

FIRST REGULAR SESSION

HOUSE BILL NO. 383

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE GREEN.

Read 1st time February 5, 2003, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

1356L.011

AN ACT

To amend chapter 33, RSMo, by adding thereto one new section relating to privatization contracts.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 33, RSMo, is amended by adding thereto one new section, to be
2 known as section 33.910, to read as follows:

**33.910. 1. This section shall be known as and may be cited as the "Public Service
2 Accountability Act".**

**3 2. Each state agency shall prepare an analysis of the costs and benefits to the
4 agency of privatizing services and continuing to provide such services through the
5 employees of the agency for all services valued at five hundred thousand dollars or more,
6 excluding agreements that only provide legal or management consulting services.**

**7 3. If the agency determines in its analysis that it is cost-effective to privatize such
8 services, the agency shall prepare a specific written statement of the services, including the
9 specific quantity and standard of quality of the services. Additionally, the agency shall
10 prepare a comprehensive written estimate of the costs of regular agency employees
11 providing the same services, including all direct costs of the agency's employees, including
12 pensions, insurance, and other employee benefits. The agency shall then solicit competitive
13 sealed bids for the privatization contracts based upon such statement.**

**14 4. For a privatization contract to be an option for the agency, the projected cost
15 savings of the proposed privatization contract shall exceed ten percent of the cost of
16 delivering the services with state employees. The term of a privatization contract shall not
17 exceed five years. The privatization contract shall not be amended for the purpose of
18 avoiding any requirements of this section.**

19 **5. If the agency accepts a privatization contract, the contractor shall offer available**
20 **employee positions to qualified regular employees of the agency whose state employment**
21 **is terminated because of the privatization contract and who satisfy the hiring criteria of the**
22 **contractor.**

23 **6. The agency, the contractor, and any subcontractor that enter into a privatization**
24 **contract shall be expected to meet any obligations imposed by the federal Freedom of**
25 **Information Act with respect to any public record related to the privatization contract.**
26 **Any action taken by the contractor or subcontractor to avoid complying with any provision**
27 **of the federal Freedom of Information Act shall subject the parties to investigations by the**
28 **attorney general of Missouri, who may seek damages on behalf of the state or restitution**
29 **for damages, including back pay, suffered by any person as a result of the violation.**

30 **7. A copy of the proposed privatization contract and the agency's certificate of**
31 **compliance shall be forwarded to the state auditor's office for review. Written approval**
32 **or objection shall be provided to the agency within thirty days. No agency may implement**
33 **a contract if the state auditor notifies the agency of an objection. Information regarding**
34 **the qualifications and experience of the contractor's employees intended to provide the**
35 **services shall be provided. Each bid shall also include information on any legal complaint**
36 **or workplace violation, either alleged or cited, against the contractor.**

37 **8. Each proposed privatization contract shall include information on any political**
38 **contributions made by the proposed contractor or any employee who holds a management**
39 **position with the proposed contractor to any elected officer of the state or member of the**
40 **general assembly during the four years prior to the due date of the proposed privatization**
41 **contract. No state funds shall be used to support or oppose union activity of the employees**
42 **of any contractor that executes a privatization contract.**