

By: Representatives Frierson, Gadd, Moak

To: Appropriations

HOUSE BILL NO. 354

1 AN ACT TO PROVIDE THAT REVENUE MAXIMIZATION CONTRACTS ENTERED  
 2 INTO BY STATE AGENCIES MUST CONTAIN AN INDEMNIFICATION PROVISION  
 3 THAT HOLDS THE CONTRACTOR LIABLE TO THE STATE FOR REIMBURSEMENT OF  
 4 ALL FEDERAL FUNDS THAT THE STATE MAY BE REQUIRED TO REPAY TO THE  
 5 FEDERAL GOVERNMENT AS A RESULT OF ANY ACTIONS TAKEN UNDER THE  
 6 CONTRACT BY THE CONTRACTOR ON BEHALF OF THE AGENCY OR ANY ACTIONS  
 7 TAKEN BY THE AGENCY AS RECOMMENDED BY THE CONTRACTOR; TO PROVIDE  
 8 THAT IF A REVENUE MAXIMIZATION CONTRACT DOES NOT CONTAIN THE  
 9 INDEMNIFICATION PROVISION AS REQUIRED, THE INDEMNIFICATION  
 10 REQUIREMENT WILL BE CONSIDERED TO BE PART OF THE CONTRACT BY  
 11 OPERATION OF LAW; AND FOR RELATED PURPOSES.

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

13 SECTION 1. (1) For the purpose of this section:

14 (a) "Agency" means any agency, department, institution  
 15 or officer of the State of Mississippi.

16 (b) "Revenue maximization contract" means a contract or  
 17 other agreement between an agency and a person or entity under  
 18 which the person or entity will seek to maximize federal funds for  
 19 the use of the agency.

20 (2) If an agency enters into a revenue maximization contract  
 21 with a person or entity after June 30, 2001, the contract must  
 22 contain an indemnification provision that holds the person or  
 23 entity liable to the state for reimbursement of all federal funds  
 24 that the state may be required to repay to the federal government  
 25 as a result of any actions taken under the contract by the person  
 26 or entity on behalf of the agency, or any actions taken by the  
 27 agency as recommended by the person or entity.

28 (3) If a revenue maximization contract entered into after  
 29 June 30, 2001, does not contain the indemnification provision  
 30 required by subsection (2) of this section, the indemnification

31 requirement of subsection (2) shall be considered to be part of  
32 the contract by operation of law.

33 SECTION 2. This act shall take effect and be in force from  
34 and after July 1, 2001.