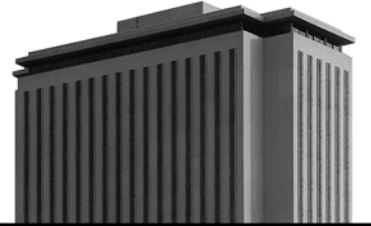




# LEGISLATIVE ISSUE BRIEFS



## Local Government Contracts/Mandated Disclosure Requirements

**CS/CS/CS/SB 392** (Storms) and **HB 181** (Harrell) require local governments to compile and disclose information on contracts of \$5,000 or more.

CS/CS/CS/SB 392 requires the following:

1. For any new contract between a local government and a company or individual for over \$5,000, the local government must either electronically post specified contract information if the local government has a website or the local government must keep a hard copy of the contract information in an office with the information subject to a public records request. This requirement applies to new contracts entered into by the local government according to a schedule described below.
2. To the extent possible, a local government's website must include a link to an electronic copy of the contract.
3. The information required to be compiled and posted by local governments includes: the names of the parties to the contract; the date and amount of the contract; the purpose of the contract; and a basic expenditure category as developed by the Department of Financial Services.
4. Each local government must designate one central office to maintain all contract information required to be reported.
5. The information on newly executed contracts must be updated at least quarterly. CS/CS/CS/SB 392 provides for staggered implementation of the new report requirements, with cities with a population of 50,000 or more required to begin posting contract information for contracts executed on or after October 1, 2009; for cities with a population between 10,000 to 50,000, postings on contracts executed on or after October 1, 2010; and for cities with a population fewer than 10,000 posting on contracts executed on or after October 1, 2011. (All population estimates will be determined as of April 1, 2009.)

HB 181 will likely be amended to reflect the language in CS/CS/SB 392.

Position:

- Florida's cities fully support public access to public information, which includes contracts.
- Currently, public contracts are public records subject to full public disclosure upon request.

- The spirit of the bills is well intended, but Florida taxpayers cannot absorb the additional costs to administer this legislative concept unless the legislature is willing to fund it.
- This concept should be implemented first as a pilot program at the state level to ensure the benefits to Florida taxpayers justify its costs. Florida's cities cannot afford to be guinea pigs for a well intended but untested and potentially costly new program. If the state thinks it's a good idea, let the state try it out first to work out the kinks.
- The contract threshold (currently \$5,000) should be higher. It should be raised to at least \$25,000. Smaller contract amounts could be added in over time as the program is tested, adapted and improved.

**Status:** CS/CS/CS/SB 392 passed the Senate. HB 181 is in the House Government Efficiency and Accountability Council.

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**Revised:** 4/18/08