

**LEGISLATION ON OFFSHORE OUTSOURCING
ENACTED IN OTHER STATES**

State	Bill	Brief Description of Legislation
Alabama	SJR 63 (2004)	Encourages Alabama state and local government entities, and state colleges and universities, and local school districts to use Alabama-based professional services.
Colorado	HB 1373 (2004)	<p>Authorizes agencies to contract for services currently performed by state employees at sites outside the U.S. if:</p> <ul style="list-style-type: none"> ▪ The agency demonstrates that the contract will not result in a reduction in the quality of the agency's services; ▪ The contract contains safeguards to ensure the confidentiality and right to privacy of personal information; and ▪ The contractor discloses to the agency the portion of the services that will be performed outside the U.S.
Illinois	SB 2375 (2005) (Public Act 093-1081)	<p>Requires vendors, prior to contracting for services, to disclose whether services are anticipated to be performed outside the U.S.</p> <p>Authorizes the chief procurement officer to consider such disclosure and the economic impact to Illinois and its residents in awarding the contract.</p> <p>Provides that, if the chief procurement officer awards a contract to a vendor based upon disclosure that work will be performed in the U.S. and the contractor shifts work outside of the U.S., the contractor is deemed to be in breach of contract, unless the chief procurement officer determined in writing that circumstances required the shift or that termination of the contract would not be in the State's best interest.</p> <p>Requires the Illinois Department of Central Management Services to report on the impact of outsourcing services on procurement costs by September 1, 2007.</p>
Indiana	HEA 1080 (2004)	<p>Provides a price preference ranging from 1% to 5%, depending on the estimated cost, to Indiana businesses for state public works and procurement contracts.</p> <p>Requires the Indiana Department of Administration to report to the Legislative Council on the operation of the preference by September 1, 2008.</p> <p>Provides for expiration of the preference on July 1, 2009.</p>

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State	Bill	Brief Description of Legislation
North Carolina	HB 1414 (SL 2004-124)	Specifies that state agencies must give preference, "as far as may be practicable and to the extent permitted by State law, federal law, and federal treaty," to products or services manufactured or produced in the U.S. Requires that, in giving such preference, there be no sacrifice or loss in price or quality.
Tennessee	SB 2344 (2004)	Requires the Tennessee Commissioner of Finance and Administration to make rules authorizing a preference, in evaluating proposals for state contracts requiring data entry and/or call center services, for vendors through whom services will be provided by U.S. citizens and other persons authorized to work in the U.S., including legal resident aliens.

Prepared For: Public Hearing on HB 1724, HB 1725, and HCR 4405
House Commerce & Labor Committee

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