

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #: HB 605 (SB 974)

FINAL HOUSE FLOOR ACTION:

SPONSOR(S): Harrison (Joyner)

115 Y's 0 N's

COMPANION SB 974
BILLS:

GOVERNOR'S ACTION: Approved

SUMMARY ANALYSIS

HB 605 passed the House on February 29, 2012, and subsequently passed the Senate on March 5, 2012. The bill amends ch. 2004-466, L.O.F., to authorize public bodies operating solely within the boundaries of Hillsborough County to purchase goods and services based on bids submitted to tax-exempt organizations under the provisions of section 501(c)(3) of the Internal Revenue Code, provided that any contract from which cooperative purchases are made is procured in compliance with the procuring entity's laws or regulations, which must provide for full and open competition. It also requires that the 501(c)(3) tax-exempt organizations be organized exclusively to assist governmental entities in serving and representing citizens.

The bill does not appear to have a fiscal impact on state government. The Economic Impact Statement indicates that authorizing Hillsborough County and other public bodies within the county to use cooperative purchasing practices, when applicable, will reduce administrative costs associated with issuing a separate bid. In addition, it states this procurement option will be utilized when there are cost-savings to be realized through a cooperative purchasing contract, resulting in savings to taxpayers.

The bill was approved by the Governor on April 6, 2012, ch. 2012-239, Laws of Florida. The bill is effective upon becoming a law.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

Chapter 287, F.S., governs the purchase of personal property and services by agencies, requiring competitive solicitation under certain circumstances. For purposes of that chapter, with the exception of the “Consultants’ Competitive Negotiation Act (CCNA)¹,” an “agency” is defined in s. 287.012(1), F.S., as “any of the various state officers, departments, boards, commissions, divisions, bureaus, and councils and any other unit of organization, however designated, of the executive branch of state government. ‘Agency’ does not include the university and college boards of trustees or the state universities and colleges.” Thus ch. 287, F.S., except s. 287.055, F.S., applies only to state executive branch entities. The CCNA relates to the procurement of certain professional services,² and it applies to local government entities. It defines “agency” as “the state, a state agency, a municipality, a political subdivision, a school district, or a school board.”³

Chapter 69-1119, L.O.F., provides for Hillsborough County and chartered municipalities, local public agencies, boards, and other authorities in that county to purchase from contracts procured by other such entities in the county under certain conditions. However, that chapter law does not specifically address purchasing by these entities from contracts procured by other governments outside Hillsborough County.

Chapter 2004-466, L.O.F., authorizes all of the public bodies, as defined in that chapter, operating solely within the boundaries of Hillsborough County to purchase goods and services under the terms of a bid submitted to other federal, state, and local governmental agencies, provided that any contract from which cooperative purchases are made is procured in compliance with the procuring entity’s laws or regulations, which must provide for full and open competition. Public bodies are still required to comply with the CCNA.

Some of the entities encompassed in the definition of “public body” include Hillsborough County; the cities of Tampa, Temple Terrace, and Plant City; various entities created by special act, such as the Hillsborough County Aviation Authority, Tampa Sports Authority, Tampa Port Authority, and the Tampa Housing Authority; the Hillsborough County School Board; and the Sheriff, Clerk of Circuit Court, Supervisor of Elections, Tax Collector, State Attorney, and Public Defender.

Effect of Changes

The bill amends ch. 2004-466, L.O.F., to authorize public bodies operating solely within the boundaries of Hillsborough County to purchase goods and services based on bids submitted to tax-exempt organizations under the provisions of section 501(c)(3) of the Internal Revenue Code, provided that any contract from which cooperative purchases are made is procured in compliance with the procuring entity’s laws or regulations, which must provide for full and open competition. It also requires that the 501(c)(3) tax-exempt organizations be organized exclusively to assist governmental entities in serving and representing citizens.⁴

¹ See s. 287.055, F.S.

² Section 287.055(2)(a), F.S., defines professional services as “those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of the state, or those performed by any architect, professional engineer, landscape architect, or registered surveyor and mapper in connection with his or her professional employment or practice.”

³ Section 287.055(2)(b), F.S.

⁴ An example of such an organization is the Florida Sheriff’s Association.

The Economic Impact Statement indicates that authorizing Hillsborough County and other public bodies within the county to use cooperative purchasing practices, when applicable, will reduce administrative costs associated with issuing a separate bid. In addition, it states this procurement option will be utilized when there are cost-savings to be realized through a cooperative purchasing contract, resulting in savings to taxpayers.

The bill is effective upon becoming law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? October 5, 2011

WHERE? *The Tampa Tribune*, a daily paper of general circulation published in Tampa, Hillsborough County, Florida and distributed in Hillsborough County, Florida.

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes No

D. ECONOMIC IMPACT STATEMENT FILED? Yes No

According to the Director of Purchasing for the City of Tampa, authorizing Hillsborough County and other public bodies within the county to use cooperative purchasing practices, when applicable, will reduce administrative costs associated with issuing a separate bid. In addition, the Economic Impact Statement indicates that this procurement option will be utilized when there are cost-savings to be realized through a cooperative purchasing contract, resulting in savings to taxpayers.