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By the Committee on Governmental Oversight and Accountability; and Senator Hays

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A bill to be entitled An act relating to government contracting; amending s. 215.985, F.S.; revising information to be posted on the Chief Financial Officer's contract tracking system to conform to changes made by the act; amending s. 287.084, F.S.; expanding provisions that require an agency, university, college, school district, or other political subdivision of the state to provide preferential consideration to a Florida business in awarding competitively bid contracts to purchase personal property to include the purchase of construction services; providing an exception; requiring counties and municipalities to provide such preferential consideration; providing that for specified competitive solicitations the authority to grant a preference supersedes any local ordinance or regulation that restricts specified contractors from competing for an award based upon certain conditions; requiring a university, college, county, municipality, school district, or other political subdivision to make specified disclosures in competitive solicitation documents; providing that a university, college, county, municipality, school district, or other political subdivision is not prohibited from awarding a contract to a vendor under certain circumstances; amending s. 287.1335, F.S.; defining terms; requiring agencies to provide the Department of Management Services with copies of vendor complaints and names of suspended and terminated vendors; authorizing local

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governmental entities to provide such information to the department; requiring the department to maintain certain information regarding vendors on its website; requiring an agency to submit specified information to the department on a quarterly basis; authorizing a local governmental entity to submit such information on the same basis; requiring a vendor responding to an agency's competitive solicitation to disclose certain information; specifying certain requirements for considering a response to a competitive solicitation or entering a contract; providing an effective date.

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

Section 1. Section 1. Paragraph (a) of subsection (14) of section 215.985, Florida Statutes, is amended to read:

215.985 Transparency in government spending.-

- (14) The Chief Financial Officer shall establish and maintain a secure contract tracking system available for viewing and downloading by the public through a secure website. The Chief Financial Officer shall use appropriate Internet security measures to ensure that no person has the ability to alter or modify records available on the website.
- (a) Within 30 calendar days after executing a contract, each state entity shall post the following information relating to the contract on the contract tracking system:
  - 1. The names of the contracting entities.
  - 2. The procurement method.
  - 3. The contract beginning and ending dates.

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

- 5. Applicable contract unit prices and deliverables.
- 6. Total compensation to be paid or received under the contract.
  - 7. All payments made to the contractor to date.
  - 8. Applicable contract performance measures.
- 9. If a competitive solicitation was not used to procure the goods or services, the justification of such action, including citation to a statutory exemption or exception from competitive solicitation, if any.
- 10. Electronic copies of the contract and procurement documents that have been redacted to exclude confidential or exempt information.
- 11. Whether the contractor was listed on the vendor complaint list, suspended vendor list, or terminated vendor list under s. 287.1335 at the time the contract was initially entered into.

Section 2. Subsection (1) of section 287.084, Florida Statutes, is amended to read:

287.084 Preference to Florida businesses.-

(1) (a) If When an agency, university, college, school district, or other political subdivision of the state is required to make purchases of personal property or construction services through competitive solicitation and the lowest responsible and responsive bid, proposal, or reply is by a vendor whose principal place of business is in a state or political subdivision thereof which grants a preference for the purchase of such personal property or construction services to a

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person whose principal place of business is in such state, then the agency, university, college, school district, or other political subdivision of this state shall award a preference to the lowest responsible and responsive vendor having a principal place of business within this state, which preference is equal to the preference granted by the state or political subdivision thereof in which the lowest responsible and responsive vendor has its principal place of business. In a competitive solicitation in which the lowest bid is submitted by a vendor whose principal place of business is located outside the state and that state does not grant a preference in competitive solicitation to vendors having a principal place of business in that state, the preference to the lowest responsible and responsive vendor having a principal place of business in this state shall be 5 percent.

