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2	An act relating to state procurement; amending
3	s. 61.1826, F.S.; conforming a cross reference
4	to changes made by this act; amending s.
5	120.57, F.S.; specifying the manner in which
б	notice of decisions and intended decisions
7	concerning procurement are to be provided;
8	defining the term "electronically post";
9	providing procedures applicable to a protest of
10	a contract solicitation or award; specifying
11	the type of notice that starts the time for
12	filing a notice of protest; providing that
13	state holidays are not included in the time for
14	filing a notice of protest; specifying the
15	types of submissions that may be considered in
16	a protest; clarifying and conforming
17	provisions; amending ss. 283.32, 283.33,
18	283.34, and 283.35, F.S.; conforming the
19	sections to changes made by the act; conforming
20	a cross reference; amending s. 287.001, F.S.;
21	clarifying legislative intent with respect to
22	state procurement; amending s. 287.012, F.S.;
23	revising definitions; defining additional
24	terms; amending s. 287.017, F.S.; eliminating
25	the requirement for annual adjustments of
26	purchasing categories; amending 287.022, F.S.;
27	conforming a cross reference to changes made by
28	the act; amending ss. 287.032 and 287.042,
29	F.S.; revising the purpose, duties, and
30	functions of the Department of Management
31	Services; clarifying and conforming provisions;
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1	providing procedures for the listing of
2	commodities and services offered by certain
3	nonprofit agencies organized pursuant to ch.
4	413, F.S.; providing that eligible users may
5	purchase from state term contracts; providing
6	that the protest bond amount shall be a
7	specified percentage of the estimated contract
8	amount; providing that official bank checks may
9	be accepted in lieu of a bond; requiring the
10	department to develop procedures for issuing
11	solicitations, requests for information, and
12	requests for quotes; prescribing the manner in
13	which solicitations are to be noticed;
14	providing an exception for the 10-day notice
15	requirement for solicitations; requiring the
16	department to develop procedures for electronic
17	posting; requiring the department to develop
18	methods for conducting question-and-answer
19	sessions regarding solicitations; providing
20	that the Office of Supplier Diversity may
21	consult with the department regarding
22	solicitation distribution procedures; providing
23	that rules may be distributed to agencies via
24	an electronic medium; requiring written
25	documentation of certain agency decisions;
26	eliminating the department's responsibilities
27	for the management of state surplus property;
28	amending s. 287.045, F.S., relating to the
29	procurement of products and materials with
30	recycled content; clarifying and conforming
31	provisions; amending s. 287.056, F.S.;

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1	specifying entities that are required or
2	permitted to purchase from purchasing
3	agreements and state term contracts; providing
4	for use of a request for quote to obtain
5	pricing or services information; amending s.
6	287.057, F.S.; clarifying and conforming
7	provisions; revising requirements for
8	solicitations; providing for
9	question-and-answer sessions regarding
10	solicitations; providing requirements for
11	emergency procurements; providing that agency
12	purchases from certain existing contracts are
13	exempt from competitive-solicitation
14	requirements; providing requirements for
15	single-source procurement; conforming cross
16	references to changes made by the act;
17	providing requirements for contract renewal;
18	clarifying that exceptional purchase contracts
19	may not be renewed; providing requirements for
20	persons appointed to evaluate proposals and
21	replies and to negotiate contracts; prohibiting
22	certain persons or entities from receiving
23	contracts; specifying the entities responsible
24	for developing an on-line procurement system;
25	amending s. 287.0572, F.S.; clarifying and
26	conforming provisions; requiring that the cost
27	of all state contracts be evaluated by
28	present-value methodology; amending s. 287.058,
29	F.S.; revising provisions relating to renewal
30	which must be contained in a contract;
31	clarifying that exceptional purchase contracts
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1	may not be renewed; conforming cross references
2	to changes made by the act; amending s.
3	287.059, F.S.; clarifying and conforming
4	provisions; amending s. 287.0595, F.S.;
5	revising requirements for the Department of
6	Environmental Protection with respect to
7	contracts for pollution response; clarifying
8	and conforming provisions; repealing s.
9	287.073, F.S., relating to the procurement of
10	information technology resources; amending s.
11	287.0731, F.S.; revising requirements for a
12	team for contract negotiations; amending ss.
13	287.0822, 287.084, 287.087, 287.093, and
14	287.09451, F.S., relating to procurement of
15	beef and pork, preference for state businesses
16	and businesses with drug-free-workplace
17	programs, minority business enterprises, and
18	the Office of Supplier Diversity; clarifying
19	and conforming provisions to changes made by
20	the act; amending s. 287.095, F.S.; providing
21	requirements for certain products produced by a
22	certain corporation; providing an exception;
23	repealing s. 287.121, F.S., relating to
24	assistance by the Department of Legal Affairs;
25	amending ss. 287.133 and 287.134, F.S.,
26	relating to prohibitions on the transaction of
27	business with certain entities convicted of
28	public-entity crimes and entities that have
29	engaged in discrimination; clarifying and
30	conforming provisions; amending s. 287.1345,
31	F.S., relating to the surcharge on users of
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1	state term contracts; authorizing the
2	Department of Management Services to collect
3	surcharges from eligible users; amending s.
4	373.610, F.S.; clarifying that the provision
5	applies to contractors; amending s. 373.611,
6	F.S.; providing that water management districts
7	may contract to limit damages recoverable from
8	certain entities during procurement; amending
9	ss. 394.457, 394.47865, 402.73, 408.045,
10	445.024 and 455.2177, F.S., relating to the
11	power to contract by the Department of Children
12	and Family Services, the Agency for Health Care
13	Administration, the Regional Work Force Boards,
14	and the Department of Business and Professional
15	Regulation and their power to privatize and
16	procure; conforming cross references;
17	clarifying and conforming provisions; amending
18	s. 413.033, F.S.; revising a definition;
19	amending s. 413.035, F.S.; providing content
20	requirements for certain products; amending s.
21	413.036, F.S.; providing that ch. 287, F.S.,
22	does not apply to purchases made from certain
23	nonprofit agencies; specifying provisions
24	required to be contained in certain state
25	procurement contracts; limiting purchases of
26	products or services by state agencies from
27	sources other than the nonprofit agency for the
28	blind or severely handicapped under certain
29	circumstances; amending s. 413.037, F.S., to
30	conform; repealing s. 413.034, F.S., relating
31	to the Commission for Purchase from the Blind

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2002 Legislature HB 1977, Second Engrossed or Other Severely Handicapped; providing an 1 2 effective date. 3 4 Be It Enacted by the Legislature of the State of Florida: 5 6 Section 1. Paragraph (e) of subsection (1) of section 7 61.1826, Florida Statutes, is amended to read: 61.1826 Procurement of services for State Disbursement 8 9 Unit and the non-Title IV-D component of the State Case 10 Registry; contracts and cooperative agreements; penalties; withholding payment. --11 12 (1) LEGISLATIVE FINDINGS. -- The Legislature finds that 13 the clerks of court play a vital role, as essential 14 participants in the establishment, modification, collection, and enforcement of child support, in securing the health, 15 safety, and welfare of the children of this state. The 16 17 Legislature further finds and declares that: 18 (e) The potential loss of substantial federal funds 19 poses a direct and immediate threat to the health, safety, and welfare of the children and citizens of the state and 20 constitutes an emergency for purposes of s. 287.057(5)(a) s. 21 22 287.057(4)(a). 23 Section 2. Subsection (3) of section 120.57, Florida 24 Statutes, is amended to read: 120.57 Additional procedures for particular cases.--25 26 (3) ADDITIONAL PROCEDURES APPLICABLE TO PROTESTS TO CONTRACT SOLICITATION BIDDING OR AWARD. -- Agencies subject to 27 this chapter shall use utilize the uniform rules of procedure, 28 29 which provide procedures for the resolution of protests arising from the contract solicitation or award bidding 30 process. Such rules shall at least provide that: 31 6

The agency shall provide notice of a its decision 1 (a) 2 or intended decision concerning a bid solicitation, or a contract award, or exceptional purchase by electronic posting. 3 4 This notice shall contain the following statement: "Failure to 5 file a protest within the time prescribed in section 120.57(3), Florida Statutes, shall constitute a waiver of б 7 proceedings under chapter 120, Florida Statutes."as follows: 1. For a bid solicitation, notice of a decision or 8 9 intended decision shall be given by United States mail or by 10 hand delivery. 2. For any decision of the Department of Management 11 12 Services concerning a request by an agency for approval of an exceptional purchase under part I of chapter 287 and the rules 13 14 of the Department of Management Services, notice of a decision or intended decision shall be given by posting such notice in 15 the office of the Department of Management Services. 16 17 3. For any other agency decision, notice of a decision or intended decision shall be given either by posting the bid 18 19 tabulation at the location where the bids were opened or by certified United States mail or other express delivery 20 service, return receipt requested. 21 22 23 The notice required by this paragraph shall contain the following statement: "Failure to file a protest within the 24 time prescribed in s. 120.57(3), Florida Statutes, shall 25 26 constitute a waiver of proceedings under chapter 120, Florida Statutes." 27 (b) Any person who is adversely affected by the agency 28 29 decision or intended decision shall file with the agency a notice of protest in writing within 72 hours after the posting 30 of the notice of decision or intended decision bid tabulation 31 7

or after receipt of the notice of the agency decision or 1 intended decision and shall file a formal written protest 2 3 within 10 days after filing the notice of protest. With 4 respect to a protest of the terms, conditions, and 5 specifications contained in a solicitation, including any 6 provisions governing the methods for ranking bids, proposals, or replies, awarding contracts, reserving rights of further 7 negotiation, or modifying or amending any contract an 8 9 invitation to bid or in a request for proposals, the notice of protest shall be filed in writing within 72 hours after the 10 posting receipt of notice of the solicitation. project plans 11 and specifications in an invitation to bid or request for 12 proposals, and The formal written protest shall be filed 13 14 within 10 days after the date the notice of protest is filed. Failure to file a notice of protest or failure to file a 15 formal written protest shall constitute a waiver of 16 17 proceedings under this chapter. The formal written protest 18 shall state with particularity the facts and law upon which 19 the protest is based. Saturdays, Sundays, and state legal holidays shall be excluded in the computation of the 72-hour 20 time periods provided by this paragraph. 21 (c) Upon receipt of the formal written protest that 22 23 which has been timely filed, the agency shall stop the bid solicitation process or the contract award process until the 24 25 subject of the protest is resolved by final agency action, 26 unless the agency head sets forth in writing particular facts and circumstances which require the continuance of the bid 27 solicitation process or the contract award process without 28

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delay in order to avoid an immediate and serious danger to the

public health, safety, or welfare.

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(d)1. The agency shall provide an opportunity to 1 2 resolve the protest by mutual agreement between the parties 3 within 7 days, excluding Saturdays, Sundays, and state legal 4 holidays, after receipt of a formal written protest. 5 2. If the subject of a protest is not resolved by 6 mutual agreement within 7 days, excluding Saturdays, Sundays, 7 and state legal holidays, after receipt of the formal written 8 protest, and if there is no disputed issue of material fact, 9 an informal proceeding shall be conducted pursuant to subsection (2) and applicable agency rules before a person 10 whose qualifications have been prescribed by rules of the 11 12 agency. If the subject of a protest is not resolved by 13 3. 14 mutual agreement within 7 days, excluding Saturdays, Sundays, 15 and state legal holidays, after receipt of the formal written protest, and if there is a disputed issue of material fact, 16 17 the agency shall refer the protest to the division for proceedings under subsection (1). 18 19 (e) Upon receipt of a formal written protest referred pursuant to this subsection, the director of the division 20 21 shall expedite the hearing and assign an administrative law judge who shall commence a hearing within 30 days after the 22 23 receipt of the formal written protest by the division and enter a recommended order within 30 days after the hearing or 24 within 30 days after receipt of the hearing transcript by the 25 26 administrative law judge, whichever is later. Each party shall 27 be allowed 10 days in which to submit written exceptions to the recommended order. A final order shall be entered by the 28 29 agency within 30 days of the entry of a recommended order. The provisions of this paragraph may be waived upon stipulation by 30 all parties. 31

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In a protest to an invitation to bid or request 1 (f) 2 for proposals procurement competitive-procurement protest, no 3 submissions made after the bid or proposal opening which amend 4 or supplement amending or supplementing the bid or proposal 5 shall be considered. In a protest to an invitation to 6 negotiate procurement, no submissions made after the agency 7 announces its intent to award a contract, reject all replies, 8 or withdraw the solicitation which amend or supplement the 9 reply shall be considered. Unless otherwise provided by statute, the burden of proof shall rest with the party 10 protesting the proposed agency action. In a 11 12 competitive-procurement protest, other than a rejection of all bids, proposals, or replies, the administrative law judge 13 14 shall conduct a de novo proceeding to determine whether the agency's proposed action is contrary to the agency's governing 15 statutes, the agency's rules or policies, or the solicitation 16 17 bid or proposal specifications. The standard of proof for such proceedings shall be whether the proposed agency action was 18 19 clearly erroneous, contrary to competition, arbitrary, or capricious. In any bid-protest proceeding contesting an 20 intended agency action to reject all bids, proposals, or 21 replies, the standard of review by an administrative law judge 22 23 shall be whether the agency's intended action is illegal, arbitrary, dishonest, or fraudulent. 24 (g) For purposes of this subsection, the definitions 25 26 in s. 287.012 apply. 27 Section 3. Section 283.32, Florida Statutes, is 28 amended to read: 29 283.32 Recycled paper to be used by each agency; 30 printing bids certifying use of recycled paper; percentage preference in awarding contracts. --31 10

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Each agency shall purchase, when economical, 1 (1)2 recycled paper if and when recycled paper can be obtained that 3 is of adequate quality for the purposes of the agency. 4 (2) Each agency shall require that a vendor that 5 person who submits a bid for a contract for printing and that 6 who wishes to be considered for the price preference described 7 in s. 287.045 to shall certify in writing the percentage of 8 recycled content of the material used for such printing. Such 9 vendor person may certify that the material contains no recycled content. 10 (3) Upon evaluation of bids for each printing 11 12 contract, the agency shall identify the lowest responsive bid 13 bidder and any other responsive bids in which it has been 14 bidders who have certified that the materials used in printing 15 contain at least the minimum percentage of recycled content that is set forth by the department. In awarding a contract 16 17 for printing, the agency may allow up to a 10-percent price preference, as provided in s. 287.045, to a responsible and 18 19 responsive vendor that bidder who has certified that the materials used in printing contain at least the minimum 20 percentage of recycled content established by the department. 21 22 If no vendors bidders offer materials for printing that 23 contain the minimum prescribed recycled content, the contract shall be awarded to the responsible vendor that submits the 24 25 lowest responsive bid qualified bidder. 26 Section 4. Section 283.33, Florida Statutes, is amended to read: 27 28 283.33 Printing of publications; lowest bidder 29 awards.--(1) Publications may be printed and prepared in-house, 30 by another agency or the Legislature, or purchased on bid, 31 11 CODING: Words stricken are deletions; words underlined are additions.

