

**FISCAL IMPACT OF PROPOSED LEGISLATION**

79th Oregon Legislative Assembly – 2017 Regular Session  
Legislative Fiscal Office

**Measure: SB 294 - 3**

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Permits employee of school district or education service district to challenge in an arbitration proceeding a cost analysis for procurement or determination made by the school district or education service district.

**Government Unit(s) Affected:**

School Districts, Education Service District

**Summary of Expenditure Impact:**

Costs associated with this measure are indeterminate.

**Analysis:**

SB 294-3 permits an employee of a school district or an education service district, or the employee's exclusive representative, to challenge, in an arbitration proceeding, the cost analysis for a procurement conducted by the school district or education service district. In addition, determinations of feasibility of procurement made by school districts or education service districts may also be challenged. The measure further specifies requirements relating to procurements that must be followed by school districts and education service districts.

There will be costs associated with the measure related to changes in procurement processes, although these costs may vary by district. In addition, there will be costs associated with arbitration as authorized under the measure, but it is unknown how many arbitrations will take place. An estimate of \$10,000 to \$12,000 per arbitration was provided by the Oregon School Boards Association. In addition, it is possible there will be additional legal and consulting fees associated with the new procurement process.