

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 2160

SPONSOR: Governmental Oversight and Productivity Committee and Senator Campbell

SUBJECT: State Government

DATE: March 24, 2000

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Wilson</u>	<u>Wilson</u>	<u>GO</u>	<u>Favorable/CS</u>
2.	_____	_____	<u>RI</u>	_____
3.	_____	_____	<u>FP</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

**I. Summary:**

The bill amends a number of personnel, leave, and property leasing provisions affecting the Department of Management Services (DMS). Its main provisions authorize exceptions from competitive bidding requirements in defined circumstances and permit the use of contracted tenant brokers in specified counties to assist in the acquisition of office space.

This bill amends the following sections of the Florida Statutes: 110.117, 110.122, 110.1521, 255.25, 255.2501, 272.161, 287.042, and 365.171.

The bill repeals ss. 110.1522 and 110.1523.

**II. Present Situation:**

The Department of Management Services (DMS) is the nominal state agency charged with overall responsibility for workforce, technology, and facility support programs. Its workforce responsibilities encompass management of the largest of the several state personnel programs, the administration of retirement benefits, and the bulk of employee insurance benefit programs. That program unit also is the employer representative in collective bargaining negotiations for agencies other than the State University System. Its facility management duties encompass building construction, leasing, and management. For buildings in the bonded Florida Facilities Pool the agency acts as a revenue conduit for the conversion of agency lease payments into principal and interest payments to the bond holders. The department is the functional owner of the emergency response "911" system.

**III. Effect of Proposed Changes:**

**Section 1.** Section 110.117, F.S., is amended to specify that employees filling established positions are eligible, rather than entitled, to receive a personal holiday once each fiscal year.

**Section 2.** Section 110.122, F.S., is amended to substitute the phrase “termination of employment” as the appropriate condition for the terminal payment of accumulated sick leave. This replaces existing language which conditioned this payment upon reaching normal retirement age or benefit vesting.

**Section 3.** Section 110.1521, F.S., is amended to delete its present status as a short title only and to further provide substantive policy direction for the rule development of model family support personnel policies. Unless otherwise changed by an agency, a model rule will be developed by the DMS on the subject for all agencies of the executive branch except the state university system.

**Section 4.** Subsection (3) of s. 255.25, F.S., is amended to provide to add to the list of exceptions to competitive procurement of lease space in excess of 5,000 square feet, those leases negotiated pursuant to pilot projects conducted by the DMS. Additional changes to paragraph (b) also give agencies the authority to remain in their existing lease space upon lease expiration without the necessity of another competitive procurement. That authority requires the completion of an independent and present value market analysis. The replacement lease may not exceed the prior lease plus moving costs and may not exceed the base term of the expiring lease. A new paragraph (d) is created to authorize, following approval by DMS, direct lease negotiations without competitive bid in any area designated as a Front Porch Community.

**Section 5.** The DMS is directed to undertake a tenant broker pilot project in Hillsborough, Leon, Broward, Orange, and Seminole Counties. Under this program the DMS contracts with a registered real estate broker after a request-for-proposal solicitation. The selected broker acts as the agency’s agent for the purposes of procuring property on behalf of state agencies. The broker retains all commissions which must be paid by the private sector lessor. The one-year contract is renewable for a like period of time. The broker must disclose any conflicting relationships and compensation received, which must be what is customary in the market. The project has as its objectives the achievement of a responsive, efficient, and experienced location of space essential for the performance of agency responsibilities. The project has a duration of two years with a report due to the Legislature before its expiration on July 1, 2002.

**Section 6.** Section 255.2501, F.S., is amended to prevent an agency of the executive branch of state government from entering into leases in excess of five years during the lease term when financed with local government obligations, unless authorized in the Appropriations Act.

**Section 7.** Section 272.161, F.S., is amended to permit the reversion of permitted, or non-reserved, as well as reserved parking places when not rented for a period of 30 rather than the current 7 days. The DMS receives additional authority to provide parking enforcement at these non-reserved spaces. It may establish parking fees at all facilities under its jurisdiction, not just at those with reserved parking spaces.

**Section 8.** Section 287.042, F.S., is amended to add emergency medical service telecommunication providers to those authorized to participate in negotiated commodity purchasing agreements.

**Section 9.** Section 365.171, F.S., is amended to give authority for “911” fee collection enforcement to the Public Service Commission and for data collection by the DMS.

**Section 10.** Sections 110.15222 and 110.1523, F.S., relating to family support personnel policies, are repealed.

**Section 11.** The bill is effective July 1, 2000.

**IV. Constitutional Issues:**

**A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Economic Impact and Fiscal Note:**

**A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

A regulated telecommunications provider has advised the DMS that the provisions removed from Section 9. of the original bill will no longer adversely affect several of its large customers with more than twenty-five lines. In its revised form the Committee Substitute eliminates a billing loss of some \$1 million.

**C. Government Sector Impact:**

The bill would grant legal authority to the DMS for the collection of additional parking fees. The substance of this issue is discussed further, below.

The bill would also grant to a legislative branch agency, the Public Service Commission, enforcement authority over an emergency response system which is owned by the DMS. No fiscal impact has been offered by the DMS.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

Use of the word “termination” to describe the cessation of employment takes a neutral stance on the circumstance prompting it. It also addresses the eligibility for payment of accrued sick leave for persons entering the DROP deferred retirement program. Those individuals retire and receive payment for accrued annual leave but defer receipt of payment for accrued sick leave until cessation of employment altogether.

The bill gives the DMS additional legal authority for the imposition of fees, towing charges and fines for those individuals violating the parking rules in its permitted spaces. The department has advised that actual enforcement authority has been contracted to the City of Tallahassee which retains all income. The DMS records some of these enforcement actions in its performance management system, a part of which is contained in the Implementing Bill. It is not clear whether the department will continue the city contract should it be given the expanded enforcement authority or to what account in the treasury these funds then would be deposited.

The department advises there are several unnamed service providers, otherwise licensed under ch. 401, F.S., who would be permitted to use agency purchasing services. The specific cross reference extends to a section of ch. 401, F.S., dealing with system approval without reference to the specific identity of the system providers or participants.

A Front Porch Community is one designated under the provisions of the 1999 Growth Policy Act, ch. 99-378, Laws of Florida. That act established a voluntary program for local government designation of urban infill and redevelopment for the achievement of broad economic, educational, and public safety interests within urban centers.

**VIII. Amendments:**

None.