitted By (Contracting Agency): |
| 5 | |
|) | Form Submitted By (Contracting Agency Representative's Name): |
|) | |
| L | Title: |
| 2 | Date: |
| 3 | (The contracting agency must submit this form with attachments, if any, |
| 4 | to the Construction Contractors Board within 30 days after the date of con- |
| 5 | tract award.) |
| 3 | The contracting agency has (check all of the following): |
| 7 | [] Checked the list created by the |
| 3 | Construction Contractors Board |
|) | under ORS 701.227 for bidders who |
| 0 | are not qualified to hold a public |

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| 1 | improvement contract. |
|----------|---------------------------------------|
| 2 | [] Determined whether the bidder has |
| 3 | met the standards of responsibility. |
| 4 | In so doing, the contracting agency |
| 5 | has found that the bidder |
| 6 | demonstrated that the bidder: |
| 7 | [] Has available the appropriate |
| 8 | financial, material, equipment, |
| 9 | facility and personnel resources |
| 10 | and expertise, or the ability to |
| 11 | obtain the resources and |
| 12 | expertise, necessary to meet |
| 13 | all contractual responsibilities. |
| 14 | [] Holds current licenses that |
| 15 | businesses or service professionals |
| 16 | operating in this state must hold |
| 17 | in order to undertake or perform |
| 18 | the work specified in the contract. |
| 19 | [] Is covered by liability insurance |
| 20 | and other insurance in amounts |
| 21 | required in the solicitation |
| 22 | documents. |
| 23 | [] Qualifies as a carrier-insured |
| 24 | employer or a self-insured |
| 25 | employer under ORS 656.407 or has |
| 26 | elected coverage under ORS 656.128. |
| 27 | [] Has disclosed the bidder's first- |
| 28 | tier subcontractors in accordance |
| 29 | with ORS 279C.370. |
| 30 | [] Has a satisfactory record of |

| 1 | performance. |
|----|---|
| 2 | [] Has a satisfactory record of |
| 3 | integrity. |
| 4 | [] Is legally qualified to contract |
| 5 | with the contracting agency. |
| 6 | [] Has supplied all necessary |
| 7 | information in connection with |
| 8 | the inquiry concerning |
| 9 | responsibility. |
| 10 | [] Determined the bidder to be |
| 11 | (check one of the following): |
| 12 | [] Responsible under ORS 279C.375 |
| 13 | (3)(a) and (b). |
| 14 | [] Not responsible under |
| 15 | ORS 279C.375 (3)(a) and (b). |
| 16 | (Attach documentation if the contracting agency finds the bidder not to |
| 17 | be responsible.) |
| 18 | " |
| 19 | "(d) Submit the form described in paragraph (c) of this subsection, with |
| 20 | any attachments, to the Construction Contractors Board within 30 days after |
| 21 | the date the contracting agency awards the contract. |
| 22 | "(4)(a) If a bidder submits a bid for a contract for public works with an |
| 23 | estimated contract price of [\$5] \$3 million or more, a contracting agency |
| 24 | shall require the bidder, in addition to demonstrating that the bidder is re- |
| 25 | sponsible as provided in subsection (3)(b) of this section, to show that the |
| 26 | bidder is an approved training agent under ORS 660.137 and: |
| 27 | "(A) Belongs to a local joint committee whose approved training agents, |
| 28 | in the aggregate, employed apprentices for 10 percent or more of all hours |
| 29 | that the employees of the approved training agents worked in the previous |
| 30 | calendar year; or |
| | |

1 "(B) Employed apprentices for 10 percent or more of all hours that the 2 bidder's employees worked on contracts in the previous calendar year.

"(b) In the circumstances described in paragraph (a) of this subsection, a
contracting agency shall include in the form set forth in subsection (3)(c) of
this section an additional criterion for determining responsibility that reads
substantially as follows:

| 7 | [] Belongs to a local joint |
|----|--|
| 8 | committee with training agents |
| 9 | that, in the aggregate, employed |
| 10 | apprentices for 10 percent or |
| 11 | more of the hours that the |
| 12 | training agents' employees |
| 13 | worked in the previous calendar |
| 14 | year or is an approved training |
| 15 | agent and has employed apprentices |
| 16 | for 10 percent or more of the total |
| 17 | number of hours the bidder's |
| 18 | employees worked in the previous |
| 19 | calendar year. |
| 20 | "(c) This subsection does not apply to the Department of Transportation. |

21 "(5) A successful bidder shall:

22 "(a) Promptly execute a formal contract; and

"(b) Execute and deliver to the contracting agency a performance bond
and a payment bond when required under ORS 279C.380.

"(6) A contracting agency may award a public improvement contract or
may award multiple public improvement contracts based on competitive bids
if the contracting agency specifies that the contracting agency will do so in
the invitation to bid.

29 "(7) A contracting agency may not exclude a commercial contractor from 30 competing for a public contract on the basis that a license that the Construction Contractors Board issued is endorsed as a level 1 or level 2 license.
As used in this section, 'commercial contractor' has the meaning given that
term in ORS 701.005.".

4 On page 13, line 33, after "Industries" insert "on forms and in a format 5 that the bureau specifies by rule".

In line 36, after "agent" insert "and must identify apprentices and journeyworkers by craft, by race or ethnicity, by gender and by the geographic location in which the apprentices reside and work in accordance with standards and categories that the bureau specifies by rule.".

10 On page 14, after line 6, insert:

"(4) The bureau, not later than March 1 of each year, shall submit to a committee or interim committee of the Legislative Assembly that deals with workforce issues a report that includes:

14 "(a) The information that the bureau publishes under subsection (3) of 15 this section;

"(b) Information about the number of apprentices who become journeyworkers during the reporting period, identifying the number of apprentices by craft, by race or ethnicity, by gender and by the geographic location in which the apprentices reside and work; and

"(c) The bureau's evaluation of the impact that the apprenticeship requirements set forth in ORS 279C.375 (4) and section 2 of this 2015 Act have on rural areas within this state.".

In line 7, after the period insert "(1)".

In line 8, after "3" insert "and 4".

25 In line 11, after "13" insert "(1)".

After line 12, insert:

"(2) The amendments to section 2 of this 2015 Act by section 2a of this 28 2015 Act and the amendments to ORS 279C.375 by section 3a of this 2015 Act 29 apply to contracts for public works that a public agency advertises or solicits 30 or, if the public agency does not advertise or solicit the contract for public

SB 809-4 4/15/15 Proposed Amendments to SB 809 works, that the public agency enters into on or after the operative date
specified in section 13 (2) of this 2015 Act.".

- 3 In line 14, after "3" insert "and 4".
- 4 After line 15, insert:

"(2) The amendments to section 2 of this 2015 Act by section 2a of this
2015 Act and the amendments to ORS 279C.375 by section 3a of this 2015 Act
become operative January 1, 2021.".

- 8 In line 16, delete "(2)" and insert "(3)".
- 9 In line 25, after "3" insert "and 4".
- 10