

Amendment No.

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WITHDRAWN	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>	

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1 Committee/Subcommittee hearing bill: Public Integrity & Ethics  
 2 Committee

3 Representative Tomkow offered the following:

4

5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Section 11.421, Florida Statutes, is created to  
 8 read:

9 11.421 Florida Integrity Office.-

10 (1) There is created under the Auditor General the Florida  
 11 Integrity Office for the purpose of ensuring integrity in state  
 12 and local government and facilitating the elimination of fraud,  
 13 waste, abuse, gross mismanagement, and misconduct in government.

14 (2) The Florida Integrity Officer shall be a legislative  
 15 employee and be appointed by and serve at the pleasure of the  
 16 Auditor General. The Florida Integrity Officer shall oversee the

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17 efficient operation of the office and report to and be under the  
18 general supervision of the Auditor General.

19 (3) The Auditor General shall employ qualified individuals  
20 for the office pursuant to s. 11.42.

21 (4) As used in this section, the term:

22 (a) "Appropriations project" means a specific  
23 appropriation or proviso that provides funding for a specified  
24 entity that is a local government, private entity, or privately  
25 operated program. The term does not include an appropriation or  
26 proviso:

27 1. Specifically authorized by statute;

28 2. That is part of a statewide distribution to local  
29 governments;

30 3. Recommended by a commission, council, or other similar  
31 entity created in statute to make annual funding  
32 recommendations, provided that such appropriation does not  
33 exceed the amount of funding recommended by the commission,  
34 council, or other similar entity;

35 4. For a specific transportation facility that is part of  
36 the Department of Transportation's 5-year work program submitted  
37 pursuant to s. 339.135;

38 5. For an education fixed capital outlay project that is  
39 submitted pursuant to s. 1013.60 or s. 1013.64; or

40 6. For a specified program, research initiative,  
41 institute, center, or similar entity at a specific state college

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42 or university recommended by the Board of Governors or the State  
43 Board of Education in its legislative budget request.

44 (b) "Office" means the Florida Integrity Office.

45 (5) The Florida Integrity Officer may receive and  
46 investigate a complaint alleging fraud, waste, abuse, gross  
47 mismanagement, or misconduct in connection with the expenditure  
48 of public funds.

49 (6) A complaint may be submitted to the office by any of  
50 the following persons:

51 (a) The President of the Senate.

52 (b) The Speaker of the House of Representatives.

53 (c) The chair of an appropriations committee of the Senate  
54 or the House of Representatives.

55 (d) The Auditor General.

56 (7) (a) Upon receipt of a complaint, the Florida Integrity  
57 Officer shall determine whether the complaint is supported by  
58 sufficient information indicating a reasonable probability of  
59 fraud, waste, abuse, gross mismanagement, or misconduct. If the  
60 Florida Integrity Officer determines that the complaint is not  
61 supported by sufficient information indicating a reasonable  
62 probability of fraud, waste, abuse, gross mismanagement, or  
63 misconduct, the Florida Integrity Officer shall notify the  
64 complainant in writing and the complaint shall be closed.

65 (b) If the complaint is supported by sufficient  
66 information indicating a reasonable probability of fraud, waste,

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67 abuse, gross mismanagement, or misconduct, the Florida Integrity  
68 Officer shall determine whether an investigation into the matter  
69 has already been initiated by a law enforcement agency, the  
70 Commission on Ethics, the Chief Financial Officer, the Office of  
71 Chief Inspector General, or the applicable agency inspector  
72 general. If such an investigation has been initiated, the  
73 Florida Integrity Officer shall notify the complainant in  
74 writing and the complaint may be closed.

75 (c) If the complaint is supported by sufficient  
76 information indicating a reasonable probability of fraud, waste,  
77 abuse, gross mismanagement, or misconduct, and an investigation  
78 into the matter has not already been initiated as described in  
79 paragraph (b), the Florida Integrity Officer shall, within  
80 available resources, conduct an investigation and issue a report  
81 of the investigative findings to the complainant and to the  
82 President of the Senate and the Speaker of the House of  
83 Representatives. The Florida Integrity Officer may refer the  
84 matter to the Auditor General, the appropriate law enforcement  
85 agency, the Commission on Ethics, the Chief Financial Officer,  
86 the Office of the Chief Inspector General, or the applicable  
87 agency inspector general. The Auditor General may provide staff  
88 and other resources to assist the Florida Integrity Officer.

