

STORAGE NAME: h1867.go
DATE: April 2, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
GOVERNMENTAL OPERATIONS
BILL ANALYSIS & ECONOMIC IMPACT STATEMENT**

BILL #: HB 1867 (PCB GO 97-2)

RELATING TO: The Executive Branch of State Government

SPONSOR(S): Committee on Governmental Operations, Representative Posey & others

STATUTE(S) AFFECTED: Various Sections in Chapters 20, 947, 106, 110, 322, 112, 215, 216, 240, 195, 213, 336, 212, 161, 366, 339, and 945, Florida Statutes.

COMPANION BILL(S): SB 1508 (s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) GOVERNMENTAL OPERATIONS YEAS 3 NAYS 2
- (2)
- (3)
- (4)
- (5)

I. SUMMARY:

This bill implements a substantial portion of the recommendations of the Citizens Commission on Cabinet Reform which was established by resolution of the Governor and Cabinet, to review the statutory functions and responsibilities of the Governor and Cabinet sitting as a collegial body. The Commission's recommendations reflect an effort to streamline and simplify the Governor's and Cabinet's duties.

This bill provides that the head of the Department of Revenue and the Department of Veteran Affairs shall be a secretary appointed by the Governor, rather than the Governor and Cabinet, subject to confirmation by the Senate. The Department of Highway Safety and Motor Vehicles is abolished and the Division of Motor Vehicles and the Division of Driver Licenses are transferred to the Department of State. A new Department of Highway Safety is created and the Division of the Florida Highway Patrol is transferred to this department. The Secretary of the Department of Highway Safety is appointed by the Governor with the approval of three members of the Cabinet, subject to confirmation by the Senate, and serving at the pleasure of the Governor.

Provision is made in this bill for the appointment of the Parole Commission, parole qualifications committees, and officers thereof by the Governor, rather than the Governor and Cabinet. This bill removes a requirement that three Cabinet members approve the Governor's appointments to the Florida Elections Commission. It provides for certain other board appointments by the Governor.

This bill removes various responsibilities of the Administration Commission with respect to approval of rules and other actions relating to state employment, and numerous duties relating to appropriations and budgeting, and transfers many of these responsibilities to the Governor. It also removes responsibilities of the Administration Commission or the Governor and Cabinet with respect to various appeals, resolution of disputes, and approval of agency actions.

The fiscal consequences of this bill are indeterminate at this time.

STORAGE NAME: h1867.go

DATE: April 2, 1997

PAGE 2

STORAGE NAME: h1867.go

DATE: April 2, 1997

PAGE 3

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Pursuant to s. 20.21, F.S., there is created a Department of Revenue. The head of the Department of Revenue is the Governor and Cabinet. Section 20.37, F.S., creates a Department of Veteran Affairs. The head of the department is the Governor and Cabinet. The executive director of the department is appointed by the Governor with approval of three members of the Cabinet and is subject to confirmation by the Florida Senate. The executive director serves at the pleasure of the Governor and Cabinet.

Section 20.24, F.S., creates a Department of Highway Safety and Motor Vehicles. The head of the Department of Highway Safety and Motor Vehicles is the Governor and Cabinet. The Florida Highway Patrol is a division within the department.

FUNCTIONS RELATING TO THE ADMINISTRATION COMMISSION

Pursuant to s.14.202, F.S., there is created as part of the Executive Office of the Governor an Administration Commission composed of the Governor and Cabinet. The Governor is chairman of the commission. The Governor or Comptroller may call a meeting of the commission promptly each time the need therefor arises. Unless otherwise provided, affirmative action by the commission shall require the approval of the Governor and at least three other members of the commission.

Section 945.6035, F.S., states that the Correctional Medical Authority and the Assistant Secretary for Health Services of the Department of Corrections shall attempt to resolve disputes arising between them regarding the physical and mental health care of inmates. If a dispute arises and cannot be resolved according to the requirements of the statutes, the authority may file an appeal by petition to the Administration Commission. The decision of the Administration Commission is final and binding on the authority and the department and shall not be subject to appeal pursuant to s. 120.68, F.S.

Section 195.087(1)(b), F.S., provides that the Administration Commission may hear appeals from the final action of the Division of Ad Valorem Tax, Department of Revenue, relating to the budget for the operation of the office of the county property appraiser. The Administration Commission may amend the budget if it finds that any aspect of the budget is unreasonable in light of the work load of the office of the property appraiser.

