

House Bill 2743

Sponsored by Representative READ (Pre-session filed.)

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 **as introduced**.

Establishes Task Force on Executive Compensation Among State Contractors. Directs task force to examine compensation of contractors that do business with state to determine ratio of executive compensation to average compensation for contractors' employees and to evaluate whether methods exist by which contracting agencies may give preference to prospective contractors that limit executive compensation or in which ratio of executive compensation to average compensation for employees is lower than for competing prospective contractors.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to executive compensation among state contractors; and declaring an emergency.

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

4 **SECTION 1. (1) The Task Force on Executive Compensation Among State Contractors is**
5 **established, consisting of nine members appointed as follows:**

6 (a) **The President of the Senate shall appoint two members from among members of the**
7 **Senate.**

8 (b) **The Speaker of the House of Representatives shall appoint two members from among**
9 **members of the House of Representatives.**

10 (c) **The Governor shall appoint:**

11 (A) **One member from the public;**

12 (B) **One member that represents a large business that contracts regularly with an agency**
13 **or agencies of this state;**

14 (C) **One member that represents a small business that contracts regularly with an**
15 **agency or agencies of this state; and**

16 (D) **One member that represents a labor organization within this state.**

17 (d) **The Director of the Oregon Department of Administrative Services shall appoint the**
18 **state chief procurement officer.**

19 (2) **The task force shall:**

20 (a) **Examine, to the extent that reliable information is available, the executive compen-**
21 **sation of contractors that do business with this state to determine the ratio of the**
22 **contractor's compensation for the contractor's executive officers to the contractor's average**
23 **compensation for the contractor's employees; and**

24 (b) **Evaluate whether:**

25 (A) **Methods exist by which contracting agencies in this state may grant a preference to**
26 **prospective contractors that limit executive officer compensation or within which the ratio**
27 **of executive officer compensation to average compensation for employees is lower than**
28 **competing prospective contractors; and**

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 (B) Contracting agencies may require prospective contractors to disclose the contractor's
2 compensation for executive officers and the ratio of compensation for executive officers to
3 average compensation for employees.

4 (3) The task force may:

5 (a) Hear testimony, conduct studies, perform research and otherwise investigate the is-
6 sues described in subsection (2) of this section;

7 (b) Develop methodologies for determining the information necessary to underpin a de-
8 cision to grant a preference to a contractor;

9 (c) Make recommendations as to possible courses of action to contracting agencies, to
10 the extent that contracting agencies can grant preferences within the contracting agencies'
11 existing rulemaking powers; and

12 (d) Recommend legislation based on the results of the task force's investigations.

13 (4) A majority of the voting members of the task force constitutes a quorum to transact
14 business.

15 (5) Official action by the task force requires the approval of a majority of the voting
16 members of the task force.

17 (6) The task force shall elect one of its members to serve as chairperson.

18 (7) If there is a vacancy for any cause, the appointing authority shall make an appoint-
19 ment to become immediately effective.

20 (8) The task force shall meet at times and places specified by the call of the chairperson
21 or of a majority of the voting members of the task force.

22 (9) The task force may adopt rules necessary for the operation of the task force.

23 (10) The task force shall submit a report in the manner provided by ORS 192.245, and
24 may include recommendations for legislation, to an interim committee of the Legislative
25 Assembly related to public contracting as appropriate no later than September 15, 2016.

26 (11) The Oregon Department of Administrative Services shall provide staff support to the
27 task force.

28 (12) Members of the task force who are not members of the Legislative Assembly are not
29 entitled to compensation, but may be reimbursed for actual and necessary travel and other
30 expenses incurred by them in the performance of their official duties in the manner and
31 amounts provided for in ORS 292.495. Claims for expenses incurred in performing functions
32 of the task force shall be paid out of funds appropriated to the Oregon Department of Ad-
33 ministrative Services for purposes of the task force.

34 (13) All agencies of state government, as defined in ORS 174.111, are directed to assist
35 the task force in the performance of its duties and, to the extent permitted by laws relating
36 to confidentiality, to furnish such information and advice as the members of the task force
37 consider necessary to perform their duties.

38 **SECTION 2.** Section 1 of this 2015 Act is repealed on December 31, 2016.

39 **SECTION 3.** This 2015 Act being necessary for the immediate preservation of the public
40 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
41 on its passage.