

SECOND REGULAR SESSION

# HOUSE BILL NO. 1282

92ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE GREEN.

Read 1<sup>st</sup> time January 27, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

3841L.01I

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## AN ACT

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

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*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 and may be cited as the "Transportation  
2 Service Accountability Act".**

**3 2. The department of transportation, hereinafter referred to as "the department",  
4 shall prepare an analysis of the costs and benefits to the department of privatizing services  
5 and continuing to provide such services through the employees of the department for all  
6 services valued at two hundred thousand dollars or more, excluding agreements that only  
7 provide legal or management consulting services.**

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

**16 4. For a privatization contract to be an option for the department, the projected  
17 cost savings of the proposed privatization contract shall exceed ten percent of the cost of  
18 delivering the services with department employees. The term of a privatization contract**

19 shall not exceed five years. The privatization contract shall not be amended for the  
20 purpose of avoiding any requirements of this section.

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

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

33       7. A copy of the proposed privatization contract and the department's certificate  
34 of compliance shall be forwarded to the state auditor's office for review. Written approval  
35 or objection shall be provided to the department within thirty days. The department may  
36 not implement a contract if the state auditor notifies the department of an objection.  
37 Information regarding the qualifications and experience of the contractor's employees  
38 intended to provide the services shall be provided. Each bid shall also include information  
39 on any legal complaint or workplace violation, either alleged or cited, against the  
40 contractor.

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