

House Bill 136

By: Representatives Smith of the 125th and Jackson of the 128th

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 a short title; to provide for related matters; to
6 provide for an effective date and applicability; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 This Act shall be known and may be cited as the "Taxpayer First Act."

11 **SECTION 2.**

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

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

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

26 costs, utilities, and materials. In addition, transition costs, including unemployment
27 compensation, shall be included in the analysis of contractor costs."

28 **SECTION 3.**

29 This Act shall become effective on July 1, 2015, and shall apply to all contracts entered into
30 on or after that date.

31 **SECTION 4.**

32 All laws and parts of laws in conflict with this Act are repealed.