

## HB 1282 -- Privatization Contracts

Sponsor: Green

This bill requires the Department of Transportation to prepare an analysis of the cost and benefits to the department of privatizing services verses providing services through the department's own employees on services valued at \$250,000 or more, excluding agreements providing only legal or management consulting services.

If the department determines that privatization is more cost efficient, the department will solicit competitive sealed bids. For a privatization contract to be an option, the projected cost savings must exceed 10% of the cost of delivering the services with department employees. Privatization contracts cannot exceed five years.

Privatization contractors must offer available positions to qualified department employees that have been terminated because of the privatization contract if the department employees satisfy their hiring criteria.

A copy of the proposed privatization contract and the department's certificate of compliance must be forwarded to the State Auditor's office for review. Approval or objection must be provided to the department within 30 days. The contracts must include information on any political contributions made by the proposed contractor or any employee who holds a management position with the contractor to any elected officer of the state or member of the General Assembly during the four years prior to the due date of the proposed privatization contract. No state funds can be used to support or oppose union activities of any employee.