



**OFFICE OF ECONOMIC AND SMALL BUSINESS DEVELOPMENT
Governmental Center Annex**

115 S. Andrews Avenue, Room A680 • Fort Lauderdale, Florida 33301 • 954-357-6400

Attention: Broward County Businesses

Re: Local Preference Restrictions under Florida [Senate Bill 346](#)

As you may already be aware, there have been some unprecedented bills passed by the Florida House and Senate in the last few years that cumulatively have and pose to have even more of an adverse impact on Broward County's small businesses and the programs the County uses to aid its small businesses.

During the 2017 Legislative Session, Senator Perry and Representative Williamson passed HB 599, Public Works Projects ([2017-113 L.O.F.](#)), to prohibit local governments from allowing local preference programs for public works projects when 50 percent or more of the cost are paid from state-appropriated funds.

During the 2021 Legislative Session, Senator Brodeur and Representative DiCeglie passed HB 53, Public Works ([2021-194 L.O.F.](#)) to further restrict local preference in public works projects. Under this bill, when a project receives over \$1 million in value, and 50 percent or more of the cost will be paid for with any state-appropriated funds, the local government cannot use a local preference.

This current Legislative Session, Senator DiCeglie proposed [SB 346](#), which, among other things, prohibits local preference programs when any local or state funds are used (under Section 8 of the bill, lines 268-279). Currently, both Broward County and the Florida Association of Counties (FAC) are lobbying against the approval of this bill. The proposed effective date of this bill is July 1, 2023.

This latest bill, HB 346, threatens the continued existence of Broward County's local Small Business Enterprise (SBE) and County Business Enterprise (CBE) small business programs as currently governed by the Broward County Business Opportunity Act (the Act). These programs, which have no race or gender eligibility requirements, were created to provide opportunities for small businesses located in Broward County, enable them to participate in Broward County procurements, and in a small, yet meaning way, affords them the opportunity to compete against like-sized businesses on a level playing field.

SB 346 takes HB 599 and HB 53 a step further if approved, by imposing restrictions on how Broward County would be able to implement programs funded with our own local dollars. Projects that are wholly funded by Broward County, from its own tax base, would be subject to the State's proposed restrictions not allowing the County to extend a preference to its own local businesses. The implications span not just the local small business programs administered by this Office, but also the very process by which we procure our goods and services – purchased with Broward County dollars.

We are at a pivotal juncture. If this bill passes, the County will not be able to have requirements for its local businesses to be utilized. There can be no requirements that businesses be located in our community to participate, no requirements that businesses be required to pay living wages (as set by a governmental entity) or use specific trades or groups identified by a community for participation. I think it is imperative that Broward County inform its small business community of these proposed restrictions so you can have the opportunity to voice your concerns to your state elected officials before it is too late. As such, I am transmitting this communication to all businesses registered in the County's SBE & CBE programs.

As Small Businesses, you know better than I the importance of our existence to create opportunities for you and your business to participate in local procurement and to grow. Traveling to Tallahassee to be heard and/or sending communications to be read by those making decisions are key. You know your representatives who speak for you, and you want to make sure others hear from you. We will certainly as a County and Office of Economic and Small Business Development make our voices heard.

You can follow the bill for updates using the link below.

<https://www.flsenate.gov/Session/Bills/2023?chamber=senate&billNumber=346&searchOnlyCurrentVersion=False&isIncludeAmendments=False&isFirstReference=True&searchQuery=public%20construction%20&citationType=FL%20Statutes&pageNumber=1>

Should you have any questions, please contact OESBD at 954-357-6400.

Best regards,

A handwritten signature in blue ink, appearing to read "S.M. McDonald", enclosed in a thin black rectangular border.

Sandy-Michael McDonald, Director
Office of Economic and Small Business Development