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whichever is more economical and practicable as determined by the agency. An agency may contract for binding separately when more economical or practicable, whether or not the remainder of the printing is done in-house. A vendor bidder may subcontract for binding and still be considered a responsible vendor qualified bidder or offeror, notwithstanding <u>s.</u> 287.012(24)s. 287.012(13).

8 (2) All printing of publications that cost in excess 9 of the threshold amount provided in s. 287.017 for CATEGORY 10 TWO and purchased by agencies shall be let upon contract to 11 the <u>vendor that submits the</u> lowest responsive <u>bid and that</u> 12 <u>will bidder, who shall</u> furnish all materials used in printing. 13 Such contract shall specify a definite term and a definite 14 number of copies.

(3) Except as otherwise provided for in this part, a contract for printing of a publication shall be subject to, when applicable, the definitions in s. 287.012, and shall be considered a commodity for that purpose.

19 (4) The provisions of s. 946.515(4) shall not apply to20 purchases of printing.

21 Section 5. Section 283.34, Florida Statutes, is 22 amended to read:

283.34 State officers not to have interests in 23 printing contract. -- No member of the Legislature or other 24 officer of this state may have an interest, directly or 25 26 indirectly, in any printing contract as provided for in s. 27 283.33; however, nothing in this section prohibits a member of the Legislature from receiving such a contract when the member 28 29 or his or her firm has submitted the lowest responsive bid is the lowest bidder of all bidders submitting competitive bids 30 for the contract. 31

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Section 6. Section 283.35, Florida Statutes, is 1 2 amended to read: 3 283.35 Preference given printing within the 4 state.--Every agency shall give preference to vendors bidders 5 located within the state when awarding contracts to have materials printed, whenever such printing can be done at no 6 7 greater expense than the expense of awarding a contract to a 8 vendor bidder located outside the state and can be done at a 9 level of quality comparable to that obtainable from a vendor bidder located outside the state. 10 Section 7. Section 287.001, Florida Statutes, is 11 12 amended to read: 287.001 Legislative intent.--The Legislature 13 14 recognizes that fair and open competition is a basic tenet of 15 public procurement; that such competition reduces the 16 appearance and opportunity for favoritism and inspires public 17 confidence that contracts are awarded equitably and economically; and that documentation of the acts taken and 18 19 effective monitoring mechanisms are important means of curbing any improprieties and establishing public confidence in the 20 process by which commodities and contractual services are 21 procured. It is essential to the effective and ethical 22 procurement of commodities and contractual services that there 23 be a system of uniform procedures to be utilized by state 24 agencies in managing and procuring commodities and contractual 25 26 services; that detailed justification of agency decisions in the procurement of commodities and contractual services be 27 maintained; and that adherence by the agency and the vendor 28 29 contractor to specific ethical considerations be required. Section 8. Section 287.012, Florida Statutes, is 30 amended to read: 31

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287.012 Definitions.--As used The following 1 2 definitions shall apply in this part, the term: 3 "Agency" means any of the various state officers, (1)4 departments, boards, commissions, divisions, bureaus, and 5 councils and any other unit of organization, however designated, of the executive branch of state government. 6 7 "Agency" does not include the University and College Boards of Trustees or the state universities and colleges Board of 8 9 Regents or the State University System. "Agency head" means, with respect to an agency 10 (2) headed by a collegial body, the executive director or chief 11 12 administrative officer of the agency. "Artist" means an individual or group of 13 (3) 14 individuals who profess and practice a demonstrated creative talent and skill in the area of music, dance, drama, folk art, 15 16 creative writing, painting, sculpture, photography, graphic 17 arts, craft arts, industrial design, costume design, fashion design, motion pictures, television, radio, or tape and sound 18 19 recording or in any other related field. 20 (4) "Best value" means the highest overall value to 21 the state based on objective factors that include, but are not 22 limited to, price, quality, design, and workmanship. 23 (5)(4) "Commodity" means any of the various supplies, materials, goods, merchandise, food, equipment, information 24 technology, and other personal property, including a mobile 25 26 home, trailer, or other portable structure with floor space of 27 less than 5,000 3,000 square feet, purchased, leased, or otherwise contracted for by the state and its agencies. 28 29 "Commodity" also includes interest on deferred-payment commodity contracts approved pursuant to s. 287.063 entered 30 into by an agency for the purchase of other commodities. 31 14

However, commodities purchased for resale are excluded from 1 this definition. Further, a prescribed drug, medical supply, 2 or device required by a licensed health care provider as a 3 4 part of providing health services involving examination, 5 diagnosis, treatment, prevention, medical consultation, or administration for clients at the time the service is provided 6 7 is not considered to be a "commodity." Printing of 8 publications shall be considered a commodity when let upon 9 contract pursuant to s. 283.33, whether purchased for resale 10 or not. (6)(5) "Competitive sealed bids," or "competitive 11 12 sealed proposals," or "competitive sealed replies" mean the process of receiving refers to the receipt of two or more 13 sealed bids, or proposals, or replies submitted by responsive 14 15 vendors and qualified bidders or offerors and includes bids, or proposals, or replies transmitted by electronic means in 16 17 lieu of or in addition to written bids, or proposals, or 18 replies. 19 (7) "Competitive solicitation" or "solicitation" means 20 an invitation to bid, a request for proposals, or an 21 invitation to negotiate. (8) (8) (6) "Contractor" means a person who contracts to 22 23 sell commodities or contractual services to an agency. (9) (7) "Contractual service" means the rendering by a 24 25 contractor of its time and effort rather than the furnishing 26 of specific commodities. The term applies only to those services rendered by individuals and firms who are independent 27 contractors, and such services may include, but are not 28 29 limited to, evaluations; consultations; maintenance; accounting; security; management systems; management 30 consulting; educational training programs; research and 31 15

development studies or reports on the findings of consultants 1 2 engaged thereunder; and professional, technical, and social services. "Contractual service" does not include any contract 3 4 for the furnishing of labor or materials for the construction, 5 renovation, repair, modification, or demolition of any facility, building, portion of building, utility, park, 6 7 parking lot, or structure or other improvement to real 8 property entered into pursuant to chapter 255 and rules 9 adopted thereunder. 10 (10) (10) (8) "Department" means the Department of

10 <u>(10)</u> "Department" means the Department of 11 Management Services.

12 (11) "Electronic posting" or "electronically post" means the posting of solicitations, agency decisions or 13 14 intended decisions, or other matters relating to procurement on a centralized Internet website designated by the department 15 for this purpose. 16 17 (12)"Eligible user" means any person or entity authorized by the department pursuant to rule to purchase from 18 19 state term contracts or to use the on-line procurement system. 20 (13)(9) "Exceptional purchase" means any purchase of

21 commodities or contractual services excepted by law or rule 22 from the requirements for competitive solicitation or 23 acquisition, including, but not limited to, purchases from a single source; - purchases upon receipt of less than two 24 responsive bids, or proposals, or replies; purchases made by 25 26 an agency, after receiving approval from the department, from a contract procured, pursuant to s. 287.057(1), (2), or (3), 27 by another agency; and purchases made without advertisement in 28 the manner required by s. <u>287.042(3)(b)</u>without publication of 29

30 notice in the Florida Administrative Weekly, and exceptions

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granted by the department for a purchase of commodities from 1 2 other than a state term contract vendor. 3 (14)(10) "Extension" means an increase in the time 4 allowed for the contract period due to circumstances which, 5 without fault of either party, make performance impracticable or impossible, or which prevent a new contract from being 6 7 executed, with or without a proportional increase in the total dollar amount, with any increase to be based on the method and 8 9 rate previously established in the contract. (15) "Information technology" has the meaning ascribed 10 11 in s. 282.0041. 12 (16)(11) "Invitation to bid" means a written 13 solicitation for competitive sealed bids with the title, date, 14 and hour of the public bid opening designated and specifically 15 defining the commodity, group of commodities, or services for which bids are sought. It includes instructions prescribing 16 17 all conditions for bidding and shall be distributed to all prospective bidders simultaneously. The invitation to bid is 18 19 used when the agency is capable of specifically defining the scope of work for which a contractual service is required or 20 when the agency is capable of establishing precise 21 specifications defining the actual commodity or group of 22 23 commodities required. A written solicitation includes a solicitation that is electronically posted published or 24 transmitted by electronic means. 25 (17) "Invitation to negotiate" means a written 26 27 solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the 28 29 procurement of commodities or contractual services. The invitation to negotiate is used when the agency determines 30 that negotiations may be necessary for the state to receive 31 17

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the best value. A written solicitation includes a solicitation 1 2 that is electronically posted. (18)(12) "Minority business enterprise" has the same 3 4 meaning ascribed as that provided in s. 288.703. 5 (19) "Office" means the Office of Supplier Diversity 6 of the Department of Management Services. 7 (13) "Qualified bidder," "responsible bidder," 'qualified offeror," or "responsible offeror" means a person 8 9 who has the capability in all respects to perform fully the 10 contract requirements and has the integrity and reliability which will assure good faith performance. 11 12 (20)(14) "Renewal" means contracting with the same contractor for an additional contract period after the initial 13 14 contract period, only if pursuant to contract terms 15 specifically providing for such renewal. (21) "Request for information" means a written request 16 17 made by an agency to vendors for information concerning commodities or contractual services. Responses to these 18 19 requests are not offers and may not be accepted by the agency 20 to form a binding contract. 21 (22)(15) "Request for proposals" means a written 22 solicitation for competitive sealed proposals with the title, 23 date, and hour of the public opening designated. A written solicitation includes a solicitation published or transmitted 24 by electronic means. The request for proposals is used when it 25 26 is not practicable for the agency to is incapable of 27 specifically define defining the scope of work for which the commodity, group of commodities, or contractual service is 28 29 required and when the agency is requesting that a responsible vendor qualified offeror propose a commodity, group of 30 commodities, or contractual service to meet the specifications 31 18

of the solicitation document. A written solicitation includes 1 a solicitation that is electronically posted. A request for 2 3 proposals includes, but is not limited to, general 4 information, applicable laws and rules, functional or general 5 specifications, statement of work, proposal instructions, and evaluation criteria. Requests for proposals shall state the 6 7 relative importance of price and any other evaluation 8 criteria. 9 (23) "Request for a quote" means an oral or written request for written pricing or services information from a 10 state term contract vendor for commodities or contractual 11 12 services available on a state term contract from that vendor. (24) "Responsible vendor" means a vendor who has the 13 14 capability in all respects to fully perform the contract requirements and the integrity and reliability that will 15 16 assure good-faith performance. (25)(16) "Responsive bid," or "responsive proposal" or 17 18 "responsive reply"means a bid, or proposal, or reply 19 submitted by a responsive, and responsible vendor or 20 qualified, bidder or offeror which conforms in all material 21 respects to the solicitation invitation to bid or request for 22 proposals. 23 (26)(17) "Responsive vendor bidder" or "responsive offeror "means a vendor that person who has submitted a bid, 24 or proposal, or reply that which conforms in all material 25 26 respects to the solicitation invitation to bid or request for 27 proposals. 28 (27) "State term contract" means a term contract that 29 is competitively procured by the department pursuant to s. 30 287.057 and that is used by agencies and eligible users 31 pursuant to s. 287.056. 19

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(28)(18) "Term contract" means an indefinite quantity 1 2 contract wherein a party agrees to furnish commodities or 3 contractual services during a defined prescribed period of 4 time, the expiration of which concludes the contract. 5 (19) "Office" means the Office of Supplier Diversity 6 of the Department of Management Services. 7 (20) "Invitation to negotiate" means a written 8 solicitation that calls for responses to select one or more 9 persons or business entities with which to commence 10 negotiations for the procurement of commodities or contractual services. 11 12 (21) "Request for a quote" means a solicitation that calls for pricing information for purposes of competitively 13 14 selecting and procuring commodities and contractual services 15 from qualified or registered vendors. (22) "Information technology" means equipment, 16 17 hardware, software, firmware, programs, systems, networks, infrastructure, media, and related material used to 18 19 automatically, electronically, and wirelessly collect, 20 receive, access, transmit, display, store, record, retrieve, 21 analyze, evaluate, process, classify, manipulate, manage, 22 assimilate, control, communicate, exchange, convert, converge, 23 interface, switch, or disseminate information of any kind or 24 form. Section 9. Subsection (2) of section 287.017, Florida 25 26 Statutes, is amended to read: 287.017 Purchasing categories, threshold amounts; 27 procedures for automatic adjustment by department .--28 29 (2) The department shall adopt rules to annually 30 adjust the amounts provided in subsection (1) based upon the 31 20

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rate of change of a nationally recognized price index. 1 Such 2 rules shall include, but not be limited to, the following: (a) Designation of the nationally recognized price 3 4 index or component thereof used to calculate the proper 5 adjustment authorized in this section. 6 The procedure for rounding results. (b) 7 (c) The effective date of each annual adjustment based 8 upon the previous calendar year data. 9 Section 10. Subsections (1) and (3) of section 287.022, Florida Statutes, are amended to read: 10 287.022 Purchase of insurance.--11 12 (1) Insurance, while not a commodity, nevertheless shall be purchased for all agencies by the department, except 13 14 that agencies may purchase title insurance for land 15 acquisition and may make emergency purchases of insurance pursuant to s. 287.057(5)(a) s. 287.057(4)(a). The procedures 16 17 for purchasing insurance, whether the purchase is made by the department or by the agencies, shall be the same as those set 18 19 forth herein for the purchase of commodities. 20 (3) The department of Management Services and the Division of State Group Insurance shall not prohibit or limit 21 any properly licensed insurer, health maintenance 22 23 organization, prepaid limited health services organization, or insurance agent from competing for any insurance product or 24 plan purchased, provided, or endorsed by the department or the 25 26 division on the basis of the compensation arrangement used by 27 the insurer or organization for its agents. 28 Section 11. Section 287.032, Florida Statutes, is 29 amended to read: 30 287.032 Purpose of department.--It shall be the purpose of the Department of Management Services: 31 21

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1 (1) To promote efficiency, economy, and the 2 conservation of energy and to effect coordination in the purchase of commodities and contractual services for the 3 4 state. 5 (2) To provide uniform commodity and contractual 6 service procurement policies, rules, procedures, and forms for 7 use by the various agencies and eligible users in procuring 8 contractual services. 9 (3) To procure and distribute state-owned surplus tangible personal property and federal surplus tangible 10 personal property allocated to the state by the Federal 11 12 Government. Section 12. 13 Section 287.042, Florida Statutes, is 14 amended to read: 15 287.042 Powers, duties, and functions.--The department 16 shall have the following powers, duties, and functions: 17 (1)(a) To canvass all sources of supply, establish and maintain a vendor list, and contract for the purchase, lease, 18 19 or acquisition in any manner, including purchase by installment sales or lease-purchase contracts which may 20 provide for the payment of interest on unpaid portions of the 21 purchase price, of all commodities and contractual services 22 23 required by any agency under this chapter competitive bidding or by contractual negotiation. Any contract providing for 24 deferred payments and the payment of interest shall be subject 25 26 to specific rules adopted by the department. (b) The department may remove from its vendor list any 27 source of supply which fails to fulfill any of its duties 28 29 specified in a contract with the state. It may reinstate any such source of supply when it is satisfied that further 30 instances of default will not occur. 31 2.2

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(c) In order to promote cost-effective procurement of
 commodities and contractual services, the department or an
 agency may enter into contracts that limit the liability of a
 vendor consistent with s. 672.719.