To remedy a deficit projected by the Revenue Estimating Conference in any fund supporting salary and benefit appropriations, the Administration Commission may propose a furlough (of state employees) plan to the Legislature pursuant to s.110.1225, F.S.

Any action taken by the Department of Management Services in regard to the revision or establishment of a pay grade assignment which affects a department headed by a Cabinet Officer or by the Governor and Cabinet may be reviewed by the Administration Commission, and the department's decision may be changed by a majority vote of the commission pursuant to s. 110.209(2)(f), F.S.

The Executive Office of the Governor shall have the authority to approve the program plan of fixed capital outlay projects to assure that each is consistent with legislative policies for operations, including approved operational standards related to program and utilization and reasonable continuing operating costs. Section 216.182(2), F.S., provides that any department under the direct supervision of a member of the Cabinet or of a board consisting of the Governor and members of the Cabinet which contends that the determination of the program plan by the Executive Office of the Governor is contrary to the orderly implementation of legislative authorization shall have the right to have the issue reviewed by the Administration Commission, which shall decide such issue by majority vote. The appropriations committees of the Legislature may advise the Administration Commission on the issue.

Pursuant to s. 216.192(2), F.S., any department which is under the direct supervision of a member of the Cabinet or of a board consisting of the Governor and members of the Cabinet which contends that the plan for releases of funds appropriated to it is contrary to the approved operating budget shall have the right to have the issue reviewed by the Administration Commission which shall decide such issue by majority vote. The appropriations committees of the Legislature may advise the Administration Commission on the issue.

Pursuant to s. 110.112(2)(a), F.S., the Administration Commission must approve affirmative action rules applicable to executive agencies.

Pursuant to s. 110.161(5), F.S., the Administration Commission must approve Department of Management Services' rules regarding the state employee pretax benefits program.

Pursuant to s. 110.21(5), F.S., the Administration Commission must approve Department of Management Services' rules on shared employment.

Pursuant to s. 110.211(6), F.S., the Administration Commission must approve Department of Management Services' model recruitment rules before their adoption by an employing agency.

Pursuant to s. 110.219(5), F.S., the Administration Commission must approve rules adopted by the Department of Management Services regarding attendance and leave.

Pursuant to s. 112.175(2), F.S., the Administration Commission shall adopt rules regarding withholding of wages of public employees for repayment of educational loans made or guaranteed by the state or any of its subdivisions to such employees.

Pursuant to s. 110.181(4), F.S., the Administration Commission appoints seven members of the Florida State Employees' Charitable Campaign Steering Committee.

Pursuant to s. 110.205(2)(m)1., F.S., each department head may designate a maximum of 20 policy making or managerial positions, as defined by the department and approved by the Administration Commission, as being exempt from the Career Service System.

Pursuant to s. 215.18, F.S., the Administration Commission, with the Governor's concurrence, may order temporary transfers of money from one fund to another to remedy a temporary deficiency.

STORAGE NAME: h1867.go

DATE: April 2, 1997

PAGE 5

Pursuant to s. 215.32(2)(b)2., F.S., the Administration Commission must approve consolidation of a state agency's trust funds in the state treasury.

Pursuant to s. 216.177, F.S., the statement of intent from the chairs of the legislative appropriation committees may provide an additional explanation to the Administration Commission regarding various aspects of appropriations. If the appropriations committee chairs or the President of the Senate and the Speaker of the House advise the commission that an action exceeds the commission's authority or is contrary to legislative intent and policy, the Administration Commission shall void such action, s. 216.177, F.S.

Pursuant to s. 216.179, F.S., after the Governor has vetoed a specific appropriation for an agency, no entity, including the Administration Commission, may subsequently authorize expenditures for any of the programs that were vetoed.

Pursuant to s. 216.181(1), F.S., amendments to the approved operating budgets for operational and fixed capital outlay expenditures from state agencies may be requested only through the Executive Office of the Governor and approved by the Governor or Administration Commission. However, pursuant to s. 216.181(4)(b), F.S., the Executive Office of the Governor may amend, without approval of the Administration Commission, state agency budgets to reflect transferred funds based on the approved plans for lump-sum appropriations.

