

# Oregon Procurement Preferences

## Department of Administrative Services – Chief Financial Office – Procurement Policy

A “Preference” means an advantage given to offerors in a competition for contract award which may be granted based on pre-established criteria. An absolute preference means the contract is awarded without competition.<sup>1</sup>

Government has always used its purchasing power as a tool to achieve multiple purposes. Oregon law and special procurements require certain preferences, such as:

- Requiring purchase of state printing (est. 1959)<sup>2</sup>
- Requiring an agency to procure from Qualified Rehabilitation Facilities (1977)<sup>3</sup>
- Requiring in-state offerors to win the award if their offers are the same as nonresident offerors (2003)<sup>4</sup>
- Requiring an agency to increase a nonresident’s offer by the percentage of any preference that the nonresident offeror would receive in its state (reciprocal preference, 2003)<sup>5</sup>
- Requiring an agency to apply a preference for recycled materials (2003)<sup>6</sup>
- Requiring an agency to apply a preference for recycled products related to food (2004)<sup>7</sup>
- Requiring Go Oregon! Economic Stimulus purchases to create or keep Oregon jobs (2009).<sup>8</sup>
- Requiring agencies to standardize enterprise GIS software (2009)<sup>9</sup>
- Prohibiting procurement of certain services if it impairs living wages and benefits (2010)<sup>10</sup>
- Requiring agencies to contract with Microsoft Exchange to standardize e-mail server software (2010)<sup>11</sup>

In addition, Oregon law and policies provided discretionary preferences in public procurement, such as:

- Encouraging an agency to procure supplies and services from other governments (1953)<sup>12</sup>
- Encouraging an agency to procure from surplus property for efficiency and the environment (2003)<sup>13</sup>
- Encouraging an agency to procure supplies and services from inmate labor (2000)<sup>14</sup>
- Allowing an agency to require a contractor to subcontract to certain emerging small businesses (2004)<sup>15</sup>
- Promoting the purchase of items with the highest level of sustainable attributes possible (2009)<sup>16</sup>
- Allowing an agency to award an affirmative action contract up to \$50,000 to minority, women, and emerging small businesses (2003) and disabled veterans (2010)<sup>17</sup>
- Allowing an agency to prefer goods fabricated or processed entirely in Oregon or services performed entirely in Oregon (2011)<sup>18</sup>
- Allowing an agency to prefer safer products without chemicals of concern to health and environment<sup>19</sup>

<sup>1</sup> National Institute of Governmental Purchasing, Inc. (NIGP), Public Procurement Dictionary of Terms, 2008.

<sup>2</sup> ORS 282.010 and 282.020 (1952)

<sup>3</sup> ORS 279A.025(4) and 279.835-279.855; OAR 125-55-0005-0045, State Purchasing

<sup>4</sup> ORS 279A.120, OAR 125-246-0300, Preference for Oregon Supplies and Services; Tie-Offers

<sup>5</sup> ORS 279A.120, OAR 125-246-0310, Reciprocal Preferences

<sup>6</sup> ORS 279A.125, OAR 125-246-0322, Preference for Recycled Materials

<sup>7</sup> ORS 279A.125 and 270A.155; OAR 125-246-0324, Recycling: Food Service and Food Packaging

<sup>8</sup> SB 338 and 5562 (2009), Go Oregon! Economic Stimulus Act

<sup>9</sup> ORS 291.038, OAR 125-600-7550, Enterprise Geographic Information (GIS) Software Standard

<sup>10</sup> Oregon Laws 2009, Chapter 880, OAR 125-247-0110, Feasibility Determination, Cost Analysis ....

<sup>11</sup> ORS 291.038, pending approval by the Legislature of EISPD’s policy, see Brand Name approval, no. 172-10

<sup>12</sup> ORS 190, 1953

<sup>13</sup> ORS 279A.250-260, OAR 125-050-0100 through 125-050-0400, State Surplus

<sup>14</sup> Oregon Constitution, Article I, Section 41; OAR 291-201-0100 et seq., 2000

<sup>15</sup> ORS 279A.105; OAR 125-246-0210 Subcontracting to and Contracting with Emerging Small Businesses; Disqualification

<sup>16</sup> DAS Policy no. 107-011-140, Sustainable Procurement and Internal Operations, 2009

<sup>17</sup> ORS 279A.200, OAR 125-246-0200 and 125-246-0210; ORS 279A.100 (2009) and OAR 125-246-0314

<sup>18</sup> ORS 279A.120 (2011), OAR 125-246-0300 and 125-246-0312, Oregon Goods and Services Preference

<sup>19</sup> Governor John Kitzhaber’s Executive Order 12-05 (2012) related to Green Chemistry