89 (8) (a) The Florida Integrity Officer, or his or her  
90 designee, may investigate the books, records, papers, documents,  
91 data, operation, and physical location of any public agency in

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92 this state, including any confidential information, and the  
93 public records of any entity that has received direct  
94 appropriations.

95 (b) Upon the request of the Florida Integrity Officer, the  
96 Legislative Auditing Committee or any other committee of the  
97 Legislature may issue subpoenas and subpoenas duces tecum, as  
98 provided in s. 11.143, to compel testimony or the production of  
99 evidence when deemed necessary to an investigation authorized by  
100 this section. Consistent with s. 11.143, such subpoenas and  
101 subpoenas duces tecum may be issued as provided by applicable  
102 legislative rules, or in the absence of applicable legislative  
103 rules, by the chair of the Legislative Auditing Committee with  
104 the approval of the Legislative Auditing Committee and the  
105 President of the Senate and the Speaker of the House of  
106 Representatives, or with the approval of the President of the  
107 Senate or the Speaker of the House of Representatives if such  
108 officer alone designated the Legislative Auditing Committee  
109 under s. 1.01(17).

110 (c) If a witness fails or refuses to comply with a lawful  
111 subpoena or subpoena duces tecum issued pursuant to this  
112 subsection at a time when the Legislature is not in session, the  
113 subpoena or subpoena duces tecum may be enforced as provided in  
114 s. 11.143 and, in addition, the Auditor General, on behalf of  
115 the committee issuing the subpoena may file a complaint before  
116 any circuit court of the state to enforce the subpoena or

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117 subpoena duces tecum. On the filing of such complaint, the court  
118 shall take jurisdiction of the witness and the subject matter of  
119 the complaint and shall direct the witness to respond to all  
120 lawful questions and to produce all documentary evidence in the  
121 possession of the witness which is lawfully demanded. The  
122 failure of a witness to comply with such order constitutes a  
123 direct and criminal contempt of court, and the court shall  
124 punish the witness accordingly.

125 (d) When the Legislature is in session, upon the request  
126 of the Florida Integrity Officer directed to the committee  
127 issuing the subpoena or subpoena duces tecum, either house of  
128 the Legislature may seek compliance with the subpoena or  
129 subpoena duces tecum in accordance with the State Constitution,  
130 general law, the joint rules of the Legislature, or the rules of  
131 the house of the Legislature whose committee issued the  
132 subpoena.

133 (9) The Florida Integrity Officer shall receive copies of  
134 all reports required by ss. 14.32, 17.325, and 20.055.

135 (10)(a) Beginning with the 2020-2021 fiscal year, the  
136 Auditor General and the Florida Integrity Officer, within  
137 available resources, shall randomly select and review  
138 appropriations projects appropriated in the prior fiscal year  
139 and, if appropriate, investigate and recommend an audit of such  
140 projects. The review, investigation, or audit may be delayed on  
141 a selected project until a subsequent year if the timeline of

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142 the project warrants such delay. Each review, investigation or  
143 audit must include, but is not limited to, evaluating whether  
144 the recipient of the appropriations project administered the  
145 project in an efficient and effective manner. When an audit is  
146 recommended by the Florida Integrity Officer under this  
147 subsection, the Auditor General shall determine whether the  
148 audit is appropriate.

149 (b) Beginning with the 2020-2021 fiscal year, the Auditor  
150 General and the Florida Integrity Officer, within available  
151 resources, shall select and review, investigate or audit the  
152 financial activities of any political subdivision, special  
153 districts, public authorities, public hospitals, state and local  
154 councils or commissions, units of local government, or public  
155 education entities in this state, as well as any authorities,  
156 councils, commissions, direct-support organizations,  
157 institutions, foundations, or similar entities created by law or  
158 ordinance to pursue a public purpose, entitled by law or  
159 ordinance to any distribution of tax or fee revenues, or  
160 organized for the sole purpose of supporting one of the public  
161 entities listed in this paragraph.

