

House Bill 1210

By: Representatives Lucas of the 105th, Royal of the 140th, Porter of the 119th, Greene of the 134th, and Skipper of the 116th

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 change provisions for required
4 notice; to require a competitive bidding or proposal process for such contracts; to provide for
5 the invalidity of contracts entered into without compliance; to provide an effective date and
6 applicability; to provide for related matters; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

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

15 "50-4-5.

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

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

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

22 (b) Before any department, agency, authority, or other unit of the executive branch enters
23 into any contract to privatize the operation of any institution or program, the department,
24 agency, authority, or other unit shall give written notice of the proposed privatization to the
25 President of the Senate, the Speaker of the House, and the appropriate legislative overview

1 committee, if any. Such notice shall be given at least 60 days prior to entering into the
2 contract to privatize the operation of the institution or program.

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

6 (d) Any contract entered into without strict compliance with the requirements of this Code
7 section shall be void in its entirety.

8 50-4-6.

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

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

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

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

28 (c) No contract between a state agency and a private provider or vendor for the operation
29 of all or part of an institution under the control of the agency shall be entered into unless
30 it is publicly advertised and:

31 (1) Competitively bid; or

32 (2) Subject to a competitive request for proposals process.

33 (d) Any contract entered into without strict compliance with the requirements of this Code
34 section shall be void in its entirety."

1 **SECTION 2.**

2 This Act shall become effective upon its approval by the Governor or upon its becoming law
3 without such approval and shall apply with respect to contracts entered into on or after that
4 date.

5 **SECTION 3.**

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