(d) The department shall issue commodity numbers for
all products of the corporation operating the correctional
industry program which meet or exceed department
specifications.

9 (e) The department shall, beginning October 1, 1991, 10 include the products offered by the corporation on any listing 11 prepared by the department which lists <u>state</u> term contracts 12 executed by the department. The products or services shall be 13 placed on such list in a category based upon specification 14 criteria developed through a joint effort of the department 15 and the corporation and approved by the department.

(f) The corporation may submit products and services 16 17 to the department for testing, analysis, and review relating 18 to the quality and cost comparability. If, after review and 19 testing, the department approves of the products and services, the department shall give written notice thereof to the 20 corporation. The corporation shall pay a reasonable fee 21 22 charged for testing its products by the Department of 23 Agriculture and Consumer Services.

(g) The department shall include products and services that are offered by a qualified nonprofit agency for the blind or for the other severely handicapped organized pursuant to chapter 413 and that have been determined to be suitable for purchase pursuant to s. 413.035 on any department listing of state term contracts. The products and services shall be placed on such list in a category based upon specification 31

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criteria developed by the department in consultation with the 1 2 qualified nonprofit agency. (h) (g) The department may collect fees for the use of 3 4 its electronic information services. The fees may be imposed 5 on an individual transaction basis or as a fixed subscription 6 for a designated period of time. At a minimum, the fees shall 7 be determined in an amount sufficient to cover the department's projected costs of such services, including 8 9 overhead in accordance with the policies of the Department of Management Services for computing its administrative 10 assessment. All fees collected pursuant to this paragraph 11 12 shall be deposited in the Grants and Donations Trust Fund for disbursement as provided by law. 13 14 (2)(a) To establish plan and coordinate purchases in 15 volume and to negotiate and execute purchasing agreements and procure state term contracts for commodities and contractual 16 17 services, pursuant to s. 287.057, under which state agencies shall, and eligible users may, make purchases pursuant to s. 18 19 287.056, and under which a federal, county, municipality, 20 institutions qualified pursuant to s. 240.605, private nonprofit community transportation coordinator designated 21 22 pursuant to chapter 427, while conducting business related 23 solely to the Commission for the Transportation Disadvantaged, or other local public agency may make purchases. The 24 department may restrict purchases from some term contracts to 25 26 state agencies only for those term contracts where the inclusion of other governmental entities will have an adverse 27 effect on competition or to those federal facilities located 28 29 in this state. In such planning or purchasing the Office of Supplier Diversity may monitor to ensure that opportunities 30 are afforded for contracting with minority business 31

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enterprises. The department, for state term contracts, and all 1 agencies, for multiyear contractual services or term 2 3 contracts, shall explore reasonable and economical means to 4 utilize certified minority business enterprises. Purchases by 5 any county, municipality, private nonprofit community transportation coordinator designated pursuant to chapter 427, 6 7 while conducting business related solely to the Commission for the Transportation Disadvantaged, or other local public agency 8 9 under the provisions in the state purchasing contracts, and 10 purchases, from the corporation operating the correctional work programs, of products or services that are subject to 11 12 paragraph (1)(f), are exempt from the competitive solicitation 13 sealed bid requirements otherwise applying to their purchases. 14 (b) As an alternative to any provision in s. 15 120.57(3)(c), the department may proceed with the competitive bid solicitation or contract award process of a term contract 16 17 bid when the secretary of the department or his or her designee sets forth in writing particular facts and 18 19 circumstances which demonstrate that the delay incident to 20 staying the solicitation bid process or contract award process would be detrimental to the interests of the state. After the 21 22 award of a contract resulting from a competitive solicitation 23 bid in which a timely protest was received and in which the state did not prevail, the contract may be canceled and 24 25 reawarded to the prevailing party. 26 (c) Any person who files an action protesting a 27 decision or intended decision pertaining to contracts administered by the department, a water management district, 28 29 or an a state agency pursuant to s. 120.57(3)(b) shall post with the department, the water management district, or the 30 state agency at the time of filing the formal written protest 31

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a bond payable to the department, the water management 1 2 district, or state agency in an amount equal to 1 percent of 3 the estimated contract amount. department's, the water 4 management district's, or the state agency's estimate of the 5 total volume of the contract or \$5,000, whichever is less, which bond shall be conditioned upon the payment of all costs б 7 which may be adjudged against him or her in the administrative hearing in which the action is brought and in any subsequent 8 9 appellate court proceeding. For protests of decisions or intended decisions of the department pertaining to agencies' 10 requests for approval of exceptional purchases, the bond shall 11 12 be in an amount equal to 1 percent of the estimated requesting 13 agency's estimate of the contract amount for the exceptional 14 purchase requested or \$5,000, whichever is less. The estimated contract amount shall be based upon the contract price 15 submitted by the protestor or, if no contract price was 16 17 submitted, the department, water management district, or agency shall estimate the contract amount based on factors 18 19 including, but not limited to, the price of previous or 20 existing contracts for similar commodities or contractual services, the amount appropriated by the Legislature for the 21 contract, or the fair market value of similar commodities or 22 23 contractual services. The agency shall provide the estimated contract amount to the vendor within 72 hours, excluding 24 Saturdays, Sundays, and state holidays, after the filing of 25 26 the notice of protest by the vendor. The estimated contract 27 amount is not subject to protest pursuant to s. 120.57(3). The bond shall be conditioned upon the payment of all costs and 28 29 charges that are adjudged against the protestor in the administrative hearing in which the action is brought and in 30 31 any subsequent appellate court proceeding.In lieu of a bond, 26

the department, the water management district, or state agency 1 may, in either case, accept a cashier's check, official bank 2 3 check, or money order in the amount of the bond. If, after 4 completion of the administrative hearing process and any 5 appellate court proceedings, the department, water management district, or agency prevails, it shall recover all costs and 6 7 charges which shall be included in the final order or judgment, excluding attorney's fees. This section shall not 8 9 apply to protests filed by the Office of Supplier Diversity. Upon payment of such costs and charges by the protestor person 10 protesting the award, the bond, cashier's check, official bank 11 check,or money order shall be returned to the protestor him 12 or her. If, after the completion of the administrative hearing 13 14 process and any appellate court proceedings, the protestor the 15 person protesting the award prevails, the protestor he or she shall recover from the department, water management district, 16 17 or agency or water management district, all costs and charges 18 which shall be included in the final order or of judgment, 19 excluding attorney's fees. 20 (d) The terms, conditions, and specifications of a request for proposal, request for quote, invitation to bid, or 21 22 invitation to negotiate, including any provisions governing 23 the methods for ranking proposals, awarding contracts, reserving rights of further negotiation, or the modification 24 25 of amendment of any contract, are subject to challenge only by 26 filing a protest within 72 hours after the notice of the 27 terms, conditions, or specifications as provided in s. 28 120.57(3)(b). 29 (3) To have general supervision, through the state 30 agencies, of all storerooms and stores operated by the agencies and to have supervision of inventories of all 31 27 CODING: Words stricken are deletions; words underlined are additions.

commodities belonging to the state agencies. The duties 1 2 imposed by this section do not relieve any state agency from 3 accountability for commodities under its control. 4 (3) (4) To establish a system of coordinated, uniform 5 procurement policies, procedures, and practices to be used by 6 agencies in acquiring commodities and contractual services, 7 which shall include, but not be limited to: (a) Development of a list of interested vendors to be 8 9 maintained by classes of commodities and contractual services. This list shall not be used to prequalify vendors or to 10 11 exclude any interested vendor from bidding. (b)1. Development of procedures for advertising 12 solicitations. These the releasing of requests for proposals, 13 14 requests for quotes, invitations to bid, invitations to negotiate, and other competitive acquisitions which procedures 15 must provide for electronic posting of solicitations for shall 16 include, but are not limited to, notice by publication in the 17 Florida Administrative Weekly, on Government Services Direct, 18 19 or by mail at least 10 days before the date set for receipt 20 submittal of bids,proposals,or replies bids, unless the 21 department or other agency determines in writing that a 22 shorter period of time is necessary to avoid harming the interests of the state. The Office of Supplier Diversity may 23 consult with the department agencies regarding the development 24 25 of solicitation bid distribution procedures to ensure that 26 maximum distribution is afforded to certified minority business enterprises as defined in s. 288.703. 27 28 2. Development of procedures for electronic posting. 29 The department shall designate a centralized website on the 30 Internet for the department and other agencies to electronically post solicitations, decisions or intended 31 2.8

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decisions, and other matters relating to procurement. From 1 July 1, 2002, until July 1, 2003, the department shall publish 2 3 a notice in each edition of the Florida Administrative Weekly which indicates the specific URL or Internet address for the 4 5 centralized website. 6 (c) Development of procedures for the receipt and 7 opening of bids, responses, quotes, or proposals, or replies 8 by an agency. Such procedures shall provide the Office of 9 Supplier Diversity an opportunity to monitor and ensure that the contract award is consistent with the requirements of s. 10 11 287.09451. 12 (d) Development of procedures to be used by an agency in deciding to contract, including, but not limited to, 13 14 identifying and assessing in writing project needs and 15 requirements, availability of agency employees, budgetary constraints or availability, facility equipment availability, 16 current and projected agency workload capabilities, and the 17 18 ability of any other state agency to perform the services. 19 (e) Development of procedures to be used by an agency 20 in maintaining a contract file for each contract which shall 21 include, but not be limited to, all pertinent information relating to the contract during the preparatory stages; -a 22 23 copy of the solicitation; invitation to bid or request for proposals, documentation relating to the solicitation bid 24 process; - opening of bids, proposals, or replies; evaluation 25 26 and tabulation of bids, proposals, or replies; and determination and notice of award of contract. 27 28 (f) Development of procedures to be used by an agency 29 for issuing solicitations that include requirements to 30 describe commodities, services, scope of work, and deliverables in a manner that promotes competition invitations 31 29

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1 to bid, invitations to negotiate, requests for proposal, 2 requests for quote, or other competitive procurement 3 processes. 4 (g) Development of procedures to be used by an agency 5 when issuing requests for information and requests for quotes. 6 (4)(5)(a) To prescribe the methods of securing 7 competitive sealed bids, responses, quotes, and proposals, and 8 replies. Such methods may include, but are not limited to, 9 procedures for identifying vendors; setting qualifications; conducting conferences or written question and answer periods 10 for purposes of responding to vendor questions; evaluating 11 12 responses, bids, and proposals, and replies; ranking and respondents and proposers; selecting vendors invitees and 13 14 proposers; and conducting negotiations. 15 (b) To prescribe, in consultation with the State Technology Office, procedures for procuring information 16 17 technology and information technology consultant services 18 which provide for public announcement and qualification, 19 competitive solicitations selection, competitive negotiation, contract award, and prohibition against contingent fees. Such 20 procedures shall be limited to information technology 21 consultant contracts for which the total project costs, or 22 planning or study activities, are estimated to exceed the 23 threshold amount provided for in s. 287.017, for CATEGORY TWO. 24 (5) (5) (6) To prescribe specific commodities and 25 26 quantities to be purchased locally. 27 (6)(7)(a) To govern the purchase by any agency of any commodity or contractual service and to establish standards 28 29 and specifications for any commodity. 30 (b) Except for the purchase of insurance, the department may delegate to agencies the authority for the 31 30 CODING: Words stricken are deletions; words underlined are additions.

procurement of and contracting for, or the purchase, lease, 1 acquisition of, commodities or contractual services. 2 3 (7) (7) (8) To establish definitions and classes of 4 commodities and contractual services. Agencies shall follow 5 the definitions and classes of commodities and contractual 6 services established by the department in acquiring or 7 purchasing commodities or contractual services. The authority of the department under this section shall not be construed to 8 9 impair or interfere with the determination by state agencies of their need for, or their use of, services including 10 particular specifications. 11 12 (8)(9) To provide furnish copies of any commodity and contractual service purchasing rules to the Comptroller and 13 14 all agencies through an electronic medium or other means affected thereby. Agencies may The Comptroller shall not 15 16 approve any account or request direct any payment of any 17 account for the purchase of any commodity or the procurement of any contractual service covered by a purchasing or 18 19 contractual service rule except as authorized therein. The department shall furnish copies of rules adopted by the 20 department to any county, municipality, or other local public 21 22 agency requesting them. 23 (9) (10) To require that every agency furnish information relative to its commodity and contractual services 24 purchases and methods of purchasing commodities and 25 26 contractual services to the department when so requested. 27 (10)(11) To prepare statistical data concerning the method of procurement, terms, usage, and disposition of 28 29 commodities and contractual services by state agencies. All agencies shall furnish such information for this purpose to 30 the office and to the department, as the department or office 31 31

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may call for, but no less frequently than annually, on such 1 2 forms or in such manner as the department may prescribe. 3 (11) (12) To establish and maintain programs for the 4 purpose of disseminating information to government, industry, 5 educational institutions, and the general public concerning 6 policies, procedures, rules, and forms for the procurement of 7 commodities and contractual services. 8 (12) (13) Except as otherwise provided herein, to adopt 9 rules necessary to carry out the purposes of this section, including the authority to delegate to any state agency any 10 and all of the responsibility conferred by this section, 11 12 retaining to the department any and all authority for supervision thereof. Such purchasing of commodities and 13 14 procurement of contractual services by state agencies shall be in strict accordance with the rules and procedures prescribed 15 by the department of Management Services. 16 17 (13) (14) If the department determines in writing that it is in the best interest of the state, to award to multiple 18 19 suppliers contracts for commodities and contractual services established by the department for use by all agencies. Such 20 awards may be on a statewide or regional basis. If regional 21 contracts are established by the department, multiple supplier 22 23 awards may be based upon multiple awards for regions. Agencies may award contracts to a responsible and the lowest 24 qualified responsive vendor bidder on a statewide or regional 25 26 basis. 27 (14)(15) To procure and distribute state-owned surplus tangible personal property and federal surplus tangible 28 29 personal property allocated to the state by the Federal 30 Government. 31 32 CODING: Words stricken are deletions; words underlined are additions.

