SB 491-1 (LC 1947) 3/17/15 (TSB/ps)

PROPOSED AMENDMENTS TO SENATE BILL 491

On page 1 of the printed bill, line 3, after "amending" delete the rest of the line and line 4 and insert "ORS 279B.110, 279B.235, 279C.375 and 3 279C.520; and declaring an emergency.".

4 Delete lines 6 through 24 and delete <u>page 2</u> and insert:

5 "SECTION 1. Section 2 of this 2015 Act is added to and made a part
6 of ORS chapter 279A.

"SECTION 2. (1) The Oregon Department of Administrative Services shall establish a program to certify that a person that intends to submit a bid or proposal for a public contract understands the prohibition set forth in ORS 652.220 and in other laws or rules that prohibit discrimination in compensation or wage payments. The program must include, but is not limited to, all of these elements:

"(a) A curriculum for training prospective bidders and proposers in complying with the prohibition described in this subsection. The curriculum must include hypothetical situations, case studies and other examples that show conduct that would violate the prohibition and other conduct that would constitute correct and best practices.

18 "(b) Criteria for assessing whether prospective bidders and 19 proposers understand the prohibition and can successfully apply best 20 practices to a hypothetical situation that involves discrimination in 21 compensation or wage payments.

²² "(c) Standards for successful completion of the curriculum and as-

1 sessment that will result in the department issuing the certificate.

2 "(2) The department may conduct the training and assessment for 3 the program described in subsection (1) of this section or may enter 4 into an interagency agreement with the Bureau of Labor and Indus-5 tries or a contract with a private entity to conduct the training and 6 assessment.

"(3) The department may by rule specify a period of time during
which a certificate the department issues under this section is valid
and may adopt other rules that are necessary to implement the provisions of this section.

"SECTION 3. ORS 279B.110, as amended by section 3, chapter 77, Oregon
 Laws 2014, is amended to read:

"279B.110. (1) As part of a contracting agency's evaluation of a bid or proposal, the contracting agency shall determine whether the bidder or proposer is responsible in accordance with the standards of responsibility set forth in subsection (2) of this section. If the contracting agency determines that a bidder or proposer is not responsible, the contracting agency shall provide the bidder or proposer with written notice of the contracting agency's determination.

20 "(2) In order for a contracting agency to determine that a bidder or 21 proposer is responsible, the bidder or proposer must demonstrate to the 22 contracting agency that the bidder or proposer:

"(a) Has available the appropriate financial, material, equipment, facility
 and personnel resources and expertise, or has the ability to obtain the re sources and expertise, necessary to meet all contractual responsibilities.

(b) Completed previous contracts of a similar nature with a satisfactory record of performance. For purposes of this paragraph, a satisfactory record of performance means that to the extent that the costs associated with and time available to perform a previous contract remained within the bidder's or proposer's control, the bidder or proposer stayed within the time and

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a satisfactory manner. The contracting agency shall document the bidder's
or proposer's record of performance if the contracting agency finds under
this paragraph that the bidder or proposer is not responsible.

"(c) Has a satisfactory record of integrity. The contracting agency in $\mathbf{5}$ evaluating the bidder's or proposer's record of integrity may consider, among 6 other things, whether the bidder or proposer has previous criminal con-7 victions for offenses related to obtaining or attempting to obtain a contract 8 or subcontract or in connection with the bidder's or proposer's performance 9 of a contract or subcontract. The contracting agency shall document the 10 bidder's or proposer's record of integrity if the contracting agency finds un-11 der this paragraph that the bidder or proposer is not responsible. 12

13 "(d) Is legally qualified to contract with the contracting agency.

"(e) Complied with the tax laws of this state or a political subdivision of this state, including ORS 305.620 and ORS chapters 316, 317 and 318. The bidder or proposer shall demonstrate compliance by submitting a signed affidavit that [attests, under penalty of perjury,] **declares** that the bidder or proposer has complied with the tax laws of this state or a political subdivision of this state.

"(f) Possesses an unexpired certificate that the Oregon Department of Administrative Services issued under section 2 of this 2015 Act, if the bidder or proposer employs 50 or more full-time workers and submitted a bid or proposal for a procurement with an estimated contract price that exceeds \$500,000 in response to an advertisement or solicitation from a state contracting agency.

