

STORAGE NAME: h1079a.edk

DATE: April 15, 1999

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
EDUCATION K-12
ANALYSIS**

BILL #: HB 1079

RELATING TO: Department of Education Pool Purchase Program

SPONSOR(S): Representative Fiorentino and others

COMPANION BILL(S): SB 1584

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) EDUCATION K-12 YEAS 8 NAYS 0
 - (2) EDUCATION APPROPRIATIONS
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

This bill revises provisions relating to the Florida Department of Education (DOE) pool purchase program. It amends the scope of the areas for which assistance can be granted to school districts. Current statutes require that DOE assist school boards in securing school buses, contractual needs, equipment, and supplies at the best available prices for pooled bids. The bill adds "services" to the list of areas for which DOE will be required to provide assistance.

The bill authorizes suppliers to make commodities and services available to other governmental agencies and nonprofit organizations under contracts approved by DOE.

If DOE determines that it is in the best interest of school boards, contracts awarded under the pool purchase program may be awarded to multiple suppliers.

This bill should result in some degree of cost savings to districts.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Section 229.79, F.S., prescribes requirements for special services that DOE must render regarding the pooling of purchases by school boards. Such services are to be provided as will be of benefit to the schools of the state. As one phase of these services, DOE must assist school boards in securing school buses, contractual needs, equipment, and supplies at as reasonable prices as possible by providing a plan under which school boards may voluntarily pool their bids for such purchases. The department must prepare bid forms and specifications, obtain quotations of prices and make such information available to school boards in order to facilitate this service. School boards from time to time, as prescribed by the state board, must furnish DOE with information concerning the prices paid for such items and DOE must furnish to school boards periodic information concerning the lowest prices at which school buses, equipment, and school supplies are available based upon comparable specifications.

B. EFFECT OF PROPOSED CHANGES:

This bill revises provisions relating to the DOE pool purchase program. It amends the scope of the areas for which assistance can be granted to school districts. Current statutes require that DOE assist school boards in securing school buses, contractual needs, equipment, and supplies at the best available prices for pooled bids. The bill adds "services" to the list of areas for which DOE will be required to provide assistance.

The bill authorizes suppliers to make commodities and services available to other governmental agencies and nonprofit organizations under contracts approved by DOE.

If DOE determines that it is in the best interest of school boards, contracts awarded under the pool purchase program may be awarded to multiple suppliers.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes. The bill requires DOE to assist school boards in securing services via pool purchase.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

A program or agency is not eliminated or reduced.

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

The bill does not purport to provide services to families or children.

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

The bill does not create or change a program providing services to families or children.

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

The bill amends s. 229.79, F.S.

E. SECTION-BY-SECTION ANALYSIS:

Section 1 amends s. 229.79, F.S., to revise provisions relating to the DOE pool purchase program. It amends the scope of the areas for which assistance can be granted to school districts. Current statutes require that DOE assist school boards in securing school buses, contractual needs, equipment, and supplies at the best available prices for pooled bids. The bill adds "services" to the list of areas for which DOE will be required to provide assistance. It authorizes suppliers to make commodities and services available to other governmental agencies and nonprofit organizations under contracts approved by DOE. If DOE determines that it is in the best interest of school boards, contracts awarded under the pool purchase program may be awarded to multiple suppliers.

Section 2 specifies an effective date of July 1, 1999.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

School districts should realize some cost savings as a result of this bill since "services" will be included as an authorized area for pool purchasing. In addition, vendors will be able to offer DOE-negotiated contract prices to other governmental agencies and nonprofit organizations, thereby potentially increasing sales volume which might result in a lower contract price to districts.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

See above.

STORAGE NAME: h1079a.edk

DATE: April 15, 1999

PAGE 6

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON EDUCATION K-12:

Prepared by:

Staff Director:

Terri J. Chasteen

Patricia W. Levesque