

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Governmental Oversight and Accountability Committee

BILL: PCS/SB 2050

INTRODUCER: Governmental Oversight and Accountability Committee

SUBJECT: The Department of Management Services

DATE: March 26, 2009 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McKay	Wilson	GO	Pre-meeting
2.	_____	_____	GA	_____
3.	_____	_____	RC	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill changes the agency head of the Department of Management Services to the Governor and Cabinet, provides for the appointment of an executive director, and makes corresponding conforming changes in the Florida Statutes.

This bill substantially amends, creates, or repeals the following sections of the Florida Statutes:

II. Present Situation:

The Department of Management Services (DMS) was created from two other agencies. Following a 1968 constitutional revision, the Legislature enacted the “Reorganization Act of 1969,” which established the Department of Administration (DOA) and the Department of General Services (DGS). The DOA consolidated budget, state planning, personnel, and retirement functions previously scattered among various ex-officio boards and agencies, most of which were under the Cabinet. The DGS centralized the following duties, to be provided to all state agencies: purchasing and contract negotiations; electronic data processing; the structure and sale of bond issues; building design, construction, and maintenance; maintenance of a state motor and executive aircraft pool; federal and state surplus property management; and, the design and maintenance of a state communications network. The building construction and maintenance, purchasing, and surplus property functions all existed under Cabinet boards prior to the reorganization. The motor pool and communication functions were newly established as a result of the reorganization.¹

¹ Interim Project Report 98-27, *Review of the Role of a Central Services Agency in a Decentralized Environment*, Committee on Governmental Reform and Oversight, October 1998.

The Department of Management Services was created effective July 1, 1992. The DOA was abolished and its duties were distributed among other agencies. The DGS was renamed DMS. The redistribution of duties of the DOA was as follows²:

Entity	From	To
Division of Retirement	DOA	DMS
Personnel Management	DOA	DMS
Administrative Hearings	DOA	DMS
State Employees' Insurance	DOA	DMS
Labor Relations	DOA	DMS
Human Resource Development	DOA	DMS
State Retirement Commission	DOA	DMS
Commission on Human Relations	DOA	Governor's Office
Bond Finance	DOA	State Board of Administration
Executive Clemency	DOA	Florida Parole Commission

The Florida Commission on Human Relations was subsequently transferred back to DMS, where it currently exists as an independent entity associated with the DMS. Other independent entities associated with the DMS include the Public Employees Relations Commission (PERC), the Division of Administrative Hearings (DOAH), and the Governor's Commission on Disabilities.

Section 20.22, F.S., creates the DMS. The head of the DMS is the Secretary of Management Services, who is appointed by the Governor, subject to confirmation by the Senate.

The DMS is the administrative arm of state government. It consolidates the state's purchasing power for buying commodities and services, and establishes rules and guidelines to ensure a fair, competitive procurement process. The DMS serves as the central entity for the construction, operation, and maintenance of state-owned facilities and provides telecommunications services to state and local governments to improve efficiency and delivery of services to Florida citizens. The department also administers the statewide government employee retirement system and monitors the actuarial soundness of local government retirement systems. The department has several major programs/entities that carry out its primary responsibilities: Facilities Program, Support Program, Office of Information Technology, Human Resource Management, Insurance Benefits Administration, and Retirement Services.

III. Effect of Proposed Changes:

The bill changes the agency head of the Department of Management Services to the Governor and Cabinet, provides for the appointment of an executive director, and makes corresponding conforming changes in the Florida Statutes.

The bill also directs the Division of Statutory Revision to prepare a reviser's bill for the 2010 Regular Session to make further conforming changes.

² *Id.*

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.