162 Section 2. Paragraphs (k) through (o) of subsection (1)  
163 are added and Paragraph (f) of subsection (2) and paragraph (j)  
164 of subsection (7) of section 11.45, Florida Statutes, are  
165 amended to read:

166 11.45 Definitions; duties; authorities; reports; rules.—

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167 (1) DEFINITIONS.—As used in ss. 11.40-11.51, the term:

168 (k) "Abuse" means behavior that is deficient or improper  
169 when compared with behavior that a prudent person would consider  
170 a reasonable and necessary operational practice given the facts  
171 and circumstances. The term includes the misuse of authority or  
172 position for personal gain.

173 (l) "Fraud" means obtaining something of value through  
174 willful misrepresentation, including, but not limited to, the  
175 intentional misstatements or intentional omissions of amounts or  
176 disclosures in financial statements to deceive users of  
177 financial statements, theft of an organization's assets,  
178 bribery, or the use of one's position for personal enrichment  
179 through the deliberate misuse or misapplication of an  
180 organization's resources.

181 (m) "Misconduct" means conduct which, though not illegal,  
182 is inappropriate for a person in his or her specified position.

183 (n) "Waste" means the act of using or expending resources  
184 unreasonably, carelessly, extravagantly, or for no useful  
185 purpose.

186 (2) DUTIES.—The Auditor General shall:

187 (f) At least every 3 years, conduct operational audits of  
188 the accounts and records of state agencies, state universities,  
189 state colleges, district school boards, the Florida Clerks of  
190 Court Operations Corporation, water management districts, and  
191 the Florida School for the Deaf and the Blind. At the conclusion



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192 of each 3-year cycle, the Auditor General shall publish a report  
193 consolidating common operational audit findings for all state  
194 agencies, all state universities, all state colleges, and all  
195 district school boards.

196  
197 The Auditor General shall perform his or her duties  
198 independently but under the general policies established by the  
199 Legislative Auditing Committee. This subsection does not limit  
200 the Auditor General's discretionary authority to conduct other  
201 audits or engagements of governmental entities as authorized in  
202 subsection (3).

203 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

204 (j) The Auditor General shall notify the Legislative  
205 Auditing Committee of any financial or operational audit report  
206 prepared pursuant to this section which indicates that a  
207 district school board, state university, or Florida College  
208 System institution has failed to take full corrective action in  
209 response to a recommendation that was included in the two  
210 preceding financial ~~or operational~~ audit reports or a preceding  
211 operational audit report.

212 1. The committee may direct the district school board or  
213 the governing body of the state university or Florida College  
214 System institution to provide a written statement to the  
215 committee explaining why full corrective action has not been  
216 taken or, if the governing body intends to take full corrective

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217 action, describing the corrective action to be taken and when it  
218 will occur.

219 2. If the committee determines that the written statement  
220 is not sufficient, the committee may require the chair of the  
221 district school board or the chair of the governing body of the  
222 state university or Florida College System institution, or the  
223 chair's designee, to appear before the committee.

224 3. If the committee determines that the district school  
225 board, state university, or Florida College System institution  
226 has failed to take full corrective action for which there is no  
227 justifiable reason or has failed to comply with committee  
228 requests made pursuant to this section, the committee shall  
229 refer the matter to the State Board of Education or the Board of  
230 Governors, as appropriate, to proceed in accordance with s.  
231 1008.32 or s. 1008.322, respectively.

232 Section 3. Subsections (1) through (5) of section 14.32,  
233 Florida Statutes, are renumbered as subsections (2) through (6),  
234 respectively, and new subsections (1) and (7) are added to that  
235 section to read:

236 14.32 Office of Chief Inspector General.—

237 (1) As used in this section, the term:

238 (a) "Abuse" means behavior that is deficient or improper  
239 when compared with behavior that a prudent person would consider  
240 a reasonable and necessary operational practice given the facts

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241 and circumstances. The term includes the misuse of authority or  
242 position for personal gain.

243 (b) "Fraud" means obtaining something of value through  
244 willful misrepresentation, including, but not limited to, the  
245 intentional misstatements or intentional omissions of amounts or  
246 disclosures in financial statements to deceive users of  
247 financial statements, theft of an organization's assets,  
248 bribery, or the use of one's position for personal enrichment  
249 through the deliberate misuse or misapplication of an  
250 organization's resources.

251 (c) "Independent contractor" has the same meaning as in s.  
252 112.3187(3).

