By the Committee on Governmental Oversight and Accountability; and Senators Boyd and Rodriguez

585-02602-23 2023304c1

A bill to be entitled

An act relating to United States-produced iron and steel in public works projects; creating s. 255.0993, F.S.; defining terms; requiring governmental entities to include a requirement in certain contracts that certain iron or steel products be produced in the United States; providing exceptions; authorizing the use of foreign steel and iron materials in certain circumstances; exempting specified products from the requirement; providing construction; requiring the Department of Management Services and the Department of Transportation to adopt rules for specified purposes; providing a declaration of important state interest; providing an effective date.

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

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Section 1. Section 255.0993, Florida Statutes, is created to read:

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255.0993 Public works projects; United States-produced iron and steel products.—

(a) "Governmental entity" means the state, or any office,

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(1) DEFINITIONS.—As used in this section, the term:

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board, bureau, commission, department, branch, division, or institution thereof, or a separate agency or unit of local

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government created or established by law or ordinance and the officers thereof. The term includes, but is not limited to, a

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county; a city, a town, or other municipality; or a department,

a commission, an authority, a school district, a taxing

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district, a water management district, a board, a public corporation, an institution of higher education, or other public agency or body thereof authorized to expend public funds for the construction, maintenance, repair, renovation, remodeling, or improvement of public works.

- (b) "Iron or steel product" means any product made primarily of iron or steel, including, but not limited to, lined or unlined pipes and fittings; bars and rods; wire, wire ropes, and link chains; forgings; grating and drainage products; access covers, hatches, manhole covers, and other castings; hydrants; electric transmission and distribution poles; tanks; flanges; pipe clamps and restraints; valves; structural steel and other steel mill products; materials made primarily of iron and steel within precast concrete; and other construction materials made primarily of iron or steel.
- (c) "Manufacturing process" means the application of a process to alter the form or function of materials or elements of a product in a manner that adds value and transforms the materials or elements into a new finished product that is functionally different from a finished product produced merely from assembling materials or elements into a product without applying such a process.
- (d) "Produced in the United States" means that, with respect to iron and steel, all manufacturing processes, from initial melting through application of coatings, occur in the United States, other than metallurgical processes to refine steel additives.
- (e) "Public works project" means an activity paid for with any state-appropriated funds or state funds administered by a

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governmental entity, which consists of the construction,
maintenance, repair, renovation, remodeling, or improvement of a
building, road, street, sewer, storm drain, water system, site
development, irrigation system, reclamation project, gas or
electrical distribution system, gas or electrical substation, or
other facility, project, or portion thereof owned in whole or in
part by any governmental entity.

- (2) UNITED STATES-PRODUCED IRON AND STEEL REQUIREMENT.-
- (a) Notwithstanding any other law, a governmental entity entering into a contract for a public works project or for the purchase of materials for a public works project must include in the contract a requirement that any iron or steel product permanently incorporated in the project be produced in the United States.
- (b) Paragraph (a) does not apply if the governmental entity administering the funds for a public works project or the purchase of materials for a public works project solely determines that any of the following applies:
- 1. Iron or steel products produced in the United States are not produced in sufficient quantities, reasonably available, or of satisfactory quality.
- 2. The use of iron or steel products produced in the United States will increase the total cost of the project by more than 20 percent.
- 3. Complying with paragraph (a) is inconsistent with the public interest.
- (c) When steel and iron materials are used in a public works project, paragraph (a) does not prevent a minimal use of foreign steel and iron materials if:

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1. Such materials are incidental or ancillary to the primary product and are not separately identified in the project specifications.

- 2. The cost of such materials does not exceed one-tenth of 1 percent of the total contract cost or \$2,500, whichever is greater. For purposes of this subparagraph, the cost of such materials is that shown to be the value of the iron or steel products as they are delivered to the project.
- (d) Electrical components, equipment, systems, and appurtenances, including supports, covers, shielding, and other appurtenances related to an electrical system, necessary for operation or concealment, except transmission and distribution poles, are not considered iron or steel products and are exempt from the requirements of paragraph (a).
- (3) INTERNATIONAL AGREEMENTS.—This section shall be applied in a manner consistent with and may not be construed to impair the state's obligations under any international agreement.
  - (4) RULEMAKING.—
- (a) Except as otherwise provided in this subsection, the Department of Management Services shall develop guidelines and procedures by rule to implement this section.
- (b) The Department of Transportation shall develop guidelines and procedures by rule to implement this section for public works projects it administers.
- Section 2. The Legislature determines and declares that this act fulfills an important state interest.
  - Section 3. This act shall take effect July 1, 2023.