Pursuant to ss. 216.221(5) and (7), F.S., plans to eliminate a deficit in the General Revenue Fund must be presented to the Administration Commission which may resolve certain deficits as provided therein.

Pursuant to s. 216.231(2), F.S., "deficiency" funds may only be released to an agency if the Administration Commission determines that the deficiency will impair the agency so that the agency will be unable to carry out its program as provided in the appropriations act.

Pursuant to s. 216.241, F.S., agencies may not initiate or commence new programs or make changes in current programs that require additional financing without the express approval of the Administration Commission.

Pursuant to s. 216.251(2)(a)6., F.S., the Administration Commission sets salaries for certain positions not otherwise provided for by statute or by the appropriations act.

Pursuant to s. 216.262(1)(b), F.S., the Administration Commission may delete management or supervisory positions in a department and establish more direct service positions.

Pursuant to s. 216.292, F.S., intra-agency transfers between appropriations for operations totaling more than 5% may be approved by the Administration Commission. Where a reorganization has been authorized by the Legislature but the necessary adjustments of appropriations and positions have not been made, the Administration Commission may approve the necessary transfers.

Pursuant to s. 240.513(4)(e), F.S., if the lease between the State Board of Education and the nonprofit corporation operating Shands Teaching Hospital and Clinics

terminates for any reason, the Board of Regents shall resume management of the facilities and the Administration Commission is authorized to appropriate revenues generated from the operation of the facilities to the Board of Regents to pay the expenses of operating the facilities for the remainder of the fiscal year.

Pursuant to s. 213.055, F.S., the Governor and Cabinet may grant refunds of state and local taxes on motor and special fuel solicited from and donated by local governments during a declared state of emergency.

Pursuant to ss. 212.0599, 213.065, and 213.066, F.S., the Governor and Cabinet must adopt certain rules of the Department of Revenue regarding the implementation of Chapters 87-548, 89-171, and 92-319, Laws of Florida, which become effective upon filing with the Secretary of State.

Pursuant to s. 161.101(13), F.S., (1996 Supp.), upon determination of a "shoreline emergency of state concern," by the Governor and Cabinet, the Department of Environmental Protection may expend funds from the Beach Management Trust Fund to alleviate the emergency condition.

Pursuant to s. 339.135(7)(d), F.S., the Administration Commission may by two-thirds vote of the members present, with the Governor voting in the affirmative, approve an amendment to the adopted work program of the Department of Transportation (after objection by either of the appropriations committee chairs or the President of the Senate or Speaker of the House).

Pursuant to s. 366.055, F.S., during an energy emergency, the Governor and Cabinet may authorize utilities to alter commitments between a utility that is part of the energy grid created pursuant to statute and another energy grid as to energy use.

B. EFFECT OF PROPOSED CHANGES:

Section 6, of Article IV, of Florida's Constitution, provides that the functions of the executive branch be allotted among not more than 25 departments, exclusive of those specifically provided for or authorized in the Constitution. The departments may be placed under the direct supervision of the Governor, a Cabinet officer, the Governor and Cabinet, or a board comprised of officers appointed by the Governor. This provision of the Constitution was the result of a constitutional amendment adopted in 1968. As a result of the constitutional amendment, the Governmental Reorganization Act of 1969 was passed which consolidated approximately 200 state agencies into 22 departments.

The Cabinet consists of six elected officials. As provided for in Section 4, of Article IV, of Florida's Constitution, the Cabinet members are the Secretary of State, the Attorney General, the Comptroller, the Treasurer, the Commissioner of Agriculture, and the Commissioner of Education. The Constitution specifically assigns independent responsibilities to each Cabinet member. In addition, the Governor and Cabinet sit as various boards or as the head of various departments to administer certain state policies. This collegial form of state government is unique to Florida.

Currently the Governor and Cabinet share authority over the Departments of Revenue and Veteran Affairs. This bill will provide as head of these departments a Secretary appointed by the Governor and confirmed by the Senate, and will dismantle the

governance of these departments by the Governor and Cabinet. The Department of Law Enforcement will remain under the Governor and Cabinet. The Department of Highway Safety and Motor Vehicles is abolished and the Division of Motor Vehicles and the Division of Driver Licenses are transferred to the Department of State. A new Department of Highway Safety is created and the Division of the Florida Highway Patrol is transferred to the Department of Highway Safety. The Division of Statutory Revision is directed to conform provisions of the Florida Statutes to reflect these changes.