253 (d) "Misconduct" means conduct which, though not illegal,  
254 is inappropriate for a person in his or her specified position.

255 (e) "Waste" means the act of using or expending resources  
256 unreasonably, carelessly, extravagantly, or for no useful  
257 purpose.

258 (7) (a) Within 6 months after the initiation of an  
259 investigation of fraud, waste, abuse, gross mismanagement, or  
260 misconduct in government, the Chief Inspector General or an  
261 agency inspector general must determine whether there is  
262 reasonable probability that fraud, waste, abuse, gross  
263 mismanagement, or misconduct in government has occurred. If  
264 there has not been a determination of such reasonable  
265 probability and the investigation continues, a new determination

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266 must be made every 3 months until the investigation is closed or  
267 such reasonable probability is found to exist.

268 (b) If the Chief Inspector General or an agency inspector  
269 general determines that there is reasonable probability that a  
270 public official, independent contractor, or agency has committed  
271 fraud, waste, abuse, gross mismanagement, or misconduct in  
272 government, the inspector general shall report such findings to  
273 the Florida Integrity Officer and to the Commission on Ethics,  
274 Office of Fiscal Integrity within the Chief Financial Officer's  
275 office, or other law enforcement agency, if the commission,  
276 Office of Fiscal Integrity, or law enforcement agency has  
277 jurisdiction over the subject matter.

278 (c) If the findings of an investigation conducted pursuant  
279 to this subsection conclude that a public official, independent  
280 contractor, or agency has committed fraud, waste, abuse, gross  
281 mismanagement, or misconduct in government, the Chief Inspector  
282 General or agency inspector general shall report such findings  
283 to the Chief Financial Officer within 30 days after the  
284 investigation is closed. Such public official, independent  
285 contractor, or person responsible within the agency is  
286 personally liable for repayment of the funds that were diverted  
287 or lost as a result of the fraud, waste, abuse, gross  
288 mismanagement, or misconduct in government. If the person liable  
289 fails to repay such funds voluntarily and the state does not  
290 agree to a settlement, the Chief Financial Officer shall bring a

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291 civil action to recover the funds within 60 days after receipt  
292 of such findings.

293 Section 4. Section 17.04, Florida Statutes, is amended to  
294 read:

295 17.04 To audit and adjust accounts of officers and those  
296 indebted to the state.—The Chief Financial Officer, using  
297 generally accepted auditing procedures for testing or sampling,  
298 shall examine, audit, adjust, and settle the accounts of all the  
299 officers of this state, and any other person in anywise  
300 entrusted with, or who may have received any property, funds, or  
301 moneys of this state, or who may be in anywise indebted or  
302 accountable to this state for any property, funds, or moneys,  
303 and require such officer or persons to render full accounts  
304 thereof, and to yield up such property or funds according to  
305 law, or pay such moneys into the treasury of this state, or to  
306 such officer or agent of the state as may be appointed to  
307 receive the same, and on failure so to do, to cause to be  
308 instituted and prosecuted proceedings, criminal or civil, at law  
309 or in equity, against such persons, according to law. The Chief  
310 Financial Officer may conduct investigations within or outside  
311 of this state as it deems necessary to aid in the enforcement of  
312 this section. The Chief Financial Officer may commence an  
313 investigation pursuant to this section based on a complaint or  
314 referral from any source. An employee of a state agency or a  
315 state contractor having knowledge of suspected misuse of state

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316 funds may report such information to the Chief Financial  
317 Officer. If during an investigation the Chief Financial Officer  
318 has reason to believe that any criminal statute of this state  
319 has or may have been violated, the Chief Financial Officer shall  
320 refer any records tending to show such violation to state or  
321 federal law enforcement or prosecutorial agencies and shall  
322 provide investigative assistance to those agencies as required.

323 Section 5. Subsections (4) and (5) of section 17.325,  
324 Florida Statutes, are renumbered as subsections (5) and (6),  
325 respectively, and a new subsection (4) is added to that section  
326 to read:

327 17.325 Governmental efficiency hotline; duties of Chief  
328 Financial Officer.—

329 (4) A copy of each suggestion or item of information  
330 received through the hotline or website that is logged pursuant  
331 to this section must be reported to the Florida Integrity  
332 Officer by the 15th of the month following receipt of the  
333 suggestion or item of information.