"[(f)] (g) Supplied all necessary information in connection with the inquiry concerning responsibility. If a bidder or proposer fails to promptly supply information concerning responsibility that the contracting agency requests, the contracting agency shall determine the bidder's or proposer's responsibility based on available information or may find that the bidder or 1 proposer is not responsible.

2 "[(g)] (h) Was not debarred by the contracting agency under ORS
3 279B.130.

"(3) A contracting agency may refuse to disclose outside of the contracting agency confidential information furnished by a bidder or proposer under this section when the bidder or proposer has clearly identified in writing the information the bidder or proposer seeks to have treated as confidential and the contracting agency has authority under ORS 192.410 to 192.505 to withhold the identified information from disclosure.".

10 On page 3, delete lines 1 through 44.

In line 45, delete "3" and insert "4".

12 On page 5, delete lines 14 through 45 and insert:

¹³ "<u>SECTION 5.</u> ORS 279C.375 is amended to read:

"279C.375. (1) After a contracting agency has opened bids and determined 14 that the contracting agency will award a public improvement contract, the 15contracting agency shall award the contract to the lowest responsible bidder. 16 "(2) At least seven days before awarding a public improvement contract, 17 unless the contracting agency determines that seven days is impractical un-18 der rules adopted under ORS 279A.065, the contracting agency shall issue to 19 each bidder or post, electronically or otherwise, a notice of the contracting 20agency's intent to award a contract. This subsection does not apply to a 21contract to which competitive bidding does not apply under ORS 279C.335 22(1)(c) or (d). The notice and the manner in which the notice is posted or is-23sued must conform to rules adopted under ORS 279A.065. 24

"(3) In determining the lowest responsible bidder, a contracting agency
 shall do all of the following:

"(a) Check the list created by the Construction Contractors Board under
ORS 701.227 for bidders who are not qualified to hold a public improvement
contract.

30 "(b) Determine whether the bidder is responsible. A responsible bidder

1 must demonstrate to the contracting agency that the bidder:

"(A) Has available the appropriate financial, material, equipment, facility
and personnel resources and expertise, or has the ability to obtain the resources and expertise, necessary to meet all contractual responsibilities.

5 "(B) Holds current licenses that businesses or service professionals oper-6 ating in this state must hold in order to undertake or perform the work 7 specified in the contract.

"(C) Is covered by liability insurance and other insurance in amounts the
contracting agency requires in the solicitation documents.

"(D) Qualifies as a carrier-insured employer or a self-insured employer
 under ORS 656.407 or has elected coverage under ORS 656.128.

¹² "(E) Has made the disclosure required under ORS 279C.370.

"(F) Completed previous contracts of a similar nature with a satisfactory 13 record of performance. For purposes of this subparagraph, a satisfactory re-14 cord of performance means that to the extent that the costs associated with 15 and time available to perform a previous contract remained within the 16 bidder's control, the bidder stayed within the time and budget allotted for 17 the procurement and otherwise performed the contract in a satisfactory 18 manner. The contracting agency shall document the bidder's record of per-19 formance if the contracting agency finds under this subparagraph that the 20bidder is not responsible. 21

"(G) Has a satisfactory record of integrity. The contracting agency in evaluating the bidder's record of integrity may consider, among other things, whether the bidder has previous criminal convictions for offenses related to obtaining or attempting to obtain a contract or subcontract or in connection with the bidder's performance of a contract or subcontract. The contracting agency shall document the bidder's record of integrity if the contracting agency finds under this subparagraph that the bidder is not responsible.

²⁹ "(H) Is legally qualified to contract with the contracting agency.

30 "(I) Possesses an unexpired certificate that the Oregon Department

of Administrative Services issued under section 2 of this 2015 Act, if the bidder employs 50 or more full-time workers and submitted a bid for a procurement with an estimated contract price that exceeds \$500,000 in response to an advertisement or solicitation from a state contracting agency.

6 "[(I)] (J) Supplied all necessary information in connection with the in-7 quiry concerning responsibility. If a bidder fails to promptly supply infor-8 mation concerning responsibility that the contracting agency requests, the 9 contracting agency shall determine the bidder's responsibility based on 10 available information, or may find that the bidder is not responsible.