Proponents of the Governor appointed Secretary as agency head support their position as follows:

1. The Florida Constitution establishes the Governor as the "supreme executive power", however, the Governor cannot impose his or her policies, programs, philosophy and management style throughout the cabinet, yet the Governor is perceived as the head of the executive branch and is at risk of being blamed for failures resulting from the Governor and Cabinet as collegial head of certain departments.
2. With the Governor and Cabinet as head of a department, each may escape accountability for the departments they collectively head.
3. The average citizen when voting for the Commissioner of Education, for example, has no idea of the Commissioner's functions as a Cabinet member, which involves issues having nothing to do with education. Campaign strategies center around educational issues without the citizenry being aware of the Commissioner's philosophy towards environmental issues, for example. Yet as a Cabinet member, the Commissioner votes on environmental issues as well as many other non-education issues.
4. By not having to participate in the Cabinet as one of the collegial heads of many departments, the various Cabinet members are free to spend their time conducting the business they were elected to perform.
5. Cabinet aides gain increased power to dictate conditions to the departments as well as to citizens interested in redressing their grievances before the Cabinet, either with or without their principal's input or authorization. And, if the Cabinet members were not participating as part of a collegial head of numerous departments, Cabinet staff positions could be reduced.
6. Cabinet meetings can turn into media events and to the extent issues become politically charged the elected Cabinet members may be persuaded to vote a certain way based on political pressures brought to bear as opposed to making a decision based on the substantive merits of the case before them.

Proponents of the Governor and Cabinet heading departments argue as follows:

1. The input and collective expertise of the Cabinet is critical in many areas of state government. For example, in the instance of selling or acquiring state-owned lands, there is a certain comfort level that comes with having seven elected officials make such an important decision.

2. Each member of the Cabinet is already an elected official therefore there is no additional level of bureaucracy created.
3. The Governor will not be the head of the various departments but his or her appointed Secretary will be. Therefore, the Governor will not be making department decisions; whereas, the Governor and Cabinet are now the head of these departments therefore it is the collective expertise of the Governor and Cabinet approving rules and budgets rather than a Secretary.
4. Department Secretaries would serve at the discretion of the Governor and to the extent a new Governor could be elected every four years the needed continuity of leadership of the departments would be jeopardized.
5. The Governor and Cabinet sit as an "appeal board" to hear citizen grievances after they have unsuccessfully made their way through department staff. If the department is headed by a Secretary appointed by the Governor, then the "buck stops" with the Secretary. A department headed by the Governor and Cabinet, on the other hand, provides an additional step without requiring the time, legal expertise, and costs involved in a Chapter 120 hearing.
6. Departments are much more responsive to the voters as long as their actions are scrutinized by the Cabinet.

This bill abolishes various statutory responsibilities and duties of the Cabinet and the Cabinet's role in the Administration Commission as currently provided for in statute **(Please refer to Section-by-Section Analysis for details)**.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

- a. Does the bill create, increase or reduce, either directly or indirectly:

- (1) any authority to make rules or adjudicate disputes?

This bill changes some authority for reviewing rules and adjudicating disputes from the Governor and Cabinet and the Administration Commission to the Governor.

- (2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

This bill deletes current responsibilities shared by the Governor and Cabinet and the Administration Commission and places them solely with the Governor or the Executive Office of the Governor. The Department of State will take over the responsibilities and duties that were previously those of the Department of Highway Safety and Motor Vehicles with the exception of the Florida Highway Patrol which is transferred to a newly created Department of Highway Safety.

- (3) any entitlement to a government service or benefit?

No.

- b. If an agency or program is eliminated or reduced:

Although this bill repeals the statute creating the Department of Highway Safety and Motor Vehicles, it transfers all of the existing duties, responsibilities, personnel, property, and appropriations to the Department of State, excluding the Florida Highway Patrol. It does not eliminate them. A new Department of Highway Safety is created and the Florida Highway Patrol is transferred from the Department of Highway Safety and Motor Vehicles to the new Department of Highway Safety. Provision is made for divisions and bureaus within the new Department of Highway Safety.