334 Section 6. Paragraph (g) is added to subsection (7) of  
335 section 20.055, Florida Statutes, to read:

336 20.055 Agency inspectors general.—

337 (7) In carrying out the investigative duties and  
338 responsibilities specified in this section, each inspector  
339 general shall initiate, conduct, supervise, and coordinate  
340 investigations designed to detect, deter, prevent, and eradicate

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341 fraud, waste, mismanagement, misconduct, and other abuses in  
342 state government. For these purposes, each inspector general  
343 shall:

344 (g) Make determinations and reports as required by s.  
345 14.32(7).

346 Section 7. Paragraphs (a) and (b) of subsection (1) and  
347 subsection (2) of section 110.1245, Florida Statutes, are  
348 amended, and subsections (6) and (7) are added to that section,  
349 to read:

350 110.1245 Savings sharing program; bonus payments; other  
351 awards.—

352 (1) (a) The Department of Management Services shall adopt  
353 rules that prescribe procedures and promote a savings sharing  
354 program for an individual or group of employees who propose  
355 procedures or ideas that are adopted and that result in  
356 eliminating or reducing state expenditures, including employees  
357 reporting under the Whistle-blower's Act, if such proposals are  
358 placed in effect and may be implemented under current statutory  
359 authority.

360 (b) Each agency head shall recommend employees  
361 individually or by group to be awarded an amount of money, which  
362 amount shall be directly related to the cost savings realized.  
363 Each proposed award and amount of money must be approved by the  
364 Legislative Budget Commission, except an award issued under  
365 subsection (6).

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366 (2) In June of each year, bonuses shall be paid to  
367 employees from funds authorized by the Legislature in an  
368 appropriation specifically for bonuses. For purposes of this  
369 subsection, awards issued under subsection (6) are not  
370 considered bonuses. Each agency shall develop a plan for  
371 awarding lump-sum bonuses, which plan shall be submitted no  
372 later than September 15 of each year and approved by the Office  
373 of Policy and Budget in the Executive Office of the Governor.  
374 Such plan shall include, at a minimum, but is not limited to:

375 (a) A statement that bonuses are subject to specific  
376 appropriation by the Legislature.

377 (b) Eligibility criteria as follows:

378 1. The employee must have been employed before ~~prior to~~  
379 July 1 of that fiscal year and have been continuously employed  
380 through the date of distribution.

381 2. The employee must not have been on leave without pay  
382 consecutively for more than 6 months during the fiscal year.

383 3. The employee must have had no sustained disciplinary  
384 action during the period beginning July 1 through the date the  
385 bonus checks are distributed. Disciplinary actions include  
386 written reprimands, suspensions, dismissals, and involuntary or  
387 voluntary demotions that were associated with a disciplinary  
388 action.

389 4. The employee must have demonstrated a commitment to the  
390 agency mission by reducing the burden on those served,



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391 continually improving the way business is conducted, producing  
392 results in the form of increased outputs, and working to improve  
393 processes.

394 5. The employee must have demonstrated initiative in work  
395 and have exceeded normal job expectations.

396 6. The employee must have modeled the way for others by  
397 displaying agency values of fairness, cooperation, respect,  
398 commitment, honesty, excellence, and teamwork.

399 (c) A periodic evaluation process of the employee's  
400 performance.

401 (d) A process for peer input that is fair, respectful of  
402 employees, and affects the outcome of the bonus distribution.

403 (e) A division of the agency by work unit for purposes of  
404 peer input and bonus distribution.

405 (f) A limitation on bonus distributions equal to 35  
406 percent of the agency's total authorized positions. This  
407 requirement may be waived by the Office of Policy and Budget in  
408 the Executive Office of the Governor upon a showing of  
409 exceptional circumstances.

