
DIGEST

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Fannin

HB No. 705

Abstract: Authorizes the office of risk management to contract with licensed insurance producers to advise the office regarding the office's programs and to directly procure insurance. Requires the Joint Legislative Committee on the Budget (JLCB) to approve the contract and for annual reporting to the JLCB of cost savings achieved by the contract.

Present law relative to the procurement of consulting services contracts, provides that consulting services includes the procurement of supplies and services without compliance with the La. Procurement Code if services are ancillary to contract.

Proposed law retains present law but adds the procurement of the insurance by a licensed producer to the consulting services exempt from compliance with the La. Procurement Code.

Proposed law authorizes the office of risk management, under the direction of the commissioner of administration, to contract for consulting services with insurance producers if the commissioner finds that such contract is in the best interest of the state. Such contracts may allow one or more producers to advise the office of risk management regarding the office's insurance programs and to directly procure insurance.

Proposed law specifies that no contract executed shall be effective until approved by the JLCB.

Proposed law requires the division of administration to report annually to JLCB on the savings achieved under the contract.

(Amends R.S. 39:1484(A)(4)(b) and 1540)