

State of lennessee

PUBLIC CHAPTER NO. 544

SENATE BILL NO. 1047

By Bowling, Briggs, Harris

Substituted for: House Bill No. 944

By Goins, Staples, Farmer, Cooper, Clemmons, Thompson

AN ACT to amend Tennessee Code Annotated, Title 3; Title 4; Title 9 and Title 12, relative to state contracts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as the "Contract Accountability and Responsible Employment (CARE) Act."

SECTION 2. Tennessee Code Annotated, Title 12, Chapter 3, Part 3, is amended by adding the following new section:

(a) As used in this section, "state agency" also includes institutions of higher education. "State agency" does not include the department of treasury, the Tennessee financial literacy commission, the Tennessee consolidated retirement system, or any office of a constitutional officer of this state.

(b) Prior to the procurement of a contract for services between a state agency and a private party in excess of two and one-half million dollars (\$2,500,000) and that results in the layoff or furlough of one (1) or more state employees, the state agency shall produce an economic impact statement using professionally accepted methodologies. The economic impact statement must include the information identified in § 4-33-104(b).

(c) An economic impact statement produced under subsection (b) must be submitted to the fiscal review committee for dissemination to the members of the general assembly no less than forty-five (45) days prior to the execution of the contract.

(d) Upon receipt of an economic impact statement under subsection (c), the chair of the fiscal review committee may schedule a hearing to review the economic impact statement.

(e) A state agency notified of a hearing conducted under subsection (d) shall provide the fiscal review committee, upon request, any information reasonably related to the proposed contract that the committee deems relevant; provided, that a state agency is not required to produce privileged information or any record that is not open for public inspection pursuant to state law.

(f) Upon compliance with subsections (b) and (c), nothing in this section prohibits a state agency from executing a proposed contract for services that is subject to this section.

(g) This section applies only to contracts procured on and after the effective date of this act, and does not apply to any contract for services executed on or before the effective date of this act, including, but not limited to, any option for renewal or extension of such contract.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: February 26, 2018

<u>N.</u> VA. NO

SPEAKER OF THE SENATE

ESHA

BETH HARWELL, SPEAKER HOUSE OF REPRESENTATIVES

APPROVED this _____ day of _____ March ____ 2018

ASLAM, GOVERNOR