

House Bill 1696

By: Representatives Buckner of the 109<sup>th</sup>, Ralston of the 6<sup>th</sup>, and Greene of the 134<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 50-5-64 of the Official Code of Georgia Annotated, relating to the  
2 authorization of multiyear contracts executed by the Department of Administrative Services,  
3 so as to authorize the Department of Administrative Services to execute multiyear contracts  
4 for the lease, purchase, or lease purchase of real property for all state agencies; to provide for  
5 related matters; to provide an effective date; to repeal conflicting laws; and for other  
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 50-5-64 of the Official Code of Georgia Annotated, relating to the  
10 authorization of multiyear contracts executed by the Department of Administrative Services,  
11 is amended by striking said Code section in its entirety and inserting in lieu thereof a new  
12 Code Section 50-5-64 to read as follows:

13 "50-5-64.

14 (a) The Department of Administrative Services ~~shall be~~ is authorized to execute on behalf  
15 of all state agencies ~~subject to this part~~ multiyear lease, purchase, or lease purchase  
16 contracts of all kinds for the acquisition of goods, materials, services, ~~and supplies, and any~~  
17 other commodities or any other personal property of every kind and description, and, real  
18 property of every kind and description, including, but not limited to, rights of way, rights  
19 therein or thereto, and easements and improvements thereon, provided that any such  
20 contract shall be ~~executed only on a standard form developed by the department for such~~  
21 use duly and legally authorized and executed; and provided, further, that the ~~standard form~~  
22 contract shall contain ~~provisions for~~ the following provisions:

23 (1) The contract shall terminate absolutely and without further obligation on the part of  
24 the user agency or the department at the close of the fiscal year in which it was executed  
25 and at the close of each succeeding fiscal year for which it may be renewed as provided  
26 in this Code section;

1 (2) The contract may be renewed only by a ~~positive action taken by the user agency or~~  
 2 ~~by the department on behalf of the user agency, and the nature of such action shall be~~  
 3 ~~determined by the department and specified in its standard contract~~ authorization duly  
 4 and legally taken by the user agency or by the department on behalf of the user agency  
 5 for each fiscal year;

6 (3) The contract shall terminate immediately and absolutely at such time as appropriated  
 7 and otherwise ~~unobligated~~ lawful funds are no longer available within each fiscal year  
 8 to satisfy the obligations of the user agency under the contract. The determination of the  
 9 occurrence of such unavailability of funds shall be made by the user agency in its sole  
 10 discretion and shall be conclusive;

11 (4) The contract shall state the total obligation of the user agency for the fiscal year of  
 12 execution and shall further state the total obligation which will be incurred in each fiscal  
 13 year renewal term, if renewed; and

14 (5) The contract shall provide that title to any ~~supplies, materials, or equipment~~ property,  
 15 real or personal, shall remain in the ~~vendor~~ owner until fully paid for by the user agency.

16 (b) Any ~~standard~~ contract developed hereunder containing the provisions enumerated in  
 17 subsection (a) of this Code section shall be deemed to obligate the user agency only for  
 18 those sums payable during the fiscal year of execution or, in the event of a renewal by the  
 19 user agency, for those sums payable in the individual fiscal year renewal term.

20 (c) No contract developed and executed pursuant to this Code section shall be deemed to  
 21 create a debt of the state for the payment of any sum beyond the fiscal year of execution  
 22 and the state shall not be obligated for the payment of any sum beyond the fiscal year of  
 23 execution or, in the event of a renewal, beyond the fiscal year of such renewal under the  
 24 terms and conditions as provided in this Code section.

25 (d) Any such contract may provide for the payment by the user agency of interest or the  
 26 allocation of a portion of the contract payment to interest, provided that the contract is in  
 27 compliance with this Code section."

## 28 SECTION 2.

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

## 31 SECTION 3.

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