

By the Committee on Budget

576-03490-11

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1                                   A bill to be entitled  
2           An act relating to the Citizens Property Insurance  
3           Corporation; repealing s. 627.351(6)(e) and (f), F.S.,  
4           relating to the procurement of goods and services by  
5           the corporation; creating s. 627.3514, F.S.; providing  
6           standards for procurements by Citizens Property  
7           Insurance Corporation; providing legislative intent;  
8           providing definitions; providing general purchasing  
9           rules for the procurement of goods or services by the  
10          Citizens Property Insurance Corporation; requiring the  
11          corporation's legal department and purchasing  
12          department to jointly prepare a contract for the  
13          procurement of goods or services; requiring the legal  
14          department to review and approve a contract before it  
15          is executed; providing that certain procurements of  
16          goods or services are subject to competitive  
17          solicitation; providing that a public bid opening is  
18          not required except under certain circumstances;  
19          requiring a competitive solicitation to include a  
20          contract term; requiring the corporation's purchasing  
21          department to coordinate and manage the competitive  
22          solicitation process; providing for the use of four  
23          methods for the competitive solicitation process;  
24          requiring the business unit to provide certain  
25          information in order for the purchasing department to  
26          initiate the competitive solicitation process;  
27          requiring the corporation to create a process for the  
28          evaluation of vendor proposals appropriate for the  
29          goods or services being procured and to coordinate the

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30 receipt and evaluation of responses to the competitive  
31 solicitation; requiring the corporation to give public  
32 notice of a competitive solicitation by electronically  
33 posting the competitive solicitation on its website  
34 and the state's procurement website; prohibiting  
35 certain persons from communicating with any member of  
36 the board or employee of Citizens Property Insurance  
37 Corporation, or with any public official, officer, or  
38 employee of the executive or legislative branch of  
39 government, concerning any aspect of the solicitation;  
40 providing a procedure for breaking a tie between two  
41 vendors in the competitive solicitation process;  
42 requiring the redaction of certain confidential and  
43 exempt information in a vendor's bid; requiring the  
44 corporation to post a copy of each contract executed  
45 on its website for certain contracts executed on or  
46 after a specified date; authorizing a respondent to a  
47 competitive solicitation to appeal the award of  
48 certain contracts of more than a specified amount by  
49 the corporation's board; requiring the corporation's  
50 board to hear an appeal at a publicly noticed meeting  
51 conducted according to appeal procedures established  
52 by the board; authorizing a respondent to a  
53 competitive solicitation to appeal the award of a  
54 contract having a value at or above a specified amount  
55 and less than a specified amount according to appeal  
56 procedures established by the board; providing that  
57 such appeals are not required to be heard by the  
58 board; authorizing certain exemptions from the

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59 competitive solicitation process; requiring the  
60 corporation's purchasing policy to address procurement  
61 issues regarding conflicts of interest and to include  
62 procedures for protecting against any conflict of  
63 interest by Citizens' board members and employees and  
64 other expert consultants who are acting as an  
65 evaluator in the purchasing process; requiring the  
66 corporation to strive to increase business with  
67 minority business enterprises; requiring the director  
68 of purchasing to certify a business as a minority  
69 business enterprise upon review and evaluation of  
70 evidence provided by the business; requiring the  
71 corporation to strive to increase business with  
72 Florida small business enterprises by providing  
73 education and outreach to Florida small business  
74 enterprises regarding business opportunities with the  
75 corporation; authorizing the corporation to use the  
76 status of a business as a Florida small business  
77 enterprise as a vendor-evaluation criterion in the  
78 procurement of goods or services; requiring the  
79 director of the corporation's purchasing department to  
80 certify a business as a Florida small business  
81 enterprise upon review and evaluation of evidence  
82 provided by the entity; authorizing the corporation to  
83 use the status of a business as a Florida business  
84 enterprise as a vendor-evaluation criterion in the  
85 procurement of goods or services; requiring the  
86 corporation to verify the status of a Florida business  
87 enterprise; requiring the corporation's board to

