

HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS

BILL #: CS/CS/SB 1314

FINAL HOUSE FLOOR ACTION:
117 Y's 0 N's

SPONSOR: Sen. Alexander

GOVERNOR'S ACTION: Approved

COMPANION BILLS: N/A

SUMMARY ANALYSIS

CS/CS/SB 1314 passed the House on May 7, 2011. The bill was approved by the Governor on May 26, 2011, chapter 2011-45, Laws of Florida, and becomes effective July 1, 2011, and applies to initial contracts and agreements, amendments to a contract or agreement, and extensions or renewals of a contract or agreement, which are executed on or after that date.

This budget conforming bill increases agency accountability with respect to its contracting actions. There is no House companion bill.

Specifically, the bill:

- Defines a new appropriation category "Lease or Lease/Purchase of Equipment" for the Legislature to better track expenditures;
- Requires each state agency to provide certain contract information in its Legislative Budget Request for each contract in which the consideration to be paid to the agency is a percentage of the vendor revenue and in excess of \$10 million under the contract period; and
- Requires state agencies to identify the specific appropriation in the contract that will be used to make payment for the first year of a contract in excess of \$5 million, unless the Legislature specifically authorizes otherwise.

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Amends s. 216.011, F.S., to provide a definition of a new appropriation category: "Lease or lease-purchase of equipment" means the appropriation category used to fund the lease or lease/purchase of equipment, fixtures, and other tangible personal property.

The bill also amends s. 216.023, F.S., to require each state agency to provide certain contract information in its Legislative Budget Request for each contract in which the consideration to be paid to the agency is a percentage of the vendor revenue and in excess of \$10 million under the contract period. Such information includes, but is not limited to, the vendor name, a brief description of services, the contract term, the expected revenue, the remaining value of capital improvements, and any state appropriations.

Finally, the bill creates s. 216.313, F.S., to require state agencies to identify the specific appropriation in the contract that will be used to make payment for the first year of a contract in excess of \$5 million, unless the Legislature specifically authorizes otherwise.

The Senate passed the bill 37-0 on May 6, 2011, and the House of Representatives passed the bill 117-0 on May 7, 2011.

The bill was approved by the Governor on May 26, 2011, chapter 2011-45, Laws of Florida, and becomes effective July 1, 2011, and applies to initial contracts and agreements, amendments to a contract or agreement, and extensions or renewals of a contract or agreement which are executed on or after that date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector.