DIGEST

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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.

<u>Proposed law</u> 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.

<u>Proposed law</u> requires the office of contractual review to submit reports on the status of the implementation of <u>proposed law</u> to the Joint Legislative Committee on the Budget on Oct. 1, 2013, Jan. 1, 2014, April 1, 2014, and July 1, 2014.

<u>Proposed law</u> 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 <u>proposed law</u>, 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.

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

<u>Proposed law</u> retains <u>present law</u> 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. <u>Proposed law</u> 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.

<u>Present law</u> 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.

<u>Proposed law</u> 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 <u>House Committee on Appropriations</u> to the <u>original</u> 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.