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88 annually review and adopt the purchasing policy for  
89 the corporation; requiring the corporation's board to  
90 submit a copy of the purchasing policy to the Office  
91 of Insurance Regulation; requiring the Auditor General  
92 to have access to the corporation's procurement  
93 documents and related materials; requiring the  
94 documents and materials held by the Auditor General to  
95 remain confidential; amending s. 838.014, F.S.;  
96 including a board member or an employee of the  
97 corporation within the definition of the term "public  
98 servant" as it relates to the crime of bribery and the  
99 misuse of public office; providing an effective date.

100  
101 Be It Enacted by the Legislature of the State of Florida:

102  
103 Section 1. Paragraphs (e) and (f) of subsection (6) of  
104 section 627.351, Florida Statutes, are repealed.

105 Section 2. Section 627.3514, Florida Statutes, is created  
106 to read:

107 627.3514 Standards for procurement by Citizens Property  
108 Insurance Corporation.-

109 (1) LEGISLATIVE INTENT.-It is the intent of the Legislature  
110 that Citizens Property Insurance Corporation, hereinafter  
111 "Citizens," maintain a transparent, accountable, and competitive  
112 procurement process to ensure public confidence in the process  
113 by which goods and services are procured.

114 (2) DEFINITIONS.-As used in this section, the term:

115 (a) "Bid" means an offer submitted by a vendor in response  
116 to a competitive solicitation.

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117 (b) "Board" means the Citizens' board of governors  
118 appointed pursuant to s. 627.351(6).

119 (c) "Competitive solicitation" means an invitation to bid,  
120 a request for proposal, an invitation to negotiate, or a reverse  
121 auction.

122 (d) "Competitive solicitation response" means a bid or  
123 proposal submitted by a vendor in response to a competitive  
124 solicitation.

125 (e) "Contract" means a written agreement between Citizens  
126 and a vendor for the provision of goods or services.

127 (f) "Contract manager" means the individual employed by  
128 Citizens who is responsible for overseeing performance of the  
129 contract terms and conditions, reviewing and validating all  
130 vendor invoices, tracking all expenditures and payments, and  
131 servicing as a liaison with the vendor.

132 (g) "Contract renewal" means an agreement to renew a  
133 contract.

134 (h) "Florida business enterprise" means a business that has  
135 or maintains its primary corporate office or home office within  
136 this state.

137 (i) "Florida small business enterprise" means a business  
138 that meets all of the following criteria:

139 1. Has or maintains its primary corporate office or home  
140 office within this state;

141 2. Is engaged in commercial transactions;

142 3. Has annual gross sales or receipts of less than \$6  
143 million averaged over the past 3 years of the business's actual  
144 existence;

145 4. Has a primary owner who owns 51 percent or more of the

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146 business or its common stock and who has a personal net worth  
147 less than \$750,000, excluding primary personal residence and  
148 stock value of the Florida small business enterprise; and

149 5. Maintains the required licenses and necessary industry  
150 expertise to perform.

151  
152 If the business is a wholly or partially owned subsidiary, the  
153 parent business must also meet the criteria of subparagraphs 1.-  
154 5.

155 (j) "Goods" mean all tangible or movable property or  
156 things, including software, which are purchased or leased. The  
157 term does not include investment securities, insurance, loans,  
158 credit, trust indentures, or financial service providers or  
159 underwriters provided for in s. 627.3513, whether or not  
160 evidenced by a physical certificate or contract.

161 (k) "Informal bid" or "informal solicitation" means a  
162 written or oral quotation of cost which is documented and  
163 maintained by Citizens.

164 (l) "Invitation to bid" means a written or electronically  
165 posted solicitation for competitive sealed bids.

166 (m) "Invitation to negotiate" means a written or  
167 electronically posted solicitation for competitive sealed  
168 replies to select one or more vendors with which to commence  
169 negotiations for the procurement of commodities or contractual  
170 services.

