

SB 50 A STAFF MEASURE SUMMARY

Carrier: Sen. Dembrow

Senate Committee On Environment and Natural Resources**Action Date:** 02/14/19**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 5-0-0-0**Yeas:** 5 - Bentz, Dembrow, Olsen, Prozanski, Roblan**Fiscal:** Has minimal fiscal impact**Revenue:** Has minimal revenue impact**Prepared By:** Beth Patrino, LPRO Analyst**Meeting Dates:** 1/31, 2/14**WHAT THE MEASURE DOES:**

Exempts from the Public Contracting Code contracts for the sale of timber from lands owned or managed by the State Parks and Recreation Commission (Commission) or State Parks and Recreation Department (Department). Increases the value of forest products offered for sale by the Department that require competitive bid process from \$15,000 to \$25,000 and exempts such sales from the Public Contracting Code. Applies measure to forest product sales after the operative date of January 1, 2020. Authorizes Commission and Department to adopt rules prior to operative date. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Additional reporting requirements under Public Contracting Code
- Forest restoration project that did not receive any bids
- Current Department of Forestry exemption and \$25,000 value requirement

EFFECT OF AMENDMENT:

Exempts from Public Contracting Code: (1) contracts for the sale of timber from lands owned or managed by the State Parks and Recreation Commission or State Parks and Recreation Department (Department), and (2) the sale by Department of forest products with appraised value exceeding \$25,000. Establishes operative date of January 1, 2020. Authorizes Department Director and Commission to adopt rules prior to operative date. Takes effect on 91st day following adjournment sine die.

BACKGROUND:

The Public Contracting Code (PCC) applies to state and local government agencies and public educational institutions when they are procuring goods and services or contracting for construction, engineering, and related services. The PCC was developed around six broad policy goals and consists of three chapters in the Oregon Revised Statutes (ORS): ORS 279A (policy for all contracting activities), ORS 279B (procurements of goods and services), and ORS 279C (construction as well as architectural, engineering, photogrammetric mapping, transportation planning, land surveying, and related services). Contracts for the sale of timber from lands owned or managed by the state Board of Forestry and Department of Forestry are exempt from the PCC.

ORS 390.121 requires the Oregon Parks and Recreation Department (OPRD) to appraise forest products before offering the products for sale. If appraisal exceeds \$15,000, OPRD is required to use a competitive bid process.

Senate Bill 50 A would exempt timber sale contracts on lands owned or managed by OPRD from the Public Contracting Code and increase the value of forest product sales by OPRD requiring a competitive bid process from \$15,000 to \$25,000.