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## DIGEST

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HB 74 Engrossed

2016 Regular Session

Richard

**Abstract:** Requires a reduction in the state general fund amount for professional, personal, and consulting service contracts under the jurisdiction of the office of state procurement for Fiscal Year (FY) 2016-2017.

Proposed law requires the state general fund dollar amount for professional, personal, and consulting service contracts under the jurisdiction of the office of state procurement for FY 2016-2017 to be \$183.2 million less than the amount in the prior fiscal year.

Proposed law requires the office of state procurement to submit reports on the status of the implementation of proposed law to the Joint Legislative Committee on the Budget.

Proposed law prohibits the office of state procurement from approving any contract if such approval would increase the total dollar amount of contracts above the amount 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 or the services are not the type readily susceptible to being performed by persons 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 a written plan to monitor and evaluate the performance called for in the proposed contract.
- (4) It is more cost effective to obtain the 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 contract represents a priority expenditure for state government.

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

Present law provides for certain determinations by the state chief procurement officer prior to the approval of proposed contracts.

Proposed law retains present law and further provides that a contract shall not be 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 without prior approval of the Joint Legislative Committee on the Budget.

Effective July 1, 2016.

(Adds R.S. 39:1591 and 1624(C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Change the contract reduction from 15% of the total amount to \$183.2 million of the state general fund amount.
2. Exclude contracts of the attorney general necessary to perform any constitutional or statutory functions of the office from the required reductions.