171 (n) "Minority business enterprise" means a business that  
172 meets all of the following criteria:

173 1. Engages in commercial transactions.

174 2. Is at least 51 percent owned by a minority person, as

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175 defined in s. 288.703, who is a citizen of the United States.

176 3. Is managed and controlled by a minority person, as  
177 defined in s. 288.703, who is a citizen of the United States.

178 (o) "Proposal" means the documents submitted by the vendor  
179 in response to a competitive solicitation to be used as the  
180 basis for entering into a contract.

181 (p) "Request for proposal" means a written or  
182 electronically posted solicitation for competitive sealed  
183 proposals.

184 (q) "Reverse auction" means an online auction process in  
185 which bidders simultaneously submit bids to a company without  
186 knowledge of the amount bid by other participants and, unlike a  
187 typical auction, prices decrease as the bidding process  
188 continues.

189 (r) "Service" means the rendering by a vendor of time and  
190 effort other than the furnishing of specific goods. Services  
191 include, but are not limited to, insurance brokerage services,  
192 evaluations, consultations, maintenance, accounting, security,  
193 management systems, management consulting, educational training  
194 programs, research and development studies or reports, and  
195 professional, technical, and social services. Services do not  
196 include the services provided by insurance agents appointed by  
197 Citizens.

198 (s) "Vendor" means a person or entity that has a contract  
199 with Citizens or that is under consideration for a contract,  
200 including, but not limited to, insurance companies, take-out  
201 companies, insurance agents, adjusting firms, consultants,  
202 independent adjusters, contractors, law firms, and other service  
203 providers. The term also includes any employee, agent, corporate

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204 officer, owner, or person acting on behalf of the vendor, or any  
205 parent or subsidiary corporation of the vendor.

206 (3) GENERAL RULES.—

207 (a) This section applies to the purchase of all goods or  
208 services by Citizens, except:

209 1. Procurements of Citizens' office space, which are  
210 governed by the provisions of chapter 255, except that the  
211 appeal process of subsection (6) applies; and

212 2. Claims payments made directly to an insured, or to a  
213 vendor selected by an insured.

214 (b) Purchases that equal or exceed \$2,500, but that are  
215 less than \$35,000, shall be made by receipt of written quotes,  
216 written record of telephone quotes, or informal bids, whenever  
217 practical. The procurement of goods or services valued at or  
218 over \$35,000 shall be subject to competitive solicitation,  
219 except in situations in which the goods or services are provided  
220 by a sole source or are deemed an emergency purchase, the  
221 services are exempt from competitive solicitation requirements  
222 under s. 287.057(3)(f), the procurement of services is subject  
223 to s. 627.3513, or the procurement is a government contract as  
224 provided in paragraph (7)(e).

225 (c) Purchases of goods or services that have an aggregate  
226 value of at least \$10 million or a duration exceeding 8 years  
227 must be accompanied by a business case analysis before review  
228 and approval by the Citizens' board.

229 (d) Purchases of goods or services valued at or over  
230 \$100,000 are subject to approval by the Citizens' board.

231 (e) Procurement of office space is subject to the  
232 provisions of chapter 255, including provisions governing the

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233 authority to hold title to real property. A public bid opening  
234 of all responding bids is required pursuant to chapter 255.

235 (f) Procurements of goods or services may not be divided or  
236 allocated in order to circumvent the provisions of this section.  
237 The life of the contract, including renewals, must be included  
238 when determining the dollar amount for the procurement method.

239 (g) In addition to any contractual renewal periods, a  
240 contract may be extended for a period not to exceed 6 months  
241 under the same terms and conditions set forth in the initial  
242 contract. There may be only one extension of a contract unless  
243 the failure to meet the criteria set forth in the contract for  
244 completion of the contract is due to events beyond the control  
245 of the vendor.

246 (h) A contract in excess of \$35,000 must have an employee  
247 from the business unit appointed as contract manager.

