

Bill No. SB 1158

Amendment No. 1 Barcode 155862

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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The Committee on Ethics and Elections recommended the following amendment:

Senate Amendment (with title amendment)

On page 7, between lines 17 and 18,

insert:

Section 2. (1) It is the policy of this state that all state services be performed in the most effective and efficient manner in order to provide the best value to the public. Further, the state recognizes that competition among service providers may improve the quality of the service provided. Therefore, any state agency may identify services provided by the state which are available commercially from a private source or through other alternative means; examine the current method of service delivery; assess the feasibility of privatization, outsourcing, or other alternative means for providing the services; and provide its findings to the Legislative Budget Commission. If the agency recommends to the Legislative Budget Commission that a service may be better provided through private sources or other alternative means,

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1 the state agency shall develop methods to accurately and
2 fairly estimate and account for the cost of providing an
3 identified state service and engage in the following process
4 for evaluating proposals for privatization, outsourcing, or
5 other alternative means for providing the service:

6 (a) Conduct an agency in-house cost estimate; a
7 management study; or any other hearing, study, review, or cost
8 estimate concerning any aspect of the identified state
9 service.

10 (b) Review the efficiency of the agency in-house state
11 service.

12 (c) Require that the identified state service be
13 submitted to competitive bidding or another process that
14 creates competition with private sources and encourage state
15 employees to organize and submit a bid for the identified
16 service.

17 (d) Compare the cost of the most efficient agency
18 in-house state service with the cost of private-sector bids.
19 In comparing costs, the state agency must consider the cost of
20 supervising the work of any private contractor. All bids or
21 contracts must include an analysis of health care benefits,
22 retirement, and workers' compensation insurance for employees
23 of the contractor which are reasonably comparable to those
24 provided by the state.

25 (e) Compare the total, accurate, and fair estimated
26 cost to the agency, including all indirect costs related to
27 that agency and costs of agencies such as the Comptroller, the
28 Treasurer, and Attorney General, and other such support
29 agencies.

30 (f) Compare the quality of service in order to
31 determine if the overall quality of the service will increase

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1 or decrease with privatization, outsourcing, or other
2 alternative means.

3 (g) Determine the net effect on state employees.

4 (h) Determine the risk and consequences associated
5 with privatization, outsourcing, or alternative means for
6 providing the state service.

7 (2) Upon completion of the process and prior to the
8 transfer of any appropriated funds to implement a contract or
9 memorandum of agreement related to privatization, outsourcing,
10 or alternative means of providing state services, the state
11 agency shall provide to the Legislative Budget Commission its
12 recommendations and documentation of the process. Any contract
13 or memorandum of agreement recommended by the state agency
14 related to the delivery of a state service pursuant to this
15 section which requires the transfer of any appropriated funds
16 shall be implemented pursuant to chapter 216, Florida
17 Statutes, and is subject to the approval of the Legislative
18 Budget Commission.

19 (3) If the documentation submitted to the Legislative
20 Budget Commission pursuant to this section fails to
21 demonstrate that the proposed contract or memorandum of
22 agreement will result in an ongoing net cost savings to the
23 state, the Legislative Budget Commission shall deny the
24 transfer of funds proposed to implement the contract or
25 memorandum of agreement.

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27 (Redesignate subsequent sections.)

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30 ===== T I T L E A M E N D M E N T =====

31 And the title is amended as follows:

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1 On page 1, line 10, after the semicolon,
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3 insert:
4 authorizing state agencies to identify state
5 services that are available commercially or
6 through an alternative means, assess the
7 feasibility of privatization or outsourcing,
8 and provide its findings to the Legislative
9 Budget Commission; providing a process for
10 evaluating proposals for privatization,
11 outsourcing, or other alternative means for
12 providing services; requiring that a contract
13 or memorandum of agreement that requires the
14 transfer of appropriated funds to be subject to
15 approval of the Legislative Budget Commission;
16 requiring the commission to deny the transfer
17 of funds if documentation fails to demonstrate
18 an ongoing net cost savings to the state;
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