

Regular Session, 2012

HOUSE BILL NO. 327

BY REPRESENTATIVES RICHARD, ADAMS, ARNOLD, BADON, BERTHELOT, STUART BISHOP, WESLEY BISHOP, BURFORD, CARMODY, CARTER, CHAMPAGNE, GAINES, GAROFALO, GISCLAIR, GREENE, HARRISON, HAVARD, HENSGENS, HODGES, HUNTER, LAMBERT, NANCY LANDRY, LIGI, LORUSSO, JAY MORRIS, PYLANT, REYNOLDS, SCHEXNAYDER, ST. GERMAIN, TALBOT, THIBAUT, WHITNEY, ALFRED WILLIAMS, AND WILLMOTT

PUBLIC CONTRACTS: Provides for a 10% reduction of all state professional, personal, and consulting service contracts

1 AN ACT

2 To enact Subpart G of Part I of Chapter 16 of Subtitle III of Title 39 of the Louisiana
3 Revised Statutes of 1950, to be comprised of R.S. 39:1493.11 and 1498(A)(10),
4 relative to professional, personal, and consulting services procurement; to require a
5 reduction in the dollar amount of certain professional, personal, and consulting
6 service contracts; to provide for the submission of periodic reports; to provide for
7 exceptions; to provide for certain determinations before contract approval; to provide
8 for an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Subpart G of Part I of Chapter 16 of Subtitle III of Title 39 of the
11 Louisiana Revised Statutes of 1950, comprised of R.S. 39:1493.11 and 1498(A)(10) are
12 hereby enacted to read as follows:

13 SUBPART G. REDUCTION OF CONTRACTS FOR FISCAL YEAR 2012-2013

14 §1493.11. Reduction of contracts for Fiscal Year 2012-2013

15 A.(1) The total dollar amount for professional, personal, and consulting
16 service contracts under the jurisdiction of the office of contractual review for Fiscal

1 Year 2012-2013 shall be reduced by no less than ten percent of the total dollar
2 amount for such contracts for Fiscal Year 2011-2012.

3 (2) The office of contractual review shall submit reports on the status of the
4 implementation of this Section to the Joint Legislative Committee on the Budget on
5 October 1, 2012, January 1, 2013, April 1, 2013, and July 1, 2013.

6 B. The office of contractual review shall not approve any contract if such
7 approval would increase the total dollar amount of contracts as required in
8 Subsection A of this Section, unless such contract meets all of the following criteria:

9 (1) Either no employee of the contracting department or agency is both
10 competent and available to perform the services called for by the proposed contract
11 or the services called for are not the type readily susceptible to being performed by
12 persons who are employed by the state on a continuing basis.

13 (2) The services are not available as a product of a prior or existing contract.

14 (3) The contracting department or agency has submitted to the office of
15 contractual review a written plan to monitor and evaluate the performance called for
16 in the proposed contract.

17 (4) It is more cost effective to obtain the proposed services through the
18 contract than to have the services provided by the contracting department or agency
19 if the department or agency can provide the services or by agreement with another
20 state department or agency.

21 (5) The commissioner of administration determines that the proposed
22 contract represents a priority expenditure for Louisiana state government.

23 * * *

24 §1498. Approval of contract; penalties

25 A. Before approving a proposed contract for professional, personal,
26 consulting, or social services, the director of the office of contractual review or an
27 assistant shall have determined that:

28 * * *

1 (10) A contract for professional, personal or consulting services is not
2 awarded to any entity for which an appropriation was enacted through a line item
3 appropriation in the General Appropriations Act for the fiscal year in which the
4 contract is proposed, and was subsequently vetoed by the governor, for such amount
5 or services as contained in the appropriation. If the office of contractual review
6 determines that a contract in the amount and for such services as were contained in
7 the vetoed appropriation is proposed, the office shall not approve such contract
8 without prior approval of the Joint Legislative Committee on the Budget.

9 * * *

Section 2. This Act shall become effective on July 1, 2012; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on July 1, 2012, or on the day following such approval by the legislature, whichever is later.

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)]

Richard

HB No. 327

Abstract: Requires a 10% reduction in the total dollar amount for professional, personal, and consulting service contracts under the jurisdiction of the office of contractual review for FY 2012-2013.

Proposed law requires a 10% reduction in the total dollar amount for professional, personal, and consulting service contracts under the jurisdiction of the office of contractual review for FY 2012-2013.

Proposed law requires the office of contractual review to submit reports on the status of the implementation of proposed law to the Joint Legislative Committee on the Budget on Oct. 1, 2012, Jan. 1, 2013, April 1, 2013, and July 1, 2013.

Proposed law prohibits the office of contractual review from approving any contract if such approval would increase the total dollar amount of contracts above the reduction required in proposed law, unless such contract meets all of the following criteria:

- (1) Either no employee of the contracting department or agency is both competent and available to perform the services called for by the proposed contract or the services called for are not the type readily susceptible to being performed by persons who are employed by the state on a continuing basis.
- (2) The services are not available as a product of a prior or existing contract.

- (3) The contracting department or agency has submitted to the office of contractual review a written plan to monitor and evaluate the performance called for in the proposed contract.
- (4) It is more cost effective to obtain the proposed services through the contract than to have the services provided by the contracting department or agency if the department or agency can provide the services or by agreement with another state department or agency.
- (5) The commissioner of administration determines that the proposed contract represents a priority expenditure for La. state government.

Present law provides for certain determinations by the director of the office of contractual review prior to the approval of proposed contracts.

Proposed law retains present law and further provides that before approval, the director of the office of contractual review shall determine that a contract for professional, personal, or consulting services is not awarded to any entity for which an appropriation was enacted through a line item appropriation in the General Appropriations Act for the fiscal year in which the contract is proposed, and subsequently vetoed by the governor, for such amount or services as contained in the appropriation. Proposed law further provides that if the office of contractual review determines that a contract in the amount and for such services as were contained in the vetoed appropriation is proposed, the office shall not approve such contract without prior approval of the Joint Legislative Committee on the Budget.

Effective July 1, 2012.

(Adds R.S. 39:1493.11 and 1498(A)(10))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Added provision regarding determinations by the director of the office of contractual review prior to the approval of certain proposed contracts.