

2016 First Extraordinary Session

HOUSE CONCURRENT RESOLUTION NO. 2

BY REPRESENTATIVE LANCE HARRIS

CONTRACTS: Directs the commissioner of administration, the commissioner of higher education, and statewide elected officials to review certain state contracts to identify any that can be terminated and report to the Joint Legislative Committee on the Budget by March 1, 2016

1 A CONCURRENT RESOLUTION

2 To direct the commissioner of administration, the commissioner of higher education, the  
3 lieutenant governor, the secretary of state, the attorney general, the treasurer, the  
4 commissioner of agriculture, the public service commission, and the commissioner  
5 of insurance to review all state contracts and identify any contracts currently in effect  
6 that can be terminated according to the terms of the contract, determine the amount  
7 of savings as a result of terminating the contract, and take such action as is necessary  
8 to initiate the termination, excluding contracts for critical healthcare services and  
9 contracts for classroom activities related to elementary and secondary education, and  
10 report to the Joint Legislative Committee on the Budget by March 1, 2016.

11 WHEREAS, the state of Louisiana is facing an estimated \$940 million budget deficit  
12 in Fiscal Year 2015-2016; and

13 WHEREAS, the state of Louisiana is facing an estimated \$2.1 billion budget deficit  
14 in Fiscal Year 2016-2017; and

15 WHEREAS, solving the budget deficits in the coming years and setting the state on  
16 a path of continued fiscal responsibility will require a thorough review of all areas of state  
17 spending; and

18 WHEREAS, the office of state procurement in the division of administration is  
19 charged with oversight of the procurement of all supplies, services, major repairs, and  
20 personal, professional, consulting, and social services needed by the state; and

1           WHEREAS, the laws governing state contracts are vast and extend beyond the  
2 oversight of the office of state procurement; and

3           WHEREAS, some state contracts include language authorizing the state to terminate  
4 a contract at any time by giving thirty days written notice and making payment for all  
5 deliverables in progress; and

6           WHEREAS, given the various types of contracts and methods for entering into  
7 contracts, state agencies and systems of public postsecondary education are in the position  
8 to provide the best source of information on each contract entered into by the state; and

9           WHEREAS, the commissioner of administration directs the activities of the division  
10 of administration which comprises all administrative functions of the state; and

11           WHEREAS, the commissioner of higher education administers and implements  
12 programs and policies for the Board of Regents which plans, coordinates, and has budgetary  
13 responsibility for all public postsecondary education; and

14           WHEREAS, the lieutenant governor, the secretary of state, the attorney general, the  
15 treasurer, the commissioner of agriculture, the public service commission, and the  
16 commissioner of insurance direct the activities of and are responsible for the budgets of the  
17 agencies they oversee; and

18           WHEREAS, a review of all state contracts by the commissioner of administration,  
19 the commissioner of higher education, the lieutenant governor, the secretary of state, the  
20 attorney general, the treasurer, the commissioner of agriculture, the public service  
21 commission, and the commissioner of insurance will allow them to determine if the state has  
22 entered into any contracts that are not meeting state priorities at a reasonable cost.

23           THEREFORE, BE IT RESOLVED the commissioner of administration, the  
24 commissioner of higher education, the lieutenant governor, the secretary of state, the  
25 attorney general, the treasurer, the commissioner of agriculture, the public service  
26 commission, and the commissioner of insurance are directed to review all state contracts,  
27 identify any contracts currently in effect that can be terminated according to the terms of the  
28 contract, determine the amount of savings as a result of terminating the contract, take such  
29 action as is necessary to initiate the termination, and to identify any contracts that have

1 already been terminated this fiscal year, and to report their findings to the Joint Legislative  
2 Committee on the Budget by March 1, 2016.

3 BE IT FURTHER RESOLVED, contracts for critical healthcare services and  
4 contracts for classroom activities related to elementary and secondary education shall be  
5 excluded from the requirements of this Resolution.

6 BE IT FURTHER RESOLVED that all state agencies are directed to provide  
7 information requested by the commissioner of administration.

8 BE IT FURTHER RESOLVED that the board of supervisors of each public system  
9 of postsecondary education, and each public institution of postsecondary education, are  
10 directed to provide information as requested by the commissioner of higher education.

11 BE IT FURTHER RESOLVED that the commissioner of administration, the  
12 commissioner of higher education, the lieutenant governor, the secretary of state, the  
13 attorney general, the treasurer, the commissioner of agriculture, the public service  
14 commission, and the commissioner of insurance shall report to the Joint Legislative  
15 Committee on the Budget by March 1, 2016, on each contract identified for termination, the  
16 amount of savings from the termination of the contract, and whether termination has been  
17 initiated.

18 BE IT FURTHER RESOLVED that the commissioner of administration, the  
19 commissioner of higher education, the lieutenant governor, the secretary of state, the  
20 attorney general, the treasurer, the commissioner of agriculture, the public service  
21 commission, and the commissioner of insurance shall further report to the Joint Legislative  
22 Committee on the Budget by March 1, 2016, any contracts that would otherwise be required  
23 for termination under the requirements of this Resolution, but which they deem necessary  
24 to continue.

25 BE IT FURTHER RESOLVED the Joint Legislative Committee on the Budget is  
26 required to hold a meeting on or before March 1, 2016, to discuss the information reported  
27 to the committee.

28 BE IT FURTHER RESOLVED that the legislature may use the information reported  
29 to the Joint Legislative Committee on the Budget to make corresponding reductions to the  
30 Fiscal Year 2015-2016 budget.

1 BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted  
2 to the commissioner of administration, the commissioner of higher education, the lieutenant  
3 governor, the secretary of state, the attorney general, the treasurer, the commissioner of  
4 agriculture, the public service commission, and the commissioner of insurance.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HCR 2 Original

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Lance Harris

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