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

This bill transfers the existing Department of Highway Safety and Motor Vehicles, excluding the Florida Highway Patrol, to the Department of State. A new Department of Highway Safety is created and the Florida Highway Patrol is transferred from the Department of Highway Safety and Motor Vehicles to the new Department of Highway Safety. All of the existing powers, duties, responsibilities, personnel, property, and appropriations are transferred.

- (2) what is the cost of such responsibility at the new level/agency?

Although there has been repeated references to savings of \$100 million over ten years during discussions of this proposed legislation, there is absolutely nothing in this proposed legislation to substantiate any savings or increased costs.

- (3) how is the new agency accountable to the people governed?

The Department of State continues to be accountable to the people through the Secretary of State. The newly created Department of Highway Safety will be accountable through the Governor and Cabinet. Accountability previously shared by the Governor and Cabinet and the Administration Commission will now rest solely with the Governor.

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

No.

- b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

This bill does not purport to provide services to families or children.

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

C. SECTION-BY-SECTION ANALYSIS:

Section 1. Amends ss. 20.21(1) and (5), F.S., to provide that the head of the Department of Revenue is the Secretary of Revenue, appointed by the Governor, subject to Senate confirmation, and serving at the pleasure of the Governor. A reference to executive director is replaced with Secretary. Currently, the Governor and Cabinet are head of the Department of Revenue.

Section 2. Amends s. 20.37(1), F.S., to provide that the head of the Department of Veterans' Affairs is the Secretary of Veterans' Affairs, appointed by the Governor, subject to Senate confirmation, and serving at the pleasure of the Governor. Current references to the Governor and Cabinet as head of the

department, approval of three members of the Cabinet, and references to the executive director of the department are deleted.

- Section 3. The Division of Statutory Revision of the Joint Legislative Management Committee is directed to conform provisions of the Florida Statutes to reflect the changes made by this bill relating to the heads of the Department of Revenue, and the Department of Veterans' Affairs.
- Section 4. Abolishes the Department of Highway Safety and Motor Vehicles. Provides that all powers, duties, functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the Division of Motor Vehicles and the Division of Driver Licenses of the department are transferred to the Department of State. The powers, duties, functions, records, personnel, property, and all funds of the Division of Highway Patrol of the department are transferred to the Department of Highway Safety. The Governor is granted the specific authority to shift positions, consistent with the notice and review requirements of s. 216.177, F.S., between the former Department of Highway Safety and Motor Vehicles now located within the Department of State and the Department of Highway Safety as created by this act to promote the efficient and effective operation of both departments. The Department of State and the Department of Highway Safety shall have the authority to enter into interagency agreements to promote the efficient and effective operation of both departments. Those trust funds or portions of trust funds which were used to fund the operation of the Division of the Florida Highway Patrol within the Department of Highway Safety and Motor Vehicles are transferred to the Administration Trust Fund of the Department of Highway Safety.
- Section 5. Amends ss. 20.10(2)(h)(i) and (3), F.S., to establish the Division of Driver Licenses and the Division of Motor Vehicles in the Department of State. Driver license information obtained by the Department of State shall be available on a priority basis to the Department of Highway Safety for any purposes necessary to carry out the responsibilities of the Department of Highway Safety.
- Section 6. Repeals s. 20.24, F.S.
- Section 7. Creates s. 20.241, F.S., establishing a Department of Highway Safety. The head of the department is the Secretary of Highway Safety, appointed by the Governor with the approval of three members of the Cabinet, subject to confirmation by the Senate. The secretary shall serve at the pleasure of the Governor. Pursuant to s. 20.04, F.S., bureaus may be established as deemed necessary to promote efficient and effective operation of the department.
- Section 8. Directs the Division of Statutory Revision of the Joint Legislative Management Committee to conform provisions of the Florida Statutes to reflect the abolition of the Department of Highway Safety and Motor Vehicles, creation of the Department of Highway Safety, and transfer of the Florida Highway Patrol, Division of Motor Vehicles, and Division of Driver Licenses by a reviser's bill.

