

House Bill 4089

Sponsored by Representatives PARRISH, EVANS; Representatives BOONE, BUEHLER, HACK, HOLVEY, JOHNSON, KENY-GUYER, KOTEK, MCLAIN, NEARMAN, NOSSE, STARK, WILSON, Senators BURDICK, DEVLIN, OLSEN, RILEY, ROBLAN (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires state contracting agency to provide in specifications for procurement and in public contract that contractor or supplier must use corrugated cardboard pallets in transporting, distributing, storing or otherwise transferring goods and to require contractors and suppliers to have similar requirements in contracts with common carriers and other third parties. Specifies exceptions.

Becomes operative January 1, 2017.

Takes effect July 1, 2016.

A BILL FOR AN ACT

1
2 Relating to using corrugated cardboard pallets in state goods procurement; and prescribing an ef-
3 fective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2016 Act is added to and made a part of ORS chapter 279A.**

6 **SECTION 2. (1) In procuring goods for a public contract a state contracting agency shall**
7 **specify in all procurement documents and require in the public contract that:**

8 (a) **A contractor or supplier must use corrugated cardboard pallets to transport, dis-**
9 **tribute, store and otherwise transfer the goods; and**

10 (b) **The contractor or supplier must require any common carrier or third party with**
11 **which the contractor or supplier contracts to use corrugated cardboard pallets to transport,**
12 **distribute, store or otherwise transfer the goods.**

13 (2) **A state contracting agency shall use corrugated cardboard pallets to transport, dis-**
14 **tribute, store or otherwise transfer goods to or for other state contracting agencies.**

15 (3) **Subsections (1) and (2) of this section do not apply if:**

16 (a) **Corrugated cardboard pallets cost more than alternatives. In comparing the cost of**
17 **using corrugated cardboard pallets with the cost of using alternatives, a state contracting**
18 **agency shall consider:**

19 (A) **Occupational safety costs and benefits for each type of pallet, including any differ-**
20 **ences in rates of freight handling injuries;**

21 (B) **Any operational efficiencies that come from using each type of pallet;**

22 (C) **Any savings that result from purchasing, leasing or otherwise acquiring each type**
23 **of pallet;**

24 (D) **Any savings and environmental benefits that result from recycling and disposing of**
25 **each type of pallet; and**

26 (E) **Any differences in the weight of each type of pallet that reduce fossil fuel use or yield**
27 **other environmental benefits, such as a reduction in carbon emissions; and**

28 (F) **Any savings from reduced damage to products that results from using corrugated**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 cardboard pallets for transporting or storing the products instead of using pallets made from
2 other materials.

3 (b) The contractor, supplier, common carrier, third party or state contracting agency
4 transports, distributes, stores or transfers the goods under conditions that are subject to
5 prolonged inclement weather or under circumstances in which using a corrugated cardboard
6 pallet in a way that is inconsistent with the pallet manufacturer's recommendations might
7 cause injury or damage to the goods or to property.

8 (4) The Attorney General and the Oregon Department of Administrative Services in
9 model rules adopted under ORS 279A.065 may specify:

10 (a) Methods and considerations in addition to the considerations specified in subsection
11 (3)(a) of this section that state contracting agencies may use in comparing the costs of using
12 particular types of pallets; and

13 (b) Standards and specifications for corrugated cardboard pallets that meet the needs of
14 state contracting agencies to transport, distribute, store and otherwise transfer goods in
15 connection with public contracts.

16 SECTION 3. Section 2 of this 2016 Act applies to procurements that a state contracting
17 agency advertises or otherwise solicits or, if the state contracting agency does not advertise
18 or solicit the procurement, to public contracts into which the state contracting agency en-
19 ters on or after the operative date specified in section 4 of this 2016 Act.

20 SECTION 4. (1) Section 2 of this 2016 Act becomes operative on January 1, 2017.

21 (2) The Attorney General, the Director of the Oregon Department of Administrative
22 Services and a state contracting agency that adopts rules under ORS 279A.065 may take any
23 action before the operative date specified in subsection (1) of this section that is necessary
24 to enable the Attorney General, the director or the state contracting agency to exercise, on
25 and after the operative date specified in subsection (1) of this section, all of the duties,
26 functions and powers conferred on the Attorney General, the director or the state con-
27 tracting agency by section 2 of this 2016 Act.

28 SECTION 5. This 2016 Act takes effect on July 1, 2016.
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