

state's affairs. Under no stretch of the imagination can what Maximus has done be deemed to be worth that much. If you look at the contract in Exhibit A on page 2, you will see where Maximus itself made a reference to fee for service agreements. That will be an item that is mentioned in these findings. The second finding says, the types and provisions of contracts executed on behalf of the state have a direct bearing on the economical and efficient administration of the affairs of the state. So this could be used to deal with other types of contracts such as those that are used to hire consultants, but then number 3 of the finding says, fee-for-service contracts are the usual, customary, and accepted manner of contracting on behalf of the state. That means you have a job that you want done, you agree on the amount that you're going to pay for that job, and the job is done pursuant to that agreement. Some contracts, like those to build roads, will have what they call a liquidated damage provision. That means that if the job is not finished on time, you deduct a certain amount that the contractor is entitled to for each day that the work is not done. It's called liquidated damages because it's agreed to in advance and you don't have to go to court to collect that. So for every day that the job goes over, built into the contract is a specific amount that the contractor will lose and this arrangement, this Maximus arrangement, the only thing you have listed in terms of a figure is the percentage of what Maximus will take. If Maximus does not procure a nickel for the state, Maximus is not in violation of their agreement. Maximus doesn't have to procure a nickel. They won't get anything, but they're not obligated under the contract to do anything other than to review some documents and other things of that nature but there are no standards about the review. They could walk in, rifle through some papers and say we reviewed and they have delivered on everything that the contract requires them to do on their side. If they decide to get very busy and reach out and find some money, then the state becomes obligated to pay a percentage of that. But the amount which the state will derive and the amount Maximus will earn is totally in Maximus' hands. It's totally...

SPEAKER WITHEM: One minute.

SENATOR CHAMBERS: ...left up to Maximus. I'm going to continue talking about these items step by step so that it's in the record and hoping that I can explain as I stated why my purposes are and why I think this contract is not in the public interest