

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4019

81st Oregon Legislative Assembly – 2022 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Requires the Oregon Department of Administrative Services to periodically conduct a performance audit of public agencies to determine compliance with laws that require procurements from qualified nonprofit agencies for individuals with disabilities.

Government Unit(s) Affected:

Department of Administrative Services (DAS), Secretary of State (SOS), Statewide (Public Agencies), Counties, Cities, School Districts, Community Colleges, Public Universities

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Business and Labor to the House Committee on Rules.

House Bill 4019 directs the Department of Administrative Services (DAS) to conduct a periodic performance audit of public agency procurement. DAS must audit each public agency at least once every five years to ensure that public agencies are complying with nonprofit agency procurement requirements. DAS may by contract delegate to another agency or to a private contractor with appropriate experience the authority to conduct the audits. Each public agency shall provide DAS, upon request, with information that DAS determines is necessary to conduct the audit. DAS shall publish the results of each performance audit on its website and certify in writing either that the public agency has complied with the statutory procurement requirements or make a finding of noncompliance. Upon a finding of noncompliance, DAS may impose a fine upon the noncompliant public agency as specified by rule, the proceeds of which shall be credited to the General Fund. DAS must supervise and approve all successor service contracts entered into by a public agency for specified services to verify compliance with employment transition requirements for individuals with a disability who worked more than 28 hours or more per week when the prior contract ended. DAS shall impose a fine of not more than \$5,000 upon a public agency, a contractor, or a successor service provider for each failure to comply with or violations of the employment transition requirements for individuals with a disability, the proceeds of which shall be credited to the General Fund. The measure takes effect 91 days after adjournment *sine die* and becomes operative on January 1, 2023.

Further Analysis Required

The measure is anticipated to have an impact on the Department of Administrative Services, Secretary of State, Statewide (Public Agencies), Counties, Cities, School Districts, Community Colleges, and Public Universities.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the House Committee on Rules.