248 (i) Citizens may:

249 1. Amend an existing contract on terms and costs more  
250 beneficial to Citizens if the terms and costs of the contract  
251 are not extended or increased; or

252 2. Renew a contract under the renewal terms provided by the  
253 contract.

254 (j) Goods or services must not be received before the  
255 issuance of a purchase order or execution of a contract.

256 (k) A Citizens' board member, officer, or employee may not  
257 procure, purchase, or acquire any goods or services or make any  
258 contract in any manner that is not in compliance with this  
259 section.

260 (4) CONTRACT REVIEW.—Citizens' legal department and  
261 purchasing department must jointly prepare any contract for the

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262 procurement of goods or services. The legal department must  
263 review and approve a contract before it is executed.

264 (5) COMPETITIVE SOLICITATION.—

265 (a)1. The procurement of goods or services valued at or  
266 over \$35,000 is subject to competitive solicitation, except in  
267 situations in which the goods or services are exempt from  
268 competitive solicitation requirements as specified in s.  
269 287.057(3) (f). A public bid opening is not required except as  
270 provided in paragraph (3) (e). A competitive solicitation must  
271 include a contract term.

272 2. The Citizens' purchasing department shall coordinate and  
273 manage the competitive solicitation process. The requirements of  
274 paragraphs (b) and (c) must be addressed in the development of a  
275 competitive solicitation.

276 (b) The competitive solicitation process shall use one of  
277 the following methods: an invitation to bid, a request for  
278 proposal, an invitation to negotiate, or a reverse auction.

279 1.a. An invitation to bid shall be used if Citizens has the  
280 ability to establish precise specifications defining the actual  
281 goods required or defining the scope of work for which a service  
282 is required.

283 b. An invitation to bid must include a detailed description  
284 of the goods or services sought and a statement indicating  
285 whether Citizens contemplates renewal of the contract.

286 c. A bid submitted in response to an invitation to bid  
287 which contemplates renewal of the contract must include the  
288 price for each year that the contract may be renewed. An  
289 evaluation-of-responsive bid is limited to the total cost for  
290 each year of the contract, including renewal years.

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291 2. A request for proposal shall be used if Citizens'  
292 requirements can be specifically defined.

293 a. Before issuing a request for proposal, Citizens shall  
294 determine and specify in writing the reasons that procurement by  
295 invitation to bid is not practicable. A request for proposal  
296 must include a detailed statement describing the business unit  
297 requirements and needs for which goods or services are being  
298 sought, the relative importance of price and other evaluation  
299 criteria, and a statement indicating whether Citizens  
300 contemplates renewal of the contract.

301 b. Criteria that must be used for an evaluation of a  
302 proposal include, but are not limited to:

303 (I) Price, which must be specified in the proposal;

304 (II) If Citizens contemplates renewal of the contract, the  
305 price for each year that the contract may be renewed;

306 (III) Consideration of the total cost for each year of the  
307 contract, including renewal years; and

308 (IV) How well the proposed goods or services meet Citizens'  
309 requirements.

310 c. The contract shall be awarded by written notice to the  
311 vendor whose proposal is determined in writing to be the most  
312 advantageous to Citizens, taking into consideration the price  
313 and other criteria set forth in the request for proposal.

314 3.a. An invitation to negotiate may be used if an  
315 invitation to bid or request for proposal is not practicable.  
316 Before issuing an invitation to negotiate, the executive  
317 director of Citizens must determine and specify in writing the  
318 reasons that procurement by invitation to bid or request for  
319 proposal is not applicable. The invitation to negotiate must

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320 describe the questions being explored, the facts being sought,  
321 the specific goals or problems that are the subject of the  
322 solicitation, and the criteria that shall be used to determine  
323 the acceptability of the reply and guide the selection of the  
324 vendor with which Citizens will negotiate.

