

1                   A bill to be entitled  
2           An act relating to the Department of Management  
3           Services; providing legislative intent;  
4           establishing the Small and Minority Business  
5           Surety Program; providing for a plan; providing  
6           eligibility; providing state responsibility;  
7           providing for an annual report; providing  
8           penalties for default; providing an  
9           appropriation; amending s. 255.25, F.S.,  
10          providing an exception to competitive bidding  
11          for those leases negotiated pursuant to the  
12          department pilot project to be established;  
13          providing for negotiation of a replacement  
14          lease for currently occupied space under  
15          certain conditions; allowing agencies to  
16          negotiate leases in designated Front Porch  
17          Communities without competitive bidding;  
18          establishing a tenant broker pilot project in  
19          certain designated Florida counties to assist  
20          with property procurement and providing goals  
21          for the project; providing for automatic repeal  
22          of the pilot project; amending s. 255.2501,  
23          F.S., extending the conditions of this section  
24          to any lease that, during the term of the  
25          lease, becomes financed with local government  
26          obligations of any type; amending s. 272.161,  
27          F.S., providing for the rental of "permit"  
28          parking spaces in addition to "reserved"  
29          parking spaces; amending s. 287.022, F.S.;  
30          prohibiting the Department of Management  
31          Services from limiting certain insurers and

1 others from competing for certain insurance  
 2 products or plans on the basis of a  
 3 compensation arrangement; amending s. 287.042,  
 4 F.S., authorizing emergency medical services  
 5 organizations to purchase under state term  
 6 contracts; amending s. 365.171, F.S.;  
 7 authorizing the Public Service Commission to  
 8 enforce the remittance of the collected "911"  
 9 fee to the county; providing the department  
 10 with rulemaking authority for establishing the  
 11 methods for collecting data and the "911" fee;  
 12 creating s. 110.1315, F.S.; requiring that the  
 13 Department of Management Services contract with  
 14 a private vendor for an alternative retirement  
 15 program for other personal services employees;  
 16 providing contract requirements; requiring the  
 17 private vendor to indemnify the state and  
 18 participating employees from certain adverse  
 19 tax consequences; providing for oversight of  
 20 the program; directing the Department of  
 21 Management Services to make a report; directing  
 22 the Executive Office of the Governor to  
 23 determine certain savings made; amending s.  
 24 110.123, F.S.; revising language with respect  
 25 to the state group insurance program; providing  
 26 that certain organizations may not be  
 27 prohibited or limited from competing for the  
 28 plan; amending s. 110.1521, F.S.; combining  
 29 current ss. 110.1522 and 110.1523, F.S., into  
 30 this section; repealing s. 110.1522, F.S.,  
 31 relating to model rule establishing family

1 support personnel policies; repealing s.  
 2 110.1523, F.S., relating to adoption of model  
 3 rule; amending s. 110.17, F.S.; changing  
 4 "personal holiday" to "personal day" and  
 5 replacing "entitled to" with "eligible for";  
 6 amending s. 110.122, F.S.; providing that state  
 7 employees who terminate employment for reasons  
 8 of disability shall be eligible for payment of  
 9 accumulated and unused sick leave; providing  
 10 for application of this section to each  
 11 employee upon termination of employment;  
 12 providing that former state officers and  
 13 employees who are vested in the Florida  
 14 Retirement System may participate in the state  
 15 group health insurance plan at the time of  
 16 receiving their state retirement benefits;  
 17 directing the Department of Management Services  
 18 and the Florida School for the Deaf and Blind  
 19 to develop a report and recommendation;  
 20 providing for its submission by January 1,  
 21 2001; amending s. 110.123, F.S.; requiring  
 22 solicitations or contracts or a state group  
 23 dental program to include a comprehensive  
 24 indemnity dental plan option providing  
 25 enrollees an unrestricted access to dentists;  
 26 repealing ss. 272.12 and 272.121, Florida  
 27 Statutes, relating to the Capitol Center  
 28 Planning Commission; providing an effective  
 29 date.

30  
 31 Be It Enacted by the Legislature of the State of Florida:

1           Section 1. Legislative intent; Small and Minority  
2 Business Surety Program; eligibility; report; default.--

3           (1) It is the intent of the state to meaningfully  
4 assist socially and economically disadvantaged business  
5 enterprises through a program that will provide for  
6 contracting opportunities and financial assistance in the form  
7 of performance, labor, and material bond guarantees, to  
8 primarily remedy the effects of past economic disparity.

9           (2) There is established a Small and Minority Business  
10 Surety Program. The program shall provide participants who are  
11 licensed contractors who desire to compete for state  
12 construction projects, with a bond guarantee.

13           (3) The Minority Business Advocacy and Assistance  
14 Office shall be responsible for developing a plan to implement  
15 the Small and Minority Business Surety Program, which shall  
16 include a market assistance plan, an education and application  
17 assistance program, and any other elements designed to assist  
18 small and minority businesses obtain surety bonding coverage  
19 from the private volunteer market.

20           (4) To be eligible for the bond guarantee provided  
21 herein, the contractor must have met all of the following  
22 conditions:

23           (a) Be a certified small and/or minority business  
24 enterprise in accordance with chapter 287, Florida Statutes.

25           (b) Be prequalified pursuant to the rules of the  
26 contracting agency.

27           (c) Have applied for a surety bond through the private  
28 sector.

29           (5) The state will guarantee up to 65 percent of a  
30 contract amount on contracts up to \$1 million, to allow such  
31 participants to meet bond requirements for state construction

1 projects, which bonds are provided by an approved surety and  
2 which bonds are issued pursuant to s. 255.05, Florida  
3 Statutes. The contracting department shall retain 5 percent of  
4 the total contract amount designated to the small or minority  
5 business until final acceptance of the project, in order to  
6 receive a bond guarantee.

7 (6) Annually, the head of the department is required  
8 to report the progress of this program to the President of the  
9 Senate, the Speaker of the House of Representatives, and the  
10 Governor. The report shall include, at a minimum, the number  
11 of users of the bond guarantee plan along with the number of  
12 defaults and dollars loss to the state.

13 (7) Any participant of the Small and Minority Business  
14 Surety Program who defaults on a construction contract shall  
15 not participate in the program for at last 3 consecutive years  
16 following the default.

17 Section 2. The sum of \$1,000,000 is hereby  
18 appropriated from the Insurance Commissioner's Regulatory  
19 Trust Fund for the purpose of providing a bond guarantee to  
20 contractors that meet the eligibility criteria provided  
21 herein.

22 Section 3. Paragraphs (a) and (b) of subsection (3) of  
23 section 255.25, Florida Statutes, are amended, paragraph (c)  
24 of said subsection is redesignated as paragraph (d), and a new  
25 paragraph (c) is added to said subsection, and subsection (12)  
26 is added to said section, to read:

27 255.25 Approval required prior to construction or  
28 lease of buildings.--

29 (3)(a) Except as provided in subsection (10) and  
30 except for those leases negotiated pursuant to the pilot  
31 project established by the Department of Management Services

1 herein, no state agency shall enter into a lease as lessee for  
2 the use of 5,000 square feet or more of space in a privately  
3 owned building except upon advertisement for and receipt of  
4 competitive bids and award to the lowest and best bidder. The  
5 Department of Management Services shall have the authority to  
6 approve a lease for 5,000 square feet or more of space that  
7 covers more than 1 fiscal year, subject to the provisions of  
8 ss. 216.311, 255.2501, 255.2502, and 255.2503, if such lease  
9 is, in the judgment of the department, in the best interests  
10 of the state. This paragraph does not apply to buildings or  
11 facilities of any size leased for the purpose of providing  
12 care and living space for persons.

13 (b) The Department of Management Services may approve  
14 extensions of an existing lease of 5,000 square feet or more  
15 of space if such extensions are determined to be in the best  
16 interests of the state, but in no case shall the total of such  
17 extensions exceed 11 months. If at the end of the 11th month  
18 an agency still needs such space, it shall be procured by  
19 competitive bid in accordance with s. 255.249(2)(b) or if an  
20 agency determines that it is in its best interest to remain in  
21 the space it currently occupies, the agency may negotiate a  
22 replacement lease with the lessor if an independent market  
23 analysis demonstrates that the rates offered are within market  
24 rates for the space offered, and if the cost of the new lease  
25 does not exceed the cost of a comparable lease plus documented  
26 moving costs. A present value analysis and the consumer price  
27 index shall be used in the calculation of lease costs. The  
28 term of the replacement lease shall not exceed the base term  
29 of the expiring lease.

30 (c) Any agency proposing to enter into a lease for  
31 office space in an area designated as part of the Front Porch

1 Florida Initiative, or Community Redevelopment Agency (CRA)  
 2 may, with the prior approval of the Department of Management  
 3 Services, directly negotiate with a building owner for leased  
 4 space within such area without the competitive bid requirement  
 5 of subsection (3)(a).

6 (12)(a) The Department of Management Services shall  
 7 undertake a pilot project in Hillsborough, Leon, Broward,  
 8 Orange, and Seminole Counties for a contracted tenant broker  
 9 to assist state agencies in locating suitable private sector  
 10 leases. The department shall solicit qualified candidates  
 11 through the request for proposals process and conduct  
 12 interviews of finalists. The tenant broker shall be under  
 13 contract to the department, but all fees or commissions to be  
 14 paid to the tenant broker shall be paid by the ultimate  
 15 private sector lessor. The department shall select a tenant  
 16 broker in each county in the pilot project. Agencies may  
 17 employ the services of the broker in any such county for a  
 18 specified period of time for a given property procurement.  
 19 Except for the exemption from competitive bidding described in  
 20 subsection (3)(a) current leasing procedures would remain in  
 21 effect, including the zone rate guidelines. Brokers shall be  
 22 required to disclose any conflict of interest and all  
 23 compensation received from transactions. Brokers'  
 24 compensation shall be no more than what is customarily found  
 25 in the marketplace. Contracts between the department and the  
 26 broker shall be for a term of 1 year, renewable for an  
 27 additional year based on a satisfactory performance review.  
 28 The Department of Management Services is authorized to adopt  
 29 such rules as may be necessary to carry out the intent of this  
 30 section.

1           (b) In designing the pilot project, the department  
2 shall endeavor to accomplish the following goals:

3                 1. Provide for a faster, more efficient, and  
4 cost-effective lease procurement process.

5                 2. Provide access for agencies to experienced brokers  
6 with knowledge of the local marketplace.

7                 3. Provide a documented, professional cost-benefit  
8 analysis of all choices.

9                 4. Provide for the ability to negotiate the best deal.

10                5. Provide the ability to reject any proposal which  
11 does not meet the needs of the agency.

12                6. Provide that the Department of Management Services  
13 shall have the final review and approval of all leases to  
14 ensure quality control.

15           (c) On or before July 1, 2002, the Department of  
16 Management Services shall report to the Legislature on the  
17 effectiveness of the pilot project and shall make  
18 recommendations, in the form of legislation, if necessary, for  
19 the implementation of the project on a statewide basis.

