

Regular Session, 2013

HOUSE BILL NO. 73

BY REPRESENTATIVE RICHARD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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

1 AN ACT

2 To amend and reenact R.S. 39:1489 and to enact Subpart G of Part I of Chapter 16 of  
3 Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950, to be comprised of  
4 R.S. 39:1493.11, and 1498(A)(10), relative to professional, personal, and consulting  
5 services procurement; to require a reduction in the dollar amount of certain  
6 professional, personal, and consulting service contracts; to provide for the  
7 submission of periodic reports; to provide for exceptions; to provide for certain  
8 determinations before contract approval; to provide for an effective date; and to  
9 provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 39:1489 is hereby amended and reenacted and Subpart G of Part I  
12 of Chapter 16 of Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950, comprised  
13 of R.S. 39:1493.11, and 1498(A)(10) are hereby enacted to read as follows:

14 SUBPART G. REDUCTION OF CONTRACTS FOR FISCAL YEAR 2013-2014

15 §1493.11. Reduction of contracts for Fiscal Year 2013-2014

16 A.(1) The total dollar amount for professional, personal, and consulting  
17 service contracts under the jurisdiction of the office of contractual review for Fiscal  
18 Year 2013-2014 shall be reduced by no less than ten percent of the total dollar  
19 amount for such contracts for Fiscal Year 2012-2013.

1           (2) The office of contractual review shall submit reports on the status of the  
 2           implementation of this Section to the Joint Legislative Committee on the Budget on  
 3           October 1, 2013, January 1, 2014, April 1, 2014, and July 1, 2014.

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

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

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

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

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

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

21           C. Notwithstanding any provision of law to the contrary, this Section shall  
 22           not apply to any professional, personal, or consulting service contract of the secretary  
 23           of state necessary to perform any constitutional or statutory function of the office.

24   \*       \*       \*

25           §1489. Reporting requirements; annual report

26                   A. The director shall prepare such reports as he finds necessary for  
 27           the proper conduct of his duties, to include an annual report of all  
 28           professional, personal, consulting, social services, and other contracts over  
 29           which the office of contractual review has power and authority under the

1 provisions of this Chapter or through administrative rules and regulations.

2 The annual report shall be compiled on a fiscal year basis and consist, at a  
3 minimum, of summary descriptive and statistical data regarding the number  
4 and amounts of such contracts by type of service. The annual report shall be  
5 submitted to the president of the Senate and speaker of the House of  
6 Representatives not later than January first of the year following the end of  
7 the fiscal year for which the report is prepared.

8 B. The director shall submit a report at the end of each month to the House  
9 Committee on Appropriations summarizing the contracts and dollar value of such  
10 contracts awarded that month over which the office of contractual review has power  
11 and authority.

12 \* \* \*

13 §1498. Approval of contract; penalties

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

17 \* \* \*

18 (10) A contract for professional, personal, or consulting services is not  
19 awarded to any entity for which an appropriation was enacted through a line item  
20 appropriation in the General Appropriations Act for the fiscal year in which the  
21 contract is proposed, and was subsequently vetoed by the governor, for such amount  
22 or services as contained in the appropriation. If the office of contractual review  
23 determines that a contract in the amount and for such services as were contained in  
24 the vetoed appropriation is proposed, the office shall not approve such contract  
25 without prior approval of the Joint Legislative Committee on the Budget.

26 \* \* \*

27 Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor  
28 and subsequently approved by the legislature, this Act shall become effective on July 1,  
29 2013, or on the day following such approval by the legislature, whichever is later.

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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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Richard

HB No. 73

**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 2013-2014. Additionally requires the office of contractual review to submit a monthly report to the House Committee on Appropriations on contracts awarded the prior month.

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 2013-2014.

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, 2013, Jan. 1, 2014, April 1, 2014, and July 1, 2014.

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.

Proposed law does not apply to any professional, personal, or consulting service contract of the secretary of the state necessary to perform any constitutional or statutory function of the office.

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.

Present law requires the director of the office of contractual review prepare an annual report to the president of the Senate and speaker of the House of Representatives on January 1 of each year on all professional, personal, consulting, social services, and other contracts over which the office of contractual review has power and authority. The annual report shall be compiled on a fiscal year basis and consist, at a minimum, of summary descriptive and statistical data regarding the number and amounts of such contracts by type of service.

Proposed law additionally requires the director to submit a report at the end of each month to the House Committee on Appropriations summarizing the contracts and dollar value of such contracts awarded that month over which the office of contractual review has power and authority.

Effective July 1, 2013.

(Amends R.S. 39:1489; Adds R.S. 39:1493.11 and 1498(A)(10))

#### Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Adds exception for contracts of the secretary of state necessary to perform any constitutional or statutory function of the office.
2. Adds requirement that the director of the office of contractual review submit a monthly report to the House Committee on Appropriations.