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1 $(15)\frac{(16)}{(a)}$ To enter into joint agreements with 2 governmental agencies, as defined in s. 163.3164(10), for the 3 purpose of pooling funds for the purchase of commodities or 4 information technology that can be used by multiple agencies. 5 However, the department shall consult with the State 6 Technology Office on joint agreements that involve the 7 purchase of information technology. Agencies entering into 8 joint purchasing agreements with the department or the State 9 Technology Office shall authorize the department or the State Technology Office to contract for such purchases on their 10 behalf. 11

(b) Each agency that has been appropriated or has existing funds for such purchases, shall, upon contract award by the department, transfer their portion of the funds into the department's Grants and Donations Trust Fund for payment by the department. These funds shall be transferred by the Executive Office of the Governor pursuant to the agency budget amendment request provisions in chapter 216.

19 (c) Agencies that sign such joint agreements are 20 financially obligated for their portion of the agreed-upon funds. If any agency becomes more than 90 days delinquent in 21 22 paying such funds, the department of Management Services shall 23 certify to the Comptroller the amount due, and the Comptroller shall transfer the amount due to the Grants and Donations 24 Trust Fund of the department from any of the agency's 25 26 available funds. The Comptroller shall report all such transfers and the reasons for such transfers to the Executive 27 Office of the Governor and the legislative appropriations 28 29 committees.

 $\frac{(16)(17)}{(17)}(a)$ To evaluate contracts let by the Federal Government, another state, or a political subdivision for the

provision of commodities and contract services, and, when it 1 is determined in writing to be cost-effective and in the best 2 3 interest of the state, to enter into a written agreement 4 authorizing an a state agency to make purchases under a 5 contract approved by the department and let by the Federal 6 Government, another state, or a political subdivision. 7 (b) For contracts pertaining to the provision of 8 information technology, the State Technology Office, in 9 consultation with the department, shall assess the technological needs of a particular agency, evaluate the 10 contracts, and determine whether to enter into a written 11 12 agreement with the letting federal, state, or political 13 subdivision body to provide information technology for a 14 particular agency. 15 Section 13. Section 287.045, Florida Statutes, is amended to read: 16 17 287.045 Procurement of products and materials with recycled content. --18 19 (1)(a) The department of Management Services, in 20 cooperation with the Department of Environmental Protection, shall review and revise existing procurement procedures and 21 22 specifications for the purchase of products and materials to 23 eliminate any procedures and specifications that explicitly discriminate against products and materials with recycled 24 content except where such procedures and specifications are 25 26 necessary to protect the public health, safety, and welfare. (b) Each state agency shall review and revise its 27 procurement procedures and specifications for the purchase of 28 29 products and materials to eliminate any procedures and specifications that explicitly discriminate against products 30 and materials with recycled content, except if such procedures 31 34

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and specifications are necessary to protect the public health,
 safety, and welfare.

3 (2)(a) The department and each state agency shall 4 review and revise its procurement procedures and 5 specifications for the purchase of products and materials to 6 ensure to the maximum extent feasible that each agency uses 7 state contracts to purchase products or materials that may be 8 recycled or reused when these products or materials are 9 discarded.

10 (b) The Auditor General shall assist in monitoring the 11 product procurement requirements.

12 (3) As part of the review and revision required in 13 subsection (2), the department and each agency shall review 14 its procurement provisions and specifications for the purchase 15 of products and materials to determine which products or materials with recycled content could be procured by the 16 17 department or other agencies and the amount of recycled content that can technologically be contained in such products 18 19 or materials. The department and other agencies must use the amounts of recycled content and postconsumer recovered 20 material determined by the department in issuing solicitations 21 invitations to bid for contracts for the purchase of such 22 23 products or materials.

Upon completion of the review required in 24 (4) subsection (3), the department and other agencies or an agency 25 26 shall require that a person who submits a bid, proposal, or 27 reply for a contract for the purchase of products or materials identified in subsection (3) and who wishes to be considered 28 for the price preference described in subsection (5) certify 29 in writing the percentage of recycled content in the product 30 or material that is subject to the bid, proposal, or reply. A 31

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1 person may certify that the product or material contains no 2 recycled content.

3 (5) Upon evaluation of bids, proposals, or replies for 4 every public contract that involves the purchase of products 5 or materials identified in subsection (3), the department or other an agency shall identify the lowest responsible and б 7 responsive vendor bidder and other responsible and responsive vendors bidders who have certified that the products or 8 9 materials contain at least the minimum percentage of recycled content and postconsumer recovered material that is set forth 10 in the solicitation invitation for the bids. The department 11 12 or agency may consider life-cycle costing when evaluating a bid, proposal, or reply on a product that consists of recycled 13 14 materials. The department shall adopt rules that specify the 15 criteria to be used when considering life-cycle costing in evaluating bids, proposals, or replies. The rules must take 16 17 into consideration the specified warranty periods for products and the comparative expected service life relative to the cost 18 19 of the products. In awarding a contract for the purchase of products or materials, the department or other an agency may 20 allow up to a 10-percent price preference to a responsible and 21 22 responsive vendor bidder who has certified that the products 23 or materials contain at least the minimum percentage of recycled content and postconsumer recovered material and up to 24 an additional 5-percent price preference to a responsible and 25 26 responsive vendor bidder who has certified that the products or material are made of materials recovered in this state. 27 The amount of the price preference must be commensurate with 28 29 the certified amounts of recycled material and postconsumer recovered material and materials recycled from products in 30 this state, contained in the product or materials on a sliding 31

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scale as established by department rule, which rule shall not 1 become effective prior to November 1, 1994. Reusable 2 3 materials and products shall be used where economically and 4 technically feasible. If no vendors bidders offer products or materials with measurable life-cycle costing factors or the 5 minimum prescribed recycled and postconsumer content, the б 7 contract must be awarded to the lowest qualified responsible and responsive vendor bidder. 8

9 (6) For the purposes of this section, the term "recycled content" means materials that have been recycled 10 that are contained in the products or materials to be 11 12 procured, including, but not limited to, paper, aluminum, steel, glass, plastics, and composted material. The term does 13 14 not include the virgin component of internally generated scrap 15 that is commonly used in industrial or manufacturing processes or such waste or scrap purchased from another manufacturer who 16 17 manufactures the same or a closely related product. Recycled content printing and fine writing grades of paper shall 18 19 contain at least 10 percent postconsumer recovered materials.

20 (7) Any person may request the department to evaluate 21 a product or material with recycled content if the product or 22 material is eligible for inclusion under state contracts. The 23 department shall review each reasonable proposal to determine 24 its merit and, if it finds that the product or material may be 25 used beneficially, it may incorporate that product or material 26 into its procurement procedures.

(8) The department and each state agency shall review
and revise its procedures and specifications on a continuing
basis to encourage the use of products and materials with
recycled content and postconsumer recovered material and
shall, in developing new procedures and specifications,

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encourage the use of products and materials with recycled 1 2 content and postconsumer recovered material. 3 (9) After November 1, 1994, the department may 4 discontinue contracting for products or materials the recycled 5 content of which does not meet the requirements of subsection 6 (3) if it determines that products or materials meeting those 7 requirements are available at a cost not to exceed an 8 additional 10 percent of comparable virgin products. 9 (10) An A state agency, or a vendor person contracting with such agency with respect to work performed under 10 contract, must procure products or materials with recycled 11 12 content if the department determines that those products or materials are available pursuant to subsection (5). 13 14 Notwithstanding any other provision to the contrary, for the 15 purpose of this section, the term "agency" means any of the various state officers, departments, boards, commissions, 16 17 divisions, bureaus, and councils and any other unit of organization, however designated, of the executive branch 18 19 including the Department of the Lottery, the legislative branch, the judicial branch, the University and College Boards 20 21 of Trustees, and the state universities and colleges and the 22 State University System. A decision not to procure such items 23 must be based on the department's determination that such procurement is not reasonably available within an acceptable 24 period of time or fails to meet the performance standards set 25 26 forth in the applicable specifications or fails to meet the 27 performance standards of the agency.

(11) Each state agency shall report annually to the department its total expenditures on, and use of, products with recycled content and the percentage of its budget that represents purchases of similar products made from virgin

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materials. The department shall design a uniform reporting 1 mechanism and prepare annual summaries of statewide purchases 2 3 delineating those with recycled content to be submitted to the 4 Governor, the President of the Senate, and the Speaker of the 5 House of Representatives. Section 14. Section 287.056, Florida Statutes, is б 7 amended to read: 8 287.056 Agency Purchases from purchasing agreements 9 and state term contracts executed by the department. --(1) Agencies shall, and eligible users may, purchase 10 commodities and contractual services from the purchasing 11 12 agreements established and state term contracts procured, pursuant to s. 287.057, negotiated and executed by the 13 14 department, as authorized in s. 287.042(2). 15 (2) Agencies may have the option to purchase commodities or contractual services from state term any 16 17 written agreements or contracts procured, pursuant to s. 18 287.057, negotiated and executed by the department which 19 contain a user surcharge pursuant to s. 287.1345 or such other agreements as determined by the department. 20 21 (3) Agencies and eligible users may use a request for quote to obtain written pricing or services information from a 22 state term contract vendor for commodities or contractual 23 services available on state term contract from that vendor. 24 The purpose of a request for quote is to determine whether a 25 26 price, term, or condition more favorable to the agency or 27 eligible user than that provided in the state term contract is available. Use of a request for quote does not constitute a 28 29 decision or intended decision that is subject to protest under 30 s. 120.57(3). 31 39

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Section 15. Section 287.057, Florida Statutes, is 1 2 amended to read: 3 287.057 Procurement of commodities or contractual 4 services.--5 (1)(a) Unless otherwise authorized by law, all 6 contracts for the purchase of commodities or contractual 7 services in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO shall be awarded by competitive 8 9 sealed bidding. An invitation to bid shall be made available simultaneously to all vendors and must issued which shall 10 include a detailed description of the commodities or 11 12 contractual services sought; the time and date for the receipt submittal of bids and of the public opening; and all 13 14 contractual terms and conditions applicable to the procurement of commodities or contractual services, including the criteria 15 which shall include, but need not be limited to, price, to be 16 17 used in determining acceptability of the bid. If the agency contemplates renewal of the contract, that fact must it shall 18 19 be so stated in the invitation to bid. The bid shall include the price for each year for which the contract may be renewed. 20 Evaluation of bids shall include consideration of the total 21 cost for each year as submitted quoted by the vendor bidder. 22 23 No Criteria that were not set forth in the invitation to bid may not be used in determining acceptability of the bid that 24 was not set forth in the invitation to bid. 25 26 (b) The contract shall be awarded with reasonable promptness by written notice to the responsible qualified and 27 28 responsive vendor that bidder who submits the lowest 29 responsive bid. This bid must be determined in writing to meet the requirements and criteria set forth in the invitation 30 31 to bid.

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(2)(a) If When an agency determines in writing that 1 2 the use of an invitation to bid competitive sealed bidding is 3 not practicable, commodities or contractual services shall be 4 procured by competitive sealed proposals. A request for 5 proposals shall be made available simultaneously to all 6 vendors, and must include which includes a statement of the 7 commodities or contractual services sought; the time and date for the receipt of proposals and of the public opening; and 8 9 all contractual terms and conditions applicable to the procurement of commodities or contractual services, including 10 the criteria, which shall include, but need not be limited to, 11 12 price, to be used in determining acceptability of the proposal shall be issued. The relative importance of price and other 13 14 evaluation criteria shall be indicated. If the agency 15 contemplates renewal of the commodities or contractual services contract, that fact must it shall be so stated in the 16 request for proposals. The proposal shall include the price 17 for each year for which the contract may be renewed. 18 19 Evaluation of proposals shall include consideration of the total cost for each year as submitted quoted by the vendor 20 offeror. To assure full understanding of and responsiveness to 21 the solicitation requirements, discussions may be conducted 22 with qualified offerors. The offerors shall be accorded fair 23 and equal treatment prior to the submittal date specified in 24 the request for proposals with respect to any opportunity for 25 26 discussion and revision of proposals. 27 (b) The contract award shall be awarded made to the responsible and responsive vendor offeror whose proposal is 28 29 determined in writing to be the most advantageous to the state, taking into consideration the price and the other 30 criteria set forth in the request for proposals. The contract 31

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file shall contain documentation supporting the basis on which 1 2 the award is made. (3)(a) If the agency determines in writing that the 3 4 use of an invitation to bid or a request for proposals will 5 not result in the best value to the state, the agency may 6 procure commodities and contractual services by competitive 7 sealed replies. The agency's written determination must 8 specify reasons that explain why negotiation may be necessary in order for the state to achieve the best value and must be 9 approved in writing by the agency head or his or her designee 10 prior to the advertisement of an invitation to negotiate. An 11 12 invitation to negotiate shall be made available to all vendors 13 simultaneously and must include a statement of the commodities 14 or contractual services sought; the time and date for the 15 receipt of replies and of the public opening; and all terms and conditions applicable to the procurement, including the 16 17 criteria to be used in determining the acceptability of the reply. If the agency contemplates renewal of the contract, 18 19 that fact must be stated in the invitation to negotiate. The 20 reply shall include the price for each year for which the 21 contract may be renewed. The agency shall evaluate and rank responsive 22 (b) 23 replies against all evaluation criteria set forth in the invitation to negotiate and shall select, based on the 24 25 ranking, one or more vendors with which to commence 26 negotiations. After negotiations are conducted, the agency shall award the contract to the responsible and responsive 27 vendor that the agency determines will provide the best value 28 29 to the state. The contract file must contain a short plain statement that explains the basis for vendor selection and 30 that sets forth the vendor's deliverables and price, pursuant 31 42

