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New Study Examines How State Legislatures Are Working to Beef Up Oversight of State Contracts

4/20/2021 – Today, Wayne State University Center for Urban Studies released a new report detailing how six state legislatures have battled to increase their ability to oversee state contracts beset by mismanagement, wasteful spending, or poor results. The report was commissioned the Levin Center at Wayne Law which works to strengthen oversight by elected representatives serving in Congress or state legislatures across the country.

"Billions of taxpayer dollars are being spent on state contracts providing needed services to combat the virus, natural disasters, economic downturns, and other problems," said Ben Eikey, Levin Center State Training and Communications Manager. "But in too many cases, those contracts do not produce the promised results. This report looks at what state legislatures across the nation are doing to beef up their oversight of state contracts to ensure better outcomes."

The 109-page report examines legislative oversight efforts in six states: Alabama, Hawaii, Idaho, Louisiana, Maryland, and Tennessee. In each state, the report describes efforts by the state legislatures to increase their ability to oversee state-issued contracts and presents case studies on how legislators dealt with contracting mismanagement involving prison services, dysfunctional software systems, flood protections, and pandemic-related goods and services.

Recommendations to strengthen state legislative oversight include:

- establishing bipartisan, dual chamber legislative committees charged with contract oversight;
- fostering collaborative contract oversight by the legislative and executive branches;

- requiring contractors to produce ongoing data to enable states to monitor results;
- creating oversight mechanisms that work when a legislature is out of session;
- using state employee and public input to improve contract performance;
- including contract monitoring costs in initial contract pricing; and
- funding state employee positions to monitor and manage state contracts.

The study identified Idaho as one of the better states across the country for legislative contract oversight. Professor Marjorie Sarbaugh-Thompson, leading author of the report, stated: "While we see thoughtful and innovative approaches to contract oversight across the country, Idaho is exemplary. Their bipartisan state legislative oversight committee backed by positive changes to the state code to ensure the legislature has the authority to conduct oversight on contracts has yielded positive results."

This report is the second of two overseen by the Wayne State University Center for Urban Studies and commissioned by the Levin Center to examine oversight efforts by state legislatures. The first <u>report</u>, completed in 2019, delineated oversight capabilities and activities in all 50 states. That report also identified legislative oversight of state-issued contracts as a particular weakness nationwide, a finding that led the Levin Center to sponsor this new report.

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