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**Joint Committee on
Ways and Means**

Sen. Peter Courtney, Senate Co-Chair
Rep. Nancy Nathanson, House Co-Chair

Sen. Betsy Johnson, Senate Co-Vice Chair
Sen. Jackie Winters, Senate Co-Vice Chair
Rep. Dan Rayfield, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: General Government Subcommittee
From: Meg Bushman Reinhold, Legislative Fiscal Office
Date: February 26, 2018
Subject: SB 1565 – Relating to methods of public procurement

This bill does essentially three things. It:

- Directs the Oregon Department of Transportation, the Department of Administrative Services and the Department of Justice to designate a statewide electronic procurement system and write rules for implementation;
- Creates two pilot programs - one to test “reverse auctions” and one to test a 30 percent weighting requirement for price in procurements; and
- Requires regular reporting on the progress of the pilots and the new e-procurement system to the Governor and the Joint Committee on Information Technology.

DAS will hire four positions (2.00 FTE) to support the project at a cost of \$947,104 for the 2017-2019 biennium, using rebates from SPOTS cards to fund the positions. (The Other Funds limitation necessary will be included in HB 5021, the budget reconciliation bill.) No costs are anticipated for state agencies for this biennium, but there will be costs to affected agencies with implementation of the statewide e-procurement system in 2021.

Final Subcommittee Action

**MOTION: I move SB 1565 to the Full Committee with a do pass recommendation.
(VOTE)**

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____