

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL DRS15522-LRa-136D*

Short Title: Study Budget Savings/State Contracts. (Public)

Sponsors: Senator Lowe (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT ESTABLISHING THE STUDY COMMISSION ON STATE GOVERNMENT
3 CONTRACT SAVINGS TO STUDY STATE GOVERNMENT CONTRACTING
4 METHODOLOGIES AND PRACTICES THAT WILL GENERATE BUDGETARY
5 SAVINGS AND EFFICIENCIES FOR THE STATE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** There is established the Study Commission on State Government
8 Contract Savings (Commission) to study and make recommendations concerning the following:

- 9 (1) Ways to generate State budgetary savings through potential renegotiation and
10 modification of existing State contracts valued at twenty million
11 (\$20,000,000) or more.
12 (2) The best contract engagement methods for new State contracts valued at less
13 than twenty million dollars (\$20,000,000).
14 (3) State agencies failing to use existing State Term Contracts to procure common
15 goods and services.
16 (4) Redundant State agency contracts that may be consolidated into State Term
17 Contracts managed by the Department of Administration.
18 (5) Any other matter relevant to subdivisions (1) through (4) of this section.

19 **SECTION 2.(a)** The Commission shall consist of the following members:

- 20 (1) The State Auditor, who shall serve as cochair.
21 (2) The Director of the Office of State Budget and Management (State Budget
22 Director), who shall serve as cochair.
23 (3) Each member of the Council of State, or the member's designee.
24 (4) Four Representatives appointed by the Speaker of the House of
25 Representatives.
26 (5) Two Senators appointed by the President Pro Tempore of the Senate.
27 (6) The head of each cabinet department, or that person's designee.

28 **SECTION 2.(b)** The Commission shall meet upon the joint call of the cochairs,
29 except that the cochairs must convene the first meeting within 30 days of the date when this act
30 becomes law.

31 **SECTION 2.(c)** Due to the potentially sensitive nature of the Commission work, the
32 Commission's work product is not subject to the provisions of Chapter 132 of the General
33 Statutes.

34 **SECTION 3.(a)** The Legislative Services Commission (LSC) shall grant adequate
35 meeting space to the Commission in the State Legislative Building or the Legislative Office
36 Building. The LSC shall allocate from a portion of the funds appropriated to the General



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1 Assembly sufficient funds for the operation of the Commission, as needed, in addition to
2 allocating to the Commission the funds appropriated to the Commission by this act. The LSC,
3 through the Legislative Services Officer, shall assign professional staff to assist the Commission
4 in its work. The Directors of Legislative Assistants for the House of Representatives and the
5 Senate shall assign clerical staff to the Commission, and the expenses relating to the clerical
6 employees shall be borne by the Commission. The Commission may contract for professional,
7 clerical, or consultant services as provided by G.S. 120-32.02. Members of the Commission shall
8 receive subsistence and travel expenses at the rates provided in G.S. 120-3.1, 138-5, or 138-6, as
9 appropriate.

10 **SECTION 3.(b)** In addition to the provisions of subsection (b) of this section, the
11 Office of the State Auditor, the Office of State Budget and Management, and the Fiscal Research
12 Division shall provide staffing, technical, and other support to the Commission.

13 **SECTION 4.** The Commission shall submit quarterly reports and then a final report
14 on the results of its study, including any proposed legislation, to the General Assembly on or
15 before May 1, 2021, by filing a copy of the report with the Offices of the Speaker of the House
16 of Representatives and the President Pro Tempore of the Senate. The Commission shall terminate
17 on May 1, 2021, or upon the filing of the final report, whichever occurs first.

18 **SECTION 5.** There is appropriated from the General Fund to the General Assembly
19 the sum of two hundred thousand dollars (\$200,000) for the 2020-2021 fiscal year to fund the
20 work of the Commission.

21 **SECTION 6.** This act is effective when it becomes law, except that Section 5 of this
22 act becomes effective July 1, 2020.