20           (d) The pilot project shall stand repealed effective  
21 July 1, 2002.

22           Section 4. Subsection (1) of section 255.2501, Florida  
23 Statutes, is amended to read:

24                255.2501 Lease of space financed with local government  
25 obligations.--

26                (1) Except when specifically authorized by the  
27 Appropriations Act, no executive agency, department, public  
28 officer or employee shall enter any contract on behalf of the  
29 state, the term of which contract is more than 5 years,  
30 including any and all renewal periods and including any and  
31 all leases which constitute a series of leases, for the lease,



1 lease-purchase, sale-leaseback, purchase, or rental of any  
2 office space, building, real property and improvements  
3 thereto, or any other fixed capital outlay project, any of  
4 which is, or is to be, or during the term of any lease entered  
5 into pursuant to s. 255.25, becomes financed with local  
6 government obligations of any type.

7 Section 5. Section 272.161, Florida Statutes, is  
8 amended to read:

9 272.161 Rental of ~~reserved~~ parking spaces.--

10 (1)(a) The Department of Management Services may  
11 assign a reserved or permit parking space to any state  
12 employee, qualified state employee car pool, provider of  
13 essential services to the state, or state agency for  
14 reassignment to its employees. Any state agency assigned a  
15 reserved or permit parking space shall charge the user of such  
16 space, except a qualified state employee car pool, a fee in  
17 accordance with guidelines established by the department.

18 (b) Any state agency assigned a reserved or permit  
19 parking space which is not rented for a period of 30 ~~7~~  
20 consecutive days shall return such space to the department for  
21 reassignment. All state agencies assigned reserved or permit  
22 parking spaces shall assure the timely payment of assessed  
23 rent to the department.

24 (c) Assignments of reserved or permit parking spaces  
25 shall be limited to the amount of available parking under the  
26 supervision of the department. Preference in the assignment of  
27 reserved parking spaces shall be given qualified state  
28 employee car pools. A state agency, employee, state employee  
29 car pool, or provider of essential services may request a  
30 reserved or permit parking space in a manner prescribed by the  
31 department.

1 (d) The Auditor General shall conduct an audit of  
2 state employee parking in non-state-owned parking lots and  
3 shall make a recommendation to the Legislature before the 1986  
4 session, for an equitable ratesetting mechanism to ensure that  
5 state employees, who, by job description, are required to own  
6 an automobile as a condition of employment, are not subjected  
7 to higher parking rates than the average rate for employees in  
8 state-owned parking facilities.

9 (2) All employee parking fees shall be payable by the  
10 payroll deduction plan, periodically according to the  
11 employee's pay schedule, to the Department of Management  
12 Services or to the contracting agency.

13 (3) All fees collected by the Department of Management  
14 Services under the provisions of this section shall be  
15 deposited in the Supervision Trust Fund. The department shall  
16 account for the revenues and expenditures related to the paid  
17 parking program in compliance with the provisions of s.  
18 215.32(2)(b). The revenues collected from parking fees shall  
19 be used for the maintenance, minor construction, enforcement,  
20 security, and administration of parking facilities and  
21 programs.

22 (4) The Department of Management Services shall adopt  
23 such rules as are necessary to carry out the purposes of this  
24 section. The department shall establish guidelines for  
25 qualifying as a state employee car pool and for the  
26 preferential assignment of reserved spaces to car pools.

27 (5) The Department of Management Services shall  
28 establish fees on all state-owned ~~reserved~~ reserved parking facilities  
29 under the jurisdiction of the department ~~spaces~~, except those  
30 assigned to qualified state employee car pools, ~~under the~~  
31 ~~jurisdiction of the department~~. The department shall also

1 issue loading zone permits and scramble parking permits for a  
2 fee sufficient to cover the cost of administering the permits  
3 and maintaining the parking areas.

4 (6) The Department of Management Services shall have  
5 the authority to remove or tow away, or cause to be ticketed,  
6 removed, ~~or~~ towed away, any wrongfully parked vehicle in any  
7 assigned, ~~or~~ reserved, or permit parking space or area under  
8 the control of the Department of Management Services  
9 throughout the state at the expense of the owner of the  
10 wrongfully parked vehicle.

11 Section 6. Subsection (3) is added to section 287.022,  
12 Florida Statutes, to read:

13 287.022 Purchase of insurance.--

14 (3) The department shall not prohibit or limit any  
15 properly licensed insurer, health maintenance organization,  
16 prepaid limited health services organization, or insurance  
17 agent from competing for any insurance product or plan  
18 purchased, provided, or endorsed by the department, on the  
19 basis of the compensation arrangement utilized by the insurer  
20 or organization for its agents.

21 Section 7. Paragraph (a) of subsection (2) of section  
22 287.042, Florida Statutes, is amended to read:

23 287.042 Powers, duties, and functions.--The department  
24 shall have the following powers, duties, and functions:

25 (2)(a) To plan and coordinate purchases in volume and  
26 to negotiate and execute purchasing agreements and contracts  
27 for commodities and contractual services under which state  
28 agencies shall make purchases pursuant to s. 287.056, and  
29 under which a federal, county, municipality, institutions  
30 qualified pursuant to s. 240.605, private nonprofit community  
31 transportation coordinator designated pursuant to chapter 427,