410 (6) Each agency inspector general shall report employees  
411 whose reports under the Whistle-blower's Act resulted in savings  
412 or recovery of public funds in excess of \$1,000. Awards shall be  
413 awarded by each agency to the employee or his or designee, whose  
414 report led to the savings or recovery, and each agency head is  
415 authorized to incur expenditures to provide such awards. The

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416 award shall be paid from the specific appropriation or trust  
417 fund from which the savings or recovery resulted. The agency  
418 inspector general to whom the report was made or referred shall  
419 certify the savings or recovery resulting from the  
420 investigation. If more than one employee makes a relevant  
421 report, the award shall be shared in proportion to each  
422 employee's contribution to the investigation as certified by the  
423 agency inspector general. Awards shall be made in the following  
424 amounts:

425 (a) A career service employee shall receive 10 percent of  
426 the savings or recovery certified, but not less than \$500 and  
427 not more than a total of \$50,000 for whistle-blower reports in  
428 any 1 year. If the employee had any fault for the misspending or  
429 attempted misspending of public funds identified in the  
430 investigation that resulted in the savings or recovery, the  
431 award may be denied at the discretion of the agency head. If the  
432 award is not denied by the agency head, the award may not exceed  
433 \$500. The agency inspector general shall certify any fault on  
434 the part of the employee.

435 (b) A Senior Management Service employee or an employee in  
436 a select exempt position shall receive 5 percent of the savings  
437 or recovery certified, but not more than a total of \$1,000 for  
438 whistle-blower reports in any 1 year. An employee may not  
439 receive an award under this paragraph if he or she had any fault  
440 for the misspending or attempted misspending of public funds

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441 identified in the investigation that resulted in the savings or  
442 recovery. The agency inspector general shall certify any fault  
443 on the part of the employee.

444 (7) Notwithstanding any other provision of law, an employee  
445 whose name or identity is confidential or exempt from disclosure  
446 under state or federal law, may participate in the savings  
447 sharing program authorized in this section, and such employee  
448 may designate an authorized agent, trustee, or custodian to  
449 accept any award for which the employee is eligible on behalf of  
450 the employee.

451 Section 8. Paragraph (b) of subsection (1) of section  
452 112.324, Florida Statutes, is amended to read:

453 112.324 Procedures on complaints of violations and  
454 referrals; public records and meeting exemptions.—

455 (1) The commission shall investigate an alleged violation  
456 of this part or other alleged breach of the public trust within  
457 the jurisdiction of the commission as provided in s. 8(f), Art.  
458 II of the State Constitution:

459 (b) Upon receipt of a written referral of a possible  
460 violation of this part or other possible breach of the public  
461 trust from the Governor, the Department of Law Enforcement, the  
462 chief inspector general or an agency inspector general, a state  
463 attorney, or a United States Attorney which at least six members  
464 of the commission determine is sufficient to indicate a  
465 violation of this part or any other breach of the public trust.

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467 Within 5 days after receipt of a complaint by the commission or  
468 a determination by at least six members of the commission that  
469 the referral received is deemed sufficient, a copy shall be  
470 transmitted to the alleged violator.

471 Section 9. Paragraph (e) of subsection (3) and subsection  
472 (9) of section 287.057, Florida Statutes, are amended, and  
473 subsections (24) and (25) are added to that section, to read:

474 287.057 Procurement of commodities or contractual  
475 services.—

476 (3) If the purchase price of commodities or contractual  
477 services exceeds the threshold amount provided in s. 287.017 for  
478 CATEGORY TWO, purchase of commodities or contractual services  
479 may not be made without receiving competitive sealed bids,  
480 competitive sealed proposals, or competitive sealed replies  
481 unless:

482 (e) The following contractual services and commodities are  
483 not subject to the competitive-solicitation requirements of this  
484 section:

485 1. Artistic services. As used in this subsection, the term  
486 "artistic services" does not include advertising or typesetting.  
487 As used in this subparagraph, the term "advertising" means the  
488 making of a representation in any form in connection with a  
489 trade, business, craft, or profession in order to promote the

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490 supply of commodities or services by the person promoting the  
491 commodities or contractual services.

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

494 3. Lectures by individuals.

495 4. Legal services, including attorney, paralegal, expert  
496 witness, appraisal, or mediator services.

497 5. Health services involving examination, diagnosis,  
498 treatment, prevention, medical consultation, or administration.

499 The term also includes, but is not limited to, substance abuse  
500 and mental health services involving examination, diagnosis,

501 treatment, prevention, or medical consultation if such services  
502 are offered to eligible individuals participating in a specific

503 program that qualifies multiple providers and uses a standard  
504 payment methodology. Reimbursement of administrative costs for

505 providers of services purchased in this manner are also exempt.

