

House Bill 3157

Sponsored by Representative SMITH G

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires state agency that enters into certain interagency agreements with public body, another state agency or unit of local government to evaluate performance of other party to interagency agreement at least once each year on basis of specified criteria and to determine every six years after date of execution of interagency agreement whether to continue or renew interagency agreement or terminate interagency agreement and enter into new interagency agreement with different public body, state agency or unit of local government.

Requires state agency to report results of evaluation not later than December 31 of each year to Joint Legislative Audit Committee.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1 Relating to evaluations of interagency agreements; and prescribing an effective date.

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS 190.003 to**
4 **190.130.**

5 **SECTION 2. (1) As used in this section:**

6 **(a)(A) "Interagency agreement" means an agreement for personal or professional ser-**
7 **vices into which a state agency enters with a public body, or with another state agency or**
8 **a unit of local government under ORS 190.110, that has a value of:**

9 **(i) One million dollars or more during calendar year 2021; or**

10 **(ii) The equivalent of \$1 million or more during each subsequent calendar year, as ad-**
11 **justed in accordance with the most recent Consumer Price Index for All Urban Consumers,**
12 **West Region (All Items), as published by the Bureau of Labor Statistics of the United States**
13 **Department of Labor.**

14 **(B) "Interagency agreement" does not include an agreement to lease real property.**

15 **(b) "Public body" has the meaning given that term in ORS 174.109.**

16 **(c) "State agency" means an agency of the executive department, as defined in ORS**
17 **174.112, and an institution of higher education, as defined in ORS 350.379.**

18 **(2)(a) If a state agency enters into an interagency agreement for the purpose of per-**
19 **forming a duty imposed upon the state agency, exercising a power conferred on the state**
20 **agency or administering a policy delegated to the state agency, the state agency shall:**

21 **(A) During the term of the interagency agreement evaluate at least once each year the**
22 **performance of the other party to the interagency agreement in accordance with the criteria**
23 **specified in subsection (2) of this section;**

24 **(B) Report to the Joint Legislative Audit Committee not later than December 31 of each**
25 **year the results of the state agency's evaluation under subparagraph (A) of this paragraph**
26 **for all currently active interagency agreements into which the state agency has entered for**
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NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 the purposes described in this paragraph; and

2 (C) Make a determination every six years after the date on which the state agency exe-
3 cuted the interagency agreement as to whether to continue or renew the interagency
4 agreement or whether to terminate the interagency agreement and enter into a new intera-
5 gency agreement with a different state agency, unit of local government or public body for
6 the purposes described in this paragraph. The state agency shall base the determination on
7 the evaluation or series of evaluations the state agency conducted under subparagraph (A)
8 of this paragraph.

9 (b) Paragraph (a) of this subsection does not require a state agency to:

10 (A) Terminate a currently active interagency agreement with another state agency, unit
11 of local government or public body; or

12 (B) Enter into an agreement with an entity other than another state agency, unit of local
13 government or public body for the purposes described in paragraph (a) of this subsection.

14 (3) Criteria that a state agency must use to evaluate the other party to an interagency
15 agreement in accordance with subsection (2)(a)(A) of this section are, at a minimum:

16 (a) Whether the other party has performed the interagency agreement in accordance
17 with the state agency's specifications, has met any criteria the state agency set for accepting
18 the other party's performance and has otherwise complied with the terms and conditions of
19 the interagency agreement;

20 (b) Whether, and the degree to which, the costs the state agency incurs under the
21 interagency agreement are reasonable and less than or comparable with the costs the state
22 agency would incur by performing, exercising or administering with the state agency's own
23 personnel and resources the duty, power or policy that is the subject of the interagency
24 agreement; and

25 (c) Any other criteria the Joint Legislative Audit Committee specifies by rule.

26 SECTION 3. Section 2 of this 2021 Act applies to interagency agreements into which a
27 state agency enters on or after the effective date of this 2021 Act.

28 SECTION 4. This 2021 Act takes effect on the 91st day after the date on which the 2021
29 regular session of the Eighty-first Legislative Assembly adjourns sine die.

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