1 while conducting business related solely to the Commission for  
 2 the Transportation Disadvantaged, emergency medical services  
 3 organizations approved to purchase pursuant to s. 401.024, or  
 4 other local public agency may make purchases. The department  
 5 may restrict purchases from some term contracts to state  
 6 agencies only for those term contracts where the inclusion of  
 7 other governmental entities will have an adverse effect on  
 8 competition or to those federal facilities located in this  
 9 state. In such planning or purchasing the Minority Business  
 10 Advocacy and Assistance Office may monitor to ensure that  
 11 opportunities are afforded for contracting with minority  
 12 business enterprises. The department, for state term  
 13 contracts, and all agencies, for multiyear contractual  
 14 services or term contracts, shall explore reasonable and  
 15 economical means to utilize certified minority business  
 16 enterprises. Purchases by any county, municipality, private  
 17 nonprofit community transportation coordinator designated  
 18 pursuant to chapter 427, while conducting business related  
 19 solely to the Commission for the Transportation Disadvantaged,  
 20 emergency medical services organizations approved to purchase  
 21 pursuant to s. 401.024, or other local public agency under the  
 22 provisions in the state purchasing contracts, and purchases,  
 23 from the corporation operating the correctional work programs,  
 24 of products or services that are subject to paragraph (1)(f),  
 25 are exempt from the competitive sealed bid requirements  
 26 otherwise applying to their purchases.

27 Section 8. Paragraph (a) of subsection (13) of section  
 28 365.171, Florida Statutes, is amended to read:

29 365.171 Emergency telephone number "911."--

30 (13) "911" FEE.--

31

1 (a) Following approval by referendum as set forth in  
2 paragraph (b), or following approval by a majority vote of its  
3 board of county commissioners, a county may impose a "911" fee  
4 to be paid by the local exchange subscribers within its  
5 boundaries served by the "911" service. Proceeds from the  
6 "911" fee shall be used only for "911" expenditures as set  
7 forth in subparagraph 6. The manner of imposing and  
8 collecting said payment shall be as follows:

9 1. At the request of the county subscribing to "911"  
10 service, the telephone company shall, insofar as is  
11 practicable, bill the "911" fee to the local exchange  
12 subscribers served by the "911" service, on an individual  
13 access line basis, at a rate not to exceed 50 cents per month  
14 per line (up to a maximum of 25 access lines per account bill  
15 rendered). However, the fee may not be assessed on any pay  
16 telephone in this state. A county collecting the fee for the  
17 first time may collect the fee for no longer than 36 months  
18 without initiating the acquisition of its "911" equipment.

19 2. Fees collected by the telephone company pursuant to  
20 subparagraph 1. shall be returned to the county, less the  
21 costs of administration retained pursuant to paragraph (c).  
22 The Public Service Commission is authorized to enforce the  
23 remittance of the collected "911" fee to the county.The  
24 county shall provide a minimum of 90 days' written notice to  
25 the telephone company prior to the collection of any "911"  
26 fees.

27 3. Any county that currently has an operational "911"  
28 system or that is actively pursuing the implementation of a  
29 "911" system shall establish a fund to be used exclusively for  
30 receipt and expenditure of "911" fee revenues collected  
31 pursuant to this section. All fees placed in said fund, and

1 any interest accrued thereupon, shall be used solely for "911"  
2 costs described in subparagraph 6. The money collected and  
3 interest earned in this fund shall be appropriated for "911"  
4 purposes by the county commissioners and incorporated into the  
5 annual county budget. The county shall annually have a  
6 financial audit performed on this fund, in accordance with s.  
7 11.45. A report of the audit shall be forwarded to the  
8 department within 60 days of its completion. A county may  
9 carry forward on an annual basis unspent moneys in the fund  
10 for expenditures allowed by this section, or it may reduce its  
11 fee. However, in no event shall a county carry forward more  
12 than 10 percent of the "911" fee billed for the prior year.  
13 The amount of moneys carried forward each year may be  
14 accumulated in order to allow for capital improvements  
15 described in this subsection. The carryover shall be  
16 documented by resolution of the board of county commissioners  
17 expressing the purpose of the carryover or by an adopted  
18 capital improvement program identifying projected expansion or  
19 replacement expenditures for "911" equipment and service  
20 features, or both. In no event shall the "911" fee carryover  
21 surplus moneys be used for any purpose other than for the  
22 "911" equipment, service features, and installation charges  
23 authorized in subparagraph 6. Nothing in this section shall  
24 prohibit a county from using other sources of revenue for  
25 improvements, replacements, or expansions of its "911" system.  
26 A county may increase its fee for purposes authorized in this  
27 section. However, in no case shall the fee exceed 50 cents per  
28 month per line. All current "911" fees shall be reported to  
29 the department within 30 days of the start of each county's  
30 fiscal period. Any fee adjustment made by a county shall be  
31

1 reported to the department. A county shall give the telephone  
2 company a 90-day written notice of such fee adjustment.

3 4. The telephone company shall have no obligation to  
4 take any legal action to enforce collection of the "911" fee.  
5 The telephone company shall provide quarterly to the county a  
6 list of the names, addresses, and telephone numbers of any and  
7 all subscribers who have identified to the telephone company  
8 their refusal to pay the "911" fee.

9 5. The county subscribing to "911" service shall  
10 remain liable to the telephone company for any "911" service,  
11 equipment, operation, or maintenance charge owed by the county  
12 to the telephone company.

13  
14 As used in this paragraph, "telephone company" means an  
15 exchange telephone service provider of "911" service or  
16 equipment to any county within its certificated area.

