

By the Committee on Governmental Reform and Oversight and  
Senator Williams

302-1653A-98

1                                   A bill to be entitled  
2           An act relating to state planning and  
3           budgeting; amending s. 216.011, F.S.; defining  
4           the terms "disincentive," "incentive,"  
5           "performance-based program appropriation," and  
6           "performance ledger" for purposes of budgeting  
7           and state fiscal affairs; amending s. 216.0166,  
8           F.S.; revising guidelines and requirements for  
9           state agencies in submitting performance-based  
10          budget requests, programs, and performance  
11          measures; amending s. 216.0172, F.S.; revising  
12          the schedule for submission of  
13          performance-based program budget legislative  
14          budget requests; amending s. 216.0235, F.S.;  
15          requiring that additional information be  
16          included in program budget instructions;  
17          amending s. 216.031, F.S.; revising information  
18          to be contained in legislative budget requests;  
19          amending s. 216.163, F.S.; prescribing  
20          additional incentives and disincentives that  
21          may be included in the Governor's recommended  
22          budget; amending s. 216.167, F.S.; requiring  
23          that the Governor's recommendations include a  
24          financial schedule that provides information on  
25          revenues in the Budget Stabilization Fund;  
26          amending s. 216.178, F.S.; providing a date for  
27          the final budget report; amending s. 216.292,  
28          F.S.; providing an exception to nontransferable  
29          appropriations; amending 186.022, F.S.;  
30          revising requirements for state agency  
31          strategic plans; amending s. 121.051, F.S.;

1 conforming a cross-reference to changes made by  
2 the act; amending s. 215.32, F.S.; including  
3 the Budget Stabilization Fund in the list of  
4 funds in which state moneys are deposited;  
5 amending s. 216.221, F.S.; providing  
6 legislative intent for use of the Budget  
7 Stabilization Fund; amending s. 20.055, F.S.;  
8 requiring inspectors general to review and  
9 assess the validity of performance measures  
10 prior to submission to the Executive Office of  
11 the Governor; amending s. 252.37, F.S.;  
12 providing legislative intent regarding the  
13 order of recourse in use of state funds for  
14 emergencies; repealing s. 186.021(5), F.S.,  
15 relating to state agency strategic plans;  
16 repealing s. 186.009 and s. 186.031, F.S.,  
17 relating to the growth management portion of  
18 the state comprehensive plan and to the annual  
19 report by the Governor in his capacity as chief  
20 planning and budgeting officer of the state;  
21 repealing s. 212.081(3), F.S., relating to  
22 legislative intent; providing an effective  
23 date.

24

25 Be It Enacted by the Legislature of the State of Florida:

26

27 Section 1. Subsection (1) of section 216.011, Florida  
28 Statutes, is amended to read:

29 216.011 Definitions.--

30 (1) For the purpose of fiscal affairs of the state,  
31 appropriations acts, legislative budgets, and approved

1 budgets, each of the following terms has the meaning  
2 indicated:

3 (a) "Annual salary rate" means the salary estimated to  
4 be paid or actually paid a position or positions on an  
5 annualized basis. In calculating salary rate, a vacant  
6 position shall be calculated at the minimum of the pay grade  
7 for that position.

8 (b) "Appropriation" means a legal authorization to  
9 make expenditures for specific purposes within the amounts  
10 authorized in the appropriations act.

11 (c) "Appropriations act" means the authorization of  
12 the Legislature, based upon legislative budgets or based upon  
13 legislative findings of the necessity for an authorization  
14 when no legislative budget is filed, for the expenditure of  
15 amounts of money by an agency, the judicial branch, and the  
16 legislative branch for stated purposes in the performance of  
17 the functions it is authorized by law to perform.

18 (d) "Authorized position" means a position included in  
19 an approved budget. In counting the number of authorized  
20 positions, part-time positions shall be converted to full-time  
21 equivalents.

22 (e) "Budget entity" means a unit or function at the  
23 lowest level to which funds are specifically appropriated in  
24 the appropriations act.

25 (f) "Consultation" means to deliberate and seek advice  
26 in an open and forthright manner with the full committee, a  
27 subcommittee thereof, the chair, or the staff as deemed  
28 appropriate by the chair of the respective appropriations  
29 committee.

30 (g) "Continuing appropriation" means an appropriation  
31 automatically renewed without further legislative action,

1 period after period, until altered or revoked by the  
2 Legislature.

3 (h) "Data processing services" means electronic data  
4 processing services provided by or to state agencies or the  
5 judicial branch, which services include, but are not limited  
6 to, systems design, software development, or time-sharing by  
7 other governmental units or budget entities.