325 b. Citizens shall evaluate replies against the established  
326 evaluation criteria identified in the invitation-to-negotiate  
327 document. Citizens may select one or more vendors with which to  
328 commence negotiations. After negotiations are conducted,  
329 Citizens shall award the contract to the vendor determined to  
330 provide the best value to Citizens.

331 4. In order for the purchasing department to initiate the  
332 competitive solicitation process, the following information must  
333 be provided by the business unit if practicable:

334 a. Business and technical requirements and scope of work.  
335 This information must avoid use of brand names, unless used only  
336 as an indication of desired functionality or quality and the  
337 brand names are qualified with the phrase "or equivalent";

338 b. Performance criteria;

339 c. Evaluation criteria;

340 d. Specific deliverables;

341 e. Service-level requirements; and

342 f. Any information necessary to explain the business need  
343 or intended purpose.

344 5. Citizens shall create a process for the evaluation of  
345 vendor proposals appropriate for the goods or services being  
346 procured and coordinate the receipt and evaluation of responses  
347 to the competitive solicitation. The process shall include the  
348 criteria to be evaluated and the method of evaluation and must

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349 include pricing as separately scored criteria. A competitive  
350 solicitation is subject to the requirements of chapter 286.

351 6. Citizens shall give public notice of a competitive  
352 solicitation by electronically posting the competitive  
353 solicitation on its website and the state's procurement website.  
354 Citizens shall post the notice at least 10 business days before  
355 the date set for receipt of bids, proposals, or replies unless  
356 Citizens determines in writing that a shorter period is  
357 necessary to avoid harming the interests of the state.

358 7. A respondent to a solicitation under this section or any  
359 person acting on behalf of the respondent may not communicate  
360 with any member of the board, any employee of Citizens, or any  
361 public official, officer, or employee of the executive or  
362 legislative branch of government concerning any aspect of the  
363 solicitation, except a written or electronic communication to  
364 the procurement officer or such communication as provided for in  
365 the solicitation documents. The period of such prohibited  
366 communication begins when the solicitation is issued and ends 72  
367 hours after notice is given of a recommended award, a rejection  
368 of all proposals, or any other decision. A violation of this  
369 subparagraph may be grounds for rejecting a response.

370 8. If a tie occurs in score or in price and if price is the  
371 only criterion during a competitive solicitation, Citizens shall  
372 determine the recommended vendor for the award based upon the  
373 following criteria, listed in order of priority:

374 a. All goods and services of the vendor are manufactured or  
375 performed in the state.

376 b. Certain foreign manufacturers of the vendor have  
377 employees in the state, as designated in s. 287.092.

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378 c. All goods and services of the vendor are manufactured or  
379 performed in the United States.

380 d. The vendor is a Florida small business enterprise.

381 e. The vendor has implemented a drug-free workplace program  
382 that meets the requirements of s. 287.087.

383

384 If none of the criteria of this subparagraph resolves the tie,  
385 Citizens shall conduct a coin toss to determine the recommended  
386 vendor for award. Citizens shall notify the tied vendors of the  
387 tie and provide them with reasonable notice of the time and  
388 location of the coin toss, which they may attend.

389 (c) If a vendor asserts that its bid contains information  
390 that is confidential and exempt from the public-records  
391 requirements of chapter 119, the vendor must submit with its bid  
392 response a version of all bid documents which redacts such  
393 information.

394 (d) For contracts executed on or after January 1, 2012,  
395 Citizens shall post a copy of each contract executed, with  
396 necessary redactions, on its website for public access no later  
397 than 30 days after the date of execution.

398 (6) APPEAL PROCESS.—

399 (a) A respondent to a competitive solicitation may appeal  
400 the award of a contract by the board, including those contracts  
401 awarded under chapter 255, if the value of the contract is  
402 \$100,000 or more. The appeal must be heard by the board at a  
403 publicly noticed meeting and conducted according to appeal  
404 procedures established by the board. Any further legal remedy  
405 shall be to the Circuit Court of Leon County, Florida.

