

A-Engrossed
House Bill 2565

Ordered by the House March 24
Including House Amendments dated March 24

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Tina Kotek for State Department of Energy)

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Lets the state contract with some research firms that get federal money, without having to follow the state's rules for contracting for goods and services. Goes into effect 91 days after the session ends. (Flesch Readability Score: 62.6).

Exempts contracts with **certain** federally funded research and development centers from the provisions of the Public Contracting Code.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to contracts with federally funded research and development centers; amending ORS
3 279A.025; and prescribing an effective date.

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

5 **SECTION 1.** ORS 279A.025 is amended to read:

6 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting
7 Code applies to all public contracting.

8 (2) The Public Contracting Code does not apply to:

9 (a) Contracts between a contracting agency and:

10 (A) Another contracting agency;

11 (B) The Oregon Health and Science University;

12 (C) A public university listed in ORS 352.002;

13 (D) The Oregon State Bar;

14 (E) A governmental body of another state;

15 (F) The federal government;

16 **(G) A Federally Funded Research and Development Center that the National Science**
17 **Foundation, or a successor agency, includes in the Master Government List of Federally**
18 **Funded R&D Centers, or a similar list, however named, that the foundation or the successor**
19 **agency makes publicly available;**

20 *[(G)]* **(H)** An American Indian tribe or an agency of an American Indian tribe;

21 *[(H)]* **(I)** A nation, or a governmental body in a nation, other than the United States; or

22 *[(I)]* **(J)** An intergovernmental entity formed between or among:

23 (i) Governmental bodies of this or another state;

24 (ii) The federal government;

25 (iii) An American Indian tribe or an agency of an American Indian tribe;

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 (iv) A nation other than the United States; or
- 2 (v) A governmental body in a nation other than the United States;
- 3 (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or
- 4 other authority for establishing agreements between or among governmental bodies or agencies or
- 5 tribal governing bodies or agencies;
- 6 (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and
- 7 414.145 for purposes of source selection;
- 8 (d) Grants;
- 9 (e) Contracts for professional or expert witnesses or consultants to provide services or testimony
- 10 relating to existing or potential litigation or legal matters in which a public body is or may become
- 11 interested;
- 12 (f) Acquisitions or disposals of real property or interest in real property;
- 13 (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-
- 14 lection;
- 15 (h) Contracts for the procurement or distribution of textbooks;
- 16 (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;
- 17 (j) The procurement, transportation, sale or distribution of distilled liquor, as defined in ORS
- 18 471.001, or the appointment of agents under ORS 471.230 or 471.750 by the Oregon Liquor and
- 19 Cannabis Commission;
- 20 (k) Contracts entered into under ORS chapter 180 between the Attorney General and private
- 21 counsel or special legal assistants;
- 22 (L) Contracts for the sale of timber from lands that the State Board of Forestry, the State
- 23 Forestry Department, the State Parks and Recreation Commission or the State Parks and Recreation
- 24 Department owns or manages;
- 25 (m) Contracts for activities necessary or convenient for the sale of timber under paragraph (L)
- 26 of this subsection, either separately from or in conjunction with contracts for the sale of timber,
- 27 including but not limited to activities such as timber harvesting and sorting, transporting, gravel
- 28 pit development or operation, and road construction, maintenance or improvement;
- 29 (n) Contracts for forest protection or forest related activities, as described in ORS 477.406, by
- 30 the State Forester or the State Board of Forestry;
- 31 (o) Contracts that the Housing and Community Services Department enters into in exercising
- 32 the department's duties prescribed in ORS chapters 456 and 458, or procurements described in ORS
- 33 456.625 (19);
- 34 (p) Contracts that the State Treasurer enters into in exercising the powers of that office pre-
- 35 scribed in ORS 178.010 to 178.090 and 276A.242 and ORS chapters 286A, 287A, 289, 293, 294 and 295,
- 36 including but not limited to investment contracts and agreements, banking services, clearing house
- 37 services and collateralization agreements, bond documents, certificates of participation and other
- 38 debt repayment agreements, and any associated contracts, agreements and documents, regardless of
- 39 whether the obligations that the contracts, agreements or documents establish are general, special
- 40 or limited, except that the State Treasurer's public contracting for goods and services is subject to
- 41 ORS chapter 279B;
- 42 (q) Contracts, agreements or other documents entered into, issued or established in connection
- 43 with:
- 44 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;
- 45 (B) Program loans and similar extensions or advances of funds, aid or assistance that a public

1 body makes to a public or private body for the purpose of carrying out, promoting or sustaining
2 activities or programs authorized by law; or

3 (C) The investment of funds by a public body as authorized by law, and other financial trans-
4 actions of a public body that by their character cannot practically be established under the com-
5 petitive contractor selection procedures of ORS 279B.050 to 279B.085;

6 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,
7 243.275, 243.291, 243.303 and 243.565;

8 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or

9 (t) Any other public contracting of a public body specifically exempted from the code by another
10 provision of law.

11 (3) The Public Contracting Code does not apply to the contracting activities of:

12 (a) The Oregon State Lottery Commission;

13 (b) The legislative department;

14 (c) The judicial department;

15 (d) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835 to
16 279.855 and 279A.250 to 279A.290;

17 (e) Oregon Corrections Enterprises;

18 (f) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250 to
19 279A.290;

20 (g) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

21 (h) The Oregon 529 Savings Network and the Oregon 529 Savings Board;

22 (i) The Oregon Innovation Council;

23 (j) The Oregon Utility Notification Center; or

24 (k) Any other public body specifically exempted from the code by another provision of law.

25 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with
26 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-
27 der ORS 279.835 to 279.855.

28 **SECTION 2. This 2025 Act takes effect on the 91st day after the date on which the 2025**
29 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

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