17 6. It is the intent of the Legislature that the "911"  
18 fee authorized by this section to be imposed by counties will  
19 not necessarily provide the total funding required for  
20 establishing or providing the "911" service. For purposes of  
21 this section, "911" service includes the functions of database  
22 management, call taking, location verification, and call  
23 transfer. The following costs directly attributable to the  
24 establishment and/or provision of "911" service are eligible  
25 for expenditure of moneys derived from imposition of the "911"  
26 fee authorized by this section: the acquisition,  
27 implementation, and maintenance of Public Safety Answering  
28 Point (PSAP) equipment and "911" service features, as defined  
29 in the Florida Public Service Commission's lawfully approved  
30 "911" and related tariffs and/or the acquisition,  
31 installation, and maintenance of other "911" equipment,

1 including call answering equipment, call transfer equipment,  
2 ANI controllers, ALI controllers, ANI displays, ALI displays,  
3 station instruments, "911" telecommunications systems,  
4 teleprinters, logging recorders, instant playback recorders,  
5 telephone devices for the deaf (TDD) used in the "911" system,  
6 PSAP backup power systems, consoles, automatic call  
7 distributors, and interfaces (hardware and software) for  
8 computer-aided dispatch (CAD) systems; salary and associated  
9 expenses for "911" call takers for that portion of their time  
10 spent taking and transferring "911" calls; salary and  
11 associated expenses for a county to employ a full-time  
12 equivalent "911" coordinator position and a full-time  
13 equivalent staff assistant position per county for the portion  
14 of their time spent administrating the "911" system; training  
15 costs for PSAP call takers in the proper methods and  
16 techniques used in taking and transferring "911" calls; and  
17 expenses required to develop and maintain all information (ALI  
18 and ANI databases and other information source repositories)  
19 necessary to properly inform call takers as to location  
20 address, type of emergency, and other information directly  
21 relevant to the "911" call-taking and transferring function.  
22 The "911" fee revenues shall not be used to pay for any item  
23 not listed, including, but not limited to, any capital or  
24 operational costs for emergency responses which occur after  
25 the call transfer to the responding public safety entity and  
26 the costs for constructing buildings, leasing buildings,  
27 maintaining buildings, or renovating buildings, except for  
28 those building modifications necessary to maintain the  
29 security and environmental integrity of the PSAP and "911"  
30 equipment rooms.  
31



1           7. It is the goal of the Legislature that enhanced  
2 "911" service be available throughout the state. Expenditure  
3 by counties of the "911" fees authorized by this section  
4 should support this goal to the greatest extent feasible  
5 within the context of local service needs and fiscal  
6 capability. Nothing in this section shall be construed to  
7 prohibit two or more counties from establishing a combined  
8 emergency "911" telephone service by interlocal agreement and  
9 utilizing the "911" fees authorized by this section for such  
10 combined "911" service.

11           8. The Department may establish by rule, in  
12 conjunction with applicable public agencies, the methods for  
13 collecting data and the "911" fee.

14           Section 9. Section 110.1315, Florida Statutes, is  
15 created to read:

16           110.1315 Alternative benefits; other personal services  
17 employees.--

18           (1) The Department of Management Services shall  
19 contract for the implementation of an alternative retirement  
20 income security program for eligible employees paid from other  
21 personal services or special category appropriations who pay  
22 the social security portion of FICA withholding tax. The term  
23 "other personal services" means the compensation for services  
24 rendered by a person who is not a regular or full-time  
25 employee filling an established position. An employee is  
26 ineligible if he or she is concurrently employed in another  
27 position as a member of the Florida Retirement System. The  
28 contract must provide for a private vendor to administer the  
29 program, and the program must provide retirement benefits as  
30 required under s. 3121(b)(7)(F) of the Internal Revenue Code.  
31 The department shall develop a request for proposals and

1 solicit qualified vendors to compete for the award of the  
 2 contract. The proposal must have received all necessary  
 3 federal and state approval as required by law and must comply  
 4 with s. 112.65.

5 (2) The vendor shall provide and administer this  
 6 defined-contribution program under the provisions of s.  
 7 3121(b)(7)(F) of the Internal Revenue Code. The program must  
 8 provide that there will be no risk of the principal to the  
 9 participants, that there will be a reasonable rate of interest  
 10 as defined in the Treasury Regulations for s. 3121(b)(7)(F) of  
 11 the Internal Revenue Code, that there will be no withdrawal or  
 12 surrender penalties or fees of any nature charged to the  
 13 participants, that there will be no administrative charges to  
 14 either the participants or the state, and that there will be  
 15 immediate 100-percent vesting to the participants. The  
 16 department may stipulate that when the employee terminates his  
 17 or her position, invested funds must remain in the program  
 18 until the employee reaches age 59 1/2, except that such funds  
 19 may be transferred to a 457 Plan if the employee obtains a  
 20 regular or full-time established position. The program must be  
 21 a qualified plan under s. 457 of the Internal Revenue Code  
 22 which is separate from any other plan under that section. The  
 23 vendor must indemnify the state, its agencies, and  
 24 participating employees for any damages resulting from a  
 25 finding by the Internal Revenue Service that the plan is in  
 26 violation of s. 3121(b)(7)(F) of the Internal Revenue Code.

27 Section 10. The Department of Management Services  
 28 shall assure that any provider company maintains an internal  
 29 system of quality assurance, employs a proven functional  
 30 system that is fully date-calculation compliant, and is  
 31

1 subject to due-diligence inquiry concerning its ability to  
2 undertake its service responsibilities.

3           Section 11. By September 1, 2000, the Department of  
4 Management Services shall report to the Governor and  
5 Legislature the amount of funds paid to other personal  
6 services employees by each budget entity for fiscal year  
7 1999-2000. In addition, the department shall report the number  
8 of OPS employees employed by the state agencies, and the  
9 amount, by fund source, of salaries, income taxes, Medicare  
10 taxes, and FICA taxes paid by the state on behalf of OPS  
11 employees.