406 (b) A respondent to a competitive solicitation may appeal

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407 the award of a contract having a value at or above \$35,000 and  
408 less than \$100,000 according to appeal procedures established by  
409 the board. Such appeals are not required to be heard by the  
410 board. Any further legal remedy shall be to the Circuit Court of  
411 Leon County, Florida.

412 (c) If the original award is overturned, the contract  
413 executed pursuant to the award shall be terminated.

414 (7) EXEMPTIONS FROM COMPETITIVE SOLICITATION.—The following  
415 exemptions from competitive solicitation are authorized:

416 (a)1. An emergency purchase is permitted only if the  
417 president of Citizens, in consultation with the chair or vice  
418 chair of the board, determines in writing that an immediate  
419 danger to the public health, safety, or welfare, or other  
420 immediate and substantial loss to Citizens or its policyholders  
421 requires emergency action, in which case Citizens may proceed  
422 with the procurement of goods or services necessitated by the  
423 immediate danger without receiving competitive bids or  
424 proposals. Citizens shall provide a report of any emergency  
425 purchase of goods or services to the board and the state's Chief  
426 Financial Officer.

427 2. In any emergency purchase of goods or services in excess  
428 of \$35,000, each individual taking part in the development or  
429 selection of criteria for evaluation, the evaluation process, or  
430 the award process shall provide a completed and signed  
431 purchasing conflict-of-interest disclosure form by which each  
432 individual attests in writing that the individual does not have  
433 any conflict of interest in the entities evaluated or selected.

434 (b)1. A sole source purchase is permitted only if the  
435 following steps have been completed:

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436 a. Citizens conducts an analysis of the marketplace for the  
437 goods or services; and

438 b. Citizens determines in writing that the required goods  
439 or services are:

440 (I) Available from only one supplier; or

441 (II) Necessary or unique, for example, if the deliverable  
442 is copyrighted, patented, or proprietary, such as technology, or  
443 if there is an absence of competition or providers in the  
444 marketplace.

445 2. If Citizens reasonably determines that goods or services  
446 qualify as a sole source purchase, it shall post on Citizens'  
447 website a description of the goods or services sought for at  
448 least 10 business days. If it is determined in writing by  
449 Citizens after reviewing any information received from  
450 prospective vendors that the goods or services qualify as a sole  
451 source purchase, Citizens shall notify each vendor and proceed  
452 with the purchase. A copy of the written determination shall be  
453 promptly furnished to the state's Chief Financial Officer and  
454 the board. A sole source procurement must be discontinued and a  
455 competitive solicitation instituted when written information is  
456 timely received which demonstrates that the sole source process  
457 is not applicable.

458 3. In any sole source purchase of goods or services in  
459 excess of \$35,000, the individuals taking part in the  
460 development or selection of criteria for evaluation, the  
461 evaluation process, or the award process must provide a  
462 completed and signed purchasing conflict-of-interest disclosure  
463 form by which the individuals attest in writing that they do not  
464 have any conflict of interest in the entities evaluated or

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465 selected.

466 (c) A purchase that is exempt from competitive solicitation  
467 as listed under s. 287.057(3) (f).

468 (d) A contract with a financial service provider or  
469 underwriter of bonds which is subject to s. 627.3513.

470 (e) A governmental contract if the contract was previously  
471 procured by a competitive solicitation process, and the contract  
472 is:

473 1. An approved state term contract that complies with the  
474 requirements of ss. 287.056 and 287.057;

475 2. Approved by the Department of Management Services;

476 3. Procured by a state agency, political subdivision of the  
477 state, a state university or a Florida College System  
478 institution as defined in section 21 of chapter 2010-70, Laws of  
479 Florida; or

480 4. An approved contract from the United States General  
481 Services Administration.

482 (8) CONFLICT OF INTEREST.—Citizens' purchasing policy must  
483 include procedures for protecting against any conflict of  
484 interest by Citizens' board members, employees, and other expert  
485 consultants who are acting as evaluators in the purchasing  
486 process. Additionally, Citizens' purchasing policy must address  
487 other procurement issues regarding conflicts of interest.

