

## **HB 2757 STAFF MEASURE SUMMARY**

### **House Committee On Business and Labor**

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**Prepared By:** Jan Nordlund, LPRO Analyst

**Meeting Dates:** 2/17

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#### **WHAT THE MEASURE DOES:**

Requires a responsible bidder on a public improvement contract to demonstrate that they provide their employees health and retirement benefits if the contract, or the subcontract for which a subcontractor submitted a bid, exceeds \$200,000. Applies to contracts solicited on or after the operative date. Becomes operative January 1, 2022. Takes effect 91st day following adjournment sine die.

#### **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.

Unless an exemption applies, a contracting agency shall award a public improvement contract to the lowest responsible bidder. The contracting agency is required to determine that the bidder is responsible based on the ten criteria provided in statute.

House Bill 2757 requires responsible bidders to demonstrate that they provide health and retirement benefits to their employees. This criteria applies when the public improvement contract for which the bidder submitted a bid, or a subcontract for which a subcontractor submitted a bid, has an estimated contract price exceeding \$200,000.