

HB 2184 STAFF MEASURE SUMMARY

House Committee On Business and Labor

Prepared By: Jan Nordlund, LPRO Analyst

Meeting Dates: 3/22

WHAT THE MEASURE DOES:

Provides public improvement contractor may award subcontract only to responsible subcontractor. Requires subcontractor to submit statement demonstrating responsibility. Requires contractor to verify subcontractor is not on list of disqualified contractors maintained by Construction Contractors Board. Requires contractor to submit statement attesting that they have complied with tax laws and does not have outstanding construction debt. Authorizes contracting agency or Board to disqualify person from entering into public contract if person knowingly or intentionally made false assertions or declarations in statement to contracting agency regarding construction debt or tax compliance. Becomes operative 91 days after effective date. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Public Contracting Code includes three chapters: ORS 279A generally applies to all contracts, ORS 279B applies to procurements for goods and services, and ORS 279C applies to procurements for public improvements (i.e., construction projects) and architectural, engineering and related services. Some provisions of the Public Contracting Code apply to all public contracting agencies (e.g., state agencies, counties, cities, special districts, and school districts), while others apply to only state contracting agencies.

Bidders for public improvement contracts must be determined by the contracting agency to be responsible. There are ten criteria for determining a responsible bidder procurements for public improvement contracts. There are no requirement that subcontractors be deemed responsible.

House Bill 2184 applies only to public procurements for public improvement contracts. The measure requires the bidder to submit a statement attesting that they have complied with tax laws and that they do not have outstanding construction debt. A contractor who knowingly or intentionally makes a false assertion can be disqualified for three years from receiving an award for a public improvement contract. The measure requires contractors to award a subcontract only to a responsible subcontractor.