8 (i) "Disbursement" means the payment of an  
9 expenditure.

10 (j) "Disincentive" means a sanction as described in s.  
11 216.163.

12 (k)~~(j)~~ "Established position" means an authorized  
13 position which has been classified in accordance with a  
14 classification and pay plan as provided by law.

15 (l)~~(k)~~ "Expenditure" means the creation or incurring  
16 of a legal obligation to disburse money.

17 (m)~~(l)~~ "Expense" means the usual, ordinary, and  
18 incidental expenditures by an agency or the judicial branch,  
19 including, but not limited to, such items as contractual  
20 services, commodities, and supplies of a consumable nature,  
21 current obligations, and fixed charges, and excluding  
22 expenditures classified as operating capital outlay. Payments  
23 to other funds or local, state, or federal agencies are  
24 included in this budget classification of expenditures.

25 (n)~~(m)~~ "Fiscal year of the state" means a period of  
26 time beginning July 1 and ending on the following June 30,  
27 both dates inclusive.

28 (o)~~(n)~~ "Fixed capital outlay" means real property  
29 (land, buildings, including appurtenances, fixtures and fixed  
30 equipment, structures, etc.), including additions,  
31 replacements, major repairs, and renovations to real property

1 which materially extend its useful life or materially improve  
2 or change its functional use and including furniture and  
3 equipment necessary to furnish and operate a new or improved  
4 facility, when appropriated by the Legislature in the fixed  
5 capital outlay appropriation category.

6 (p)~~(o)~~ "Full-time position" means a position  
7 authorized for the entire normally established work period,  
8 daily, weekly, monthly, or annually.

9 (q)~~(p)~~ "Grants and aids" means contributions to units  
10 of governments or nonprofit organizations to be used for one  
11 or more specified purposes, activities, or facilities. Funds  
12 appropriated under this category may be advanced.

13 (r) "Incentive" means a mechanism, as described in s.  
14 216.163, for recognizing the achievement of performance  
15 standards or for motivating performance that exceeds  
16 performance standards.

17 (s)~~(q)~~ "Independent judgment" means an evaluation of  
18 actual needs made separately and apart from the legislative  
19 budget request of any other agency or of the judicial branch,  
20 or any assessments by the Governor. Such evaluation shall not  
21 be limited by revenue estimates of the Revenue Estimating  
22 Conference.

23 (t)~~(r)~~ "Judicial branch" means all officers,  
24 employees, and offices of the Supreme Court, district courts  
25 of appeal, circuit courts, county courts, and the Judicial  
26 Qualifications Commission.

27 (u)~~(s)~~ "Legislative branch" means the various  
28 officers, committees, and other units of the legislative  
29 branch of state government.

30 (v)~~(t)~~ "Legislative budget" means a request to the  
31 Legislature, filed pursuant to s. 216.023, or supplemental

1 detailed requests filed with the Legislature, for the amounts  
2 of money such agency or branch believes will be needed in the  
3 performance of the functions that it is authorized, or which  
4 it is requesting authorization by law, to perform.

5 (w)~~(u)~~ "Lump-sum appropriation" means funds  
6 appropriated to accomplish a specific activity or project  
7 which must be transferred to one or more appropriation  
8 categories for expenditure.

9 (x)~~(v)~~ "Operating capital outlay" means equipment,  
10 fixtures, and other tangible personal property of a  
11 nonconsumable and nonexpendable nature, the value or cost of  
12 which is \$500 or more and the normal expected life of which is  
13 1 year or more, and hardback-covered bound books that are  
14 circulated to students or the general public, the value or  
15 cost of which is \$25 or more, and hardback-covered bound  
16 books, the value or cost of which is \$100 or more.

17 (y)~~(w)~~ "Original approved budget" means the approved  
18 plan of operation of an agency or of the judicial branch  
19 consistent with the General Appropriations Act or special  
20 appropriations acts.

21 (z)~~(x)~~ "Other personal services" means the  
22 compensation for services rendered by a person who is not a  
23 regular or full-time employee filling an established position.  
24 This definition includes, but is not limited to, services of  
25 temporary employees, student or graduate assistants, persons  
26 on fellowships, part-time academic employees, board members,  
27 and consultants and other services specifically budgeted by  
28 each agency, or by the judicial branch, in this category.

29 1. In distinguishing between payments to be made from  
30 salaries appropriations and other-personal-services  
31 appropriations, those persons filling established positions

1 shall be paid from salaries appropriations and those persons  
2 performing services for a state agency or for the judicial  
3 branch, but who are not filling established positions, shall  
4 be paid from other-personal-services appropriations.