12           Section 12. Upon implementation of the alternative  
13 retirement income security program, the Executive Office of  
14 the Governor shall determine the amount of budget savings  
15 associated with plan implementation and process a budget  
16 amendment in accordance with s. 216.177, Florida Statutes, to  
17 place the corresponding budget authority in Executive Office  
18 of the Governor reserve. The annualized savings identified  
19 shall then be available for reduction during the fiscal year  
20 2001-2002 budget development process.

21           Section 13. This act shall take effect July 1, 2000.

22           Section 14. Paragraph (i) is added to subsection (3)  
23 of section 110.123, Florida Statutes, to read:

24           110.123 State group insurance program.--

25           (3) STATE GROUP INSURANCE PROGRAM.--

26           (i) The department shall not prohibit or limit any  
27 properly licensed insurer, health maintenance organization,  
28 prepaid limited health services organization, or insurance  
29 agent from competing for any insurance product or plan  
30 purchased, provided, or endorsed by the department, on the  
31

1 basis of the compensation arrangement utilized by the insurer  
2 or organization for its agents.

3 Section 15. Section 110.1521, Florida Statutes, is  
4 amended to read:

5 110.1521 Short title.--This section ~~Sections~~  
6 ~~110.1521-110.1523~~ may be cited as the "Family Support  
7 Personnel Policies Act."

8 (1) The Department of Management Services shall  
9 develop a model rule establishing family support personnel  
10 policies for all executive branch agencies, excluding the  
11 State University System. "Family support personnel policies,"  
12 for purposes of this section means personnel policies  
13 affecting employees' ability to both work and devote care and  
14 attention to their families and includes policies on flexible  
15 hour work schedules, compressed time, job sharing, part-time  
16 employment, maternity or paternity leave for employees with a  
17 newborn or newly adopted child, and paid and unpaid family or  
18 administrative leave for family responsibilities.

19 (2) The model rule shall be effective 20 days after  
20 having been filed with the Department of State and shall  
21 become part of the personnel rules of all applicable state  
22 agencies 150 days after the effective date of the rule to the  
23 extent that each agency does not, subsequent to such effective  
24 date, adopt a rule that sets forth the intent to specifically  
25 amend all or part of such model rule. Any employee or  
26 organization representing employees shall be considered a  
27 party for purposes of any rule required by this section,  
28 notwithstanding any provision of chapter 120 to the contrary.

29 Section 16. Section 110.1522, Florida Statutes, is  
30 repealed.

31

1           Section 17. Section 110.1523, Florida Statutes, is  
2 repealed.

3           Section 18. Subsection (3) of section 110.117, Florida  
4 Statutes, is amended to read:

5           110.117 Paid holidays.--

6           (3) Each full-time employee is eligible for ~~entitled~~  
7 ~~to one personal day holiday~~ each year. Each part-time employee  
8 is eligible for ~~entitled to~~ a personal day holiday each year  
9 which shall be calculated proportionately to the personal day  
10 ~~holiday~~ allowed to a full-time employee. Such personal day  
11 ~~holiday~~ shall be credited to eligible employees on July 1 of  
12 each year to be taken prior to June 30 of the following year.  
13 Members of the teaching and research faculty of the State  
14 University System and administrative and professional  
15 positions exempted under s. 110.205(2)(d) are not eligible for  
16 this benefit.

17           Section 19. Section 110.122, Florida Statutes, is  
18 amended to read:

19           110.122 Terminal payment for accumulated sick leave.--

20           (1) All state branches, departments, and agencies  
21 which have the authority to establish or approve personnel  
22 policies for employees and to employ personnel and establish  
23 the conditions of their employment shall establish policies to  
24 provide terminal "incentive" pay for accumulated and unused  
25 sick leave to each employee upon ~~normal or regular retirement~~  
26 ~~for reason other than disability or upon~~ termination of  
27 employment, or to the employee's beneficiary if service is  
28 terminated by death, provided such ~~retirement, termination, or~~  
29 death occurs after 10 years of creditable state employment.

30           (2) The employing entity shall establish and publish  
31 rules governing the accumulation and use of sick leave and

1 maintain accurate and reliable records showing the amount of  
2 sick leave which has accumulated and is unused by the employee  
3 at the time of ~~retirement, death, or termination.~~

4 (3) The payments authorized by this section shall be  
5 determined by using the rate of pay received by the employee  
6 at the time of ~~retirement,~~ termination, or death, applied to  
7 the sick leave time for which the employee is qualified to  
8 receive terminal "incentive" pay under the rules adopted by  
9 the department pursuant to the provisions of this section.  
10 Rules and policies adopted pursuant to this section shall  
11 permit terminal pay for sick leave equal to one-eighth of all  
12 unused sick leave credit accumulated prior to October 1, 1973,  
13 plus one-fourth of all unused sick leave accumulated on or  
14 after October 1, 1973. However, terminal pay allowable for  
15 unused sick leave accumulated on or after October 1, 1973,  
16 shall not exceed a maximum of 480 hours of actual payment.  
17 Employees shall be required to use all sick leave accumulated  
18 prior to October 1, 1973, before using sick leave accumulated  
19 on or after October 1, 1973.

20 (4) The payments made pursuant to this section shall  
21 not be considered in any state-administered retirement system  
22 as salary payments and shall not be used in determining the  
23 average final compensation of an employee in any  
24 state-administered retirement system.

25 (5) Any otherwise eligible employee:

26 (a) Who is found guilty in a court of competent  
27 jurisdiction of committing, aiding, or abetting any  
28 embezzlement or theft from the employee's employer or bribery  
29 in connection with the employment, committed prior to  
30 ~~retirement or 10-year normal creditable~~ termination;  
31

1 (b) Whose employment is terminated by reason of the  
2 employee having admitted committing, aiding, or abetting an  
3 embezzlement or theft from his or her employer or by reason of  
4 bribery;

5 (c) Who, prior to ~~10-year normal creditable~~  
6 ~~termination or retirement~~ is adjudged by a court of competent  
7 jurisdiction to have violated any state law against strikes by  
8 public employees; or

9 (d) Who has been found guilty by a court of competent  
10 jurisdiction of violating any state law prohibiting strikes by  
11 public employees,

12  
13 shall forfeit all rights and benefits under this section. An  
14 employee whose employment terminates as a result of an act  
15 committed subject to this subsection shall not be given credit  
16 for unused sick leave accumulated prior to termination should  
17 the employee be reemployed at a later date.

18 Section 20. Notwithstanding the provisions of s.  
19 110.123(2)(g), Florida Statutes, former state officers and  
20 employees who are vested in the Florida Retirement System, and  
21 who have deferred receiving their state retirement benefits  
22 until age 62 to avoid early retirement penalties, may  
23 participate in the state group health insurance plan at the  
24 time of receiving their state retirement benefits on the same  
25 basis as a retiree defined in s. 110.123(2)(g), Florida  
26 Statutes.

27 Section 21. The Department of Management Services, in  
28 cooperation with the Florida School for the Deaf and Blind,  
29 shall review the classification and pay grade assignments for  
30 career service, nonteaching employees who deal with visually  
31 impaired and hearing impaired students. The department and the

1 school shall provide a report and a recommendation by January  
2 1, 2001.

3 Section 22. Paragraph (g) of subsection (3) of section  
4 110.123, Florida Statutes, is amended to read:

5 110.123 State group insurance program.--

6 (3) STATE GROUP INSURANCE PROGRAM.--

7 (g)1. A person eligible to participate in the state  
8 group insurance program may be authorized by rules adopted by  
9 the department, in lieu of participating in the state group  
10 health insurance plan, to exercise an option to elect  
11 membership in a health maintenance organization plan which is  
12 under contract with the state in accordance with criteria  
13 established by this section and by said rules. The offer of  
14 optional membership in a health maintenance organization plan  
15 permitted by this paragraph may be limited or conditioned by  
16 rule as may be necessary to meet the requirements of state and  
17 federal laws.

18 2. The department shall contract with health  
19 maintenance organizations seeking to participate in the state  
20 group insurance program through a request for proposal or  
21 other procurement process, as developed by the Department of  
22 Management Services and determined to be appropriate.

23 a. The department shall establish a schedule of  
24 minimum benefits for health maintenance organization coverage,  
25 and that schedule shall include: physician services; inpatient  
26 and outpatient hospital services; emergency medical services,  
27 including out-of-area emergency coverage; diagnostic  
28 laboratory and diagnostic and therapeutic radiologic services;  
29 mental health, alcohol, and chemical dependency treatment  
30 services meeting the minimum requirements of state and federal  
31 law; skilled nursing facilities and services; prescription



1 drugs; and other benefits as may be required by the  
2 department. Additional services may be provided subject to  
3 the contract between the department and the HMO.

4 b. The department may establish uniform deductibles,  
5 copayments, or coinsurance schedules for all participating HMO  
6 plans.

7 c. The department may require detailed information  
8 from each health maintenance organization participating in the  
9 procurement process, including information pertaining to  
10 organizational status, experience in providing prepaid health  
11 benefits, accessibility of services, financial stability of  
12 the plan, quality of management services, accreditation  
13 status, quality of medical services, network access and  
14 adequacy, performance measurement, ability to meet the  
15 department's reporting requirements, and the actuarial basis  
16 of the proposed rates and other data determined by the  
17 director to be necessary for the evaluation and selection of  
18 health maintenance organization plans and negotiation of  
19 appropriate rates for these plans. Upon receipt of proposals  
20 by health maintenance organization plans and the evaluation of  
21 those proposals, the department may enter into negotiations  
22 with all of the plans or a subset of the plans, as the  
23 department determines appropriate. Nothing shall preclude the  
24 department from negotiating regional or statewide contracts  
25 with health maintenance organization plans when this is  
26 cost-effective and when the department determines that the  
27 plan offers high value to enrollees.

28 d. The department may limit the number of HMOs that it  
29 contracts with in each service area based on the nature of the  
30 bids the department receives, the number of state employees in  
31 the service area, or any unique geographical characteristics

1 of the service area. The department shall establish by rule  
2 service areas throughout the state.

3 e. All persons participating in the state group  
4 insurance program who are required to contribute towards a  
5 total state group health premium shall be subject to the same  
6 dollar contribution regardless of whether the enrollee enrolls  
7 in the state group health insurance plan or in an HMO plan.

8 3. The division is authorized to negotiate and to  
9 contract with specialty psychiatric hospitals for mental  
10 health benefits, on a regional basis, for alcohol, drug abuse,  
11 and mental and nervous disorders. The division may establish,  
12 subject to the approval of the Legislature pursuant to  
13 subsection (5), any such regional plan upon completion of an  
14 actuarial study to determine any impact on plan benefits and  
15 premiums.

16 4. In addition to contracting pursuant to subparagraph  
17 2., the department shall enter into contract with any HMO to  
18 participate in the state group insurance program which:

19 a. Serves greater than 5,000 recipients on a prepaid  
20 basis under the Medicaid program;

21 b. Does not currently meet the 25 percent  
22 non-Medicare/non-Medicaid enrollment composition requirement  
23 established by the Department of Health excluding participants  
24 enrolled in the state group insurance program;

25 c. Meets the minimum benefit package and copayments  
26 and deductibles contained in sub-subparagraphs 2.a. and b.;

27 d. Is willing to participate in the state group  
28 insurance program at a cost of premiums that is not greater  
29 than 95 percent of the cost of HMO premiums accepted by the  
30 department in each service area; and

31

1 e. Meets the minimum surplus requirements of s.  
2 641.225.

3  
4 The department is authorized to contract with HMOs that meet  
5 the requirements of sub-subparagraphs a. through d. prior to  
6 the open enrollment period for state employees. The  
7 department is not required to renew the contract with the HMOs  
8 as set forth in this paragraph more than twice. Thereafter,  
9 the HMOs shall be eligible to participate in the state group  
10 insurance program only through the request for proposal  
11 process described in subparagraph 2.

12 5. All enrollees in the state group health insurance  
13 plan or any health maintenance organization plan shall have  
14 the option of changing to any other health plan which is  
15 offered by the state within any open enrollment period  
16 designated by the department. Open enrollment shall be held at  
17 least once each calendar year.

18 6. When a contract between a treating provider and the  
19 state-contracted health maintenance organization is terminated  
20 for any reason other than for cause, each party shall allow  
21 any enrollee for whom treatment was active to continue  
22 coverage and care when medically necessary, through completion  
23 of treatment of a condition for which the enrollee was  
24 receiving care at the time of the termination, until the  
25 enrollee selects another treating provider, or until the next  
26 open enrollment period offered, whichever is longer, but no  
27 longer than 6 months after termination of the contract. Each  
28 party to the terminated contract shall allow an enrollee who  
29 has initiated a course of prenatal care, regardless of the  
30 trimester in which care was initiated, to continue care and  
31 coverage until completion of postpartum care. This does not

1 prevent a provider from refusing to continue to provide care  
 2 to an enrollee who is abusive, noncompliant, or in arrears in  
 3 payments for services provided. For care continued under this  
 4 subparagraph, the program and the provider shall continue to  
 5 be bound by the terms of the terminated contract. Changes made  
 6 within 30 days before termination of a contract are effective  
 7 only if agreed to by both parties.

8           7. Any HMO participating in the state group insurance  
 9 program shall submit health care utilization and cost data to  
 10 the department, in such form and in such manner as the  
 11 division shall require, as a condition of participating in the  
 12 program. The department shall enter into negotiations with  
 13 its contracting HMOs to determine the nature and scope of the  
 14 data submission and the final requirements, format, penalties  
 15 associated with noncompliance, and timetables for submission.  
 16 These determinations shall be adopted by rule.

17           8. The department may establish and direct, with  
 18 respect to collective bargaining issues, a comprehensive  
 19 package of insurance benefits that may include supplemental  
 20 health and life coverage, dental care, long-term care, vision  
 21 care, and other benefits it determines necessary to enable  
 22 state employees to select from among benefit options that best  
 23 suit their individual and family needs.

24           a. Based upon a desired benefit package, the  
 25 department shall issue a request for proposal for health  
 26 insurance providers interested in participating in the state  
 27 group insurance program, and the division shall issue a  
 28 request for proposal for insurance providers interested in  
 29 participating in the non-health-related components of the  
 30 state group insurance program. Upon receipt of all proposals,  
 31 the department may enter into contract negotiations with

1 insurance providers submitting bids or negotiate a specially  
 2 designed benefit package. Insurance providers offering or  
 3 providing supplemental coverage as of May 30, 1991, which  
 4 qualify for pretax benefit treatment pursuant to s. 125 of the  
 5 Internal Revenue Code of 1986, with 5,500 or more state  
 6 employees currently enrolled may be included by the department  
 7 in the supplemental insurance benefit plan established by the  
 8 department without participating in a request for proposal,  
 9 submitting bids, negotiating contracts, or negotiating a  
 10 specially designed benefit package. These contracts shall  
 11 provide state employees with the most cost-effective and  
 12 comprehensive coverage available; however, no state or agency  
 13 funds shall be contributed toward the cost of any part of the  
 14 premium of such supplemental benefit plans. With respect to  
 15 dental coverage, the division shall include in any  
 16 solicitation or contract for any state group dental program  
 17 made after July 1, 2001, a comprehensive indemnity dental plan  
 18 option which offers enrollees a completely unrestricted choice  
 19 of dentists. If a dental plan is endorsed, or in some manner  
 20 recognized as the preferred product, such plan shall include a  
 21 comprehensive indemnity dental plan option which provides  
 22 enrollees with a completely unrestricted choice of dentists.

23         b. Pursuant to the applicable provisions of s.  
 24 110.161, and s. 125 of the Internal Revenue Code of 1986, the  
 25 department shall enroll in the pretax benefit program those  
 26 state employees who voluntarily elect coverage in any of the  
 27 supplemental insurance benefit plans as provided by  
 28 sub-subparagraph a.

29         c. Nothing herein contained shall be construed to  
 30 prohibit insurance providers from continuing to provide or  
 31

1 offer supplemental benefit coverage to state employees as  
2 provided under existing agency plans.

3 Section 23. This act shall take effect July 1, 2001.

4 Section 24. Sections 272.12 and 272.121, Florida  
5 Statutes, are hereby repealed.

6 Section 25. This act shall take effect July 1, 2000.

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