

20131150e1

1 A bill to be entitled
2 An act relating to governmental accountability;
3 creating s. 119.0701, F.S.; providing definitions;
4 providing that each public agency contract for
5 services must meet specified requirements; requiring
6 the public agency to enforce contract provisions if a
7 contractor does not comply with a public records
8 request; amending s. 119.12, F.S.; specifying what
9 constitutes reasonable costs of enforcement in a civil
10 action against an agency to enforce ch. 119, F.S.;
11 amending s. 215.971, F.S.; requiring agreements funded
12 with state or federal financial assistance to include
13 additional provisions; authorizing the Chief Financial
14 Officer to audit agreements before execution and
15 providing requirements for such audits; requiring
16 state agencies to designate a grants manager for each
17 agreement and providing requirements and procedures
18 for managers; requiring the Chief Financial Officer to
19 perform audits of executed agreements and to discuss
20 such audits with agency officials; requiring the
21 agency head to respond to the audit; reordering and
22 amending s. 215.985, F.S.; revising provisions
23 relating to the Chief Financial Officer's
24 intergovernmental contract tracking system under the
25 Transparency Florida Act; requiring state agencies to
26 post certain information in the tracking system and to
27 update that information; requiring that exempt and
28 confidential information be redacted from contracts
29 and procurement documents posted on the system;

20131150e1

30 authorizing the Chief Financial Officer to make
31 available to the public the information posted on the
32 system through a secure website; providing an
33 exception; authorizing the Department of Financial to
34 adopt rules; repealing s. 216.0111, F.S., relating to
35 a requirement that state agencies report certain
36 contract information to the Department of Financial
37 Services and transferring that requirement to s.
38 215.985, F.S.; amending s. 287.012, F.S.; providing
39 and revising definitions; amending s. 287.042, F.S.;;
40 revising powers, duties, and functions of the
41 Department of Management Services; eliminating a duty
42 of the department to maintain a vendor list;
43 authorizing the department to lead or enter into joint
44 agreements with governmental entities for the purchase
45 of commodities or contractual services that can be
46 used by multiple agencies; amending s. 287.057, F.S.;;
47 providing that contracts awarded pursuant to an
48 invitation to bid shall be awarded to the responsible
49 and responsive vendor that submits the lowest
50 responsive bid; revising exceptions to the requirement
51 that the purchase of specified commodities or
52 contractual services be made only as a result of
53 receiving competitive sealed bids, competitive sealed
54 proposals, or competitive sealed replies; revising
55 contractual services and commodities that are not
56 subject to competitive solicitation requirements by
57 virtue of being available only from a single source;
58 providing that a contract for commodities or

20131150e1

59 contractual services may be awarded without
60 competition if the recipient of funds is established
61 during the appropriations process; revising provisions
62 relating to extension of a contract for commodities or
63 contractual services; authorizing an agency to
64 negotiate better pricing upon renewal of a contract;
65 providing training requirements for contract managers
66 responsible for contracts in excess of a specified
67 threshold amount; providing contract manager
68 certification for contract managers responsible for
69 contracts in excess of a specified threshold amount;
70 providing that the department is responsible for
71 establishing and disseminating the requirements for
72 certification of a contract manager; providing that
73 training will be conducted jointly by the Department
74 of Management Services and the Department of Financial
75 Services; providing training guidelines and
76 requirements; requiring the department, in
77 consultation with the Chief Financial Officer to
78 maintain a program for online procurement of
79 commodities and contractual services; amending s.
80 287.0571, F.S.; revising nonapplicability of a
81 business case to outsource; amending s. 287.058, F.S.;
82 defining the term "performance measure"; revising
83 references within provisions relating to purchase
84 orders used in lieu of written agreements for classes
85 of contractual services; revising terminology;
86 authorizing the Chief Financial Officer to audit
87 contracts before execution and providing requirements

20131150e1

88 for such audits; creating s. 287.136, F.S.; requiring
89 the Chief Financial Officer to perform audits of
90 executed contract documents and to discuss such audits
91 with the agency officials; requiring the agency head
92 to respond to the audit; amending s. 287.076, F.S.;
93 providing that Project Management Professionals
94 training for personnel involved in managing
95 outsourcings and negotiations is subject to annual
96 appropriations; amending ss. 16.0155, 283.33, 394.457,
97 402.7305, 409.9132, 427.0135, 445.024, 627.311,
98 627.351, 765.5155, and 893.055, F.S.; conforming
99 cross-references; providing effective dates.

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

102
103 Section 1. Section 119.0701, Florida Statutes, is created
104 to read:

105 119.0701 Contracts; public records.—

106 (1) For purposes of this section, the term:

107 (a) "Contractor" means an individual, partnership,
108 corporation, or business entity that enters into a contract for
109 services with a public agency and is acting on behalf of the
110 public agency as provided under s. 119.011(2).

111 (b) "Public agency" means a state, county, district,
112 authority, or municipal officer, or department, division, board,
113 bureau, commission, or other separate unit of government created
114 or established by law.

115 (2) In addition to other contract requirements provided by
116 law, each public agency contract for services must include a

20131150e1

117 provision that requires the contractor and its subcontractors to
118 comply with public records laws, specifically to:

119 (a) Keep and maintain public records that ordinarily and
120 necessarily would be required by the public agency in order to
121 perform the service.

122 (b) Provide the public with access to public records on the
123 same terms and conditions that the public agency would provide
124 the records and at a cost that does not exceed the cost provided
125 in this chapter or as otherwise provided by law.

126 (c) Ensure that public records that are exempt or
127 confidential and exempt from public records disclosure
128 requirements are not disclosed except as authorized by law.

129 (d) Meet all requirements for retaining public records and
130 transfer, at no cost, to the public agency all public records in
131 possession of the contractor upon termination of the contract
132 and destroy any duplicate public records that are exempt or
133 confidential and exempt from public records disclosure
134 requirements. All records stored electronically must be provided
135 to the public agency in a format that is compatible with the
136 information technology systems of the public agency.

137 (3) If a contractor or its subcontractor does not comply
138 with a public records request, the public agency shall enforce
139 the contract provisions in accordance with the contract.

140 Section 2. Section 119.12, Florida Statutes, is amended to
141 read:

142 119.12 Attorney ~~Attorney's~~ fees.—If a civil action is filed
143 against an agency to enforce the provisions of this chapter and
144 if the court determines that such agency unlawfully refused to
145 permit a public record to be inspected or copied, the court

20131150e1

146 shall assess and award, against the agency responsible, the
147 reasonable costs of enforcement. The reasonable costs of
148 enforcement include, but are not limited to, including
149 reasonable attorney attorneys' fees, including those reasonable
150 attorney fees incurred in litigating entitlement to and the
151 determination or quantification of attorney fees for the
152 underlying matter.

153 Section 3. Section 215.971, Florida Statutes, is amended to
154 read:

155 215.971 Agreements funded with federal or ~~and~~ state
156 assistance.—

157 (1) ~~For~~ An agency agreement that provides state financial
158 assistance to a recipient or subrecipient, as those terms are
159 defined in s. 215.97, or that provides federal financial
160 assistance to a subrecipient, as defined by applicable United
161 States Office of Management and Budget circulars, must ~~the~~
162 ~~agreement shall~~ include all of the following:

163 (a) ~~(1)~~ A provision specifying a scope of work that clearly
164 establishes the tasks that the recipient or subrecipient is
165 required to perform. ~~;~~ ~~and~~

166 (b) ~~(2)~~ A provision dividing the agreement into quantifiable
167 units of deliverables that must be received and accepted in
168 writing by the agency before payment. Each deliverable must be
169 directly related to the scope of work and ~~must~~ specify the
170 required minimum level of service to be performed and the
171 criteria for evaluating the successful completion of each
172 deliverable.

173 (c) A provision specifying the financial consequences that
174 apply if the recipient or subrecipient fails to perform the

20131150e1

175 minimum level of service required by the agreement. The
176 provision can be excluded from the agreement only if financial
177 consequences are prohibited by the federal agency awarding the
178 grant. Funds refunded to a state agency from a recipient or
179 subrecipient for failure to perform as required under the
180 agreement may be expended only in direct support of the program
181 from which the agreement originated.

182 (d) A provision specifying that a recipient or subrecipient
183 of federal or state financial assistance may expend funds only
184 for allowable costs resulting from obligations incurred during
185 the specified agreement period.

186 (e) A provision specifying that any balance of unobligated
187 funds which has been advanced or paid must be refunded to the
188 state agency.

189 (f) A provision specifying that any funds paid in excess of
190 the amount to which the recipient or subrecipient is entitled
191 under the terms and conditions of the agreement must be refunded
192 to the state agency.

193 (g) Any additional information required pursuant to s.
194 215.97.

195 (2) The Chief Financial Officer may audit an agreement
196 funded with state or federal assistance before the execution of
197 such agreement in accordance with rules adopted by the
198 Department of Financial Services. The audit must ensure that
199 applicable laws have been met; that the agreement document
200 contains a clear statement of work, quantifiable and measurable
201 deliverables, performance measures, financial consequences for
202 nonperformance, and clear terms and conditions that protect the
203 interests of the state; and that the associated costs of the

20131150e1

204 agreement are not unreasonable or inappropriate. The audit must
205 ensure that all contracting laws have been met and that
206 documentation is available to support the agreement. An
207 agreement that does not comply with this section may be returned
208 to the submitting agency for revision.

209 (a) The Chief Financial Officer may establish dollar
210 thresholds and other criteria for determining which agreements
211 will be audited before execution. The Chief Financial Officer
212 may revise such thresholds and other criteria for an agency or
213 unit of an agency as he or she deems appropriate.

214 (b) The Chief Financial Officer shall have up to 10
215 business days after receipt of the proposed grant agreement to
216 make a final determination of any deficiencies in the agreement
217 and shall provide the agency with information regarding any
218 deficiencies at the conclusion of the review. The Chief
219 Financial Officer and the agency entering into the agreement may
220 agree to a longer review period.

221 (c) This subsection does not apply to the Board of
222 Governors, a state university, or a facility engaged in research
223 using state or federal funds until July 1, 2015.

224 (3) For each agreement funded with federal or state
225 financial assistance, the state agency shall designate an
226 employee to function as a grant manager who shall be responsible
227 for enforcing performance of the agreement's terms and
228 conditions and who shall serve as a liaison with the recipient
229 or subrecipient.

230 (a) Each grant manager responsible for agreements in excess
231 of \$100,000 annually must complete the training and become a
232 certified contract manager as provided under s. 287.057(14).

20131150e1

233 (b) The Chief Financial Officer shall establish and
234 disseminate uniform procedures for grant management pursuant to
235 s. 17.03(3) to ensure that services have been rendered in
236 accordance with agreement terms before the agency processes an
237 invoice for payment. The procedures must include, but need not
238 be limited to, procedures for monitoring and documenting
239 recipient or subrecipient performance, reviewing and documenting
240 all deliverables for which payment is requested by the recipient
241 or subrecipient, and providing written certification by the
242 grant manager of the agency's receipt of goods and services.

243 (c) The grant manager shall reconcile and verify all funds
244 received against all funds expended during the grant agreement
245 period and produce a final reconciliation report. The final
246 report must identify any funds paid in excess of the
247 expenditures incurred by the recipient or subrecipient.

248 (4) The Chief Financial Officer shall perform audits of the
249 executed state and federal grant agreement documents and grant
250 manager's records in order to ensure that adequate internal
251 controls are in place for complying with the terms and
252 conditions of such agreements and for validation and receipt of
253 goods and services.

254 (a) At the conclusion of the audit, the Chief Financial
255 Officer's designee shall discuss the audit and potential
256 findings with the official whose office is subject to audit. The
257 final audit report shall be submitted to the agency head.

258 (b) Within 30 days after the receipt of the final audit
259 report, the agency head shall submit to the Chief Financial
260 Officer or designee, his or her written statement of explanation
261 or rebuttal concerning findings requiring corrective action,

20131150e1

262 including corrective action to be taken to preclude a
263 recurrence.

264 Section 4. Subsection (2) of section 215.985, Florida
265 Statutes, is reordered and amended and subsection (16) of that
266 section is amended, to read:

267 215.985 Transparency in government spending.—

268 (2) As used in this section, the term:

269 (c)~~(a)~~ "Governmental entity" means any state, regional,
270 county, municipal, special district, or other political
271 subdivision whether executive, judicial, or legislative,
272 including, but not limited to, any department, division, bureau,
273 commission, authority, district, or agency thereof, or any
274 public school, Florida College System institution, state
275 university, or associated board.

276 (d)~~(b)~~ "Website" means a site on the Internet which is
277 easily accessible to the public at no cost and does not require
278 the user to provide any information.

279 (a)~~(e)~~ "Committee" means the Legislative Auditing Committee
280 created in s. 11.40.

281 (b) "Contract" means any written agreement or purchase
282 order issued for the purchase of goods or services and any
283 written agreements for the receipt of federal or state financial
284 assistance.

285 (16) The Chief Financial Officer shall establish and
286 maintain a secure, shared state contract tracking ~~provide public~~
287 ~~access to a state contract management system.~~

288 (a) Within 30 calendar days after executing a contract,
289 each state agency as defined in s. 216.011(1) shall post all of
290 the following ~~that provides~~ information and documentation

20131150e1

291 relating to that contract on the contract tracking system, as
292 required by rule: contracts procured by governmental entities.

293 1. The names of the contracting entities.

294 2. The procurement method.

295 3. The contract beginning and end dates.

296 4. The nature or type of the commodities or services
297 purchased.

298 5. Applicable contract unit prices and deliverables.

299 6. Total compensation to be paid or received under the
300 contract.

301 7. All payments made to the contractor to date.

302 8. Applicable contract performance measures.

303 9. The justification for not using competitive solicitation
304 to procure the contract, including citation to any statutory
305 exemption or exception from competitive solicitation, if
306 applicable.

307 10. Electronic copies of the contract and procurement
308 documents that have been redacted to conceal exempt or
309 confidential information.

310 11. Any other information required by the Chief Financial
311 Officer.

312 ~~(a) The data collected in the system must include, but need~~
313 ~~not be limited to, the contracting agency; the procurement~~
314 ~~method; the contract beginning and ending dates; the type of~~
315 ~~commodity or service; the purpose of the commodity or service;~~
316 ~~the compensation to be paid; compliance information, such as~~
317 ~~performance metrics for the service or commodity; contract~~
318 ~~violations; the number of extensions or renewals; and the~~
319 ~~statutory authority for providing the service.~~

20131150e1

320 (b) The affected state governmental agency shall update the
321 information described in paragraph (a) in the contract tracking
322 system within 30 calendar days after a major modification or
323 amendment change to an existing contract ~~or the execution of a~~
324 ~~new contract, agency procurement staff of the affected state~~
325 ~~governmental entity shall update the necessary information in~~
326 ~~the state contract management system.~~ A major modification or
327 amendment change to a contract includes, but is not limited to,
328 a renewal, termination, or extension of the contract, or an
329 amendment to the contract as determined by the Chief Financial
330 Officer.

331 (c) Each state agency identified in paragraph (a) shall
332 redact, as defined in s. 119.011, exempt or confidential
333 information from the contract or procurement documents before
334 posting an electronic copy on the contract tracking system.

335 1. If a state agency becomes aware that an electronic copy
336 of a contract or procurement document that it posted has not
337 been properly redacted, the state agency must immediately notify
338 the Chief Financial Officer so that the contract or procurement
339 document may be removed. Within 7 business days, the state
340 agency shall provide the Chief Financial Officer with a properly
341 redacted copy for posting.

342 2. If a party to a contract, or authorized representative,
343 discovers that an electronic copy of a contract or procurement
344 document on the system has not been properly redacted, the party
345 or representative may request the state agency that posted the
346 document to redact the exempt or confidential information. Upon
347 receipt of a request in compliance with this subparagraph, the
348 state agency that posted the document shall redact the exempt or

20131150e1

349 confidential information.

350 a. Such request must be in writing and delivered by mail,
351 facsimile, or electronic transmission or in person to the state
352 agency that posted the information. The request must identify
353 the specific document, the page numbers that include the exempt
354 or confidential information, the information that is exempt or
355 confidential, and the relevant statutory exemption. A fee may
356 not be charged for a redaction made pursuant to such request.

357 b. If necessary, a party to the contract may petition the
358 circuit court for an order directing compliance with this
359 paragraph.

360 3. The Chief Financial Officer, the Department of Financial
361 Services, or any officer, employee, or contractor thereof, is
362 not responsible for redacting exempt or confidential information
363 from an electronic copy of a contract or procurement document
364 posted by another state agency on the system and is not liable
365 for the failure of the state agency to redact the exempt or
366 confidential information. The Chief Financial Officer may notify
367 the posting state agency if a document posted on the tracking
368 system contains exempt or confidential information.

369 (d) Pursuant to ss. 119.01 and 119.07, the Chief Financial
370 Officer may make information posted on the contract tracking
371 system available for viewing and download by the public through
372 a secure website. Unless otherwise provided by law, information
373 retrieved electronically pursuant to this paragraph is not
374 admissible in court as an authenticated document.

375 1. The Chief Financial Officer may regulate and prohibit
376 the posting of records that could facilitate identity theft or
377 fraud, such as signatures; compromise or reveal an agency

20131150e1

378 investigation; reveal the identity of undercover personnel;
379 reveal proprietary confidential business information or trade
380 secrets; reveal an individual's medical information; or reveal
381 any other record or information that the Chief Financial Officer
382 believes may jeopardize the health, safety, or welfare of the
383 public. However, such prohibition does not supersede the duty of
384 a state agency to provide a copy of a public record upon
385 request. The Chief Financial Officer shall use appropriate
386 Internet security measures to ensure that no person has the
387 ability to alter or modify records available on the website.

388 2. Records made available on the website, including
389 electronic copies of contracts or procurement documents, may not
390 reveal information made exempt or confidential by law. Notice of
391 the right of an affected party to request redaction of exempt or
392 confidential information pursuant to paragraph (c) must be
393 displayed on the website.

394 (e) The posting of information on the contract tracking
395 system or the provision of contract information on a website for
396 public viewing and downloading does not supersede the duty of a
397 state agency to respond to a public record request for such
398 information or to a subpoena for such information.

399 1. A request for a copy of a contract or procurement
400 document or a certified copy of a contract or procurement
401 document must be made to the state agency that is party to the
402 contract. Such request may not be made to the Chief Financial
403 Officer or the Department of Financial Services or any officer,
404 employee, or contractor thereof unless the Chief Financial
405 Officer or department is a party to the contract.

406 2. A subpoena for a copy of a contract or procurement

20131150e1

407 document or certified copy of a contract or procurement document
408 must be served on the state agency that is a party to the
409 contract and that maintains the original documents. The Chief
410 Financial Officer or the Department of Financial Services or any
411 officer, employee, or contractor thereof may not be served a
412 subpoena for those records unless the Chief Financial Officer or
413 the department is a party to the contract.

414 (f) The requirement under paragraphs (a) and (b) that each
415 agency post information and documentation relating to contracts
416 on the tracking system does not apply to any record that could
417 reveal attorney work product or strategy.

418 (g) The Chief Financial Officer may adopt rules to
419 administer this subsection.

420 Section 5. Section 216.0111, Florida Statutes, is repealed.

421 Section 6. Subsections (4) through (28) of section 287.012,
422 Florida Statutes, are amended to read:

423 287.012 Definitions.—As used in this part, the term:

424 (4) "Best value" means the highest overall value to the
425 state based on ~~objective~~ factors that include, but are not
426 limited to, price, quality, design, and workmanship.

427 (5) "Commodity" means any of the various supplies,
428 materials, goods, merchandise, food, equipment, information
429 technology, and other personal property, including a mobile
430 home, trailer, or other portable structure that has ~~with floor~~
431 ~~space of~~ less than 5,000 square feet of floor space, purchased,
432 leased, or otherwise contracted for by the state and its
433 agencies. The term "Commodity" also includes interest on
434 deferred-payment commodity contracts approved pursuant to s.
435 287.063 entered into by an agency for the purchase of other

20131150e1

436 commodities. However, commodities purchased for resale are
437 excluded from this definition. Printing of publications shall be
438 considered a commodity if procured ~~when let upon contract~~
439 pursuant to s. 283.33, whether purchased for resale or not.

440 (6) "Competitive solicitation" means the process of
441 requesting and receiving two or more sealed bids, proposals, or
442 replies submitted by responsive vendors in accordance with the
443 terms of a competitive process, regardless of the method of
444 procurement.

445 (7) "Contractor" means a person who contracts to sell
446 commodities or contractual services to an agency.

447 (8) "Contractual service" means the rendering by a
448 contractor of its time and effort rather than the furnishing of
449 specific commodities. The term applies only to those services
450 rendered by individuals and firms who are independent
451 contractors, and such services may include, but are not limited
452 to, evaluations; consultations; maintenance; accounting;
453 security; management systems; management consulting; educational
454 training programs; research and development studies or reports
455 on the findings of consultants engaged thereunder; and
456 professional, technical, and social services. The term
457 ~~"Contractual service"~~ does not include a any contract for the
458 furnishing of labor or materials for the construction,
459 renovation, repair, modification, or demolition of a any
460 facility, building, portion of building, utility, park, parking
461 lot, or structure or other improvement to real property entered
462 into pursuant to chapter 255 and rules adopted thereunder.

463 (9) "Department" means the Department of Management
464 Services.

20131150e1

465 (10) "Electronic posting" or "electronically post" means
466 the noticing of solicitations, agency decisions or intended
467 decisions, or other matters relating to procurement on a
468 centralized Internet website designated by the department for
469 this purpose, and in the manner and form required under s.
470 120.57(3) (a).

471 (11) "Eligible user" means any person or entity authorized
472 by the department pursuant to rule to purchase from state term
473 contracts or to use the online procurement system.

474 (12) "Exceptional purchase" means any purchase of
475 commodities or contractual services excepted by law or rule from
476 the requirements for competitive solicitation, including, but
477 not limited to, purchases from a single source; purchases upon
478 receipt of less than two responsive bids, proposals, or replies;
479 purchases made by an agency, ~~after receiving approval from the~~
480 department, from a contract procured, pursuant to s. 287.057(1),
481 or by another agency; and purchases made without advertisement
482 in the manner required under ~~by~~ s. 287.042(3) (b).

483 (13) "Extension" means an increase in the time allowed for
484 the contract period ~~due to circumstances which, without fault of~~
485 ~~either party, make performance impracticable or impossible, or~~
486 ~~which prevent a new contract from being executed, with or~~
487 ~~without a proportional increase in the total dollar amount, with~~
488 ~~any increase to be based on the method and rate previously~~
489 ~~established in the contract.~~

490 (14) "Governmental entity" means a political subdivision or
491 agency of this state or of any state of the United States,
492 including, but not limited to, state government, county,
493 municipality, school district, nonprofit public university or

20131150e1

494 college, single-purpose or multipurpose special district,
495 single-purpose or multipurpose public authority, metropolitan or
496 consolidated government, separate legal entity or administrative
497 entity, or any agency of the Federal Government.

498 (15)~~(14)~~ "Information technology" has the same meaning as
499 provided ~~ascribed~~ in s. 282.0041.

500 (16)~~(15)~~ "Invitation to bid" means a written or
501 electronically posted solicitation for competitive sealed bids.

502 (17)~~(16)~~ "Invitation to negotiate" means a written or
503 electronically posted solicitation for competitive sealed
504 replies to select one or more vendors with which to commence
505 negotiations for the procurement of commodities or contractual
506 services.

507 (18)~~(17)~~ "Minority business enterprise" has the same
508 meaning as provided ~~ascribed~~ in s. 288.703.

509 (19)~~(18)~~ "Office" means the Office of Supplier Diversity of
510 the Department of Management Services.

511 (20)~~(19)~~ "Outsource" means the process of contracting with
512 a vendor to provide a service as defined in s. 216.011(1)(f), in
513 whole or in part, or an activity as defined in s.
514 216.011(1)(rr), while a state agency retains the responsibility
515 and accountability for the service or activity and there is a
516 transfer of management responsibility for the delivery of
517 resources and the performance of those resources.

518 (21)~~(20)~~ "Renewal" means contracting with the same
519 contractor for an additional contract period after the initial
520 contract period, only if pursuant to contract terms specifically
521 providing for such renewal.

522 (22)~~(21)~~ "Request for information" means a written or

20131150e1

523 electronically posted request made by an agency to vendors for
524 information concerning commodities or contractual services.
525 Responses to these requests are not offers and may not be
526 accepted by the agency to form a binding contract.

527 (23)~~(22)~~ "Request for proposals" means a written or
528 electronically posted solicitation for competitive sealed
529 proposals.

530 (24)~~(23)~~ "Request for a quote" means an oral, electronic,
531 or written request for written pricing or services information
532 from a state term contract vendor for commodities or contractual
533 services available on a state term contract from that vendor.

534 (25)~~(24)~~ "Responsible vendor" means a vendor who has the
535 capability in all respects to fully perform the contract
536 requirements and the integrity and reliability that will assure
537 good faith performance.

538 (26)~~(25)~~ "Responsive bid," "responsive proposal," or
539 "responsive reply" means a bid, or proposal, or reply submitted
540 by a responsive and responsible vendor which ~~that~~ conforms in
541 all material respects to the solicitation.

542 (27)~~(26)~~ "Responsive vendor" means a vendor that has
543 submitted a bid, proposal, or reply that conforms in all
544 material respects to the solicitation.

545 (28)~~(27)~~ "State term contract" means a term contract that
546 is competitively procured by the department pursuant to s.
547 287.057 and that is used by agencies and eligible users pursuant
548 to s. 287.056.

549 (29)~~(28)~~ "Term contract" means an indefinite quantity
550 contract to furnish commodities or contractual services during a
551 defined period.

20131150e1

552 Section 7. Paragraph (a) of subsection (1), paragraph (b)
553 of subsection (2), and subsections (8) and (15) of section
554 287.042, Florida Statutes, are amended to read:

555 287.042 Powers, duties, and functions.—The department shall
556 have the following powers, duties, and functions:

557 (1) (a) To canvass all sources of supply, ~~establish and~~
558 ~~maintain a vendor list,~~ and contract for the purchase, lease, or
559 acquisition, including purchase by installment sales or lease-
560 purchase contracts which may provide for the payment of interest
561 on unpaid portions of the purchase price, ~~of all commodities and~~
562 contractual services required by any agency under this chapter.
563 Any contract providing for deferred payments and the payment of
564 interest is ~~shall be~~ subject to specific rules adopted by the
565 department.

566 (2)

567 (b) As an alternative to any provision in s. 120.57(3)(c),
568 the department may proceed with the competitive solicitation or
569 contract award process of a term contract when the Secretary of
570 Management Services ~~the department~~ or his or her designee sets
571 forth in writing particular facts and circumstances that ~~which~~
572 demonstrate that the delay incident to staying the solicitation
573 or contract award process would be detrimental to the interests
574 of the state. After the award of a contract resulting from a
575 competitive solicitation in which a timely protest was received
576 and in which the state did not prevail, the contract may be
577 canceled and reawarded.

578 (8) To provide any commodity and contractual service
579 purchasing rules to the Chief Financial Officer and all agencies
580 electronically or through ~~an electronic medium or~~ other means.

20131150e1

581 Agencies may not approve an ~~any~~ account or request any payment
582 of an ~~any~~ account for the purchase of any commodity or the
583 procurement of any contractual service covered by a purchasing
584 or contractual service rule except as authorized therein. The
585 department shall furnish copies of rules adopted by the
586 department to any county, municipality, or other local public
587 agency requesting them.

588 (15) To lead or enter into joint agreements with
589 governmental entities ~~agencies, as defined in s. 163.3164, for~~
590 ~~the purpose of pooling funds~~ for the purchase of commodities or
591 contractual services ~~information technology~~ that can be used by
592 multiple agencies.

593 (a) Each agency that has been appropriated or has existing
594 funds for such purchase, shall, upon contract award by the
595 department, transfer its ~~their~~ portion of the funds into the
596 department's Operating Trust Fund for payment by the department.
597 The funds shall be transferred by the Executive Office of the
598 Governor pursuant to the agency budget amendment request
599 provisions under ~~in~~ chapter 216.

600 (b) Agencies that sign the joint agreements are financially
601 obligated for their portion of the agreed-upon funds. If an
602 agency becomes more than 90 days delinquent in paying the funds,
603 the department shall certify to the Chief Financial Officer the
604 amount due, and the Chief Financial Officer shall transfer the
605 amount due to the Operating Trust Fund of the department from
606 any of the agency's available funds. The Chief Financial Officer
607 shall report these transfers and the reasons for the transfers
608 to the Executive Office of the Governor and the legislative
609 appropriations committees.

20131150e1

610 Section 8. Paragraph (a) of subsection (1) and subsections
611 (3), (10), (12), (13), (16), and (22) of section 287.057,
612 Florida Statutes, are amended to read:

613 287.057 Procurement of commodities or contractual
614 services.—

615 (1) The competitive solicitation processes authorized in
616 this section shall be used for procurement of commodities or
617 contractual services in excess of the threshold amount provided
618 for CATEGORY TWO in s. 287.017. Any competitive solicitation
619 shall be made available simultaneously to all vendors, must
620 include the time and date for the receipt of bids, proposals, or
621 replies and of the public opening, and must include all
622 contractual terms and conditions applicable to the procurement,
623 including the criteria to be used in determining acceptability
624 and relative merit of the bid, proposal, or reply.

625 (a) *Invitation to bid.*—The invitation to bid shall be used
626 when the agency is capable of specifically defining the scope of
627 work for which a contractual service is required or when the
628 agency is capable of establishing precise specifications
629 defining the actual commodity or group of commodities required.

630 1. All invitations to bid must include:

631 a. A detailed description of the commodities or contractual
632 services sought; and

633 b. If the agency contemplates renewal of the contract, a
634 statement to that effect.

635 2. Bids submitted in response to an invitation to bid in
636 which the agency contemplates renewal of the contract must
637 include the price for each year for which the contract may be
638 renewed.

20131150e1

639 3. Evaluation of bids must ~~shall~~ include consideration of
640 the total cost for each year of the contract, including renewal
641 years, as submitted by the vendor.

642 4. The contract shall be awarded to the responsible and
643 responsive vendor who submits the lowest responsive bid.

644 (3) If ~~When~~ the purchase price of commodities or
645 contractual services exceeds the threshold amount provided in s.
646 287.017 for CATEGORY TWO, ~~no~~ purchase of commodities or
647 contractual services may not be made without receiving
648 competitive sealed bids, competitive sealed proposals, or
649 competitive sealed replies unless:

650 (a) The agency head determines in writing that an immediate
651 danger to the public health, safety, or welfare or other
652 substantial loss to the state requires emergency action. After
653 the agency head signs ~~makes~~ such a written determination, the
654 agency may proceed with the procurement of commodities or
655 contractual services necessitated by the immediate danger,
656 without receiving competitive sealed bids, competitive sealed
657 proposals, or competitive sealed replies. However, the ~~such~~
658 emergency procurement shall be made by obtaining pricing
659 information from at least two prospective vendors, which must be
660 retained in the contract file, unless the agency determines in
661 writing that the time required to obtain pricing information
662 will increase the immediate danger to the public health, safety,
663 or welfare or other substantial loss to the state. The agency
664 shall furnish copies of all written determinations ~~certified~~
665 ~~under oath~~ and any other documents relating to the emergency
666 action to the department. A copy of the written statement shall
667 be furnished to the Chief Financial Officer with the voucher

20131150e1

668 authorizing payment. The individual purchase of personal
669 clothing, shelter, or supplies which are needed on an emergency
670 basis to avoid institutionalization or placement in a more
671 restrictive setting is an emergency for the purposes of this
672 paragraph, and the filing with the department of such statement
673 is not required in such circumstances. In the case of the
674 emergency purchase of insurance, the period of coverage of such
675 insurance may ~~shall~~ not exceed ~~a period of~~ 30 days, and all such
676 emergency purchases shall be reported to the department.

677 (b) The purchase is made by an agency from a state term
678 contract procured, pursuant to this section, by the department
679 or by an agency, after receiving approval from the department,
680 from a contract procured, pursuant to subsection (1), by another
681 agency.

682 (c) Commodities or contractual services available only from
683 a single source may be excepted from the competitive-
684 solicitation requirements. If ~~When~~ an agency believes that
685 commodities or contractual services are available only from a
686 single source, the agency shall electronically post a
687 description of the commodities or contractual services sought
688 for ~~a period of~~ at least 7 business days. The description must
689 include a request that prospective vendors provide information
690 regarding their ability to supply the commodities or contractual
691 services described. If it is determined in writing by the
692 agency, after reviewing any information received from
693 prospective vendors, that the commodities or contractual
694 services are available only from a single source, the agency
695 shall÷

696 ~~1.~~ provide notice of its intended decision to enter a

20131150e1

697 single-source purchase contract in the manner specified in s.
698 120.57(3), ~~if the amount of the contract does not exceed the~~
699 ~~threshold amount provided in s. 287.017 for CATEGORY FOUR.~~

700 ~~2. Request approval from the department for the single-~~
701 ~~source purchase, if the amount of the contract exceeds the~~
702 ~~threshold amount provided in s. 287.017 for CATEGORY FOUR. The~~
703 ~~agency shall initiate its request for approval in a form~~
704 ~~prescribed by the department, which request may be~~
705 ~~electronically transmitted. The failure of the department to~~
706 ~~approve or disapprove the agency's request for approval within~~
707 ~~21 days after receiving such request shall constitute prior~~
708 ~~approval of the department. If the department approves the~~
709 ~~agency's request, the agency shall provide notice of its~~
710 ~~intended decision to enter a single source contract in the~~
711 ~~manner specified in s. 120.57(3).~~

712 ~~(d) When it is in the best interest of the state, the~~
713 ~~secretary of the department or his or her designee may authorize~~
714 ~~the Support Program to purchase insurance by negotiation, but~~
715 ~~such purchase shall be made only under conditions most favorable~~
716 ~~to the public interest.~~

717 (d)(e) Prescriptive assistive devices for the purpose of
718 medical, developmental, or vocational rehabilitation of clients
719 are excepted from competitive-solicitation requirements and
720 shall be procured pursuant to an established fee schedule or by
721 any other method that ~~which~~ ensures the best price for the
722 state, taking into consideration the needs of the client.
723 Prescriptive assistive devices include, but are not limited to,
724 prosthetics, orthotics, and wheelchairs. For purchases made
725 pursuant to this paragraph, state agencies shall annually file

20131150e1

726 with the department a description of the purchases and methods
727 of procurement.

728 (e)~~(f)~~ The following contractual services and commodities
729 are not subject to the competitive-solicitation requirements of
730 this section:

731 1. Artistic services. As used in ~~For the purposes of~~ this
732 subsection, the term "artistic services" does not include
733 advertising or typesetting. As used in this subparagraph, the
734 term "advertising" means the making of a representation in any
735 form in connection with a trade, business, craft, or profession
736 in order to promote the supply of commodities or services by the
737 person promoting the commodities or contractual services.

738 2. Academic program reviews if the fee for such services
739 does not exceed \$50,000.

740 3. Lectures by individuals.

741 4. Legal services, including attorney, paralegal, expert
742 witness, appraisal, or mediator services.

743 5.~~a.~~ Health services involving examination, diagnosis,
744 treatment, prevention, medical consultation, or administration.
745 The term also includes,

746 ~~b. Beginning January 1, 2011, health services, including,~~
747 but is not limited to, substance abuse and mental health
748 services~~,~~ involving examination, diagnosis, treatment,
749 prevention, or medical consultation if, ~~when~~ such services are
750 offered to eligible individuals participating in a specific
751 program that qualifies multiple providers and uses a standard
752 payment methodology. Reimbursement of administrative costs for
753 providers of services purchased in this manner are ~~shall~~ also ~~be~~
754 exempt. For purposes of this subparagraph ~~sub-subparagraph~~, the

20131150e1

755 term "providers" means health professionals ~~and,~~ health
756 facilities, or organizations that deliver or arrange for the
757 delivery of health services.

758 6. Services provided to persons with mental or physical
759 disabilities by not-for-profit corporations that ~~which~~ have
760 obtained exemptions under ~~the provisions of~~ s. 501(c)(3) of the
761 United States Internal Revenue Code or when such services are
762 governed by the ~~provisions of~~ Office of Management and Budget
763 Circular A-122. However, in acquiring such services, the agency
764 shall consider the ability of the vendor, past performance,
765 willingness to meet time requirements, and price.

766 7. Medicaid services delivered to an eligible Medicaid
767 recipient unless the agency is directed otherwise in law.

768 8. Family placement services.

769 9. Prevention services related to mental health, including
770 drug abuse prevention programs, child abuse prevention programs,
771 and shelters for runaways, operated by not-for-profit
772 corporations. However, in acquiring such services, the agency
773 shall consider the ability of the vendor, past performance,
774 willingness to meet time requirements, and price.

775 10. Training and education services provided to injured
776 employees pursuant to s. 440.491(6).

777 11. Contracts entered into pursuant to s. 337.11.

778 12. Services or commodities provided by governmental
779 entities ~~agencies~~.

780 13. Statewide public service announcement programs provided
781 by a Florida statewide nonprofit corporation under s. 501(c)(6)
782 of the Internal Revenue Code which have, ~~with~~ a guaranteed
783 documented match of at least \$3 to \$1.

20131150e1

784 (f)~~(g)~~ Continuing education events or programs that are
785 offered to the general public and for which fees have been
786 collected which ~~that~~ pay all expenses associated with the event
787 or program are exempt from requirements for competitive
788 solicitation.

789 (10) A contract for commodities or contractual services may
790 be awarded without competition if state or federal law
791 prescribes with whom the agency must contract or if the rate of
792 payment or the recipient of the funds is established during the
793 appropriations process.

794 (12) Extension of a contract for commodities or contractual
795 services must ~~shall~~ be in writing for a period not to exceed 6
796 months and is ~~shall be~~ subject to the same terms and conditions
797 set forth in the initial contract and any written amendments
798 signed by the parties. There may ~~shall~~ be only one extension of
799 a contract unless the failure to meet the criteria set forth in
800 the contract for completion of the contract is due to events
801 beyond the control of the contractor.

802 (13) Contracts for commodities or contractual services may
803 be renewed for a period that may not exceed 3 years or the term
804 of the original contract, whichever ~~period~~ is longer. Renewal of
805 a contract for commodities or contractual services must ~~shall~~ be
806 in writing and is ~~shall be~~ subject to the same terms and
807 conditions set forth in the initial contract and any written
808 amendments signed by the parties. If the commodity or
809 contractual service is purchased as a result of the solicitation
810 of bids, proposals, or replies, the price of the commodity or
811 contractual service to be renewed must ~~shall~~ be specified in the
812 bid, proposal, or reply, except that an agency may negotiate

20131150e1

813 lower pricing. A renewal contract may not include any
814 compensation for costs associated with the renewal. Renewals are
815 ~~shall be~~ contingent upon satisfactory performance evaluations by
816 the agency and subject to the availability of funds. Exceptional
817 purchase contracts pursuant to paragraphs (3) (a) and (c) may not
818 be renewed. With the exception of subsection (10) ~~(12)~~, if a
819 contract amendment results in a longer contract term or
820 increased payments, a state agency may not renew or amend a
821 contract for the outsourcing of a service or activity that has
822 an original term value exceeding ~~the sum of~~ \$10 million before
823 submitting a written report concerning contract performance to
824 the Governor, the President of the Senate, and the Speaker of
825 the House of Representatives at least 90 days before execution
826 of the renewal or amendment.

827 (16) (a) For a contract in excess of the threshold amount
828 provided in s. 287.017 for CATEGORY FOUR, the agency head shall
829 appoint:

830 1. ~~(a)~~ At least three persons to evaluate proposals and
831 replies who collectively have experience and knowledge in the
832 program areas and service requirements for which commodities or
833 contractual services are sought.

834 2. ~~(b)~~ At least three persons to conduct negotiations during
835 a competitive sealed reply procurement who collectively have
836 experience and knowledge in negotiating contracts, contract
837 procurement, and the program areas and service requirements for
838 which commodities or contractual services are sought.

839 (b) ~~If~~ When the value of a contract is in excess of \$1
840 million in any fiscal year, at least one of the persons
841 conducting negotiations must be certified as a contract

20131150e1

842 negotiator based upon department rules ~~adopted by the Department~~
843 ~~of Management Services~~ in order to ensure that certified
844 contract negotiators are knowledgeable about effective
845 negotiation strategies, capable of successfully implementing
846 those strategies, and involved appropriately in the procurement
847 process. At a minimum, the rules must address the qualifications
848 required for certification, the method of certification, and the
849 procedure for involving the certified negotiator. If the value
850 of a contract is in excess of \$10 million in any fiscal year, at
851 least one of the persons conducting negotiations must be a
852 Project Management Professional, as certified by the Project
853 Management Institute.

854 (22) The department, in consultation with the Chief
855 Financial Officer ~~Agency for Enterprise Information Technology~~
856 ~~and the Comptroller~~, shall maintain ~~develop~~ a program for online
857 procurement of commodities and contractual services. To enable
858 the state to promote open competition and ~~to~~ leverage its buying
859 power, agencies shall participate in the online procurement
860 program, and eligible users may participate in the program. Only
861 vendors prequalified as meeting mandatory requirements and
862 qualifications criteria may participate in online procurement.

863 (a) The department, ~~in consultation with the agency~~, may
864 contract for equipment and services necessary to develop and
865 implement online procurement.

866 (b) The department, ~~in consultation with the agency~~, shall
867 adopt rules, ~~pursuant to ss. 120.536(1) and 120.54~~, to
868 administer the program for online procurement. The rules must
869 ~~shall~~ include, but not be limited to:

870 1. Determining the requirements and qualification criteria

20131150e1

871 for prequalifying vendors.

872 2. Establishing the procedures for conducting online
873 procurement.

874 3. Establishing the criteria for eligible commodities and
875 contractual services.

876 4. Establishing the procedures for providing access to
877 online procurement.

878 5. Determining the criteria warranting any exceptions to
879 participation in the online procurement program.

880 (c) The department may impose and shall collect all fees
881 for the use of the online procurement systems.

882 1. The fees may be imposed on an individual transaction
883 basis or as a fixed percentage of the cost savings generated. At
884 a minimum, the fees must be set in an amount sufficient to cover
885 the projected costs of the services, including administrative
886 and project service costs in accordance with the policies of the
887 department.

888 2. If the department contracts with a provider for online
889 procurement, the department, pursuant to appropriation, shall
890 compensate the provider from the fees after the department has
891 satisfied all ongoing costs. The provider shall report
892 transaction data to the department each month so that the
893 department may determine the amount due and payable to the
894 department from each vendor.

895 3. All fees that are due and payable to the state on a
896 transactional basis or as a fixed percentage of the cost savings
897 generated are subject to s. 215.31 and must be remitted within
898 40 days after receipt of payment for which the fees are due. For
899 fees that are not remitted within 40 days, the vendor shall pay

20131150e1

900 interest at the rate established under s. 55.03(1) on the unpaid
901 balance from the expiration of the 40-day period until the fees
902 are remitted.

903 4. All fees and surcharges collected under this paragraph
904 shall be deposited in the Operating Trust Fund as provided by
905 law.

906 Section 9. Effective December 1, 2014, subsection (14) of
907 section 287.057, Florida Statutes, is amended to read:

908 287.057 Procurement of commodities or contractual
909 services.—

910 (14) For each contractual services contract, the agency
911 shall designate an employee to function as contract manager who
912 is ~~shall be~~ responsible for enforcing performance of the
913 contract terms and conditions and serve as a liaison with the
914 contractor.

915 (a) Each contract manager who is responsible for contracts
916 in excess of the threshold amount for CATEGORY TWO must, at a
917 minimum, complete ~~attend~~ training conducted by the Chief
918 Financial Officer for accountability in contracts and grant
919 management. The Chief Financial Officer shall establish and
920 disseminate uniform procedures pursuant to s. 17.03(3) to ensure
921 that contractual services have been rendered in accordance with
922 the contract terms before the agency processes the invoice for
923 payment. The procedures must ~~shall~~ include, but need not be
924 limited to, procedures for monitoring and documenting contractor
925 performance, reviewing and documenting all deliverables for
926 which payment is requested by vendors, and providing written
927 certification by contract managers of the agency's receipt of
928 goods and services.

20131150e1

929 (b) Each contract manager who is responsible for contracts
930 in excess of \$100,000 annually must complete training in
931 contract management and become a certified contract manager. The
932 department is responsible for establishing and disseminating the
933 requirements for certification which include completing the
934 training conducted by the Chief Financial Officer for
935 accountability in contracts and grant management. Training and
936 certification must be coordinated by the department, and the
937 training must be conducted jointly by the department and the
938 Department of Financial Services. Training must promote best
939 practices and procedures related to negotiating, managing, and
940 ensuring accountability in agency contracts and grant
941 agreements, which must include the use of case studies based
942 upon previous audits, contracts, and grant agreements. All
943 agency contract managers must become certified within 24 months
944 after establishment of the training and certification
945 requirements by the department and the Department of Financial
946 Services.

947 Section 10. Paragraph (a) of subsection (3) of section
948 287.0571, Florida Statutes, is amended to read:

949 287.0571 Business case to outsource; applicability.—

950 (3) This section does not apply to:

951 (a) A procurement of commodities and contractual services
952 listed in s. 287.057(3)(d) and (e) ~~287.057(3)(e), (f), and (g)~~
953 and (21).

954 Section 11. Subsections (1), (2), and (5) of section
955 287.058, Florida Statutes, are amended, and subsection (7) is
956 added to that section, to read:

957 287.058 Contract document.—

20131150e1

958 (1) Every procurement of contractual services in excess of
959 the threshold amount provided in s. 287.017 for CATEGORY TWO,
960 except for the providing of health and mental health services or
961 drugs in the examination, diagnosis, or treatment of sick or
962 injured state employees or the providing of other benefits as
963 required by ~~the provisions of~~ chapter 440, shall be evidenced by
964 a written agreement embodying all provisions and conditions of
965 the procurement of such services, which shall, where applicable,
966 include, but not be limited to, a provision:

967 (a) That bills for fees or other compensation for services
968 or expenses be submitted in detail sufficient for a proper
969 preaudit and postaudit thereof.

970 (b) That bills for any travel expenses be submitted in
971 accordance with s. 112.061. A state agency may establish rates
972 lower than the maximum provided in s. 112.061.

973 (c) Allowing unilateral cancellation by the agency for
974 refusal by the contractor to allow public access to all
975 documents, papers, letters, or other material made or received
976 by the contractor in conjunction with the contract, unless the
977 records are exempt from s. 24(a) of Art. I of the State
978 Constitution and s. 119.07(1).

979 (d) Specifying a scope of work that clearly establishes all
980 tasks the contractor is required to perform.

981 (e) Dividing the contract into quantifiable, measurable,
982 and verifiable units of deliverables that must be received and
983 accepted in writing by the contract manager before payment. Each
984 deliverable must be directly related to the scope of work and
985 specify a performance measure. As used in this paragraph, the
986 term "performance measure" means the required minimum acceptable

20131150e1

987 level of service to be performed and criteria for evaluating the
988 successful completion of each deliverable.

989 (f) Specifying the criteria and the final date by which
990 such criteria must be met for completion of the contract.

991 (g) Specifying that the contract may be renewed for a
992 period that may not exceed 3 years or the term of the original
993 contract, whichever ~~period~~ is longer, specifying the renewal
994 price for the contractual service as set forth in the bid,
995 proposal, or reply, specifying that costs for the renewal may
996 not be charged, and specifying that renewals are ~~shall be~~
997 contingent upon satisfactory performance evaluations by the
998 agency and subject to the availability of funds. Exceptional
999 purchase contracts pursuant to s. 287.057(3) (a) and (c) may not
1000 be renewed.

1001 (h) Specifying the financial consequences that the agency
1002 must apply if the contractor fails to perform in accordance with
1003 the contract.

1004 (i) Addressing the property rights of any intellectual
1005 property related to the contract and the specific rights of the
1006 state regarding the intellectual property if the contractor
1007 fails to provide the services or is no longer providing
1008 services.

1009
1010 In lieu of a written agreement, the agency ~~department~~ may
1011 authorize the use of a purchase order for classes of contractual
1012 services, if the provisions of paragraphs (a)-(i) are included
1013 in the purchase order or solicitation. The purchase order must
1014 include, but need not be limited to, an adequate description of
1015 the services, the contract period, and the method of payment. In

20131150e1

1016 lieu of printing the provisions of paragraphs (a)-(c) and (g)
1017 ~~(a)-(i)~~ in the contract document or purchase order, agencies may
1018 incorporate the requirements of paragraphs (a)-(c) and (g) ~~(a)-~~
1019 ~~(i)~~ by reference.

1020 (2) The written agreement shall be signed by the agency
1021 head or designee and the contractor before ~~prior to~~ the
1022 rendering of any contractual service the value of which is in
1023 excess of the threshold amount provided in s. 287.017 for
1024 CATEGORY TWO, except in the case of a valid emergency as
1025 certified by the agency head. The written statement
1026 ~~certification~~ of an emergency must ~~shall~~ be prepared within 30
1027 days after the contractor begins rendering the service and must
1028 ~~shall~~ state the particular facts and circumstances which
1029 precluded the execution of the written agreement before ~~prior to~~
1030 the rendering of the service. If the agency fails to have the
1031 contract signed by the agency head or designee and the
1032 contractor before ~~prior to~~ rendering the contractual service,
1033 and if an emergency does not exist, the agency head shall,
1034 within ~~no later than~~ 30 days after the contractor begins
1035 rendering the service, certify the specific conditions and
1036 circumstances to the department as well as describe actions
1037 taken to prevent recurrence of such noncompliance. The agency
1038 head may delegate the written statement ~~certification~~ only to
1039 other senior management agency personnel. A copy of the written
1040 statement ~~certification~~ shall be furnished to the Chief
1041 Financial Officer with the voucher authorizing payment. The
1042 department shall report repeated instances of noncompliance by
1043 an agency to the Auditor General. ~~Nothing in~~ This subsection
1044 does not ~~shall be deemed to~~ authorize additional compensation

20131150e1

1045 prohibited under ~~by~~ s. 215.425. The procurement of contractual
1046 services may ~~shall~~ not be divided so as to avoid the provisions
1047 of this section.

1048 (5) Unless otherwise provided in the General Appropriations
1049 Act or the substantive bill implementing the General
1050 Appropriations Act, the Chief Financial Officer may waive the
1051 requirements of this section for services which are included in
1052 s. 287.057(3)(e) ~~287.057(3)(f)~~.

1053 (7) The Chief Financial Officer may audit a contract
1054 subject to this chapter before the execution of such contract in
1055 accordance with rules adopted by the Department of Financial
1056 Services. The audit must ensure that applicable laws have been
1057 met; that the contract document contains a clear statement of
1058 work, quantifiable and measurable deliverables, performance
1059 measures, financial consequences for nonperformance, and clear
1060 terms and conditions that protect the interests of the state;
1061 and that the associated costs of the contract are not
1062 unreasonable or inappropriate. The audit must ensure that all
1063 contracting laws have been met and that documentation is
1064 available to support the contract. A contract that does not
1065 comply with this section may be returned to the submitting
1066 agency for revision.

1067 (a) The Chief Financial Officer may establish dollar
1068 thresholds and other criteria for sampling the contracts that
1069 are to be audited before execution. The Chief Financial Officer
1070 may revise such thresholds and other criteria for an agency or
1071 unit of an agency as deemed appropriate.

1072 (b) The Chief Financial Officer shall make a final
1073 determination of any deficiencies in the contract within 10

20131150e1

1074 business days after receipt of the proposed contract and shall
1075 include information regarding the deficiencies in the audit
1076 report provided to the agency entering into the contract. The
1077 Chief Financial Officer and the agency entering into the
1078 contract may agree to a longer review period.

1079 Section 12. Section 287.136, Florida Statutes, is created
1080 to read:

1081 287.136 Audit of executed contract documents.—The Chief
1082 Financial Officer shall perform audits of an executed contract
1083 documents and contract manager's records to ensure that adequate
1084 internal controls are in place for complying with the terms and
1085 conditions of the contract and for the validation and receipt of
1086 goods and services.

1087 (1) At the conclusion of the audit, the Chief Financial
1088 Officer's designee shall discuss the audit and potential
1089 findings with the official whose office is subject to audit. The
1090 final audit report shall be submitted to the agency head.

1091 (2) Within 30 days after the receipt of the final audit
1092 report, the agency head shall submit to the Chief Financial
1093 Officer or designee, his or her written statement of explanation
1094 or rebuttal concerning findings requiring corrective action,
1095 including corrective action to be taken to preclude a
1096 recurrence.

1097 Section 13. Section 287.076, Florida Statutes, is amended
1098 to read:

1099 287.076 Project Management Professionals training for
1100 personnel involved in managing outsourcings and negotiations;
1101 funding.—~~The department of Management Services~~ may implement a
1102 program to train state agency employees who are involved in

20131150e1

1103 managing outsourcings as Project Management Professionals, as
1104 certified by the Project Management Institute. ~~For the 2006-2007~~
1105 ~~fiscal year, the sum of \$500,000 in recurring funds from the~~
1106 ~~General Revenue Fund is appropriated to the Department of~~
1107 ~~Management Services to implement this program. Subject to annual~~
1108 appropriations, the department ~~of Management Services,~~ in
1109 consultation with entities subject to this part act, shall
1110 identify personnel to participate in this training based on
1111 requested need and ensure that each agency is represented. The
1112 department ~~of Management Services~~ may remit payment for this
1113 training on behalf of all participating personnel.

1114 Section 14. Subsection (3) of section 16.0155, Florida
1115 Statutes, is amended to read:

1116 16.0155 Contingency fee agreements.—

1117 (3) Notwithstanding the exemption provided in s.
1118 287.057(3)(e), if the Attorney General makes the determination
1119 described in subsection (2), he or she notwithstanding the
1120 ~~exemption provided in s. 287.057(3)(f),~~ the Attorney General
1121 shall request proposals from private attorneys to represent the
1122 department on a contingency-fee basis, unless the Attorney
1123 General determines in writing that requesting proposals is not
1124 feasible under the circumstances. The written determination does
1125 not constitute a final agency action subject to review pursuant
1126 to ss. 120.569 and 120.57. For purposes of this subsection only,
1127 the department is exempt from ~~the requirements of~~ s. 120.57(3),
1128 and neither the request for proposals nor the contract award is
1129 subject to challenge pursuant to ss. 120.569 and 120.57.

1130 Section 15. Subsection (1) of section 283.33, Florida
1131 Statutes, is amended to read:

20131150e1

1132 283.33 Printing of publications; lowest bidder awards.—

1133 (1) Publications may be printed and prepared in-house, by
1134 another agency or the Legislature, or purchased on bid,
1135 whichever is more economical and practicable as determined by
1136 the agency. An agency may contract for binding separately when
1137 more economical or practicable, whether or not the remainder of
1138 the printing is done in-house. A vendor may subcontract for
1139 binding and still be considered a responsible vendor as defined
1140 in s. 287.012, ~~notwithstanding s. 287.012(24)~~.

1141 Section 16. Subsection (3) of section 394.457, Florida
1142 Statutes, is amended to read:

1143 394.457 Operation and administration.—

1144 (3) POWER TO CONTRACT.—The department may contract to
1145 provide, and be provided with, services and facilities in order
1146 to carry out its responsibilities under this part with the
1147 following agencies: public and private hospitals; receiving and
1148 treatment facilities; clinics; laboratories; departments,
1149 divisions, and other units of state government; the state
1150 colleges and universities; the community colleges; private
1151 colleges and universities; counties, municipalities, and any
1152 other governmental unit, including facilities of the United
1153 States Government; and any other public or private entity which
1154 provides or needs facilities or services. Baker Act funds for
1155 community inpatient, crisis stabilization, short-term
1156 residential treatment, and screening services must be allocated
1157 to each county pursuant to the department's funding allocation
1158 methodology. Notwithstanding s. 287.057(3)(e) ~~the provisions of~~
1159 ~~s. 287.057(3)(f)~~, contracts for community-based Baker Act
1160 services for inpatient, crisis stabilization, short-term

20131150e1

1161 residential treatment, and screening provided under this part,
1162 other than those with other units of government, to be provided
1163 for the department must be awarded using competitive sealed bids
1164 if ~~when~~ the county commission of the county receiving the
1165 services makes a request to the department's district office by
1166 January 15 of the contracting year. The district may ~~shall~~ not
1167 enter into a competitively bid contract under this provision if
1168 such action will result in increases of state or local
1169 expenditures for Baker Act services within the district.

1170 Contracts for these Baker Act services using competitive sealed
1171 bids are ~~will be~~ effective for 3 years. The department shall
1172 adopt rules establishing minimum standards for such contracted
1173 services and facilities and shall make periodic audits and
1174 inspections to assure that the contracted services are provided
1175 and meet the standards of the department.

1176 Section 17. Paragraph (a) of subsection (2) of section
1177 402.7305, Florida Statutes, is amended to read:

1178 402.7305 Department of Children and Family Services;
1179 procurement of contractual services; contract management.—

1180 (2) PROCUREMENT OF COMMODITIES AND CONTRACTUAL SERVICES.—

1181 (a) Notwithstanding s. 287.057(3)(e)12. ~~287.057(3)(f)12.,~~
1182 if ~~whenever~~ the department intends to contract with a public
1183 postsecondary institution to provide a service, the department
1184 must allow all public postsecondary institutions in this state
1185 that are accredited by the Southern Association of Colleges and
1186 Schools to bid on the contract. Thereafter, notwithstanding any
1187 other provision of law ~~to the contrary~~, if a public
1188 postsecondary institution intends to subcontract for any service
1189 awarded in the contract, the subcontracted service must be

20131150e1

1190 procured by competitive procedures.

1191 Section 18. Section 409.9132, Florida Statutes, is amended
1192 to read:

1193 409.9132 Pilot project to monitor home health services.—The
1194 Agency for Health Care Administration shall expand the home
1195 health agency monitoring pilot project in Miami-Dade County on a
1196 statewide basis effective July 1, 2012, except in counties in
1197 which the program is ~~will~~ not ~~be~~ cost-effective, as determined
1198 by the agency. The agency shall contract with a vendor to verify
1199 the utilization and delivery of home health services and provide
1200 an electronic billing interface for home health services. The
1201 contract must require the creation of a program to submit claims
1202 electronically for the delivery of home health services. The
1203 program must verify telephonically visits for the delivery of
1204 home health services using voice biometrics. The agency may seek
1205 amendments to the Medicaid state plan and waivers of federal
1206 laws, as necessary, to implement or expand the pilot project.
1207 Notwithstanding s. 287.057(3)(e) ~~287.057(3)(f)~~, the agency must
1208 award the contract through the competitive solicitation process
1209 and may use the current contract to expand the home health
1210 agency monitoring pilot project to include additional counties
1211 as authorized under this section.

1212 Section 19. Subsection (3) of section 427.0135, Florida
1213 Statutes, is amended to read:

1214 427.0135 Purchasing agencies; duties and responsibilities.—
1215 Each purchasing agency, in carrying out the policies and
1216 procedures of the commission, shall:

1217 (3) Not procure transportation disadvantaged services
1218 without initially negotiating with the commission, as provided

20131150e1

1219 in s. 287.057(3)(e)12. ~~287.057(3)(f)12.~~, or unless otherwise
1220 authorized by statute. If the purchasing agency, after
1221 consultation with the commission, determines that it cannot
1222 reach mutually acceptable contract terms with the commission,
1223 the purchasing agency may contract for the same transportation
1224 services provided in a more cost-effective manner and of
1225 comparable or higher quality and standards. The Medicaid agency
1226 shall implement this subsection in a manner consistent with s.
1227 409.908(18) and as otherwise limited or directed by the General
1228 Appropriations Act.

1229 Section 20. Paragraph (c) of subsection (5) of section
1230 445.024, Florida Statutes, is amended to read:

1231 445.024 Work requirements.—

1232 (5) USE OF CONTRACTS.—Regional workforce boards shall
1233 provide work activities, training, and other services, as
1234 appropriate, through contracts. In contracting for work
1235 activities, training, or services, the following applies:

1236 (c) Notwithstanding the exemption from the competitive
1237 sealed bid requirements provided in s. 287.057(3)(e)
1238 ~~287.057(3)(f)~~ for certain contractual services, each contract
1239 awarded under this chapter must be awarded on the basis of a
1240 competitive sealed bid, except for a contract with a
1241 governmental entity as determined by the regional workforce
1242 board.

1243 Section 21. Paragraph (c) of subsection (5) of section
1244 627.311, Florida Statutes, is amended to read:

1245 627.311 Joint underwriters and joint reinsurers; public
1246 records and public meetings exemptions.—

1247 (5)

20131150e1

1248 (c) The operation of the plan shall be governed by a plan
1249 of operation that is prepared at the direction of the board of
1250 governors and approved by order of the office. The plan is
1251 subject to continuous review by the office. The office may, by
1252 order, withdraw approval of all or part of a plan if the office
1253 determines that conditions have changed since approval was
1254 granted and that the purposes of the plan require changes in the
1255 plan. The plan of operation must ~~shall~~:

1256 1. Authorize the board to engage in the activities
1257 necessary to implement this subsection, including, but not
1258 limited to, borrowing money.

1259 2. Develop criteria for eligibility for coverage by the
1260 plan, including, but not limited to, documented rejection by at
1261 least two insurers which reasonably assures that insureds
1262 covered under the plan are unable to acquire coverage in the
1263 voluntary market.

1264 3. Require notice from the agent to the insured at the time
1265 of the application for coverage that the application is for
1266 coverage with the plan and that coverage may be available
1267 through an insurer, group self-insurers' fund, commercial self-
1268 insurance fund, or assessable mutual insurer through another
1269 agent at a lower cost.

1270 4. Establish programs to encourage insurers to provide
1271 coverage to applicants of the plan in the voluntary market and
1272 to insureds of the plan, including, but not limited to:

1273 a. Establishing procedures for an insurer to use in
1274 notifying the plan of the insurer's desire to provide coverage
1275 to applicants to the plan or existing insureds of the plan and
1276 in describing the types of risks in which the insurer is

20131150e1

1277 interested. The description of the desired risks must be on a
1278 form developed by the plan.

1279 b. Developing forms and procedures that provide an insurer
1280 with the information necessary to determine whether the insurer
1281 wants to write particular applicants to the plan or insureds of
1282 the plan.

1283 c. Developing procedures for notice to the plan and the
1284 applicant to the plan or insured of the plan that an insurer
1285 will insure the applicant or the insured of the plan, and notice
1286 of the cost of the coverage offered; and developing procedures
1287 for the selection of an insuring entity by the applicant or
1288 insured of the plan.

1289 d. Provide for a market-assistance plan to assist in the
1290 placement of employers. All applications for coverage in the
1291 plan received 45 days before the effective date for coverage
1292 shall be processed through the market-assistance plan. A market-
1293 assistance plan specifically designed to serve the needs of
1294 small, good policyholders as defined by the board must be
1295 reviewed and updated periodically.

1296 5. Provide for policy and claims services to the insureds
1297 of the plan of the nature and quality provided for insureds in
1298 the voluntary market.

1299 6. Provide for the review of applications for coverage with
1300 the plan for reasonableness and accuracy, using any available
1301 historic information regarding the insured.

1302 7. Provide for procedures for auditing insureds of the plan
1303 which are based on reasonable business judgment and are designed
1304 to maximize the likelihood that the plan will collect the
1305 appropriate premiums.

20131150e1

1306 8. Authorize the plan to terminate the coverage of and
1307 refuse future coverage for any insured that submits a fraudulent
1308 application to the plan or provides fraudulent or grossly
1309 erroneous records to the plan or to any service provider of the
1310 plan in conjunction with the activities of the plan.

1311 9. Establish service standards for agents who submit
1312 business to the plan.

1313 10. Establish criteria and procedures to prohibit any agent
1314 who does not adhere to the established service standards from
1315 placing business with the plan or receiving, directly or
1316 indirectly, any commissions for business placed with the plan.

1317 11. Provide for the establishment of reasonable safety
1318 programs for all insureds in the plan. All insureds of the plan
1319 must participate in the safety program.

1320 12. Authorize the plan to terminate the coverage of and
1321 refuse future coverage to any insured who fails to pay premiums
1322 or surcharges when due; who, at the time of application, is
1323 delinquent in payments of workers' compensation or employer's
1324 liability insurance premiums or surcharges owed to an insurer,
1325 group self-insurers' fund, commercial self-insurance fund, or
1326 assessable mutual insurer licensed to write such coverage in
1327 this state; or who refuses to substantially comply with any
1328 safety programs recommended by the plan.

1329 13. Authorize the board of governors to provide the goods
1330 and services required by the plan through staff employed by the
1331 plan, through reasonably compensated service providers who
1332 contract with the plan to provide services as specified by the
1333 board of governors, or through a combination of employees and
1334 service providers.

20131150e1

1335 a. Purchases that equal or exceed \$2,500 but are less than
1336 or equal to \$25,000, shall be made by receipt of written quotes,
1337 telephone quotes, or informal bids, if ~~whenever~~ practical. The
1338 procurement of goods or services valued over \$25,000 is subject
1339 to competitive solicitation, except in situations in which the
1340 goods or services are provided by a sole source or are deemed an
1341 emergency purchase, or the services are exempted from
1342 competitive-solicitation requirements under s. 287.057(3)(e)
1343 ~~287.057(3)(f)~~. Justification for the sole-sourcing or emergency
1344 procurement must be documented. Contracts for goods or services
1345 valued at or over \$100,000 are subject to board approval.

1346 b. The board shall determine whether it is more cost-
1347 effective and in the best interests of the plan to use legal
1348 services provided by in-house attorneys employed by the plan
1349 rather than contracting with outside counsel. In making such
1350 determination, the board shall document its findings and shall
1351 consider the expertise needed; whether time commitments exceed
1352 in-house staff resources; whether local representation is
1353 needed; the travel, lodging, and other costs associated with in-
1354 house representation; and such other factors that the board
1355 determines are relevant.

1356 14. Provide for service standards for service providers,
1357 methods of determining adherence to those service standards,
1358 incentives and disincentives for service, and procedures for
1359 terminating contracts for service providers that fail to adhere
1360 to service standards.

1361 15. Provide procedures for selecting service providers and
1362 standards for qualification as a service provider that
1363 reasonably assure that any service provider selected will

20131150e1

1364 continue to operate as an ongoing concern and is capable of
1365 providing the specified services in the manner required.

1366 16. Provide for reasonable accounting and data-reporting
1367 practices.

1368 17. Provide for annual review of costs associated with the
1369 administration and servicing of the policies issued by the plan
1370 to determine alternatives by which costs can be reduced.

1371 18. Authorize the acquisition of such excess insurance or
1372 reinsurance as is consistent with the purposes of the plan.

1373 19. Provide for an annual report to the office on a date
1374 specified by the office and containing such information as the
1375 office reasonably requires.

1376 20. Establish multiple rating plans for various
1377 classifications of risk which reflect risk of loss, hazard
1378 grade, actual losses, size of premium, and compliance with loss
1379 control. At least one of such plans must be a preferred-rating
1380 plan to accommodate small-premium policyholders with good
1381 experience as defined in sub-subparagraph 22.a.

1382 21. Establish agent commission schedules.

1383 22. For employers otherwise eligible for coverage under the
1384 plan, establish three tiers of employers meeting the criteria
1385 and subject to the rate limitations specified in this
1386 subparagraph.

1387 a. Tier One.—

1388 (I) Criteria; rated employers.—An employer that has an
1389 experience modification rating shall be included in Tier One if
1390 the employer meets all of the following:

1391 (A) The experience modification is below 1.00.

1392 (B) The employer had no lost-time claims subsequent to the

20131150e1

1393 applicable experience modification rating period.

1394 (C) The total of the employer's medical-only claims
1395 subsequent to the applicable experience modification rating
1396 period did not exceed 20 percent of premium.

1397 (II) Criteria; non-rated employers.—An employer that does
1398 not have an experience modification rating shall be included in
1399 Tier One if the employer meets all of the following:

1400 (A) The employer had no lost-time claims for the 3-year
1401 period immediately preceding the inception date or renewal date
1402 of the employer's coverage under the plan.

1403 (B) The total of the employer's medical-only claims for the
1404 3-year period immediately preceding the inception date or
1405 renewal date of the employer's coverage under the plan did not
1406 exceed 20 percent of premium.

1407 (C) The employer has secured workers' compensation coverage
1408 for the entire 3-year period immediately preceding the inception
1409 date or renewal date of the employer's coverage under the plan.

1410 (D) The employer is able to provide the plan with a loss
1411 history generated by the employer's prior workers' compensation
1412 insurer, except if the employer is not able to produce a loss
1413 history due to the insolvency of an insurer, the receiver shall
1414 provide to the plan, upon the request of the employer or the
1415 employer's agent, a copy of the employer's loss history from the
1416 records of the insolvent insurer if the loss history is
1417 contained in records of the insurer which are in the possession
1418 of the receiver. If the receiver is unable to produce the loss
1419 history, the employer may, in lieu of the loss history, submit
1420 an affidavit from the employer and the employer's insurance
1421 agent setting forth the loss history.

20131150e1

1422 (E) The employer is not a new business.

1423 (III) Premiums.—The premiums for Tier One insureds shall be
1424 set at a premium level 25 percent above the comparable voluntary
1425 market premiums until the plan has sufficient experience as
1426 determined by the board to establish an actuarially sound rate
1427 for Tier One, at which point the board shall, subject to
1428 paragraph (e), adjust the rates, if necessary, to produce
1429 actuarially sound rates, provided such rate adjustment shall not
1430 take effect prior to January 1, 2007.

1431 b. Tier Two.—

1432 (I) Criteria; rated employers.—An employer that has an
1433 experience modification rating shall be included in Tier Two if
1434 the employer meets all of the following:

1435 (A) The experience modification is equal to or greater than
1436 1.00 but not greater than 1.10.

1437 (B) The employer had no lost-time claims subsequent to the
1438 applicable experience modification rating period.

1439 (C) The total of the employer's medical-only claims
1440 subsequent to the applicable experience modification rating
1441 period did not exceed 20 percent of premium.

1442 (II) Criteria; non-rated employers.—An employer that does
1443 not have any experience modification rating shall be included in
1444 Tier Two if the employer is a new business. An employer shall be
1445 included in Tier Two if the employer has less than 3 years of
1446 loss experience in the 3-year period immediately preceding the
1447 inception date or renewal date of the employer's coverage under
1448 the plan and the employer meets all of the following:

1449 (A) The employer had no lost-time claims for the 3-year
1450 period immediately preceding the inception date or renewal date

20131150e1

1451 of the employer's coverage under the plan.

1452 (B) The total of the employer's medical-only claims for the
1453 3-year period immediately preceding the inception date or
1454 renewal date of the employer's coverage under the plan did not
1455 exceed 20 percent of premium.

1456 (C) The employer is able to provide the plan with a loss
1457 history generated by the workers' compensation insurer that
1458 provided coverage for the portion or portions of such period
1459 during which the employer had secured workers' compensation
1460 coverage, except if the employer is not able to produce a loss
1461 history due to the insolvency of an insurer, the receiver shall
1462 provide to the plan, upon the request of the employer or the
1463 employer's agent, a copy of the employer's loss history from the
1464 records of the insolvent insurer if the loss history is
1465 contained in records of the insurer which are in the possession
1466 of the receiver. If the receiver is unable to produce the loss
1467 history, the employer may, in lieu of the loss history, submit
1468 an affidavit from the employer and the employer's insurance
1469 agent setting forth the loss history.

1470 (III) Premiums.—The premiums for Tier Two insureds shall be
1471 set at a rate level 50 percent above the comparable voluntary
1472 market premiums until the plan has sufficient experience as
1473 determined by the board to establish an actuarially sound rate
1474 for Tier Two, at which point the board shall, subject to
1475 paragraph (e), adjust the rates, if necessary, to produce
1476 actuarially sound rates, provided such rate adjustment shall not
1477 take effect prior to January 1, 2007.

1478 c. Tier Three.—

1479 (I) Eligibility.—An employer shall be included in Tier

20131150e1

1480 Three if the employer does not meet the criteria for Tier One or
1481 Tier Two.

1482 (II) Rates.—The board shall establish, subject to paragraph
1483 (e), and the plan shall charge, actuarially sound rates for Tier
1484 Three insureds.

1485 23. For Tier One or Tier Two employers which employ no
1486 nonexempt employees or which report payroll which is less than
1487 the minimum wage hourly rate for one full-time employee for 1
1488 year at 40 hours per week, the plan shall establish actuarially
1489 sound premiums, provided, however, that the premiums may not
1490 exceed \$2,500. These premiums shall be in addition to the fee
1491 specified in subparagraph 26. When the plan establishes
1492 actuarially sound rates for all employers in Tier One and Tier
1493 Two, the premiums for employers referred to in this paragraph
1494 are no longer subject to the \$2,500 cap.

1495 24. Provide for a depopulation program to reduce the number
1496 of insureds in the plan. If an employer insured through the plan
1497 is offered coverage from a voluntary market carrier:

- 1498 a. During the first 30 days of coverage under the plan;
1499 b. Before a policy is issued under the plan;
1500 c. By issuance of a policy upon expiration or cancellation
1501 of the policy under the plan; or
1502 d. By assumption of the plan's obligation with respect to
1503 an in-force policy,

1504
1505 that employer is no longer eligible for coverage through the
1506 plan. The premium for risks assumed by the voluntary market
1507 carrier must be no greater than the premium the insured would
1508 have paid under the plan, and shall be adjusted upon renewal to

20131150e1

1509 reflect changes in the plan rates and the tier for which the
1510 insured would qualify as of the time of renewal. The insured may
1511 be charged such premiums only for the first 3 years of coverage
1512 in the voluntary market. A premium under this subparagraph is
1513 deemed approved and is not an excess premium for purposes of s.
1514 627.171.

1515 25. Require that policies issued and applications must
1516 include a notice that the policy could be replaced by a policy
1517 issued from a voluntary market carrier and that, if an offer of
1518 coverage is obtained from a voluntary market carrier, the
1519 policyholder is no longer eligible for coverage through the
1520 plan. The notice must also specify that acceptance of coverage
1521 under the plan creates a conclusive presumption that the
1522 applicant or policyholder is aware of this potential.

1523 26. Require that each application for coverage and each
1524 renewal premium be accompanied by a nonrefundable fee of \$475 to
1525 cover costs of administration and fraud prevention. The board
1526 may, with the prior approval of the office, increase the amount
1527 of the fee pursuant to a rate filing to reflect increased costs
1528 of administration and fraud prevention. The fee is not subject
1529 to commission and is fully earned upon commencement of coverage.

1530 Section 22. Paragraph (e) of subsection (6) of section
1531 627.351, Florida Statutes, is amended to read:

1532 627.351 Insurance risk apportionment plans.—

1533 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

1534 (e) Purchases that equal or exceed \$2,500, but are less
1535 than \$25,000, shall be made by receipt of written quotes,
1536 written record of telephone quotes, or informal bids, if
1537 ~~whenever~~ practical. The procurement of goods or services valued

20131150e1

1538 at or over \$25,000 is ~~shall be~~ subject to competitive
1539 solicitation, except in situations where the goods or services
1540 are provided by a sole source or are deemed an emergency
1541 purchase; the services are exempted from competitive
1542 solicitation requirements under s. 287.057(3)(e) ~~287.057(3)(f)~~;
1543 or the procurement of services is subject to s. 627.3513.
1544 Justification for the sole-sourcing or emergency procurement
1545 must be documented. Contracts for goods or services valued at or
1546 over \$100,000 are subject to approval by the board.

1547 Section 23. Subsection (2) of section 765.5155, Florida
1548 Statutes, is amended to read:

1549 765.5155 Donor registry; education program.—

1550 (2) The agency and the department shall jointly contract
1551 for the operation of a donor registry and education program. The
1552 contractor shall be procured by competitive solicitation
1553 pursuant to chapter 287, notwithstanding an any exemption under
1554 ~~in~~ s. 287.057(3)(e) ~~287.057(3)(f)~~. When awarding the contract,
1555 priority shall be given to existing nonprofit groups that are
1556 based within the state, have expertise working with procurement
1557 organizations, have expertise in conducting statewide organ and
1558 tissue donor public education campaigns, and represent the needs
1559 of the organ and tissue donation community in the state.

1560 Section 24. Subsection (10) of section 893.055, Florida
1561 Statutes, is amended to read:

1562 893.055 Prescription drug monitoring program.—

1563 (10) All costs incurred by the department in administering
1564 the prescription drug monitoring program shall be funded through
1565 federal grants or private funding applied for or received by the
1566 state. The department may not commit funds for the monitoring

20131150e1

1567 program without ensuring funding is available. The prescription
1568 drug monitoring program and the implementation thereof are
1569 contingent upon receipt of the nonstate funding. The department
1570 and state government shall cooperate with the direct-support
1571 organization established pursuant to subsection (11) in seeking
1572 federal grant funds, other nonstate grant funds, gifts,
1573 donations, or other private moneys for the department if so long
1574 ~~as~~ the costs of doing so are not considered material.
1575 Nonmaterial costs for this purpose include, but are not limited
1576 to, the costs of mailing and personnel assigned to research or
1577 apply for a grant. Notwithstanding the exemptions to
1578 competitive-solicitation requirements under s. 287.057(3)(e)
1579 ~~287.057(3)(f)~~, the department shall comply with the competitive-
1580 solicitation requirements under s. 287.057 for the procurement
1581 of any goods or services required by this section. Funds
1582 provided, directly or indirectly, by prescription drug
1583 manufacturers may not be used to implement the program.

1584 Section 25. Except as otherwise expressly provided in this
1585 act, this act shall take effect July 1, 2013.