

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 1158
 SPONSOR: Senator Mitchell
 SUBJECT: Council on Competitive Government
 DATE: March 15, 2001 REVISED: 04/05/01 _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Fox</u>	<u>Bradshaw</u>	<u>EE</u>	<u>Fav/2 amendments</u>
2.	_____	_____	<u>GO</u>	_____
3.	_____	_____	<u>CA</u>	_____
4.	_____	_____	<u>AGG</u>	_____
5.	_____	_____	<u>AP</u>	_____
6.	_____	_____	_____	_____

I. Summary:

Senate Bill 1158 re-creates the State Council on Competitive Government, modifying membership, duties of the Council, and Council powers. The bill also creates standards for privatizing governmental functions.

This bill creates section 14.204, Florida Statutes and seeks to repeal section 14.023, Florida Statutes.

II. Present Situation:

The State Council on Competitive Government currently consists of the Governor and Cabinet, sitting as the Administration Commission. The purpose of the Council is to further the state policy that all state services be performed in the most effective and efficient manner to provide the best value to the citizens of the State. Section 14.203, F.S.

The Council, along with the Legislature’s Office of Program Analysis and Governmental Accountability (“OPPAGA”) and the Commission on Government Accountability to the People (de-funded by the Legislature years ago), is statutorily-empowered to identify commercial activities being performed by state agencies and, if it is determined that such services may be better provided by requiring competition with other private sources or other state agency providers, may require that an agency engage in processes that create competition.

III. Effect of Proposed Changes:

Section 1. The bill modifies the membership of the Council from an executive council (Governor and Cabinet, sitting as the Administration Commission) to one dominated by legislative appointments. Under the bill, the Director of the Legislature’s OPPAGA is a member

of the Council, along with two members appointed by the Senate President, two by the Speaker of the House of Representatives, two by the Governor, and two by the Governor and Cabinet.

The bill requires each state agency to submit all privatization proposals (requests for proposals, invitations to bid, invitations to negotiate, and contracts) of \$100,000 or more to the Council for review and comment.

The bill diminishes the power of the Council to direct agencies to develop cost estimates on “identified state services” and to engage in competitive bidding or other processes that create competition with private sources or other governmental entities.

The bill contains a number of factors and standards which the Council must consider in reviewing agency proposals for privatization or in making recommendations for actions to be undertaken by state agencies relating to privatization.

Section 2. Seeks to repeal the current section of law creating the State Council on Competitive Government.

Section 3. Provides an effective date of July 1, 2001.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Indeterminate.

C. Government Sector Impact:

Indeterminate.

VI. Technical Deficiencies:

The bill contains a drafting error. It seeks to repeal section 14.023, F.S., which does not exist. Section 2 of the bill and the title should be amended to reflect the repeal of s. 14.203, F.S.

VII. Related Issues:

None.

VIII. Amendments:

#1 by Ethics and Elections:

Authorizes state agencies to identify opportunities for privatization and provide those findings to the Legislative Budget Commission; provides a process for evaluating agency proposals; requires that a contract or memorandum of agreement for privatization requiring the transfer of appropriated funds be subject to approval of the Commission; and, requires that the Commission deny the transfer unless an ongoing net cost savings can be demonstrated.

#2 by Ethics and Elections:

Technical; corrects a Florida Statute section number.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
