

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 House Committees on
14 Appropriations and on Government Operations and Military Affairs and the
15 Senate Committees on Appropriations and on Government Operations with its
16 analysis conducted pursuant to this section on or before February 1, 2025.

17 Sec. 2. EFFECTIVE DATE

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

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2 Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE