

HB 2055 -1 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 2/1, 2/8

WHAT THE MEASURE DOES:

Updates and streamlines process and procedure for conducting cooperative procurements for public contracts and public improvement contracts. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Need to modernize and update cooperative procurements
- How reduction in complexity of cooperative procurement process will impact efficiency, cost, and compliance
- Positive impact to public agencies, particularly smaller agencies, of cooperative procurements
- Increase in public notice of cooperative procurement
- Consistency in procurement code with other states

EFFECT OF AMENDMENT:

-1 Restores ability of local governments to use state price agreements.

BACKGROUND:

In 2003, the Legislative Assembly adopted Cooperative Procurement statutes, ORS 279A.200 - ORS 279A.225. The statute authorizes public contracting agencies, including local governments, school districts and special districts, to participate in, sponsor, conduct, or administer a cooperative procurement.

Currently, statute provides for three different types of cooperative procurement (joint, permissive, and interstate) with specific requirements a contracting agency must meet before establishing an agreement through a cooperative procurement. ORS 279A.205(1) authorizes joint cooperative procurement for the procurement of any goods, services, or public improvements; ORS 279A.205(2) authorizes permissive and/or interstate cooperative procurement for the procurement of any goods or services, but not public improvements.

The Cooperative Procurement statutes have not been updated since 2003, even though the quantity and variety of cooperative procurement contracts have increased. As a result, the current statutes regularly cause confusion for procurement officials when making the determination as to whether the agency can utilize a cooperative contract, which results in inconsistent interpretation of the rules.

House Bill 2055 updates the statutes to modernize process and procedure for conducting cooperative procurements for public contracts and public improvement. The measure streamlines that ability of a public agency to create, administrator, and participate in a cooperative procurement.