

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3203 - B14

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

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

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Measure Description:

Requires contracting agency to perform analysis to determine whether constructing public improvement with contracting agency's own equipment and personnel will result in least cost to contracting agency.

Government Unit(s) Affected:

Oregon Department of Transportation (ODOT), Bureau of Labor and Industries (BOLI), Department of Administrative Services (DAS)

Summary of Expenditure Impact:

The fiscal impact is indeterminate.

Analysis:

The measure amends laws regarding requirements on contracting agencies to determine whether constructing public improvements with the agency's own equipment and personnel would be the least cost approach. The measure would require contracting agencies to prepare and file with BOLI information on planned public improvements. The measure specifies that if a contracting agency intends to perform work on a public improvement with a cost over \$200,000 using the agency's own equipment or personnel, the agency must complete an analysis demonstrating that the decision conforms to state policy. The measure also requires that BOLI conduct a review every four years beginning in the last calendar quarter of 2021 to determine a number of items, including whether the methodology used by contracting agencies to calculate costs and threshold amounts provided in the measure should be adjusted.

Most agencies indicate that they anticipate no fiscal impact or a minimal fiscal impact. BOLI may incur costs related to conducting the required review and communicating the findings as provided in the measure. However, given that the required review does not occur until the last quarter of the 2019-21 biennium, these costs are indeterminate.