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to the contract, with an explanation of how these deliverables 1 2 and price provide the best value to the state. 3 (4) Prior to the time for receipt of bids, proposals, 4 or replies, an agency may conduct a conference or written 5 question and answer period for purposes of assuring the 6 vendor's full understanding of the solicitation requirements. 7 The vendors shall be accorded fair and equal treatment. (3) If an agency determines that the use of an 8 9 invitation to bid or a request for a proposal will not result 10 in the best value to the state, based on factors including, but not limited to, price, quality, design, and workmanship, 11 12 the agency may procure commodities and contractual services by 13 an invitation to negotiate. An agency may procure commodities 14 and contractual services by a request for a quote from vendors 15 under contract with the department. (5) (4) When the purchase price of commodities or 16 contractual services exceeds the threshold amount provided in 17 s. 287.017 for CATEGORY TWO, no purchase of commodities or 18 19 contractual services may be made without receiving competitive sealed bids, competitive sealed proposals, or competitive 20 sealed replies responses to an invitation to negotiate or a 21 22 request for a quote unless: (a) The agency head determines in writing that an 23 immediate danger to the public health, safety, or welfare or 24 other substantial loss to the state requires emergency action. 25 26 After the agency head makes such a written determination, the agency may proceed with the procurement of commodities or 27 contractual services necessitated by the immediate danger, 28 29 without receiving competitive sealed bids, competitive sealed proposals, or competitive sealed replies competition. However, 30 such emergency procurement shall be made by obtaining pricing 31 43

information from at least two prospective vendors, which must 1 be retained in the contract file, unless the agency determines 2 3 in writing that the time required to obtain pricing 4 information will increase the immediate danger to the public 5 health, safety, or welfare or other substantial loss to the 6 state with such competition as is practicable under the 7 circumstances. The agency shall furnish copies of all the written determinations determination certified under oath and 8 9 any other documents relating to the emergency action to the department. A copy of the statement shall be furnished to the 10 Comptroller with the voucher authorizing payment. 11 The 12 individual purchase of personal clothing, shelter, or supplies which are needed on an emergency basis to avoid 13 14 institutionalization or placement in a more restrictive 15 setting is an emergency for the purposes of this paragraph, 16 and the filing with the department of such statement is not 17 required in such circumstances. In the case of the emergency purchase of insurance, the period of coverage of such 18 19 insurance shall not exceed a period of 30 days, and all such emergency purchases shall be reported to the department. 20 21 (b) The purchase is made by an agency from a state term contract procured, pursuant to this section, Purchasing 22 23 agreements and contracts executed by the department or by an agency, after receiving approval from the department, from a 24 contract procured, pursuant to subsection (1), subsection (2), 25 26 or subsection (3), by another agency agencies under authority 27 delegated by the department in writing are excepted from bid 28 requirements. 29 (c) Commodities or contractual services available only 30 from a single source may be excepted from the 31 competitive-solicitation bid requirements. When an agency 44

believes that commodities or contractual services are 1 available only from a single source, the agency shall 2 3 electronically post a description of the commodities or 4 contractual services sought for a period of at least 7 5 business days. The description must include a request that 6 prospective vendors provide information regarding their 7 ability to supply the commodities or contractual services 8 described. If it is determined in writing by the agency, after 9 reviewing any information received from prospective vendors, that the commodities or contractual services are available 10 only from a single source, the agency shall: 11 12 1. Provide notice of its intended decision to enter a 13 single-source purchase contract in the manner specified in s. 14 120.57(3), if the amount of the contract does not exceed the 15 threshold amount provided in s. 287.017 for CATEGORY FOUR. 16 2. Request approval from the department for the 17 single-source purchase, if the amount of the contract exceeds the threshold amount provided in s. 287.017 for CATEGORY FOUR. 18 19 The agency shall initiate its request for approval in a form 20 prescribed by the department, which request may be electronically transmitted. if it is determined that such 21 22 commodities or services are available only from a single 23 source and such determination is documented. However, if such 24 contract is for an amount greater than the threshold amount provided in s. 287.017 for CATEGORY FOUR, the agency head 25 26 shall file a certification of conditions and circumstances with the department and shall obtain the prior approval of the 27 department. The failure of the department to approve or 28 29 disapprove the agency's request of an agency for prior approval within 21 days after receiving such request or within 30 31 14 days after receiving from the agency additional materials 45

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requested by the department shall constitute prior approval of 1 the department. If the department approves the agency's 2 request, the agency shall provide notice of its intended 3 4 decision to enter a single-source contract in the manner specified in s. 120.57(3) To the greatest extent practicable, 5 but no later than 45 days after authorizing the exception in б 7 writing, the department shall combine single-source procurement authorizations for identical information 8 9 technology resources for which the purchase price exceeds the 10 threshold amount provided in s. 287.017 for CATEGORY FOUR, and shall negotiate and execute volume purchasing agreements for 11 12 such procurements on behalf of the agencies. (d) When it is in the best interest of the state, the 13 14 secretary of the department Management Services or his or her designee may authorize the Support Program to purchase 15 insurance by negotiation, but such purchase shall be made only 16 17 under conditions most favorable to the public interest. 18 (e) Prescriptive assistive devices for the purpose of 19 medical, developmental, or vocational rehabilitation of clients are excepted from competitive solicitation sealed bid 20 and competitive sealed proposal requirements and shall be 21 22 procured pursuant to an established fee schedule or by any other method which ensures the best price for the state, 23 taking into consideration the needs of the client. 24 Prescriptive assistive devices include, but are not limited 25 26 to, prosthetics, orthotics, and wheelchairs. For purchases 27 made pursuant to this paragraph, state agencies shall annually file with the department a description of the purchases and 28 29 methods of procurement. 30 31 46

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1 (f) The following contractual services and commodities 2 are not subject to the competitive solicitation sealed bid 3 requirements of this section: 4 1. Artistic services. 5 2. Academic program reviews. 6 3. Lectures by individuals. 7 4. Auditing services. 8 5. Legal services, including attorney, paralegal, 9 expert witness, appraisal, or mediator services. 6. Health services involving examination, diagnosis, 10 treatment, prevention, medical consultation, or 11 12 administration. 7. Services provided to persons with mental or 13 14 physical disabilities by not-for-profit corporations which have obtained exemptions under the provisions of s. 501(c)(3)15 16 of the United States Internal Revenue Code or when such 17 services are governed by the provisions of Office of Management and Budget Circular A-122. However, in acquiring 18 19 such services, the agency shall consider the ability of the 20 vendor contractor, past performance, willingness to meet time 21 requirements, and price. 22 8. Medicaid services delivered to an eligible Medicaid 23 recipient by a health care provider who has not previously applied for and received a Medicaid provider number from the 24 25 Agency for Health Care Administration. However, this exception 26 shall be valid for a period not to exceed 90 days after the date of delivery to the Medicaid recipient and shall not be 27 28 renewed by the agency. 29 9. Family placement services. 30 10. Prevention services related to mental health, including drug abuse prevention programs, child abuse 31 47 CODING: Words stricken are deletions; words underlined are additions.

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prevention programs, and shelters for runaways, operated by 1 2 not-for-profit corporations. However, in acquiring such services, the agency shall consider the ability of the vendor 3 4 contractor, past performance, willingness to meet time 5 requirements, and price. 6 11. Training and education services provided to 7 injured employees pursuant to s. 440.49(1). 8 12. Contracts entered into pursuant to s. 337.11. 9 13. Services or commodities provided by governmental 10 agencies. 11 (g) Continuing education events or programs that are 12 offered to the general public and for which fees have been collected that pay all expenses associated with the event or 13 14 program are exempt from requirements for competitive 15 solicitation sealed bidding. 16 (6) (5) If less than two responsive bids, or proposals, 17 or replies for commodity or contractual services purchases are 18 received, the department or other the agency may negotiate on 19 the best terms and conditions. The department or other agency 20 shall document the reasons that such action is in the best 21 interest of the state in lieu of resoliciting competitive sealed bids, or proposals, or replies. Each The agency shall 22 23 report all such actions to the department on a quarterly basis, in a manner and form prescribed by the department. 24 25 (7)(6) Upon issuance of any solicitation invitation to 26 bid or request for proposals, an agency shall, upon request by 27 the department, forward to the department one copy of each 28 solicitation invitation to bid or request for proposals for 29 all commodity and contractual services purchases in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO. 30 An agency shall also, upon request, furnish a copy of all 31 48

1 competitive <u>solicitation</u> sealed bid or competitive sealed 2 proposal tabulations. The Office of Supplier Diversity may 3 also request from the agencies any information submitted to 4 the department pursuant to this subsection.

5 (8)(7)(a) In order to strive to meet the minority 6 business enterprise procurement goals set forth in s. 7 287.09451, an agency may reserve any contract for competitive 8 solicitation sealed bidding only among certified minority 9 business enterprises. Agencies shall review all their contracts each fiscal year and shall determine which contracts 10 may be reserved for solicitation bidding only among certified 11 12 minority business enterprises. This reservation may only be used when it is determined, by reasonable and objective means, 13 14 before the solicitation invitation to bid that there are capable, qualified certified minority business enterprises 15 available to submit a bid, proposal, or reply on a contract to 16 provide for effective competition. The Office of Supplier 17 18 Diversity shall consult with any agency in reaching such 19 determination when deemed appropriate.

20 (b) Before a contract may be reserved for solicitation bidding only among by certified minority business enterprises, 21 22 the agency head must find that such a reservation is in the best interests of the state. All determinations shall be 23 subject to s. 287.09451(5). Once a decision has been made to 24 25 reserve a contract, but before sealed bids, proposals, or 26 replies are requested, the agency shall estimate what it 27 expects the amount of the contract to be, based on the nature of the services or commodities involved and their value under 28 29 prevailing market conditions. If all the sealed bids, 30 proposals, or replies received are over this estimate, the agency may reject the bids, proposals, or replies and request 31

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new ones from certified minority business enterprises, or the 1 agency may reject the bids, proposals, or replies and reopen 2 3 the bidding to all eligible vendors qualified bidders. 4 (c) All agencies shall consider the use of price preferences of up to 10 percent, weighted preference formulas, 5 6 or other preferences for vendors contractors as determined 7 appropriate pursuant to guidelines established in accordance 8 with s. 287.09451(4) to increase the participation of minority 9 business enterprises. (d) All agencies shall avoid any undue concentration 10 of contracts or purchases in categories of commodities or 11 12 contractual services in order to meet the minority business enterprise purchasing goals in s. 287.09451. 13 14 (9) (9) (8) An agency may reserve any contract for competitive solicitation sealed bidding only among vendors 15 qualified bidders who agree to use utilize certified minority 16 17 business enterprises as subcontractors or subvendors. The percentage of funds, in terms of gross contract amount and 18 19 revenues, which must be expended with the certified minority business enterprise subcontractors and subvendors shall be 20 determined by the agency before such contracts may be 21 reserved. In order to bid on a contract so reserved, the 22 vendor qualified bidder shall identify those certified 23 minority business enterprises which will be utilized as 24 subcontractors or subvendors by sworn statement. At the time 25 of performance or project completion, the contractor shall 26 27 report by sworn statement the payments and completion of work for all certified minority business enterprises used in the 28 29 contract. 30 31 50

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1 (10) (9) An agency shall not divide the procurement of 2 commodities or contractual services so as to avoid the requirements of subsections (1) through (5), (2), and (3). 3 (11)(10) A contract for commodities or contractual 4 5 services may be awarded without competition if state or 6 federal law prescribes with whom the agency must contract or 7 if the rate of payment is established during the 8 appropriations process. 9 (12) (11) If two equal responses to a solicitation or a 10 request for quote an invitation to bid or request for proposals are received and one response is from a certified 11 12 minority business enterprise, the agency shall enter into a contract with the certified minority business enterprise. 13 14 (13) (12) Extension of a contract for contractual services shall be in writing for a period not to exceed 6 15 months and shall be subject to the same terms and conditions 16 17 set forth in the initial contract. There shall be only one extension of a contract unless the failure to meet the 18 19 criteria set forth in the contract for completion of the 20 contract is due to events beyond the control of the 21 contractor. 22 (14)(13) Except for those contracts initially procured 23 pursuant to paragraph (3)(a) or paragraph (3)(c), Contracts for commodities or contractual services may be renewed for a 24 25 period that may not exceed 3 years or on a yearly basis for no 26 more than 2 years or for a period no longer than the term of the original contract, whichever period is longer. Renewal of 27 a contract for commodities or contractual services shall be in 28 29 writing and shall be subject to the same terms and conditions set forth in the initial contract. If the commodity or 30 contractual service is purchased as a result of the 31 51

solicitation of bids, or proposals, or replies, the price of 1 2 the commodity or contractual service to be renewed cost of any 3 contemplated renewals shall be specified included in the bid, 4 proposal, or reply invitation to bid or request for proposals. 5 A renewal contract may not include any compensation for costs 6 associated with the renewal.Renewals shall be contingent upon 7 satisfactory performance evaluations by the agency and subject 8 to the availability of funds. Exceptional purchase contracts 9 pursuant to s. 287.057(5)(a) and (c) may not be renewed. (15)(14) For each contractual services contract, the 10 agency shall designate an employee to function as contract 11 manager who shall be responsible for enforcing performance of 12 the contract terms and conditions and serve as a liaison with 13 14 the contractor. The agency shall establish procedures to ensure that contractual services have been rendered in 15 16 accordance with the contract terms prior to processing the 17 invoice for payment. (16)(15) Each agency shall designate at least one 18 19 employee who shall serve as a contract administrator 20 responsible for maintaining a contract file and financial 21 information on all contractual services contracts and who 22 shall serve as a liaison with the contract managers and the 23 department. 24 (17) For a contract in excess of the threshold amount 25 provided in s. 287.017 for CATEGORY FOUR, the agency head 26 shall appoint: 27 (a) At least three persons to evaluate proposals and 28 replies who collectively have experience and knowledge in the 29 program areas and service requirements for which commodities 30 or contractual services are sought. 31 52

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(b) At least three persons to conduct negotiations 1 2 during a competitive sealed reply procurement who collectively 3 have experience and knowledge in negotiating contracts, 4 contract procurement, and the program areas and service 5 requirements for which commodities or contractual services are 6 sought. 7 (16) For requests for proposals, a selection team of 8 at least three employees who have experience and knowledge in 9 the program areas and service requirements for which contractual services are sought shall be appointed by the 10 agency head to aid in the selection of contractors for 11 12 contracts of more than the threshold amount provided in s. 287.017 for CATEGORY FOUR. 13 14 (18)(17) A No person who receives a contract that which has not been procured pursuant to subsection (1) through 15 (5), subsection (2), or subsection (3) to perform a 16 feasibility study of the potential implementation of a 17 subsequent contract, who participates participating in the 18 19 drafting of a solicitation an invitation to bid or request for 20 proposals, or who develops developing a program for future 21 implementation, is not shall be eligible to contract with the 22 agency for any other contracts dealing with that specific 23 subject matter, and; nor shall any firm in which such person has any interest is not be eligible to receive such contract. 24 25 However, this prohibition does not prevent a vendor who 26 responds to a request for information from being eligible to 27 contract with an agency. 28 (19)(18) Each agency shall establish a review and 29 approval process for all contractual services contracts costing more than the threshold amount provided for in s. 30 287.017 for CATEGORY THREE which shall include, but not be 31 53 CODING: Words stricken are deletions; words underlined are additions.

limited to, program, financial, and legal review and approval. 1 2 Such reviews and approvals shall be obtained before the 3 contract is executed. 4 (19) The department may establish state contractual 5 service term contracts. Such contracts may be utilized by any 6 agency, county, municipality, or local public agency. 7 (20) In any procurement that costs more than the 8 threshold amount provided for in s. 287.017 for CATEGORY TWO 9 and is accomplished without competition, the individuals taking part in the development or selection of criteria for 10 evaluation, the evaluation process, and the award process 11 12 shall attest in writing that they are independent of, and have no conflict of interest in, the entities evaluated and 13 14 selected. (21) Nothing in this section shall affect the validity 15 or effect of any contract in existence on October 1, 1990. 16 17 (22) An agency may contract for services with any independent, nonprofit college or university which is located 18 19 within the state and is accredited by the Southern Association of Colleges and Schools, on the same basis as it may contract 20 with any state university and college institution in the State 21 22 University System. 23 (23)(a) The department, in consultation with the State Technology Office and the Comptroller, shall develop a program 24 for on-line procurement of commodities and contractual 25 26 services. To enable the state to promote open competition and 27 to leverage its buying power, executive state agencies shall participate in the on-line procurement program, and eligible 28 29 users other agencies may participate in the program. Only vendors bidders prequalified as meeting mandatory requirements 30 and qualifications criteria shall be permitted to participate 31 54

