HOUSE BILL NO. 354

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

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

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

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

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

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

(3) If a revenue maximization contract entered into after June 30, 2001, does not contain the indemnification provision required by subsection (2) of this section, the indemnification...
requirement of subsection (2) shall be considered to be part of

the contract by operation of law.

SECTION 2. This act shall take effect and be in force from

and after July 1, 2001.