

1 TO THE HONORABLE SENATE:

2 The Committee on Appropriations to which was referred Senate Bill No. 96
3 entitled “An act relating to privatization contracts” respectfully reports that it
4 has considered the same and recommends that the report of the Committee on
5 Government Operations be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 Sec. 1. FISCAL AND OPERATIONAL IMPACT OF PRIVATIZATION
8 CONTRACT CHANGES

9 (a) The Agency of Administration, in consultation with the Joint Fiscal
10 Office, the State Auditor, and the Office of the Attorney General, shall assess
11 the fiscal and operational impacts of:

12 (1) modifying the definition of “privatization contract” as set forth in 3
13 V.S.A. § 341, to:

14 (A) require that grants be included in privatization contracts; and

15 (B) remove the requirement that a privatization contract result in:

16 (i) the reduction in force of at least one permanent, classified
17 employee; or

18 (ii) the elimination of a vacant position of an employee covered by
19 a collective bargaining agreement;

20 (2) increasing the required cost savings of a privatization contract from
21 10 percent to 20 percent;

1 (3) requiring that contractors subject to a privatized contract pay their
2 employees performing work pursuant to a privatized contract either the
3 prevailing wage rate for such work as set by the U.S. Department of Labor, or
4 the same wage rate as a State employee performing a substantially similar task
5 would receive;

6 (4) requiring that contractors subject to a privatized contract offer their
7 employees performing work pursuant to a privatized contract health benefits
8 that are substantially similar to health benefits provided to State employees;
9 and

10 (5) removing exceptions set forth in 3 V.S.A. § 342(4) that, after review,
11 are used excessively or arbitrarily to certify privatized contracts by the Office
12 of the Attorney General.

13 (b) The Agency shall submit a written report to the General Assembly with
14 its analysis conducted pursuant to this section on or before February 1, 2025.

15 Sec. 2. 3 V.S.A. § 342 is amended to read:

16 § 342. CONTRACTING STANDARDS; CONTRACTS FOR SERVICES

17 Each contract for services valued at \$25,000.00 or more per year shall
18 require certification by the Office of the Attorney General to the Secretary of
19 Administration that such contract for services is not contrary to the ~~spirit and~~
20 intent of the classification plan and merit system and standards of this title. A
21 contract for services is contrary to the ~~spirit and~~ intent of the classification plan

1 and merit system and standards of this title, and shall not be certified by the
2 Office of the Attorney General as provided in this section, unless the
3 provisions of subdivisions (1), (2), and (3) of this section are met, or one or
4 more of the exceptions described in subdivision (4) of this section apply.

5 * * *

6 Sec. 3. EFFECTIVE DATE

7 This act shall take effect on July 1, 2024.

8

9 Committee vote: _____)

10

11

Senator _____

12

FOR THE COMMITTEE