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in on-line procurement. The department, in consultation with 1 2 the State Technology Office, may contract for equipment and 3 services necessary to develop and implement on-line 4 procurement. 5 (b) The State Technology Office, in consultation with 6 the department, in consultation with the State Technology 7 Office, shall adopt rules, pursuant to ss. 120.536(1) and 8 120.54, to administer implement the program for on-line 9 procurement. The rules shall include, but not be limited to: 1. Determining the requirements and qualification 10 criteria for prequalifying vendors bidders. 11 12 2. Establishing the procedures for conducting on-line 13 procurement. 14 3. Establishing the criteria for eligible commodities and contractual services. 15 Establishing the procedures for providing access to 16 4. 17 on-line procurement. 18 5. Determining the criteria warranting any exceptions 19 to participation in the on-line procurement program. 20 The department of Management Services and the (C) State Technology Office may collect fees for the use of the 21 22 on-line procurement systems. The fees may be imposed on an 23 individual transaction basis or as a fixed percentage of the cost savings generated. At a minimum, the fees must be set in 24 an amount sufficient to cover the projected costs of such 25 26 services, including administrative and project service costs 27 in accordance with the policies of the department of Management Services and the State Technology Office. For the 28 29 purposes of compensating the provider, the department may authorize the provider to collect and retain a portion of the 30 fees. The providers may withhold the portion retained from the 31 55

amount of fees to be remitted to the department. The 1 department may negotiate the retainage as a percentage of such 2 3 fees charged to users, as a flat amount, or as any other 4 method the department deems feasible. All fees and surcharges 5 collected under this paragraph shall be deposited in the 6 Grants and Donation Trust Fund as provided by law. 7 (24)(a) The State Technology Office shall establish, 8 in consultation with the department, state strategic 9 information technology alliances for the acquisition and use of information technology and related material with 10 prequalified contractors or partners to provide the state with 11 12 efficient, cost-effective, and advanced information 13 technology. 14 (b) In consultation with and under contract to the 15 State Technology Office, the state strategic information 16 technology alliances shall design, develop, and deploy 17 projects providing the information technology needed to collect, store, and process the state's data and information, 18 19 provide connectivity, and integrate and standardize computer networks and information systems of the state. 20 21 (c) The partners in the state strategic information 22 technology alliances shall be industry leaders with 23 demonstrated experience in the public and private sectors. (d) The State Technology Office, in consultation with 24 the department of Management Services, shall adopt rules, 25 26 pursuant to ss. 120.536(1) and 120.54, to administer implement 27 the state strategic information technology alliances. 28 Section 16. Section 287.0572, Florida Statutes, is 29 amended to read: 30 287.0572 Present-value methodology.--31 56

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(1) The cost of bids, or proposals, or replies for 1 2 state contracts that which require the payment of money for 3 more than 1 year and include provisions for unequal payment streams or unequal time payment periods shall be evaluated 4 5 using present-value methodology. Each agency, as defined in 6 s. 287.012(1), shall perform the evaluation using the 7 present-value discount rate supplied by the department of 8 Management Services. The present-value discount rate shall be 9 the rate for United States Treasury notes and bonds published in the Interest Rates: Money and Capital Markets section of 10 the most recent copy of the Federal Reserve Bulletin published 11 12 at the time of issuance of the request for proposals, the invitation to negotiate, or the invitation invitations to bid. 13 14 (2) The department of Management Services may adopt rules to administer implement the provisions of subsection 15 16 (1).17 Section 17. Subsections (1), (4), and (5) of section 18 287.058, Florida Statutes, are amended to read: 19 287.058 Contract document.--20 (1) Every procurement of contractual services in excess of the threshold amount provided in s. 287.017 for 21 22 CATEGORY TWO, except for the providing of health and mental 23 health services or drugs in the examination, diagnosis, or treatment of sick or injured state employees or the providing 24 of other benefits as required by the provisions of chapter 25 26 440, shall be evidenced by a written agreement embodying all provisions and conditions of the procurement of such services, 27 which provisions and conditions shall, where applicable, 28 29 include, but shall not be limited to: 30 31 57 CODING: Words stricken are deletions; words underlined are additions.

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1 (a) A provision that bills for fees or other 2 compensation for services or expenses be submitted in detail 3 sufficient for a proper preaudit and postaudit thereof. 4 (b) A provision that bills for any travel expenses be 5 submitted in accordance with s. 112.061. A state agency may 6 establish rates lower than the maximum provided in s. 112.061. 7 (c) A provision allowing unilateral cancellation by 8 the agency for refusal by the contractor to allow public 9 access to all documents, papers, letters, or other material made or received by the contractor in conjunction with the 10 contract, unless the records are exempt from s. 24(a) of Art. 11 12 I of the State Constitution and s. 119.07(1). (d) A provision dividing the contract into units of 13 14 deliverables, which shall include, but not be limited to, 15 reports, findings, and drafts, that must be received and 16 accepted in writing by the contract manager prior to payment. 17 (e) A provision specifying the criteria and the final 18 date by which such criteria must be met for completion of the 19 contract. 20 A provision specifying that the contract may be (f) renewed for a period that may not exceed 3 years or on a 21 22 yearly basis for a period of up to 2 years after the initial 23 contract or for a period no longer than the term of the original contract, whichever period is longer, specifying the 24 renewal price for the contractual service as set forth in the 25 26 bid, proposal, or reply, specifying that costs for the renewal 27 may not be charged, terms under which the cost may change as 28 determined in the invitation to bid or request for proposals, 29 and specifying that renewals shall be contingent upon 30 satisfactory performance evaluations by the agency and subject 31 58

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to the availability of funds. Exceptional purchase contracts 1 2 pursuant to s. 287.057(5)(a) and (c) may not be renewed. 3 4 In lieu of a written agreement, the department may authorize 5 the use of a purchase order for classes of contractual services, if provided the provisions of paragraphs (a)-(f) are 6 7 included in the purchase order or solicitation, invitation to 8 bid, or request for proposals. The purchase order must shall 9 include, but need not be limited to, an adequate description of the services, the contract period, and the method of 10 payment. In lieu of printing the provisions of paragraphs 11 12 (a)-(f) in the contract document or purchase order, agencies 13 may incorporate the requirements of paragraphs (a)-(f) by 14 reference. 15 (4) Every procurement of contractual services of the value of the threshold amount provided in s. 287.017 for 16 17 CATEGORY TWO or less, except for the providing of health and 18 mental health services or drugs in the examination, diagnosis, 19 or treatment of sick or injured state employees or the providing of other benefits as required by the provisions of 20 chapter 440, shall be evidenced by a written agreement or 21 purchase order. The written agreement or purchase order must 22 23 shall contain sufficient detail for a proper audit, must shall be signed by purchasing or contracting personnel acting on 24 behalf of the agency, and may contain the provisions and 25 26 conditions provided in subsection (1). (5) Unless otherwise provided in the General 27 Appropriations Act or the substantive bill implementing the 28 29 General Appropriations Act, the Comptroller may waive the requirements of this section for services which are included 30 in s. 287.057(5)(f)s. 287.057(4)(f). 31 59

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1 Section 18. Subsection (2) of section 287.059, Florida 2 Statutes, is amended to read: 3 287.059 Private attorney services.--4 (2) No agency shall contract for private attorney 5 services without the prior written approval of the Attorney 6 General, except that such written approval is not required for 7 private attorney services: 8 (a) Procured by the Executive Office of the Governor 9 or any department under the exclusive jurisdiction of a single Cabinet officer. 10 (b) Provided by legal services organizations to 11 12 indigent clients. 13 (c) Necessary to represent the state in litigation 14 involving the State Risk Management Trust Fund pursuant to 15 part II of chapter 284. (d) Procured by the university and college boards of 16 17 trustees or the state universities and colleges Board of 18 Regents and the universities of the State University System. 19 (e) Procured by community and junior colleges and multicounty special districts. 20 21 (f) Procured by the Board of Trustees for the Florida 22 School for the Deaf and the Blind. Section 19. Subsections (1) and (2) of section 23 287.0595, Florida Statutes, are amended to read: 24 25 287.0595 Pollution response action contracts; 26 department rules.--(1) The Department of Environmental Protection shall 27 establish, by adopting through the promulgation of 28 29 administrative rules as provided in chapter 120: 30 (a) Procedures for determining the qualifications of responsible potential vendors bidders prior to advertisement 31 60 CODING: Words stricken are deletions; words underlined are additions.

for and receipt of bids, proposals, or replies for pollution 1 response action contracts, including procedures for the 2 rejection of unqualified vendors bidders. Response actions are 3 4 those activities described in s. 376.301(37). 5 (b) Procedures for awarding such contracts to the б lowest responsible and responsive vendor qualified bidder as 7 well as procedures to be followed in cases in which the 8 department declares a valid emergency to exist which would 9 necessitate the waiver of the rules governing the awarding of such contracts to the lowest responsible and responsive vendor 10 11 qualified bidder. 12 (c) Procedures governing payment of contracts. (d) Procedures to govern negotiations for contracts, 13 14 modifications to contract documents, and terms and conditions of contracts. 15 (2) In adopting rules under this section, the 16 17 Department of Environmental Protection shall follow the 18 criteria applicable to the department's Department of 19 Management Services contracting to the maximum extent 20 possible, consistent with the goals and purposes of ss. 21 376.307 and 376.3071. 22 Section 20. Section 287.073, Florida Statutes, is 23 repealed. Section 21. Section 287.0731, Florida Statutes, is 24 25 amended to read: 26 287.0731 Team for contract negotiations.--Contingent 27 upon funding in the General Appropriations Act, the department 28 of Management Services, in consultation with the State 29 Technology Office, shall establish a permanent team that includes for contract negotiations including a chief 30 negotiator, to specialize in conducting negotiations for the 31 61

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procurement of information technology with an invitation to 1 2 negotiate. Section 22. 3 Section 287.0822, Florida Statutes, is 4 amended to read: 5 287.0822 Beef and pork; prohibition on purchase; bid 6 specifications; penalty .--7 (1) Fresh or frozen beef or pork that has not been 8 inspected by the United States Department of Agriculture or by 9 another state's inspection program which has been approved by the United States Department of Agriculture shall not be 10 purchased, or caused to be purchased, by any agency of the 11 12 state or of any municipality, political subdivision, school district, or special district for consumption in this state or 13 14 for distribution for consumption in this state. Solicitations 15 Bid invitations issued by any agency of the state or of any municipality, political subdivision, school district, or 16 17 special district for the purchase of fresh or frozen beef or pork must specify that only beef or pork inspected and passed 18 19 by either the United States Department of Agriculture or by another state's inspection program which has been approved by 20 the United States Department of Agriculture will be accepted. 21 The supplier or vendor shall certify on the invoice that the 22

23 fresh or frozen beef or pork or imported beef or pork supplied 24 is either domestic or complies with this subsection.

(2) All <u>solicitations</u> bid invitations for purchase of fresh or frozen meats of any kind by any agency of the state or of any municipality, political subdivision, school district, or special district using state or local funds shall include the words: " 'All American' and 'Genuine Florida' meats or meat products shall be granted preference as allowed by Section 287.082, Florida Statutes."

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(3) Any person who knowingly violates or causes to be 1 2 violated the provisions of this section shall be personally liable to the affected public agency for any funds spent in 3 4 violation of the provisions of this section. 5 Section 23. Section 287.084, Florida Statutes, is 6 amended to read: 7 287.084 Preference to Florida businesses.--(1) When an agency, county, municipality, school 8 9 district, or other political subdivision of the state is required to make purchases of personal property through 10 competitive solicitation bidding and the lowest responsible 11 12 and responsive bid, proposal, or reply is by a vendor bidder whose principal place of business is in a state or political 13 subdivision thereof which grants a preference for the purchase 14 15 of such personal property to a person whose principal place of business is in such state, then the agency, county, 16 17 municipality, school district, or other political subdivision 18 of this state may award a preference to the lowest responsible 19 and responsive vendor bidder having a principal place of business within this state, which preference is equal to the 20 preference granted by the state or political subdivision 21 thereof in which the lowest responsible and responsive vendor 22 23 bidder has its his or her principal place of business. However, this section does shall not apply to transportation 24 projects for which federal aid funds are available. 25 26 (2) If a solicitation an invitation for bids provides for the granting of such preference as is provided in this 27 28 section herein, any vendor bidder whose principal place of 29 business is outside the State of Florida must accompany any written bid, proposal, or reply documents with a written 30 opinion of an attorney at law licensed to practice law in that 31 63

foreign state, as to the preferences, if any or none, granted 1 by the law of that state to its own business entities whose 2 3 principal places of business are in that foreign state in the 4 letting of any or all public contracts. 5 Section 24. Section 287.087, Florida Statutes, is 6 amended to read: 7 287.087 Preference to businesses with drug-free 8 workplace programs. -- Whenever two or more bids, proposals, or 9 replies that which are equal with respect to price, quality, 10 and service are received by the state or by any political subdivision for the procurement of commodities or contractual 11 12 services, a bid, proposal, or reply received from a business that certifies that it has implemented a drug-free workplace 13 14 program shall be given preference in the award process. In 15 order to have a drug-free workplace program, a business shall: (1) Publish a statement notifying employees that the 16 17 unlawful manufacture, distribution, dispensing, possession, or 18 use of a controlled substance is prohibited in the workplace 19 and specifying the actions that will be taken against employees for violations of such prohibition. 20 21 (2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a 22 23 drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the 24 penalties that may be imposed upon employees for drug abuse 25 26 violations. 27 (3) Give each employee engaged in providing the commodities or contractual services that are under bid a copy 28 29 of the statement specified in subsection (1). (4) In the statement specified in subsection (1), 30 notify the employees that, as a condition of working on the 31 64 CODING: Words stricken are deletions; words underlined are additions.

commodities or contractual services that are under bid, the 1 employee will abide by the terms of the statement and will 2 notify the employer of any conviction of, or plea of guilty or 3 nolo contendere to, any violation of chapter 893 or of any 4 5 controlled substance law of the United States or any state, for a violation occurring in the workplace no later than 5 6 7 days after such conviction. (5) Impose a sanction on, or require the satisfactory 8 9 participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community by, 10 any employee who is so convicted. 11 12 (6) Make a good faith effort to continue to maintain a 13 drug-free workplace through implementation of this section. 14 Section 25. Section 287.093, Florida Statutes, is amended to read: 15 287.093 Minority business enterprises; procurement of 16 17 personal property and services from funds set aside for such purpose. -- Any county, municipality, community college, or 18 19 district school board may set aside up to 10 percent or more of the total amount of funds allocated for the procurement of 20 personal property and services for the purpose of entering 21 22 into contracts with minority business enterprises. Such 23 contracts shall be competitively solicited bid only among minority business enterprises. The set-aside shall be used to 24 redress present effects of past discriminatory practices and 25 26 shall be subject to periodic reassessment to account for 27 changing needs and circumstances. 28 Section 26. Paragraphs (n) and (o) of subsection (4) 29 and paragraphs (d) and (e) of subsection (5) of section 30 287.09451, Florida Statutes, are amended to read: 31 65 CODING: Words stricken are deletions; words underlined are additions.