- (b) To ensure the availability of federal aid funds, paragraph (a) does not apply to contracts for transportation projects procured by the Department of Transportation for which federal aid funds are available.
- (c)1. For a competitive solicitation in which payment for the personal property or construction services is to be made in whole or in part from funds appropriated by the state, this section preempts and supersedes any local ordinance or regulation that restricts a contractor certified under s.

  489.105(8) from competing for an award based upon:
- <u>a. The vendor maintaining an office or place of business</u> within a particular local jurisdiction;
- <u>b. The vendor hiring employees or subcontractors from</u> within a particular local jurisdiction; or

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c. The vendor's prior payment of local taxes, assessments, or duties within a particular local jurisdiction.

- 2. In any competitive solicitation subject to this section, a university, college, county, municipality, school district, or other political subdivision of this state shall disclose in the solicitation document whether payment will come from funds appropriated by the state and, if known, the amount of such funds or the percentage of such funds as compared to the anticipated total cost of the personal property or construction services.
- 3. Except as provided in subparagraph 1., this section does not prohibit a university, college, county, municipality, school district, or other political subdivision of this state from awarding a contract to a vendor in accordance with applicable state laws or local ordinances or regulations.
- (c) As used in this section, the term "other political subdivision of this state" does not include counties or municipalities.
- Section 3. Section 287.1335, Florida Statutes, is created to read:
- 287.1335 Vendors; reporting by agencies and local governmental entities.—
  - (1) As used in this section, the term:
- (a) "Suspended vendor list" means a list compiled by the department of all reported vendors whose ability to bid or perform state or local government contracts has been temporarily suspended by an agency or a participating local governmental entity due to a contract default by the vendor or for other good cause.

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(b) "Terminated vendor list" means a list compiled by the department of all reported vendors whose contracts have been terminated by an agency or a participating local governmental entity due to a contract default by the vendor or for other good cause.

- (c) "Vendor" means an entity or person in a contractual relationship with an agency or a local governmental entity.
- (d) "Vendor complaint list" means a list compiled by the department of complaints that have been issued to vendors by an agency or participating local governmental entity.
- (2) An agency shall provide the department with copies of complaints issued to vendors and the names of suspended and terminated vendors for the vendor complaint list, the suspended vendor list, and the terminated vendor list, respectively. A local governmental entity may provide such information to the department.
- (3) The department shall maintain and update, on its website, the vendor complaint list, the suspended vendor list, and the terminated vendor list. In addition, the department shall provide public access through its website of copies of complaints issued to a vendor by an agency or participating local governmental entity.
- (4) An agency shall provide the department each quarter with updated information necessary to maintain the vendor complaint list, the suspended vendor list, and the terminated vendor list. A local governmental entity may provide such information to the department each quarter. An agency shall report to the department all instances of a material breach of a contract or a notice of default and subsequent termination

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within 30 days after such occurrence.

- (5) (a) An agency shall require that a vendor responding to a competitive solicitation disclose whether the vendor has, within the previous 5 years, had a contract terminated by a federal, state, or local governmental entity after defaulting on a contract; paid a fine or penalty incurred by nonperformance of a federal, state, or local government contract; or entered into an agreement with a federal, state, or local governmental entity in settlement of any issues related to default or nonperformance of a contract. An agency may consider a vendor's failure to disclose such information in determining whether the vendor is in breach of any resulting contract.
- (b) A local governmental entity may require such disclosures from a vendor in response to a competitive solicitation.
- (6) When evaluating bids, proposals, or replies to competitive solicitations, an agency must consider information available on the vendor complaint list, suspended vendor list, and terminated vendor list in determining whether the vendor submitting a response to the competitive solicitation is a responsible and responsive vendor. If an agency enters into a contract with a vendor on the vendor complaint list, suspended vendor list, or terminated vendor list, the contract file must contain documentation specifying that the agency's designee with authority to sign the contract was aware that the contracted vendor was named on the vendor complaint list, suspended vendor list, or terminated vendor list at the time the contract was initially entered into.
  - Section 4. This act shall take effect July 1, 2014.