

House Bill 1153

By: Representatives Murphy of the 97th, Howard of the 98th, Warren of the 99th, Harbin of the 80th, Buckner of the 109th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 4 of Title 50 of the Official Code of Georgia Annotated, relating to
2 general organization of the executive branch of state government, so as to change provisions
3 relating to requirements for certain privatization contracts; to provide for the invalidity of
4 contracts entered into without compliance; to provide for an emergency exception and the
5 circumstances under which such exception shall apply; to provide for related matters; to
6 provide an effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 4 of Title 50 of the Official Code of Georgia Annotated, relating to general
10 organization of the executive branch of state government, is amended by striking Code
11 Section 50-4-5, relating to notice of privatization contracts, and Code Section 50-4-6, relating
12 to other requirements for privatization contracts, and inserting in their place new Code
13 sections to read as follows:

14 "50-4-5.

15 (a) As used in this Code section, the term:

16 (1) 'Institution' means any physical facility operated by the executive branch of state
17 government which is used in the delivery of any governmental services and which has an
18 annual operating budget in excess of \$1 million.

19 (2) 'Program' means any program operated by the executive branch of state government
20 at a cost in excess of \$5 million per year.

21 (b) Before any department, agency, authority, or other unit of the executive branch enters
22 into any contract to privatize the operation of any institution or program, the department,
23 agency, authority, or other unit shall give written notice of the proposed privatization to the
24 President of the Senate, the Speaker of the House, and the appropriate legislative overview
25 committee, if any. Such notice shall be given at least 60 days prior to entering into the
26 contract to privatize the operation of the institution or program.

1 (c) This Code section shall not apply with respect to any privatization effort begun prior
2 to July 1, 1997, or to the renewal of any contract or agreement for the privatization of an
3 institution or program.

4 (d)(1) The provisions of this Code section shall be mandatory and binding with respect
5 to its subject matter. Any contract entered into in violation of this Code section shall be
6 void in its entirety. The only exceptions to this Code section shall be the exception
7 specified in subsection (c) and an emergency exception as provided in this subsection.

8 (2) The emergency exception specified in this subsection shall apply only if there exists
9 an imminent peril to person or property which can be avoided only through
10 noncompliance with this Code section; and in order for this exception to apply the
11 Governor must by executive order make a prior written finding to such effect.

12 50-4-6.

13 (a) As used in this Code section, the term 'institution' means any physical facility operated
14 by the executive branch of state government which is used in the delivery of any
15 governmental services and which has an annual operating budget in excess of \$1 million.

16 (b) No contract between a state agency and a private provider or vendor for the operation
17 of all or part of an institution under the control of the agency shall be entered into unless
18 it is preceded by a feasibility study which makes the following findings:

19 (1) That the state employees who are employed in the operation of the institution prior
20 to the transfer of operation to the private provider or vendor will have a reasonable
21 opportunity to apply for continued employment either with the state or with the private
22 provider or vendor; or

23 (2) That any state employees who are displaced or discharged from employment as a
24 result of the transfer of operation to the private provider or vendor will be eligible for
25 participation in an employment assistance program to be implemented by the state and
26 coordinated by the Department of Labor and which shall be designed to assist such
27 persons in securing other employment. The program shall include such educational
28 programs, vocational skills programs, apprenticeship training programs, on-the-job
29 training programs, job search and job development programs, and other occupational
30 training or retraining programs as are determined by the Department of Labor to best
31 promote the goals of employability and employment of such persons.

32 (c) The provisions of this Code section shall be mandatory and binding with respect to its
33 subject matter. Any contract entered into in violation of this Code section shall be void in
34 its entirety. The only exception to this Code section shall be an emergency exception as
35 provided in this subsection. The emergency exception specified in this subsection shall
36 apply only if there exists an imminent peril to person or property which can be avoided

1 only through noncompliance with this Code section; and in order for this exception to
2 apply the Governor must by executive order make a prior written finding to such effect."

3 **SECTION 2.**

4 This Act shall become effective upon its approval by the Governor or upon its becoming law
5 without such approval.

6 **SECTION 3.**

7 All laws and parts of laws in conflict with this Act are repealed.