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287.09451 Office of Supplier Diversity; powers,
 duties, and functions.--

3 (4) The Office of Supplier Diversity shall have the4 following powers, duties, and functions:

(n)1. To develop procedures to be used by an agency in 5 6 identifying commodities, contractual services, architectural 7 and engineering services, and construction contracts, except 8 those architectural, engineering, construction, or other 9 related services or contracts subject to the provisions of chapter 339, that could be provided by minority business 10 enterprises. Each agency is encouraged to spend 21 percent of 11 12 the moneys actually expended for construction contracts, 25 percent of the moneys actually expended for architectural and 13 14 engineering contracts, 24 percent of the moneys actually expended for commodities, and 50.5 percent of the moneys 15 actually expended for contractual services during the previous 16 17 fiscal year, except for the state university construction program which shall be based upon public education capital 18 19 outlay projections for the subsequent fiscal year, and 20 reported to the Legislature pursuant to s. 216.023, for the purpose of entering into contracts with certified minority 21 business enterprises as defined in s. 288.703(2), or approved 22 23 joint ventures. However, in the event of budget reductions pursuant to s. 216.221, the base amounts may be adjusted to 24 reflect such reductions. The overall spending goal for each 25 26 industry category shall be subdivided as follows: 27 a. For construction contracts: 4 percent for black Americans, 6 percent for Hispanic-Americans, and 11 percent 28 29 for American women.

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For architectural and engineering contracts: 9 1 b. 2 percent for Hispanic-Americans, 1 percent for Asian-Americans, 3 and 15 percent for American women. 4 c. For commodities: 2 percent for black Americans, 4 5 percent for Hispanic-Americans, 0.5 percent for 6 Asian-Americans, 0.5 percent for Native Americans, and 17 7 percent for American women. 8 d. For contractual services: 6 percent for black 9 Americans, 7 percent for Hispanic-Americans, 1 percent for Asian-Americans, 0.5 percent for Native Americans, and 36 10 percent for American women. 11 12 2. For the purposes of commodities contracts for the purchase of equipment to be used in the construction and 13 14 maintenance of state transportation facilities involving the 15 Department of Transportation, "minority business enterprise" has the same meaning as provided in s. 288.703. "Minority 16 17 person" has the same meaning as in s. 288.703(3). In order to ensure that the goals established under this paragraph for 18 19 contracting with certified minority business enterprises are met, the department, with the assistance of the Office of 20 Supplier Diversity, shall make recommendations to the 21 22 Legislature on revisions to the goals, based on an updated 23 statistical analysis, at least once every 5 years. Such recommendations shall be based on statistical data indicating 24 the availability of and disparity in the use of minority 25

26 businesses contracting with the state. The results of the 27 first updated disparity study must be presented to the 28 Legislature no later than December 1, 1996.

In determining the base amounts for assessing
 compliance with this paragraph, the Office of Supplier
 Diversity may develop, by rule, guidelines for all agencies to

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use in establishing such base amounts. These rules must 1 include, but are not limited to, guidelines for calculation of 2 3 base amounts, a deadline for the agencies to submit base 4 amounts, a deadline for approval of the base amounts by the 5 Office of Supplier Diversity, and procedures for adjusting the base amounts as a result of budget reductions made pursuant to 6 7 s. 216.221. 8 4. To determine guidelines for the use of price 9 preferences, weighted preference formulas, or other 10 preferences, as appropriate to the particular industry or trade, to increase the participation of minority businesses in 11 12 state contracting. These guidelines shall include consideration of: 13 14 a. Size and complexity of the project. 15 b. The concentration of transactions with minority business enterprises for the commodity or contractual services 16 17 in question in prior agency contracting. The specificity and definition of work allocated to 18 c. 19 participating minority business enterprises. 20 The capacity of participating minority business d. enterprises to complete the tasks identified in the project. 21 22 e. The available pool of minority business enterprises 23 as prime contractors, either alone or as partners in an approved joint venture that serves as the prime contractor. 24 5. To determine guidelines for use of joint ventures 25 26 to meet minority business enterprises spending goals. For 27 purposes of this section, "joint venture" means any association of two or more business concerns to carry out a 28 29 single business enterprise for profit, for which purpose they combine their property, capital, efforts, skills, and 30 knowledge. The guidelines shall allow transactions with joint 31 68

ventures to be eligible for credit against the minority 1 business enterprise goals of an agency when the contracting 2 3 joint venture demonstrates that at least one partner to the 4 joint venture is a certified minority business enterprise as 5 defined in s. 288.703, and that such partner is responsible for a clearly defined portion of the work to be performed, and 6 7 shares in the ownership, control, management, 8 responsibilities, risks, and profits of the joint venture. 9 Such demonstration shall be by verifiable documents and sworn statements and may be reviewed by the Office of Supplier 10 Diversity at or before the time a contract bid, proposal, or 11 12 reply is submitted. An agency may count toward its minority business enterprise goals a portion of the total dollar amount 13 14 of a contract equal to the percentage of the ownership and 15 control held by the qualifying certified minority business partners in the contracting joint venture, so long as the 16 17 joint venture meets the guidelines adopted by the office. 18 (o)1. To establish a system to record and measure the 19 use of certified minority business enterprises in state contracting. This system shall maintain information and 20 statistics on certified minority business enterprise 21 participation, awards, dollar volume of expenditures and 22 23 agency goals, and other appropriate types of information to analyze progress in the access of certified minority business 24 enterprises to state contracts and to monitor agency 25 26 compliance with this section. Such reporting must include, but is not limited to, the identification of all subcontracts in 27 state contracting by dollar amount and by number of 28 29 subcontracts and the identification of the utilization of certified minority business enterprises as prime contractors 30 and subcontractors by dollar amounts of contracts and 31

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subcontracts, number of contracts and subcontracts, minority 1 status, industry, and any conditions or circumstances that 2 3 significantly affected the performance of subcontractors. 4 Agencies shall report their compliance with the requirements 5 of this reporting system at least annually and at the request of the office. All agencies shall cooperate with the office in 6 7 establishing this reporting system. Except in construction contracting, all agencies shall review contracts costing in 8 9 excess of CATEGORY FOUR as defined in s. 287.017 to determine if such contracts could be divided into smaller contracts to 10 be separately solicited bid and awarded, and shall, when 11 12 economical, offer such smaller contracts to encourage minority 13 participation.

2. To report agency compliance with the provisions of subparagraph 1. for the preceding fiscal year to the Governor and Cabinet, the President of the Senate, the Speaker of the House of Representatives, and the secretary of the Department of Labor and Employment Security on or before February 1 of each year. The report must contain, at a minimum, the following:

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a. Total expenditures of each agency by industry.

b. The dollar amount and percentage of contracts
awarded to certified minority business enterprises by each
state agency.

c. The dollar amount and percentage of contracts
awarded indirectly to certified minority business enterprises
as subcontractors by each state agency.

d. The total dollar amount and percentage of contracts
awarded to certified minority business enterprises, whether
directly or indirectly, as subcontractors.

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1 e. A statement and assessment of good faith efforts 2 taken by each state agency. 3 f. A status report of agency compliance with 4 subsection (6), as determined by the Minority Business 5 Enterprise Office. 6 (5) 7 If Should the proposed procurement proceeds (d) 8 proceed to competitive solicitation bidding, the office is 9 hereby granted standing to protest, pursuant to this section, in a timely manner, any contract award during in competitive 10 solicitation bidding for contractual services and construction 11 contracts that fail to include minority business enterprise 12 13 participation, if any responsible and responsive vendor 14 responding bidder has demonstrated the ability to achieve any 15 level of participation, or, any contract award for commodities where, a reasonable and economical opportunity to reserve a 16 17 contract, statewide or district level, for minority 18 participation was not executed or, an agency failed to adopt 19 an applicable preference for minority participation. The bond 20 requirement shall be waived for the office purposes of this 21 subsection. 22 (e) An agency may presume that a vendor bidder 23 offering no minority participation has not made a good faith effort when other vendors bidders offer minority participation 24 of firms listed as relevant to the agency's purchasing needs 25 26 in the pertinent locality or statewide to complete the 27 project. Section 27. Subsection (3) is added to section 28 29 287.095, Florida Statutes, to read: 30 287.095 Department of Corrections; prison industry 31 programs.--71

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(3) All products offered for purchase to a state 1 2 agency by the corporation organized under chapter 946 shall be 3 produced in majority part by inmate labor, except for products 4 not made by inmates which products are contractually allied to 5 products made by inmates which are offered by the corporation, provided the value of the products not made by inmates do not б 7 exceed 2 percent of the total sales of the corporation in any 8 year. 9 Section 28. Section 287.121, Florida Statutes, is 10 repealed. Section 29. Paragraph (g) of subsection (1), 11 12 subsection (2), and paragraphs (a) and (d) of subsection (3) of section 287.133, Florida Statutes, are amended to read: 13 14 287.133 Public entity crime; denial or revocation of 15 the right to transact business with public entities .--16 (1) As used in this section: "Public entity crime" means a violation of any 17 (q) state or federal law by a person with respect to and directly 18 19 related to the transaction of business with any public entity or with an agency or political subdivision of any other state 20 or with the United States, including, but not limited to, any 21 bid, proposal, reply, or contract for goods or services, any 22 23 lease for real property, or any contract for the construction or repair of a public building or public work, involving 24 antitrust, fraud, theft, bribery, collusion, racketeering, 25 26 conspiracy, or material misrepresentation. (2)(a) A person or affiliate who has been placed on 27 the convicted vendor list following a conviction for a public 28 29 entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity;7 30 may not submit a bid, proposal, or reply on a contract with a 31 72

public entity for the construction or repair of a public 1 building or public work; may not submit bids, proposals, or 2 3 replies on leases of real property to a public entity; may 4 not be awarded or perform work as a contractor, supplier, 5 subcontractor, or consultant under a contract with any public 6 entity; - and may not transact business with any public entity 7 in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months following from the date 8 9 of being placed on the convicted vendor list.

(b) A No public entity may not shall accept any bid, 10 proposal, or reply from, award any contract to, or transact 11 any business in excess of the threshold amount provided in s. 12 287.017 for CATEGORY TWO with any person or affiliate on the 13 14 convicted vendor list for a period of 36 months following from the date that person or affiliate was placed on the convicted 15 vendor list unless that person or affiliate has been removed 16 from the list pursuant to paragraph (3)(f). A No public 17 entity that which was transacting business with a person at 18 19 the time of the commission of a public entity crime resulting 20 which resulted in that person being placed on the convicted vendor list may not shall accept any bid, proposal, or reply 21 from, award any contract to, or transact any business with any 22 23 other person who is under the same, or substantially the same, control as the person whose name appears on the convicted 24 25 vendor list so long as that person's name appears on the 26 convicted vendor list. (3)(a) All invitations to bid as defined by s. 27 28 287.012(11), requests for proposals as defined by s.

29 287.012(15), and invitations to negotiate, as defined in s.
30 287.012, and any contract document described by s. 287.058

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shall contain a statement informing persons of the provisions
 of paragraph (2)(a).

(d) The department shall maintain a list of the names 3 4 and addresses of those who have been disqualified from the 5 public contracting and purchasing process under this section. 6 The department shall publish an initial list on January 1, 7 1990, and shall publish an updated version of the list quarterly thereafter. The initial list and revised quarterly 8 9 lists shall be electronically posted published in the Florida Administrative Weekly. Notwithstanding this paragraph, a 10 person or affiliate disqualified from the public contracting 11 and purchasing process pursuant to this section shall be 12 disqualified as of the date the final order is entered. 13

Section 30. Subsection (2) and paragraphs (a) and (c) of subsection (3) of section 287.134, Florida Statutes, are amended to read:

17 287.134 Discrimination; denial or revocation of the18 right to transact business with public entities.--

19 (2)(a) An entity or affiliate who has been placed on 20 the discriminatory vendor list may not submit a bid, proposal, 21 or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a 22 contract with a public entity for the construction or repair 23 of a public building or public work; may not submit bids, 24 25 proposals, or replies on leases of real property to a public 26 entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with 27 28 any public entity; - and may not transact business with any 29 public entity.

30 (b) <u>A</u> No public entity <u>may not</u> shall accept any bid,
31 proposals, or replies from, award any contract to, or transact

any business with any entity or affiliate on the 1 2 discriminatory vendor list for a period of 36 months following 3 from the date that entity or affiliate was placed on the 4 discriminatory vendor list unless that entity or affiliate has 5 been removed from the list pursuant to paragraph (3)(f). A No public entity that which was transacting business with an 6 7 entity at the time of the discrimination resulting which resulted in that entity being placed on the discriminatory 8 9 vendor list may not shall accept any bid, proposal, or reply from, award any contract to, or transact any business with any 10 other entity who is under the same, or substantially the same, 11 12 control as the entity whose name appears on the discriminatory vendor list so long as that entity's name appears on the 13 14 discriminatory vendor list. (3)(a) All invitations to bid, as defined by s. 15 287.012(11), requests for proposals, as defined by s. 16

17 287.012(15), and invitations to negotiate, as defined by s.
18 287.012, and any written contract document of the state must
19 shall contain a statement informing entities of the provisions
20 of paragraph (2)(a).