506 For purposes of this subparagraph, the term "providers" means  
507 health professionals and health facilities, or organizations

508 that deliver or arrange for the delivery of health services.

509 6. Services provided to persons with mental or physical  
510 disabilities by not-for-profit corporations that have obtained

511 exemptions under s. 501(c)(3) of the United States Internal

512 Revenue Code or when such services are governed by Office of

513 Management and Budget Circular A-122. However, in acquiring such  
514 services, the agency shall consider the ability of the vendor,

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515 past performance, willingness to meet time requirements, and  
516 price.

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

519 8. Family placement services.

520 9. Prevention services related to mental health, including  
521 drug abuse prevention programs, child abuse prevention programs,  
522 and shelters for runaways, operated by not-for-profit  
523 corporations. However, in acquiring such services, the agency  
524 shall consider the ability of the vendor, past performance,  
525 willingness to meet time requirements, and price.

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

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

529 12. Services or commodities provided by governmental  
530 entities.

531 13. ~~Statewide~~ Public service announcement programs that  
532 ~~provided by a Florida statewide nonprofit corporation under s.~~  
533 ~~501(c)(6) of the Internal Revenue Code which~~ have a guaranteed  
534 documented match of at least \$3 to \$1.

535 (9) An agency shall not divide the solicitation of  
536 commodities or contractual services so as to avoid the  
537 requirements of subsections (1)-(3) or subsection (24).

538 (24) (a) For any contract in excess of \$50,000 that is  
539 awarded through an invitation to negotiate or awarded without

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540 competitive solicitation under paragraph (3)(c), paragraph  
541 (3)(e), or subsection (10), the proposal, offer, or response of  
542 the contractor must include a good faith estimate of gross  
543 profit for each year and renewal year of the proposed contract.  
544 If, in determining the good faith estimate of gross profit, the  
545 contractor includes the cost of products or services expected to  
546 be provided by a participant closely associated with the  
547 contractor, the contractor must also identify such participant,  
548 describe the association, and provide a good faith estimate of  
549 gross profit for such participant for each year and renewal year  
550 of the proposed contract, which must be attested to by an  
551 authorized representative of the participant. The agency must,  
552 before awarding the contract, make a written determination that  
553 the estimated gross profit is not excessive and specify the  
554 reasons for such determination. Notwithstanding any provision of  
555 the contract, a contractor is liable to the agency for three  
556 times the amount or value of any misrepresentation of estimated  
557 gross profit as liquidated damages for such misrepresentation.

558 (b) For purposes of this subsection, the term:

559 1. "Closely associated with the contractor" means the  
560 contractor, a principal of the contractor, or a family member or  
561 business associate of a principal of the contractor is a  
562 principal of the participant. As used in this subparagraph, the  
563 term "principal" means a person who owns at least 5 percent  
564 interest in the business or entity or is a manager of the

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565 business or entity. As used in this subparagraph, the term  
566 "business associate" means a person or entity with whom a  
567 principal of the contractor has substantial investment,  
568 employment, or partnership interests.

569 2. "Good faith estimate of gross profit" means a good  
570 faith estimate of the total receipts expected under the contract  
571 less the cost of providing contracted commodities and services  
572 under the contract and excluding overhead costs. As used in this  
573 subparagraph, the term "overhead costs" means all costs that are  
574 not directly related to contract performance, including, but not  
575 limited to, marketing and administrative expenses.

576 3. "Participant" means a person or entity with whom the  
577 contractor expects to subcontract for services or commodities in  
578 carrying out a contract with an agency.

579 (25) Notwithstanding any other provision of law, a state  
580 employee who is registered to lobby the Legislature, other than  
581 an agency head, may not participate in the negotiation or award  
582 of any contract required or expressly funded under a specific  
583 legislative appropriation or proviso in an appropriation act.

584 Section 10. Section 288.00001, Florida Statutes, is  
585 created to read:

586 288.00001 Use of state or local incentive funds to pay for  
587 services.—Notwithstanding any other provision of law, a tax  
588 incentive may not be awarded or paid to a state contractor or



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589 any subcontractor for services provided or expenditures incurred  
590 pursuant to a state contract.