488 (9) MINORITY BUSINESS ENTERPRISES.—

489 (a) Citizens shall strive to increase business with  
490 minority business enterprises by providing education and  
491 outreach to minority businesses regarding business opportunities  
492 within Citizens, educating Citizens' staff and vendors regarding  
493 opportunities for minority business enterprises, and tracking

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494 and monitoring purchases by minority business enterprises.

495 (b) The director of Citizens' purchasing department shall  
496 certify a business as a minority business enterprise upon review  
497 and evaluation of evidence provided by the business which  
498 demonstrates that it meets the definition of a minority business  
499 enterprise. Additionally, Citizens may accept minority business  
500 certifications from a federal, state, or other governmental  
501 agency or political subdivision.

502 (10) FLORIDA SMALL BUSINESS ENTERPRISES.—

503 (a) Citizens shall strive to increase business with Florida  
504 small business enterprises by providing education and outreach  
505 to Florida small business enterprises regarding business  
506 opportunities with Citizens, educating Citizens' staff and  
507 vendors regarding opportunities for Florida small business  
508 enterprises, and tracking and monitoring purchases by Florida  
509 small business enterprises. Citizens may use a business's status  
510 as a Florida small business enterprise as a vendor evaluation  
511 criterion in the procurement of goods or services if the use of  
512 such status may be beneficial for Citizens, its policyholders,  
513 or the state. A five-point preference may be awarded to vendors  
514 who meet the requirements for status as Florida small business  
515 enterprises for purposes of bid tabulation and comparison.

516 (b) The director of Citizens' purchasing department shall  
517 certify a business as a Florida small business enterprise upon  
518 review and evaluation of evidence provided by the entity which  
519 demonstrates that it meets the definition of a Florida small  
520 business enterprise. Additionally, Citizens may accept small  
521 business certifications from a federal, state, or other  
522 governmental agency or political subdivision.

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523 (11) FLORIDA BUSINESS ENTERPRISES.—

524 (a) Citizens may use the Florida business enterprise status  
 525 as a vendor-evaluation criterion in the procurement of goods or  
 526 services if it determines that the use of a business based in  
 527 this state may be beneficial for Citizens, its policyholders, or  
 528 the state.

529 (b) Citizens shall verify the status as a Florida business  
 530 enterprise by a review of its corporate documentation.

531 (12) ANNUAL REVIEW.—The Citizens' board shall annually  
 532 review and adopt the purchasing policy for the corporation to  
 533 ensure compliance with this section. After adopting the  
 534 purchasing policy, the board shall submit a copy of the policy  
 535 to the Office of Insurance Regulation.

536 (13) AUDITOR GENERAL REVIEW.—The Auditor General shall have  
 537 access to any Citizens' procurement documents and related  
 538 materials. Such documents and materials held by the Auditor  
 539 General must remain confidential as provided in s. 627.351(6) or  
 540 other state law.

541 Section 3. Subsection (6) of section 838.014, Florida  
 542 Statutes, is amended to read:

543 838.014 Definitions.—As used in this chapter, the term:

544 (6) "Public servant" means:

545 (a) Any officer or employee of a state, county, municipal,  
 546 or special district agency or entity;

547 (b) Any legislative or judicial officer or employee;

548 (c) Any person, except a witness, who acts as a general or  
 549 special magistrate, receiver, auditor, arbitrator, umpire,  
 550 referee, consultant, or hearing officer while performing a  
 551 governmental function; ~~or~~

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552 (d) A candidate for election or appointment to any of the  
553 positions listed in this subsection, or an individual who has  
554 been elected to, but has yet to officially assume the  
555 responsibilities of, public office; ~~or-~~

556 (e) Any member of the board of governors or employee of  
557 Citizens Property Insurance Corporation.

558 Section 4. This act shall take effect January 1, 2012.