By: Senator(s) Ross

To: Fees, Salaries and Administration

## SENATE BILL NO. 2698 (As Passed the Senate)

AN ACT TO AMEND SECTION 25-9-120, MISSISSIPPI CODE OF 1972, TO EXEMPT CONTRACTS ENTERED INTO BY THE PEARL RIVER VALLEY WATER SUPPLY DISTRICT FROM REVIEW BY THE PERSONAL SERVICE CONTRACT REVIEW BOARD; AND FOR RELATED PURPOSES.

- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 6 SECTION 1. Section 25-9-120, Mississippi Code of 1972, is
- 7 amended as follows:
- 8 25-9-120. (1) Contract personnel, whether classified as
- 9 contract workers or independent contractors shall not be deemed
- 10 state service or nonstate service employees of the State of
- 11 Mississippi, and shall not be eligible to participate in the
- 12 Public Employees' Retirement System, or the state employee health
- 13 plan, nor be allowed credit for personal and sick leave and other
- 14 leave benefits as employees of the State of Mississippi,
- 15 notwithstanding Sections 25-3-91 through 25-3-101; 25-9-101
- 16 through 25-9-151; 25-11-1 through 25-11-126; 25-11-128 through
- 17 25-11-131; 25-15-1 through 25-15-23 and for the purpose set forth
- 18 herein. Contract workers, i.e., contract personnel who do not
- 19 meet the criteria of independent contractors, shall be subject to
- 20 the provisions of Section 25-11-127.
- 21 (2) There is hereby created the Personal Service Contract
- 22 Review Board, which shall be composed of the State Personnel
- 23 Director, the Executive Director of the Department of Finance and
- 24 Administration, or his designee, the Commissioner of Corrections,
- 25 or his designee, the Executive Director of the Mississippi
- 26 Department of Wildlife and Fisheries, or his designee, and the
- 27 Executive Director of the Department of Environmental Quality, or

- 28 his designee. The State Personnel Director shall be chairman and
- 29 shall preside over the meetings of the board. The board shall
- 30 annually elect a vice-chairman, who shall serve in the absence of
- 31 the chairman. No business shall be transacted, including adoption
- 32 of rules of procedure, without the presence of a quorum of the
- 33 board. Three (3) members shall be a quorum. No action shall be
- 34 valid unless approved by the chairman and two (2) other of those
- 35 members present and voting, entered upon the minutes of the board
- 36 and signed by the chairman. Necessary clerical and administrative
- 37 support for the board shall be provided by the State Personnel
- 38 Board. Minutes shall be kept of the proceedings of each meeting,
- 39 copies of which shall be filed on a monthly basis with the
- 40 Legislative Budget Office.
- 41 (3) The Personal Service Contract Review Board shall have
- 42 the following powers and responsibilities:
- 43 (a) Promulgate rules and regulations governing the
- 44 solicitation and selection of contractual services personnel
- 45 including personal and professional services contracts for any
- 46 form of consulting, policy analysis, public relations, marketing,
- 47 public affairs, legislative advocacy services or any other
- 48 contract that the board deems appropriate for oversight, with the
- 49 exception of any personal service contracts entered into for
- 50 computer or information technology-related services governed by
- 51 the Mississippi Department of Information Technology Services, any
- 52 personal service contracts entered into by the Mississippi
- 53 Department of Transportation or the Pearl River Valley Water
- 54 Supply District, and any contract for attorney, accountant,
- 55 auditor, physician, dentist, architect, engineer, veterinarian and
- 56 utility rate expert services. Any such rules and regulations
- 57 shall provide for maintaining continuous internal audit covering
- 58 the activities of such agency affecting its revenue and
- 59 expenditures as required under Section 7-7-3(6)(d), Mississippi
- 60 Code of 1972.
- (b) Approve all personal and professional services
- 62 contracts involving the expenditures of funds in excess of One
- 63 Hundred Thousand Dollars (\$100,000.00);
- (c) Develop standards with respect to contractual

- 65 services personnel which require invitations for public bid,
- 66 requests for proposals, record keeping and financial
- 67 responsibility of contractors. The Personal Service Contract
- 68 Review Board may, in its discretion, require the agency involved
- 69 to advertise such contract for public bid, and may reserve the
- 70 right to reject any or all bids;
- 71 (d) Prescribe certain circumstances whereby agency
- 72 heads may enter into contracts for personal and professional
- 73 services without receiving prior approval from the Personal
- 74 Service Contract Review Board. The Personal Service Contract
- 75 Review Board may establish a pre-approved list of providers of
- 76 various personal and professional services for set prices with
- 77 which state agencies may contract without bidding or prior
- 78 approval from the board.
- 79 (e) To provide standards for the issuance of requests
- 80 for proposals, the evaluation of proposals received, consideration
- 81 of costs and quality of services proposed, contract negotiations,
- 82 the administrative monitoring of contract performance by the
- 83 agency and successful steps in terminating a contract;
- 84 (f) To present recommendations for governmental
- 85 privatization and to evaluate privatization proposals submitted by
- 86 any state agency;
- 87 (g) To authorize personal and professional service
- 88 contracts to be effective for more than one (1) year provided a
- 89 funding condition is included in any such multiple year contract;
- 90 (h) To request the State Auditor to conduct a
- 91 performance audit on any personal or professional service
- 92 contract;
- 93 (i) Prepare an annual report to the Legislature
- 94 concerning the issuance of personal service contracts during the
- 95 previous year, collecting any necessary information from state
- 96 agencies in making such report.
- 97 (4) No member of the Personal Service Contract Review Board

- 98 shall use his official authority or influence to coerce, by threat
- 99 of discharge from employment, or otherwise, the purchase of
- 100 commodities or the contracting for personal or professional
- 101 services under this section.
- 102 SECTION 2. This act shall take effect and be in force from
- 103 and after July 1, 1999.