CHAMBER ACTION

<u>Senate</u> <u>House</u>

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Representative(s) Kottkamp offered the following:

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Substitute Amendment for Amendment (667579) (with title amendment)

Remove lines 142 through 270 and insert:

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(3) The provisions of this act shall not be required to apply to:

(a) Procurements of commodities and contractual services:

- 1. Listed in s. 287.057(5)(e), (f), and (g) and (22).
- 2. Subject to s. 287.055.
- (b) Contracts in support of the planning, development, implementation, operation, or maintenance of the road, bridge, and public transportation construction program of the Department of Transportation.

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- (4) Only the provisions of ss. 287.0571-287.0576, 287.058, and section 13 of this act shall apply to procurements governed by the provisions of HB 1827 or SB 1476, 2005 Regular Session of the Legislature, or similar legislation, if adopted in the same legislative session or an extension thereof and enacted into law.
- Section 3. Section 287.0573, Florida Statutes, is created to read:
 - 287.0573 Definitions. -- For the purposes of this act:
 - (1) "Center" means the Center for Efficient Government.
- (2) "Centralized gate process" means the system of review phases for a proposed procurement of contractual services, the conclusion of each phase being a "gate" or decision point at which the commission determines whether the procurement under consideration may proceed to the next phase.
- (3) "Commission" means the Commission on Efficient Government.
- Section 4. Section 287.0574, Florida Statutes, is created to read:
- <u>287.0574 Criteria for procurement of contractual</u> services.--
- (1) The agency must include with its final legislative budget request the business cases for procurements for contractual services that the agency proposes in the fiscal year for which the final legislative budget request is submitted, in the manner and form prescribed in the legislative budget request instructions pursuant to s. 216.023.

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- (2) When compared to the cost and quality of service performed by state employees, an agency may procure a contractual service currently or previously provided by state employees only if, upon full implementation of a procurement, it:
- (a) Results in reasonable cost savings while maintaining at least the same quality of service;
- (b) Reasonably increases the quality of service while not exceeding the same level of cost; or
- (c) Significantly increases measurable outputs and quality while minimally increasing costs, at levels and percentages proposed by the procuring agency and approved in writing in advance of the procurement by the commission. Only projects with an annual cost below \$10 million in each fiscal year may meet this criterion. This paragraph shall expire on July 1, 2006.
- Section 5. Section 287.0575, Florida Statutes, is created to read:
- 287.0575 Commission on Efficient Government; membership; duties; Center for Efficient Government; duties.--
- (1) The Commission on Efficient Government is created within the Department of Management Services to oversee the Center for Efficient Government and carry out the responsibilities specified in this section.
- (a) The commission shall consist of seven members appointed by the Governor:
- 1. Four members shall be heads of executive branch agencies.

- 2. Three members shall be from the private sector and, collectively, shall have experience with procurement, successfully increasing operational efficiency, and implementing complex projects in the private sector business environment. No private sector member of the commission may at any time during his or her appointment to the commission be registered to lobby the executive or legislative branch.
- (b) By August 1, 2005, the Governor shall appoint two private sector members and two agency heads for terms of 3 years and one private sector member and two agency heads for terms of 4 years. Thereafter, each member shall serve for a term of 4 years. The private sector members shall serve without compensation but shall be entitled to reimbursement for per diem and travel expenses pursuant to s. 112.061.
- (c) No member of the commission shall participate in commission review of a procurement when his or her agency is conducting the procurement or, in the case of a private sector member, he or she has a business relationship with an entity that is involved or could potentially be involved in the procurement.
- (d) The members of the commission may not delegate their membership to a designee.
- (e) A quorum shall consist of at least four members, including at least two private-sector members. At least one private-sector member must vote on the prevailing side for commission action to take effect.

- (f) Any vacancy on the commission shall be filled in the same manner as the original appointment, and any member appointed to fill a vacancy occurring for a reason other than the expiration of a term shall serve only for the unexpired term of the member's predecessor.
- (g) At the first meeting of the commission after August 1, 2005, the members of the commission shall elect, by majority vote of those in attendance, a member to serve as chair of the commission. No later than September 1 of each succeeding year, the commission shall elect a new chair.
 - (h) The commission shall:
 - 1. Oversee the Center for Efficient Government.
 - 2. Adopt the centralized gate process.
- 3. Review, evaluate, grant approval of, withhold approval of, or deny approval of a proposed procurement at each gate established within the centralized gate process. The commission shall adopt rules regarding the procurements that must pass through the centralized gate process. Such procurements shall include, at a minimum, those subject to the requirements of s. 287.0576(1).
- 4. Approve templates and guidelines and adopt rules prescribing standards and procedures for use by agencies during the procurement process which shall, at a minimum, include the requirements under ss. 287.0576-287.0577 for procurements of contractual services.
- 5. Implement a plan for providing information and documentation to the Legislature and the Governor on behalf of

123	agencies and in compliance with the provisions of this chapter.
124	The plan shall include, at a minimum, providing copies of
125	documents to be reviewed by the commission to the President of
126	the Senate, the Speaker of the House of Representatives, the
127	Governor, and the chairs of the relevant appropriations and
128	substantive legislative committees at least 14 days prior to the
129	meeting of the commission at which the proposed procurement will
130	be discussed.

- 6. Review the performance of procurements which have advanced through the full centralized gate process.
- (2) The Center for Efficient Government is created in the department to establish and promote best business practices so that the delivery of services to citizens of the state are provided in the most effective and cost-efficient manner possible. The secretary of the department shall appoint a director of the center. The duties and responsibilities of the center are:
- (a) Recommending and implementing a centralized gate process for reviewing and evaluating, and granting, withholding, or denying approval of, agency

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HOUSE AMENDMENT

Bill No. HB 1835 CS

Amendment No. (for drafter's use only)

149	procurement of contractual services by an agency;
150	requiring an agency to include with its final legislative
151	budget request the business cases for specified
152	procurements; creating

484137