21 (c) The department shall maintain a list of the names 22 and addresses of any entity which has been disqualified from 23 the public contracting and purchasing process under this section. The department shall publish an initial list on 24 January 1, 2001, and shall publish an updated version of the 25 list quarterly thereafter. The initial list and revised 26 27 quarterly lists shall be electronically posted published in the Florida Administrative Weekly. Notwithstanding this 28 29 paragraph, an entity or affiliate disqualified from the public contracting and purchasing process pursuant to this section 30 31

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shall be disqualified as of the date the final order is 1 2 entered. 3 Section 31. Section 287.1345, Florida Statutes, is 4 amended to read: 5 287.1345 Surcharge on users of state term contracts; 6 deposit of proceeds collected. -- The department of Management 7 Services may impose a surcharge upon users of state term 8 contracts in order to fund the costs, including overhead, of 9 its procurement function. The department may provide for the state term contract vendor to collect the surcharge or 10 directly collect the fee from the public agency or eligible 11 12 user involved. For the purpose of compensating vendors for expenses incurred in collecting such fees, the department may 13 14 authorize a vendor to retain a portion of the fees. The vendor may withhold the portion retained from the amount of 15 16 fees to be remitted to the department. The department may 17 negotiate the retainage as a percentage of such fees charged to users, as a flat amount, or as any other method the 18 19 department deems feasible. Vendors shall maintain accurate sales summaries for purchases made from state term contracts 20 and shall provide the summaries to the department on a 21 22 quarterly basis. Any contract remedies relating to the 23 collection of such fees from users through vendors are enforceable, including, but not limited to, liquidated 24 damages, late fees, and the costs of collection, including 25 26 attorney's fees. The fees collected pursuant to this section shall be deposited into the Grants and Donations Trust Fund of 27 the department and are subject to appropriation as provided by 28 29 The Executive Office of the Governor may exempt law. transactions from the payment of the surcharge if payment of 30 such surcharge would cause the state, a political subdivision, 31

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or unit of local government to lose federal funds or in other 1 cases where such exemption is in the public interest. 2 The fees collected pursuant to this section and interest income on 3 such fees shall not be deemed to be income of a revenue nature 4 5 for purposes of chapter 215. Section 32. Section 373.610, Florida Statutes, is б 7 amended to read: 373.610 Defaulting vendors and contractors.--The 8 9 district may suspend a contractor on a temporary or permanent basis from doing work with the district if such contractor has 10 materially breached its contract with the district. The 11 12 district shall adopt rules to administer the provisions of this section to specify the circumstances and conditions that 13 14 constitute a materially breached contract and conditions that 15 constitute the period for temporary or permanent suspension and for reinstatement. 16 17 Section 33. Section 373.611, Florida Statutes, is 18 amended to read: 19 373.611 Modification or limitation of remedy.--In 20 order to promote the cost-effective procurement of commodities and contractual services by the water management districts, a 21 22 district may enter into contracts to limit or alter the 23 measure of damages recoverable from a vendor or contractor by 24 a district when procuring commodities or contractual services, consistent with the provisions contained in s. 672.719. 25 26 Section 34. Subsection (3) of section 394.457, Florida Statutes, is amended to read: 27 394.457 Operation and administration .--28 29 (3) POWER TO CONTRACT. -- The department may contract to provide, and be provided with, services and facilities in 30 order to carry out its responsibilities under this part with 31 77 CODING: Words stricken are deletions; words underlined are additions.

the following agencies: public and private hospitals; 1 receiving and treatment facilities; clinics; laboratories; 2 3 departments, divisions, and other units of state government; 4 the state colleges and universities; the community colleges; 5 private colleges and universities; counties, municipalities, and any other governmental unit, including facilities of the 6 7 United States Government; and any other public or private entity which provides or needs facilities or services. Baker 8 9 Act funds for community inpatient, crisis stabilization, short-term residential treatment, and screening services must 10 be allocated to each county pursuant to the department's 11 12 funding allocation methodology. Notwithstanding the provisions of s. 287.057(5)(f)s. 287.057(4)(f), contracts for 13 14 community-based Baker Act services for inpatient, crisis 15 stabilization, short-term residential treatment, and screening provided under this part, other than those with other units of 16 17 government, to be provided for the department must be awarded using competitive sealed bids when the county commission of 18 19 the county receiving the services makes a request to the department's district office by January 15 of the contracting 20 year. The district shall not enter into a competitively bid 21 contract under this provision if such action will result in 22 23 increases of state or local expenditures for Baker Act services within the district. Contracts for these Baker Act 24 services using competitive sealed bids will be effective for 3 25 26 years. Services contracted for by the department may be 27 reimbursed by the state at a rate up to 100 percent. The department shall adopt rules establishing minimum standards 28 29 for such contracted services and facilities and shall make periodic audits and inspections to assure that the contracted 30 31

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services are provided and meet the standards of the 1 2 department. 3 Section 35. Paragraph (a) of subsection (1) of section 4 394.47865, Florida Statutes, is amended to read: 5 394.47865 South Florida State Hospital; 6 privatization.--7 (1) The Department of Children and Family Services 8 shall, through a request for proposals, privatize South 9 Florida State Hospital. The department shall plan to begin 10 implementation of this privatization initiative by July 1, 11 1998. 12 (a) Notwithstanding s. 287.057(14)s. 287.057(13), the department may enter into agreements, not to exceed 20 years, 13 14 with a private provider, a coalition of providers, or another agency to finance, design, and construct a treatment facility 15 16 having up to 350 beds and to operate all aspects of daily 17 operations within the facility. The department may subcontract 18 any or all components of this procurement to a statutorily 19 established state governmental entity that has successfully contracted with private companies for designing, financing, 20 acquiring, leasing, constructing, and operating major 21 22 privatized state facilities. 23 Section 36. Subsections (1) and (5) of section 402.73, Florida Statutes, are amended to read: 24 402.73 Contracting and performance standards.--25 26 The Department of Children and Family Services (1)shall establish performance standards for all contracted 27 28 client services. Notwithstanding s. 287.057(5)(f)s. 29 $\frac{287.057(4)(f)}{f}$, the department must competitively procure any contract for client services when any of the following occurs: 30 31 79

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(a) The provider fails to meet appropriate performance
 standards established by the department after the provider has
 been given a reasonable opportunity to achieve the established
 standards.

5 (b) A new program or service has been authorized and 6 funded by the Legislature and the annual value of the contract 7 for such program or service is \$300,000 or more.

8 (c) The department has concluded, after reviewing 9 market prices and available treatment options, that there is evidence that the department can improve the performance 10 outcomes produced by its contract resources. At a minimum, the 11 12 department shall review market prices and available treatment 13 options biennially. The department shall compile the results 14 of the biennial review and include the results in its annual 15 performance report to the Legislature pursuant to chapter 94-249, Laws of Florida. The department shall provide notice 16 17 and an opportunity for public comment on its review of market prices and available treatment options. 18

19 (5) When it is in the best interest of a defined 20 segment of its consumer population, the department may competitively procure and contract for systems of treatment or 21 22 service that involve multiple providers, rather than procuring 23 and contracting for treatment or services separately from each participating provider. The department must ensure that all 24 providers that participate in the treatment or service system 25 26 meet all applicable statutory, regulatory, service-quality, 27 and cost-control requirements. If other governmental entities or units of special purpose government contribute matching 28 29 funds to the support of a given system of treatment or service, the department shall formally request information 30 from those funding entities in the procurement process and may 31

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take the information received into account in the selection 1 2 process. If a local government contributes match to support 3 the system of treatment or contracted service and if the match 4 constitutes at least 25 percent of the value of the contract, 5 the department shall afford the governmental match contributor an opportunity to name an employee as one of the persons to б 7 the selection team required by s. 287.057(17) to evaluate or negotiate certain contracts, unless the department sets forth 8 in writing the reason why such inclusion would be contrary to 9 the best interest of the state s. 287.057(15). Any employee so 10 named by the governmental match contributor shall qualify as 11 12 one of the persons employees required by s. 287.057(17)s. 287.057(15). The selection team shall include the named 13 14 employee unless the department sets forth in writing the 15 reason such inclusion would be contrary to the best interests 16 of the state. No governmental entity or unit of special 17 purpose government may name an employee as one of the persons required by s. 287.057(17) to the selection team if it, or any 18 19 of its political subdivisions, executive agencies, or special districts, intends to compete for the contract to be awarded. 20 The governmental funding entity or match contributor shall 21 22 comply with any deadlines and procurement procedures 23 established by the department. The department may also involve nongovernmental funding entities in the procurement process 24 25 when appropriate. 26 Section 37. Subsection (2) of section 408.045, Florida 27 Statutes, is amended to read: 28 408.045 Certificate of need; competitive sealed 29 proposals.--(2) The agency shall make a decision regarding the 30 issuance of the certificate of need in accordance with the 31 81 CODING: Words stricken are deletions; words underlined are additions.

provisions of s. 287.057(17)s. 287.057(15), rules adopted by 1 the agency relating to intermediate care facilities for the 2 3 developmentally disabled, and the criteria in s. 408.035, as 4 further defined by rule. 5 Section 38. Subsection (2) of section 413.033, Florida 6 Statutes, is amended to read: 7 413.033 Definitions.--As used in ss. 413.032-413.037: 8 (2) "Other severely handicapped" and "severely 9 handicapped individuals" mean an individual or class of individuals under a physical or mental disability other than 10 blindness, which, according to criteria established by the 11 12 department commission created in s. 413.034, after consultation with appropriate entities of the state and taking 13 14 into account the views of nongovernmental entities representing the handicapped, constitutes a substantial 15 handicap to employment and is of such a nature as to prevent 16 17 the individual under such disability from currently engaging in normal competitive employment. 18 19 Section 39. Section 413.035, Florida Statutes, is 20 amended to read: 21 413.035 Duties and powers of the department 22 commission.--23 (1) It shall be the duty of the department commission to determine the market price of all products and services 24 offered for sale to the various agencies of the state by any 25 26 qualified nonprofit agency for the blind or other severely handicapped. The price shall recover for the nonprofit agency 27 the cost of raw materials, labor, overhead, and delivery, but 28 29 without profit, and shall be revised from time to time in accordance with changing cost factors. The department 30 commission shall make such rules and regulations regarding 31 82

specifications, time of delivery, and assignment of products 1 2 and services to be supplied by nonprofit agencies for the 3 blind or by agencies for the other severely handicapped, with 4 priority for assignment of products to agencies for the blind, 5 authorization of a central nonprofit agency to facilitate the allocation of orders among qualified nonprofit agencies for 6 7 the blind, authorization of a central nonprofit agency to 8 facilitate the allocation of orders among qualified nonprofit 9 agencies for other severely handicapped, and other relevant matters of procedure as shall be necessary to carry out the 10 purposes of this act. The department commission shall 11 12 authorize the purchase of products and services elsewhere when 13 requisitions cannot reasonably be complied with through the 14 nonprofit agencies for the blind and other severely 15 handicapped. (2) The department commission shall establish and 16 17 publish a list of products and services provided by any qualified nonprofit agency for the blind and any nonprofit 18 19 agency for the other severely handicapped, which the 20 department commission determines are suitable for procurement by agencies of the state pursuant to this act. This 21 procurement list and revision thereof shall be distributed to 22 23 all purchasing officers of the state and its political subdivisions. All products offered for purchase to a state 24 agency by a qualified nonprofit agency shall have significant 25

26 value added by blind or severely handicapped persons, as 27 determined by the department.

28 Section 40. Section 413.036, Florida Statutes, is 29 amended to read: 30 413.036 Procurement of services by agencies; authority 31 of department commission.--

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(1) If any agency intends to procure any product or 1 2 service on the procurement list, that agency shall, in 3 accordance with rules and regulations of the department 4 commission, procure such product or service at the price 5 established by the department commission from a qualified nonprofit agency for the blind or for the other severely 6 7 handicapped if the product or service is available within a 8 reasonable delivery time. This act shall not apply in any 9 case in which products or services are available for procurement from any agency of the state and procurement 10 therefrom is required under the provision of any law currently 11 12 in effect. However, this act shall have precedence over any 13 law requiring state agency procurement of products or services 14 from any other nonprofit corporation unless such precedence is 15 waived by the department commission in accordance with its 16 rules. 17 (2) The provisions of part I of chapter 287 do not apply to any purchase of commodities or contractual services 18 19 made by any legislative, executive, or judicial agency of the 20 state from a qualified nonprofit agency for the blind or for 21 the other severely handicapped. 22 (3) If, pursuant to a contract between any 23 legislative, executive, or judicial agency of the state and any private contract vendor, a product or service is required 24 by the Department of Management Services or on behalf of any 25 26 state agency that is included on the procurement list established by the commission pursuant to s. 413.035(2), the 27 contract must contain the following language: 28 29 "IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, 30 THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR 31 84

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THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED 1 PURSUANT TO CHAPTER 413, FLORIDA STATUTES, IN THE SAME MANNER 2 3 AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) 4 AND (2), FLORIDA STATUTES; AND FOR PURPOSES OF THIS CONTRACT 5 THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE 6 PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED 7 FOR THE STATE AGENCY INSOFAR AS DEALINGS WITH SUCH QUALIFIED 8 NONPROFIT AGENCY ARE CONCERNED." 9 (4) No similar product or service of comparable price and quality found necessary for use by any state agency may be 10 purchased from any source other than the nonprofit agency for 11 12 the blind or for the severely handicapped if the nonprofit agency certifies that the product is manufactured or supplied 13 14 by, or the service is provided by, the blind or the severely 15 handicapped and the product or service meets the comparable performance specifications and comparable price and quality 16 17 requirements as determined by the department or an agency. The purchasing authority of any such state agency may make 18 19 reasonable determinations of need, price, and quality with 20 reference to products or services available from the nonprofit 21 agency. 22 Section 41. Section 413.037, Florida Statutes, is 23 amended to read: 413.037 Cooperation with department commission 24 required; duties of state agencies.--25 26 (1) In furtherance of the purposes of this act and in order to contribute to the economy of state government, it is 27 28 the intent of the Legislature that there be close cooperation 29 between the department commission and any agency of the state from which procurement of products or services is required 30 under the provision of any law currently in effect. 31 The 85

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department commission and any such agency of the state are 1 2 authorized to enter into such contractual agreements, 3 cooperative working relationships, or other arrangements as 4 may be determined to be necessary for effective coordination 5 and efficient realization of the objectives of this act and any other law requiring procurement of products or services 6 7 from any agency of the state. (2) The department commission may secure directly from 8 9 any agency of the state information necessary to enable it to 10 carry out this act. Upon request of the department chair of the commission, the head of the agency shall furnish such 11 12 information to the department commission. (3) Space shall be set aside in the State Capitol for 13 14 the purpose of exhibiting products produced by clients of rehabilitation-oriented agencies of the state. 15 Section 42. Paragraph (c) of subsection (5) of section 16 17 445.024, Florida Statutes, is amended to read: 445.024 Work requirements .--18 19 (5) USE OF CONTRACTS. -- Regional workforce boards shall 20 provide work activities, training, and other services, as 21 appropriate, through contracts. In contracting for work activities, training, or services, the following applies: 22 23 (c) Notwithstanding the exemption from the competitive sealed bid requirements provided in s. 287.057(5)(f) s. 24 287.057(4)(f) for certain contractual services, each contract 25 26 awarded under this chapter must be awarded on the basis of a 27 competitive sealed bid, except for a contract with a governmental entity as determined by the regional workforce 28 29 board. Section 43. Paragraph (d) of subsection (2) of section 30 455.2177, Florida Statutes, is amended to read: 31 86

HB 1977, Second Engrossed 2002 Legislature 455.2177 Monitoring of compliance with continuing education requirements. --(2) If the compliance monitoring system required under this section is privatized, the following provisions apply: (d) Upon the failure of a vendor to meet its obligations under a contract as provided in paragraph (a), the department may suspend the contract and enter into an emergency contract under s. 287.057(5)s. 287.057(4). Section 44. Section 413.034, Florida Statutes, is repealed. Section 45. This act shall take effect July 1, 2002.