

House Bill 941

By: Representatives Wilkerson of the 38<sup>th</sup>, McClain of the 100<sup>th</sup>, Hugley of the 136<sup>th</sup>, Prince of the 127<sup>th</sup>, Dickerson of the 113<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 50-5-67 of the Official Code of Georgia Annotated, relating to  
2 competitive bidding procedures for state purchasing, so as to require a cost comparison prior  
3 to entering into certain private service contracts; to prohibit the state from entering into  
4 private service contracts unless financially advantageous compared to performance of the  
5 contract by public employees; to provide for related matters; to provide for an effective date  
6 and applicability; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 50-5-67 of the Official Code of Georgia Annotated, relating to competitive  
10 bidding procedures for state purchasing, is amended by adding a new subsection to read as  
11 follows:

12 "(h)(1) Every department, division, bureau, board, commission, authority, or agency of  
13 this state shall, prior to entering into a private contract for services, other than  
14 professional and personal employment services, make public a cost comparison between  
15 the private contract and performance of such services by public employees.

16 (2) No department, division, bureau, board, commission, authority, or agency of this  
17 state shall enter into a private contract for any services, other than professional and  
18 personal employment services, unless such private contract is projected to provide overall  
19 cost savings of at least 10 percent compared to the overall cost of having the same  
20 services provided by public employees. Contract costs shall include direct costs,  
21 including salaries and fringe benefits, indirect costs, including the contractor's  
22 proportional share of existing administrative salaries and benefits, rent and equipment  
23 costs, utilities, and materials. In addition, transition costs, including unemployment  
24 compensation, shall be included in the analysis of contractor costs."

25 **SECTION 2.**

26 This Act shall become effective on July 1, 2014, and shall apply to all contracts entered into  
27 on or after that date.

28 **SECTION 3.**

29 All laws and parts of laws in conflict with this Act are repealed.