- Section 9. Amends s. 322.125, F.S., to remove the authority of the Department of Highway Safety and Motor Vehicles related to the Medical Advisory Board. This Board is established within the Department of State. Board members must be appointed by the Secretary of State.
- Section 10. Amends s. 20.32(2), F.S., to remove the Cabinet's role relating to appointment of the Parole Commission and to establish the Governor as the appointing authority.
- Section 11. Amends s. 947.02, F.S., to remove authority of the Cabinet related to the appointment of members to the Parole Commission. This authority will rest solely with the Governor.
- Section 12. Amends s. 947.021, F.S., (1996 Supp.), to remove authority of the Cabinet related to expedited appointments to the Parole Commission.
- Section 13. Amends s. 947.03, F.S., to delete references to the Cabinet regarding parole commissioners appointment, tenure, and removal from office.
- Section 14. Amends s. 947.04(1), F.S., to delete references to the Cabinet regarding organization of the Parole Commission, selection of its chairperson, and assignment of retired commissioners to temporary duty.
- Section 15. Amends s. 106.24(1), F.S., to delete the requirement that three members of the Cabinet approve the Governor's appointments to the Florida Elections Commission.
- Section 16. Amends s. 110.181(4), F.S., to increase the membership of the Florida State Employees' Charitable Campaign Steering Committee from seven to nine members, to provide for appointment of the chair by the Governor, and to provide that each Cabinet officer shall appoint a member. It further requires that two members shall be appointed by the Secretary of the Department of Management Services from among applications submitted from other agencies or departments. The current requirement that members be appointed by the Administration Commission is deleted.
- Section 17. Amends s. 110.112(2)(a), F.S., to delete the requirement that agency affirmative action plans must be approved by a majority vote of the Administration Commission before their adoption.
- Section 18. Amends s. 110.1225, F.S., to transfer authority from the Administration Commission to the Governor to propose an employee furlough plan when a deficit is projected by the Revenue Estimating Conference pursuant to s. 216.136 (3), F.S., in any fund that supports salary and benefit appropriations to an agency headed by the Governor, or when such deficit is projected in any fund or funds that support salary and benefit appropriations to all agencies. In the case of a projected deficit which is limited to a fund that supports salary and benefits within a single agency headed by a Cabinet member, that member may propose a furlough plan to the Legislature, which must approve or disapprove such plan.

- Section 19. Amends s.110.161(5), F.S., to delete the requirement that the Administration Commission approve rules developed by the Department of Management Services for the pretax benefits program.
- Section 20. Amends s. 110.205(2)(m), F.S., to delete the requirement that the Administration Commission approve the designated list of 20 policy making or managerial positions, submitted by each department head, to be exempted from career service.
- Section 21. Amends ss. 110.209(2)(f) and (3), F.S., to transfer authority from the Administration Commission to the Governor to review and change any action taken by the Department of Management Services with regard to the revision or establishment of a pay grade assignment which affects a department headed by a Cabinet officer. Reference to a department headed by the Governor and Cabinet is deleted. The requirement that the Administration Commission approve any rules, prior to their adoption, that the Department of Management Services may propose to implement the provisions of this section, is deleted.
- Section 22. Amends s. 110.21(5), F.S., (1996 Supp.), to delete the requirement that the Administration Commission approve any rules of the Department of Management Services with regard to shared employment, prior to their adoption.
- Section 23. Amends s. 110.211(6), F.S., to delete the requirement that the Administration Commission approve model recruitment rules developed by the Department of Management Services prior to their adoption by the department and prior to their adoption by the employing agencies.
- Section 24. Amends s. 110.219(5), F.S., to delete the requirement that the Administration Commission approve rules of the Department of Management Services regarding attendance and leave prior to their adoption.
- Section 25. Amends s. 112.175(2), F.S., to provide that the Department of Management Services, instead of the Administration Commission, shall adopt rules regarding withholding employees' wages to repay educational loans.
- Section 26. Amends s. 215.18, F.S., to provide that the Governor, rather than the Administration Commission with concurrence of the Governor, may order a temporary transfer of moneys from one fund to another in order to meet temporary deficiencies in a particular fund. The date of repayment to the fund from which moneys were transferred is to be specified in the order of the Governor.
- Section 27. Amends s. 215.32(2)(b), F.S., to provide that consolidation of agency trust funds in the State Treasury is to be at the approval of the Governor, rather than the Administration Commission.
- Section 28. Amends s. 216.177, F.S., to delete references to the Administration Commission and replace them with references to the Governor as they

relate to appropriation acts, statement of intent, violation, notice, review and objection procedures.

- Section 29. Amends s. 216.179, F.S., to delete reference to the Administration Commission regarding prohibition against reinstatement of vetoed appropriations.
- Section 30. Amends ss. 216.181(1),(2), and (4)(b) F.S., to delete the Administration Commission as an entity that can approve amendments to the approved operating budgets of state agencies. This section is also amended to provide that the Executive Office of the Governor may amend, without approval of the Governor rather than the Administration Commission, state agency budgets to reflect the transferred funds based on the approved plans for lump-sum appropriations.
- Section 31. Amends s. 216.182(2), F.S., to delete reference to a board consisting of the Governor and members of the Cabinet. It also provides that the Governor, rather than the Administration Commission, will review contentions by any department under the direct supervision of a member of the cabinet that determination of their fixed capital outlay program plan by the Executive Office of the Governor is contrary to legislative authorization. The appropriations committees of the Legislature may advise the Governor, rather than the Administration Commission, on the issue.
- Section 32. Amends s. 216.192(2), F.S., to provide that any department under the direct supervision of a member of the Cabinet which contends that the plan for releases of funds appropriated to it is contrary to the approved operating budget shall have the right to have the issue reviewed by the Governor, rather than the Administration Commission, who shall decide such issue. The appropriations committees of the Legislature may advise the Governor, rather than the Administration Commission, on the issue.
- Section 33. Amends s. 216.195, F.S., to eliminate the Administration Commission's role with regard to impoundment of funds.
- Section 34. Amends ss. 216.221(5)(a) and (7), F.S., to eliminate the requirement that the Governor certify any anticipated deficits in the General Revenue Fund to the Administration Commission and also removes the requirement that the Governor provide the Administration Commission with a plan of action to eliminate the deficit. It eliminates all authority of the Administration Commission with respect to eliminating deficits in the General Revenue Fund and places this authority with the Governor.
- Section 35. Amends s. 216.231(2), F.S., to provide that the Governor, rather than the Administration Commission, is authorized to approve release of appropriated funds classified as "deficiency."
- Section 36. Amends s. 216.241(1), F.S., to provide that the Governor, rather than the Administration Commission, is authorized to approve and give notice of the initiation or commencement of new programs.

- Section 37. Amends s. 216.251(2)(a), F.S., to provide that the Governor, rather than the Administration Commission, shall set the salary of all positions not specifically included in this subsection.
- Section 38. Amends ss. 216.262(1)(a) and (b), F.S., to provide that the Governor, rather than the Administration Commission, may, after a public hearing, authorize an increase in positions in excess of those provided in the appropriations acts, for reasons specified in this subsection. The Governor, rather than the Administration Commission, is authorized, after a public hearing, to delete supervisory or managerial positions within a department and establish direct service delivery positions in excess of the number of supervisory or managerial positions deleted.
- Section 39. Amends ss. 216.292(4) and (10), F.S., to provide that the Governor, rather than the Administration Commission, may transfer appropriations for operations from General Revenue, if deemed necessary and in the best interest of the state and consistent with legislative policy and intent. With the approval of the Governor, rather than the Administration Commission, excess appropriations for a named fixed capital outlay project may be transferred to another project. Where any reorganization has been authorized by the Legislature and the necessary adjustments of appropriations and positions have not been provided in the General Appropriations Act, the Governor, rather than the Administration Commission, may approve, consistent with legislative policy and intent, the necessary transfers to accomplish the purposes of such reorganization within state agencies.
- Section 40. Amends s. 240.513(4)(e), F.S., to provide that should it be necessary for the Board of Regents to resume management and operation of J. Hillis Miller Health Center, a nonprofit corporation, the Governor, rather than the Administration Commission, is authorized to transfer revenues generated from the operation of the hospital facilities to the Board of Regents to pay the costs and expenses of operating the hospital facility for the remainder of the fiscal year in which such termination occurs.
- Section 41. Amends s. 195.087(1)(b), F.S., to repeal the current process that allows property appraisers to appeal their budget to the Governor and Cabinet, sitting as the Administration Commission. The budget request as approved by the Department of Revenue shall become the operating budget of the property appraiser.
- Section 42. Amends s. 213.055(1)(a), F.S., as amended by chapter 95-417, Laws of Florida, to provide that the Governor, rather than the Governor and Cabinet, may grant refunds of state and local taxes on motor and diesel fuel donated during a declared state of emergency for official emergency use in cases in which the state solicits the donation.
- Section 43. Amends s. 336.025(5)(b), F.S., (1996 Supp.), to provide that, with regard to the levy of local option fuel tax on motor fuel and diesel fuel for county transportation systems, any dispute as to the determination by the county of distribution proportions shall be resolved through an appeal to the

Governor, rather than the Administration Commission, in accordance with procedures developed by the Executive Office of the Governor, rather than the Administration Commission.

