

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 211
SPONSOR(S): Machek
TIED BILLS:

Special Districts

IDEN./SIM. BILLS:

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR |
|--|-----------------|--------------|----------------|
| 1) <u>Committee on Urban & Local Affairs</u> | <u>7 Y, 0 N</u> | <u>Fudge</u> | <u>Kruse</u> |
| 2) <u>Government Efficiency & Accountability Council</u> | <u></u> | <u></u> | <u></u> |
| 3) <u></u> | <u></u> | <u></u> | <u></u> |
| 4) <u></u> | <u></u> | <u></u> | <u></u> |
| 5) <u></u> | <u></u> | <u></u> | <u></u> |

SUMMARY ANALYSIS

A special district has only those powers expressly provided by, or which can reasonably implied from, the authority provided in the district’s charter. Upon creation, special districts are generally given purchasing authority usually with competitive procurement requirements. To share the cost savings of competitive bidding, the Department of Management Services has designated special districts as eligible users who “may purchase commodities and contractual services from purchasing agreements established and state term contracts procured, pursuant to s. 287.057, by the [DMS].”

This bill authorizes special districts to purchase commodities or contractual services from purchasing agreements of other special districts, municipalities, or counties that were competitively procured in compliance with general law. The bill would allow special districts to avoid the time and expense of a competitive bid process for goods and services previously procured by other local governments.

This bill is effective upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Ensure lower taxes – This bill may ensure lower taxes by reducing procurement costs for special districts.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

A special district is a “local unit of special purpose, as opposed to general-purpose, government within a limited boundary, created by general law, special act, local ordinance, or by rule of the Governor and Cabinet.”¹ A special district has only those powers expressly provided by, or which can reasonably implied from, the authority provided in the district’s charter.

Upon creation, special districts are generally given purchasing authority usually with competitive procurement requirements. To share the cost savings of competitive bidding, the Department of Management Services (“DMS”) has designated special districts as eligible users² who “may purchase commodities and contractual services from purchasing agreements established and state term contracts procured, pursuant to s. 287.057, by the [DMS].”³

Effect of Proposed Changes

The bill authorizes special districts to purchase commodities or contractual services from purchasing agreements of other special districts, municipalities, or counties that were competitively procured in compliance with general law. The bill would allow special districts to avoid the time and expense of a competitive bid process for goods and services previously procured by other local governments.

C. SECTION DIRECTORY:

Section 1: Creates section 189.4221, F.S. authorizing special districts to purchase commodities or contractual services from purchasing agreements of other special districts, municipalities, or counties that were competitively procured in compliance with general law.

Section 2: Provides an effective date of upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

¹ Section 189.403(1), F.S.

² Rule 60A-1.005, F.A.C., defines “eligible users” as “all governmental agencies, as defined in Section 163.3164, F.S., which have a physical presence within the state of Florida.

³ Section 287.056(1), F.S.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

The bill may reduce the procurement costs for certain goods and services.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not appear to: require cities or counties to spend funds or take an action requiring expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

No sponsor statement received.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES