

Amendment No. 9

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Regulatory Affairs
2 Committee

3 Representative Wood offered the following:

Amendment (with title amendment)

6 Between lines 912 and 913, insert:

7 Section 3. Effective October 1, 2013, paragraphs (e) and
8 (t)of subsection (6) of section 627.351, Florida Statutes, are
9 amended to read

10 627.351 Insurance risk apportionment plans.—

11 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

12 (e) The corporation is subject to s. 287.057 for the
13 purchase of commodities and contractual services except as
14 otherwise provided in this paragraph. Services provided by
15 traders or persons or technical experts to assist a licensed adjuster
16 in the evaluation of individual claims are not subject to the
17 procurement requirements of this section. Additionally, the
18 procurement of financial services providers and underwriters
19 must be made pursuant to s. 627.3513 ~~Purchases that equal or~~
20 ~~exceed \$2,500, but are less than \$25,000, shall be made by~~

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21 ~~receipt of written quotes, written record of telephone quotes,~~
22 ~~or informal bids, whenever practical. The procurement of goods~~
23 ~~or services valued at or over \$25,000 shall be subject to~~
24 ~~competitive solicitation, except in situations where the goods~~
25 ~~or services are provided by a sole source or are deemed an~~
26 ~~emergency purchase; the services are exempted from competitive~~
27 ~~solicitation requirements under s. 287.057(3) (f); or the~~
28 ~~procurement of services is subject to s. 627.3513. Justification~~
29 ~~for the sole-sourcing or emergency procurement must be~~
30 ~~documented.~~ Contracts for goods or services valued at or more
31 than ~~over~~ \$100,000 are subject to approval by the board.

32 1. The corporation is an agency for the purposes of s.
33 287.057, except for subsection (22) of that section for which
34 the corporation is an eligible user.

35 a. The authority of the Department of Management Services
36 and the Chief Financial Officer under s. 287.057 extends to the
37 corporation as if the corporation were an agency.

38 b. The executive director of the corporation is the agency
39 head under s. 287.057, except for resolution of bid protests for
40 which the board would serve as the agency head.

41 2. The corporation must provide notice of a decision or
42 intended decision concerning a solicitation, contract award, or
43 exceptional purchase by electronic posting. Such notice must
44 contain the following statement: "Failure to file a protest
45 within the time prescribed in this section constitutes a waiver
46 of proceedings."

47 a. A person adversely affected by the corporation's
48 decision or intended decision to award a contract pursuant to s.

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49 287.057(1) or s. 287.057(3) (c) who elects to challenge the
50 decision must file a written notice of protest with the
51 executive director of the corporation within 72 hours after the
52 corporation posts a notice of its decision or intended decision.
53 For a protest of the terms, conditions, and specifications
54 contained in a solicitation, including any provisions governing
55 the methods for ranking bids, proposals, replies, awarding
56 contracts, reserving rights of further negotiation, or modifying
57 or amending any contract, the notice of protest must be filed in
58 writing within 72 hours after the posting of the solicitation.
59 Saturdays, Sundays, and state holidays are excluded in the
60 computation of the 72-hour time period.

61 b. A formal written protest must be filed within 10 days
62 after the date the notice of protest is filed. The formal
63 written protest must state with particularity the facts and law
64 upon which the protest is based. Upon receipt of a formal
65 written protest that has been timely filed, the corporation must
66 stop the solicitation or contract award process until the
67 subject of the protest is resolved by final board action unless
68 the executive director sets forth in writing particular facts
69 and circumstances that require the continuance of the
70 solicitation or contract award process without delay in order to
71 avoid an immediate and serious danger to the public health,
72 safety, or welfare. The corporation must provide an opportunity
73 to resolve the protest by mutual agreement between the parties
74 within 7 business days after receipt of the formal written
75 protest. If the subject of a protest is not resolved by mutual
76 agreement within 7 business days, the corporation's board must

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77 place the protest on the agenda and resolve it at its next
78 regularly scheduled meeting. The protest must be heard by the
79 board at a publicly noticed meeting in accordance with
80 procedures established by the board.

81 c. In a protest of an invitation-to-bid or request-for-
82 proposals procurement, submissions made after the bid or
83 proposal opening which amend or supplement the bid or proposal
84 may not be considered. In protesting an invitation-to-negotiate
85 procurement, submissions made after the corporation announces
86 its intent to award a contract, reject all replies, or withdraw
87 the solicitation that amends or supplements the reply may not be
88 considered. Unless otherwise provided by law, the burden of
89 proof rests with the party protesting the corporation's action.
90 In a competitive-procurement protest, other than a rejection of
91 all bids, proposals, or replies, the corporation's board must
92 conduct a de novo proceeding to determine whether the
93 corporation's proposed action is contrary to the corporation's
94 governing statutes, the corporation's rules or policies, or the
95 solicitation specifications. The standard of proof for the
96 proceeding is whether the corporation's action was clearly
97 erroneous, contrary to competition, arbitrary, or capricious. In
98 any bid-protest proceeding contesting an intended corporation
99 action to reject all bids, proposals, or replies, the standard
100 of review by the board is whether the corporation's intended
101 action is illegal, arbitrary, dishonest, or fraudulent.

102 d. Failure to file a notice of protest or failure to file
103 a formal written protest constitutes a waiver of proceedings.

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104 3. Contract actions and decisions by the board under this
105 paragraph are final. Any further legal remedy must be made in
106 the Circuit Court of Leon County.

107 (t) For the purposes of s. 199.183(1), the corporation
108 shall be considered a political subdivision of the state and
109 shall be exempt from the corporate income tax. The premiums,
110 assessments, investment income, and other revenue of the
111 corporation are funds received for providing property insurance
112 coverage as required by this subsection, paying claims for
113 Florida citizens insured by the corporation, securing and
114 repaying debt obligations issued by the corporation, and
115 conducting all other activities of the corporation, and shall
116 not be considered taxes, fees, licenses, or charges for services
117 imposed by the Legislature on individuals, businesses, or
118 agencies outside state government. Bonds and other debt
119 obligations issued by or on behalf of the corporation are not to
120 be considered "state bonds" within the meaning of s. 215.58(8).
121 The corporation is ~~not~~ subject to the procurement provisions of
122 chapter 287 as provided in paragraph (e), and policies and
123 decisions of the corporation relating to incurring debt, levying
124 of assessments and the sale, issuance, continuation, terms and
125 claims under corporation policies, and all services relating
126 thereto, are not subject to the provisions of chapter 120. The
127 corporation is not required to obtain or to hold a certificate
128 of authority issued by the office, nor is it required to
129 participate as a member insurer of the Florida Insurance
130 Guaranty Association. However, the corporation is required to
131 pay, in the same manner as an authorized insurer, assessments

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132 levied by the Florida Insurance Guaranty Association. It is the
 133 intent of the Legislature that the tax exemptions provided in
 134 this paragraph will augment the financial resources of the
 135 corporation to better enable the corporation to fulfill its
 136 public purposes. Any debt obligations issued by the corporation,
 137 their transfer, and the income therefrom, including any profit
 138 made on the sale thereof, shall at all times be free from
 139 taxation of every kind by the state and any political
 140 subdivision or local unit or other instrumentality thereof;
 141 however, this exemption does not apply to any tax imposed by
 142 chapter 220 on interest, income, or profits on debt obligations
 143 owned by corporations other than the corporation.

144 Section 4. The purchase of commodities and contractual
 145 services by Citizens Property Insurance Corporation commenced
 146 before October 1, 2013, is governed by the law in effect on
 147 September 30, 2013.

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 151 **T I T L E A M E N D M E N T**

152 Remove line 27 and insert:
 153 the loss; revising provisions relating to purchases by the
 154 corporation; providing that the corporation is subject to state
 155 agency purchasing requirements; requiring the corporation to
 156 provide notice of purchasing decisions; providing procedures for
 157 protesting such decisions; providing applicability; providing an
 158 effective date.