36-1332-02   See HB

1   A bill to be entitled

2   An act relating to historically underutilized

3   business bondings; providing a short title;

4   providing definitions; prohibiting state

5   governmental agencies from requiring certain

6   bonding companies, agents, or brokers for

7   certain public construction contracts under

8   certain circumstances; requiring the Department

9   of Management Services to establish a program

10   to provide certain surety assistance services

11   to historically underutilized businesses;

12   authorizing the department to contract with

13   certain entities to implement the program;

14   providing an effective date.

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16   Be It Enacted by the Legislature of the State of Florida:

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18   Section 1. Short title.--This act may be cited as the

19   "State Historically Underutilized Businesses Bonding Act."

20   Section 2. Bonding for historically underutilized

21   businesses.--

22   (1) DEFINITIONS.--As used in this act, the term:

23   (a) "Historically underutilized business" means a

24   small business that is a profit-making corporation, sole

25   proprietorship, partnership, or joint venture in which more

26   than 50 percent of the shares of stock or other equitable

27   securities are owned by one or more persons who are members of

28   the following groups:

29   1. Black American, including all persons having

30   origins of black racial groups of Africa.

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1   2. Hispanic American, including all persons of
2   Mexican, Puerto Rican, Cuban, Central or South American, or
3   other Spanish or Portuguese culture or origin, regardless of
4   race.
5   3. Asian Pacific American, including persons whose
6   origins are from Japan, China, Taiwan, Korea, Vietnam, Laos,
7   Cambodia, the Philippines, Samoa, Guam, the U.S. Territories
8   of the Pacific, or the Northern Marianas, and Subcontinent
9   Asian Americans, which includes persons whose origins are from
10 India, Pakistan, Bangladesh, Sri Lanka, Bhutan, or Nepal.
11   4. Native American, including persons who are American
12 Indians, Eskimos, Aleuts, or Native Hawaiians.
13   5. Women, including women of any ethnicity.
14   (b) "Small business" means an entity that qualifies as
15 a small business pursuant to 13 C.F.R. s. 121.
16   (2) BONDING FOR HISTORICALLY UNDERUTILIZED
17 BUSINESSES.--
18   (a) A state governmental entity may not require a
19 contractor or subcontractor for any public building
20 construction contract or other public construction contract to
21 obtain a surety bond from any specific insurance or surety
22 company, agent, or broker. To the extent consistent with law,
23 the government entity may require a contractor or
24 subcontractor to meet any part or all of the bonding or
25 insurance requirements for the contract under a negotiated
26 arrangement.
27   (b) The Department of Management Services shall
28 establish a program to provide surety technical assistance
29 services for the benefit of historically underutilized
30 businesses. The department may contract with insurance
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 1 companies, surety companies, agents, or brokers to implement

 2 this program.

 3   Section 3. This act shall take effect July 1, 2002,

 4 and shall apply to all state construction contracts executed

 5 on or after that date.

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 8   LEGISLATIVE SUMMARY

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10   Prohibits state governmental entities from requiring a
        contractor or subcontractor for public building
        construction contracts or other public construction
11   contracts to obtain a surety bond from any specific
        insurance or surety company, agent, or broker but
12   authorizes a government entity to require a contractor or
        subcontractor to meet any part or all of the bonding or
13   insurance requirements for a public construction project
        under a negotiated arrangement. Requires the Department
14   of Management Services to establish a program to provide
        surety technical assistance services for the benefit of
15   historically underutilized businesses and authorizes the
        department to contract with insurance companies, surety
16   companies, agents, or brokers to implement the program.

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