

Bill No. CS/HB 347, 1st Eng.

Amendment No. Barcode 432558

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Mitchell moved the following amendment:

Senate Amendment (with title amendment)

On page 2, line 11,

insert:

Section 1. (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, the state agency shall develop methods to accurately and

Bill No. CS/HB 347, 1st Eng.

Amendment No. ____ Barcode 432558

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

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

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

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

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

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

29 (f) Compare the quality of service in order to
30 determine if the overall quality of the service will increase
31 or decrease with privatization, outsourcing, or other

Bill No. CS/HB 347, 1st Eng.

Amendment No. ____ Barcode 432558

1 alternative means.

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

3 (h) Determine the risk and consequences associated

4 with privatization, outsourcing, or alternative means for

5 providing the state service.

6 (2) Upon completion of the process and prior to the

7 transfer of any appropriated funds to implement a contract or

8 memorandum of agreement related to privatization, outsourcing,

9 or alternative means of providing state services, the state

10 agency shall provide to the Legislative Budget Commission its

11 recommendations and documentation of the process. Any contract

12 or memorandum of agreement recommended by the state agency

13 related to the delivery of a state service pursuant to this

14 section which requires the transfer of any appropriated funds

15 shall be implemented pursuant to chapter 216, Florida

16 Statutes, and is subject to the approval of the Legislative

17 Budget Commission.

18 (3) If the documentation submitted to the Legislative

19 Budget Commission pursuant to this section fails to

20 demonstrate that the proposed contract or memorandum of

21 agreement will result in an ongoing net cost savings to the

22 state, the Legislative Budget Commission shall deny the

23 transfer of funds proposed to implement the contract or

24 memorandum of agreement.

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26 (Redesignate subsequent sections.)

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

30 And the title is amended as follows:

31 On page 1, lines 2 and 3, delete those lines,

Bill No. CS/HB 347, 1st Eng.

Amendment No. ____ Barcode 432558

1 and insert:

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

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