591 Section 11. Paragraph (e) of subsection (4) of section  
592 1001.20, Florida Statutes, as amended by section 4 of chapter  
593 2018-5, Laws of Florida, is amended to read:

594 1001.20 Department under direction of state board.—

595 (4) The Department of Education shall establish the  
596 following offices within the Office of the Commissioner of  
597 Education which shall coordinate their activities with all other  
598 divisions and offices:

599 (e) Office of Inspector General.—Organized using existing  
600 resources and funds and responsible for promoting  
601 accountability, efficiency, and effectiveness and detecting  
602 fraud and abuse within school districts, the Florida School for  
603 the Deaf and the Blind, and Florida College System institutions  
604 in Florida. If the Commissioner of Education determines that a  
605 district school board, the Board of Trustees for the Florida  
606 School for the Deaf and the Blind, or a Florida College System  
607 institution board of trustees is unwilling or unable to address  
608 substantiated allegations made by any person relating to waste,  
609 fraud, abuse, or financial mismanagement within the school  
610 district, the Florida School for the Deaf and the Blind, or the  
611 Florida College System institution, the office shall conduct,  
612 coordinate, or request investigations into such substantiated  
613 allegations. The office shall investigate allegations or reports

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614 of possible waste, fraud, ~~or~~ abuse, or mismanagement against a  
 615 district school board or Florida College System institution made  
 616 by any member of the Cabinet, + the presiding officer of either  
 617 house of the Legislature, + a chair of a substantive or  
 618 appropriations legislative committee with jurisdiction, + or a  
 619 member of the board for which an investigation is sought. The  
 620 office shall have access to all information and personnel  
 621 necessary to perform its duties and shall have all of its  
 622 current powers, duties, and responsibilities authorized in s.  
 623 20.055.

624 Section 12. The Office of the Auditor General is  
 625 authorized to use carryforward funds to fund the establishment  
 626 and operations of the Florida Integrity Office as created by  
 627 this act.

628 Section 13. This act shall take effect July 1, 2019.

630 -----

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

632 Remove everything before the enacting clause and insert:  
 633 An act relating to government integrity; creating s. 11.421,  
 634 F.S.; creating the Florida Integrity Office under the Auditor  
 635 General; providing definitions; providing duties and powers of  
 636 the Florida Integrity Officer and the Auditor General; amending  
 637 s. 11.45, F.S.; providing and revising Auditor General reporting  
 638 requirements; providing definitions; amending s. 14.32, F.S.;

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639 providing definitions; providing investigative duties of the  
640 Chief Inspector General and agency inspectors general; requiring  
641 such inspectors general to provide a report to the Chief  
642 Financial Officer within a specified timeframe in certain  
643 circumstances; providing liability for certain officials,  
644 contractors, and persons in certain circumstances; amending s.  
645 17.04, F.S.; authorizing the Chief Financial Officer to commence  
646 an investigation based on certain complaints or referrals;  
647 authorizing state agency employees and state contractors to  
648 report certain information to the Chief Financial Officer;  
649 amending s. 17.325, F.S.; requiring certain records to be sent  
650 to the Florida Integrity Officer within a specified timeframe;  
651 amending s. 20.055, F.S.; requiring agency inspectors general to  
652 make certain determinations and reports; amending s. 110.1245,  
653 F.S.; providing requirements for awards given to employees who  
654 report under the Whistle-blower's Act; authorizing expenditures  
655 for such awards; amending s. 112.324, F.S.; revising Commission  
656 on Ethics authority to act on a referral; creating s. 286.31,  
657 F.S.; requiring specified documentation for certain legal fee  
658 claims; providing an exception; amending s. 287.057, F.S.;  
659 revising provisions relating to contractual services and  
660 commodities that are not subject to competitive-solicitation  
661 requirements; requiring certain state contracts to include a  
662 good faith estimate of gross profit; requiring a determination  
663 of reasonableness; providing definitions; prohibiting certain

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664 state employees from participating in the negotiation or award  
665 of state contracts; creating s. 288.00001, F.S.; prohibiting tax  
666 incentives from being awarded or paid to a state contractor or  
667 subcontractor; amending s. 1001.20, F.S.; requiring the Office  
668 of Inspector General of the Department of Education to conduct  
669 investigations relating to mismanagement, fraud, or abuse  
670 against a district school board or Florida College System  
671 institution; authorizing the Office of the Auditor General to  
672 use carryforward funds to fund the Florida Integrity Office;  
673 providing an effective date.