"(c) Document the contracting agency's compliance with the requirements of paragraphs (a) and (b) of this subsection in substantially the following form:

14	"
15	RESPONSIBILITY DETERMINATION FORM
16	
17	Project Name:
18	Bid Number:
19	Business Entity Name:
20	CCB License Number:
21	Form Submitted By (Contracting Agency):
22	
23	Form Submitted By (Contracting Agency Representative's Name):
24	
25	Title:
26	Date:
27	(The contracting agency must submit this form with attachments, if any,
28	to the Construction Contractors Board within 30 days after the date of con-
29	tract award.)
30	The contracting agency has (check all of the following):

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1	[] Checked the list created by the
2	Construction Contractors Board
3	under ORS 701.227 for bidders who
4	are not qualified to hold a public
5	improvement contract.
6	[] Determined whether the bidder has
7	met the standards of responsibility.
8	In so doing, the contracting agency
9	has found that the bidder
10	demonstrated that the bidder:
11	[] Has available the appropriate
12	financial, material, equipment,
13	facility and personnel resources
14	and expertise, or the ability to
15	obtain the resources and
16	expertise, necessary to meet
17	all contractual responsibilities.
18	[] Holds current licenses that
19	businesses or service professionals
20	operating in this state must hold
21	in order to undertake or perform
22	the work specified in the contract.
23	[] Is covered by liability insurance
24	and other insurance in amounts
25	required in the solicitation
26	documents.
27	[] Qualifies as a carrier-insured
28	employer or a self-insured
29	employer under ORS 656.407 or has
30	elected coverage under ORS 656.128.

1	[] Has disclosed the bidder's first-
2	tier subcontractors in accordance
3	with ORS 279C.370.
4	[] Has a satisfactory record of
5	performance.
6	[] Has a satisfactory record of
7	integrity.
8	[] Is legally qualified to contract
9	with the contracting agency.
10	[] Possesses a certificate that
11	the Oregon Department of
12	Administrative Services issued under
13	section 2 of this 2015 Act.
14	[] Has supplied all necessary
15	information in connection with
16	the inquiry concerning
17	responsibility.
18	[] Determined the bidder to be
19	(check one of the following):
20	[] Responsible under ORS 279C.375
21	(3)(a) and (b).
22	[] Not responsible under
23	ORS 279C.375 (3)(a) and (b).
24	(Attach documentation if the contracting agency finds the bidder not to
25	be responsible.)
26	"
27	"(d) Submit the form described in paragraph (c) of this subsection, with
28	any attachments, to the Construction Contractors Board within 30 days after
29	the date the contracting agency awards the contract.
30	"(4) The successful bidder shall:

1 "(a) Promptly execute a formal contract; and

"(b) Execute and deliver to the contracting agency a performance bond
and a payment bond when required under ORS 279C.380.

"(5) Based on competitive bids, a contracting agency may award a public
improvement contract or may award multiple public improvement contracts
when specified in the invitation to bid.

"(6) A contracting agency may not exclude a commercial contractor from
competing for a public contract on the basis that the license issued by the
Construction Contractors Board is endorsed as a level 1 or level 2 license.
As used in this section, 'commercial contractor' has the meaning given that
term in ORS 701.005.".

12 On page 6, delete lines 1 through 40.

In line 41, delete "5" and insert "6".

14 On page 8, delete lines 5 through 22 and insert:

¹⁵ "<u>SECTION 7.</u> The amendments to ORS 279B.110, 279B.235, 279C.375 ¹⁶ and 279C.520 by sections 3 to 6 of this 2015 Act apply to procurements ¹⁷ that a contracting agency advertised or otherwise solicited or, if the ¹⁸ contracting agency did not advertise or solicit the procurement, to ¹⁹ contracts into which the contracting agency entered on or after the ²⁰ operative date specified in section 8 of this 2015 Act.

"<u>SECTION 8.</u> (1) The amendments to ORS 279B.110, 279B.235,
279C.375 and 279C.520 by sections 3 to 6 of this 2015 Act become operative January 1, 2016.

"(2) The Director of the Oregon Department of Administrative Services, the Director of Transportation, the Attorney General or a contracting agency that adopts rules under ORS 279A.065 may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the director, the Attorney General or the contracting agency to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the director, the Attorney General or the
 contracting agency by the amendments to ORS 279B.110, 279B.235,
 279C.375 and 279C.520 by sections 3 to 6 of this 2015 Act.

4 "<u>SECTION 9.</u> This 2015 Act being necessary for the immediate
5 preservation of the public peace, health and safety, an emergency is
6 declared to exist, and this 2015 Act takes effect on its passage.".

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