

Regular Session, 2012

HOUSE BILL NO. 850

BY REPRESENTATIVE HENRY BURNS

PUBLIC CONTRACTS: Provides relative to the La. Private Corrections Management Act

1 AN ACT

2 To amend and reenact R.S. 39:1800.3(9) and 1800.4(A), (C)(2), (F), and (G) and to enact  
3 R.S. 39:1800.4(H), relative to the Louisiana Corrections Private Management Act;  
4 to provide for the definition of applicable facilities; to provide for the duration of  
5 private contracts; to authorize entering into contracts for the selling of facilities; to  
6 provide for the sale of certain state facilities; to provide for an effective date; and to  
7 provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 39:1800.3(9) and 1800.4(A), (C)(2), (F), and (G) are hereby amended  
10 and reenacted and R.S. 39:1800.4(H) is hereby enacted to read as follows:

11 §1800.3. Definitions

12 For the purpose of this Chapter, the following terms shall be defined as  
13 follows, unless the context otherwise requires:

14 \* \* \*

15 (9) "Prison" or "facility" or "prison facility" shall mean Avoyelles  
16 Correctional Center and shall also mean any institution to be opened after June 28,  
17 1989, and which is not operational as of May 22, 1989, and operated by or under  
18 authority of the department, a local governmental subdivision, or a sheriff or chief  
19 of police, and shall include, whether obtained by purchase, lease, construction,  
20 reconstruction, restoration, improvement, alteration, repair, or other means, any

1 physical betterment or improvement related to the housing of inmates or any  
2 preliminary plans, studies, or surveys relative thereto, land or rights to land, and any  
3 furnishings, machines, vehicles, apparatus, or equipment for use in connection with  
4 any prison facility.

5 §1800.4. State and local corrections facilities; private contracts

6 A. The department and local governmental subdivisions are hereby  
7 authorized to enter into contracts with prison contractors for the financing, acquiring,  
8 designing, leasing, constructing, and operating of facilities. The department is  
9 further authorized to enter into contracts with prison contractors for the selling of  
10 Avoyelles Correctional Center as provided in Subsection F of this Section.

11 \* \* \*

12 C.(1)

13 \* \* \*

14 (2)(a) Contracts awarded under the provisions of this Chapter for the  
15 provision of correctional or geriatric services may be entered into for successive  
16 periods not to exceed five years each, provided however, that such contracts which  
17 involve expenditures for capital improvements by the contractor may be awarded for  
18 a term up to ten years, all subject to the requirement of annual appropriation of  
19 funds.

20 (b) Contracts for the procurement of correctional services at a facility sold  
21 pursuant to Subsection F of this Section may be entered into for a term of twenty  
22 years.

23 \* \* \*

24 F.(1) The department is hereby authorized to sell Avoyelles Correctional  
25 Center. The sale of such facility shall be in accordance with the following  
26 procedures:

27 (a) The department shall issue a request for proposals setting forth the  
28 description of the land and state facility and terms of the sale, including any  
29 qualitative restrictions the department develops. The request for proposals shall

1 indicate the relative importance of price and other evaluation factors and shall state  
2 the criteria to be used in evaluating the proposals. The purchase price of the facility  
3 shall be at least equal to its appraised value.

4 (b) Adequate public notice of the request for proposals shall be given by  
5 advertising in the official journal of the state at least once. The first advertisement  
6 shall appear at least thirty days before the last day that proposals will be accepted.  
7 In addition, written notice may be provided to persons, firms, or corporations who  
8 are known to be in a position to furnish such services at least thirty days prior to the  
9 last day that proposals will be accepted.

10 (c) The department shall determine which proposal is the most advantageous  
11 to the state which meets all the requirements set forth in this Chapter and the  
12 qualitative restrictions established in the request for proposals.

13 (d) The sale shall be contingent upon entering into a contract for the  
14 provision of correctional services for the benefit of the state at the facility with the  
15 entity submitting the successful proposal.

16 (e) The department may develop an employee stock ownership plan with  
17 employees and the local sheriff's department. Additionally, representatives of the  
18 employees of the Avoyelles Correctional Center and the local sheriff's department  
19 may be included in the request for proposals process.

20 (2) Notwithstanding any other law to the contrary, the sale of state  
21 correctional facilities shall be solely subject to the requirements of this Chapter.

22 ~~F.G.~~ No contract shall be entered into pursuant to this Chapter unless the  
23 contract is approved by the Joint Legislative Committee on the Budget.

24 ~~G.H.~~ The department and local governmental subdivisions are hereby  
25 authorized to monitor the operations and correctional services provided to them by  
26 a private prison contractor. The Joint Legislative Committee on the Budget shall  
27 exercise continuous oversight over any correctional service provided by a private  
28 prison contractor.

1           Section 2. This Act shall become effective upon signature by the governor or, if not  
2 signed by the governor, upon expiration of the time for bills to become law without signature  
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
5 effective on the day following such approval.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Henry Burns

HB No. 850

**Abstract:** Authorizes the privatization and sale of Avoyelles Correctional Center and makes other changes to the La. Corrections Private Management Act.

Present law, the La. Corrections Private Management Act, authorizes the Dept. of Public Safety and Corrections (the department) and local governmental subdivisions to enter into contracts with prison contractors for the financing, acquiring, designing, leasing, constructing, and operating of facilities.

Proposed law additionally authorizes the department to enter into contracts with prison contractors for the selling of Avoyelles Correctional Center.

Present law defines "prison" or "facility" as an institution to be opened after June 8, 1989, and which is not operational as of May 22, 1989, operated by or under authority of the department, a local governmental subdivision, or a sheriff or chief of police.

Proposed law retains present law and adds Avoyelles Correctional Center to the definition of "prison" or "facility".

Present law permits contracts for the provision of correctional or geriatric services to be issued for successive periods of not more than five years, except that contracts involving capital improvements by the contractor may be issued for up to 10 years. Further makes all contracts subject to the requirement of annual appropriation of funds.

Proposed law retains present law.

Proposed law provides that contracts for the procurement of correctional services at a facility sold pursuant to proposed law may be entered into for a term of 20 years.

Proposed law authorizes the department to sell Avoyelles Correctional Center according to the following procedures:

- (1) The department issues a request for proposals (RFP) including any qualitative restrictions the department develops, the importance of price and other evaluation factors, and the criteria to be used in evaluating the proposals. The purchase price shall be at least equal to the appraised value of the facility.
- (2) Requires public notice in the official journal of the state at least 30 days prior to the last day proposals are accepted. Permits providing written notice to interested parties at least 30 days prior to the last day proposals are accepted.

- (3) The department determines which proposal is most advantageous to the state which meets the requirements set forth in law and the restrictions in the RFP.
- (4) The sale shall be contingent upon entering a contract for the provision of correctional services for the benefit of the state with the entity submitting the successful proposal.
- (5) The department may develop an employee stock ownership plan with employees and the local sheriff's department. Additionally, representatives of the employees of the Avoyelles Correctional Center and the local sheriff's department may be included in the RFP process.

Proposed law provides that, notwithstanding any other law to the contrary, the sale of state correctional facilities shall be solely subject to the La. Corrections Private Management Act.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 39:1800.3(9) and 1800.4(A),(C)(2), (F), and (G); Adds R.S. 39:1800.4(H))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Specified that the authority for entering into contracts for the selling of facilities applies only to the department for the selling of Avoyelles Correctional Center.
2. Added authorization for the department to develop an employee stock ownership plan and the authorization to include certain representatives in the RFP process.