- Section 44. Amends s. 212.0599, F.S., (1996 Supp.), to delete the current requirement that Department of Revenue rules which implement chapter 87-548, Laws of Florida, must be adopted by the Governor and Cabinet before filing with the Department of State.
- Section 45. Amends s. 213.065, F.S., (1996 Supp.), to delete the current requirement that Department of Revenue rules to implement chapter 89-171, Laws of Florida, be adopted by the Governor and Cabinet, prior to filing with the Department of State. A reference to executive director of the Department of Revenue is deleted.
- Section 46. Amends s. 213.066, F.S., (1996 Supp.), to delete the current requirement that Department of Revenue rules to implement chapter 92-319, Laws of Florida, be adopted by the Governor and Cabinet, before filing with the Department of State. A reference to executive director of the Department of Revenue is deleted.
- Section 47. Amends s. 161.101(13), F.S., (1996 Supp.), to provide that the Governor, rather than the Governor and Cabinet, may expend funds from the Beach Management Trust Fund to alleviate emergency conditions, upon a declaration, after a hearing, by the Governor, rather than the Governor and Cabinet, that a shoreline emergency of state concern exists.
- Section 48. Amends s. 339.135(7)(d), F.S., to delete the current role of the Administration Commission in approving or disapproving amendments to Department of Transportation work programs when there is objection by the legislative appropriations committees or the President of the Senate and Speaker of the House. Under this bill, only the Governor would consider such objections in making a final determination of approval or disapproval.
- Section 49. Amends s. 366.055(1), F.S., to provide that prior commitments as to energy use shall not be abridged or altered except during an emergency as declared by the Governor, rather than the Governor and Cabinet, as currently required.
- Section 50. Amends s. 945.6035, F.S., to delete the role of the Administration Commission in reviewing and resolving disputes between the Assistant Secretary for Health Services (Department of Corrections) and the Correctional Medical Authority regarding the physical and mental health care of inmates. These disputes, under this bill, will be appealed to the Governor, only.
- Section 51. Amends s. 20.13(2)(k), F.S., to establish a Division of Information Systems in the Department of Insurance. A Bureau of Information Systems is deleted.

Section 52. Establishes and effective date of October 1, 1997, except as otherwise provided in the bill.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

See III.D., Fiscal Comments.

1. Non-recurring Effects:

2. Recurring Effects:

3. Long Run Effects Other Than Normal Growth:

4. Total Revenues and Expenditures:

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

Not Applicable.

1. Non-recurring Effects:

2. Recurring Effects:

3. Long Run Effects Other Than Normal Growth:

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:
None.

2. Direct Private Sector Benefits:

Indeterminate.

3. Effects on Competition, Private Enterprise and Employment Markets:

Indeterminate.

D. FISCAL COMMENTS:

The Final Report of the Citizens Commission on Cabinet Reform asserts the belief that their recommendations, if implemented, will reduce the collegial workload of the Governor and Cabinet substantially. It is implied that this will allow the Governor and Cabinet to discharge their remaining responsibilities more effectively. The report, however, does not quantify any actual reduction in positions or fiscal savings.

It is not possible, currently, to definitively quantify increased costs or fiscal savings as a result of PCB GO 97-2. Accordingly, the fiscal consequences are indeterminate.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that counties or municipalities have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties and municipalities.

V. COMMENTS:

Legislative History: A version of this bill was included in CS/CS/HB 2101 which died in the Committee on Appropriations on May 4, 1996. SB 1184(s), the Senate companion to CS/CS/HB 2101, died in the Senate Committee on Ways and Means on May 4, 1996.

STORAGE NAME: h1867.go

DATE: April 2, 1997

PAGE 20

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

VII. SIGNATURES:

COMMITTEE ON GOVERNMENTAL OPERATIONS:

Prepared by:

Legislative Research Director:

Jimmy O. Helms

Jimmy O. Helms