5         2. It is further intended that those persons paid from  
6 salaries appropriations shall be state officers or employees  
7 and shall be eligible for membership in a state retirement  
8 system and those paid from other-personal-services  
9 appropriations shall not be eligible for such membership.

10         ~~(aa)(y)~~ "Part-time position" means a position  
11 authorized for less than the entire normally established work  
12 period, daily, weekly, monthly, or annually.

13         ~~(bb)(z)~~ "Pay plan" means a document which formally  
14 describes the philosophy, methods, procedures, and salary  
15 schedule for compensating employees for work performed.

16         ~~(cc)(aa)~~ "Perquisites" means those things, or the use  
17 thereof, or services of a kind which confer on the officers or  
18 employees receiving same some benefit that is in the nature of  
19 additional compensation, or which reduces to some extent the  
20 normal personal expenses of the officer or employee receiving  
21 the same, and shall include, but not be limited to, such  
22 things as quarters, subsistence, utilities, laundry services,  
23 medical service, use of state-owned vehicles for other than  
24 state purposes, servants paid by the state, and other similar  
25 things.

26         ~~(dd)(bb)~~ "Position" means the work, consisting of  
27 duties and responsibilities, assigned to be performed by an  
28 officer or employee.

29         ~~(ee)(cc)~~ "Position number" means the identification  
30 number assigned to an established position.

31

1           ~~(dd)~~ (ff) "Program component" means an aggregation of  
2 generally related objectives which, because of their special  
3 character, related workload, and interrelated output, can  
4 logically be considered an entity for purposes of  
5 organization, management, accounting, reporting, and  
6 budgeting.

7           ~~(ee)~~ (gg) "Proviso" means language that qualifies or  
8 restricts a specific appropriation and which can be logically  
9 and directly related to the specific appropriation.

10           ~~(ff)~~ (hh) "Reclassification" means changing an  
11 established position in one class in a series to the next  
12 higher or lower class in the same series or to a class in a  
13 different series which is the result of a natural change in  
14 the duties and responsibilities of the position.

15           ~~(gg)~~ (ii) "Revolving fund" means a cash fund maintained  
16 within or outside of the State Treasury and established from  
17 an appropriation, to be used by an agency or the judicial  
18 branch in making authorized expenditures.

19           ~~(hh)~~ (jj) "Salary" means the cash compensation for  
20 services rendered for a specific period of time.

21           ~~(ii)~~ (kk) "Salary schedule" means an official document  
22 which contains a complete list of classes and their assigned  
23 salary ranges.

24           ~~(jj)~~ (ll) "Special category" means amounts appropriated  
25 for a specific need or classification of expenditures.

26           ~~(kk)~~ (mm) "State agency" or "agency" means any  
27 official, officer, commission, board, authority, council,  
28 committee, or department of the executive branch of state  
29 government. For purposes of this chapter and chapter 215,  
30 "state agency" or "agency" includes state attorneys, public  
31



1 defenders, the Capital Collateral Representative, and the  
2 Justice Administrative Commission.

3 (nn)~~(ll)~~ "State revenue sharing" means statutory or  
4 constitutional distributions to local units of government.

5 (oo)~~(mm)~~ "Title of position," or "class of positions"  
6 means the official name assigned to a position or class of  
7 positions.

8 (pp)~~(nn)~~ "Grants and Aids to Local Governments and  
9 Nonprofit Organizations-Fixed Capital Outlay" means that  
10 appropriation category which includes:

11 1. Grants to local units of governments and nonprofit  
12 organizations for the acquisition of real property (land,  
13 buildings, including appurtenances, fixtures and fixed  
14 equipment, structures, etc.); additions, replacements, major  
15 repairs, and renovations to real property which materially  
16 extend its useful life or materially improve or change its  
17 functional use; and operating capital outlay necessary to  
18 furnish and operate a new or improved facility; and

19 2. Grants to local units of government for their  
20 respective infrastructure and growth management needs related  
21 to local government comprehensive plans.

22

23 Funds appropriated under this category may be advanced in part  
24 or in whole.

25 (qq)~~(oo)~~ "Baseline data" means indicators of a state  
26 agency's current performance level, pursuant to guidelines  
27 established by the Executive Office of the Governor, in  
28 consultation with legislative appropriations and appropriate  
29 substantive committees.

30 (rr)~~(pp)~~ "Outcome" means an indicator of the actual  
31 impact or public benefit of a program.

1           ~~(ss)(qq)~~ "Output" means the actual service or product  
2 delivered by a state agency.

3           ~~(tt)(rr)~~ "Performance-based program budget" means a  
4 budget that incorporates approved programs and performance  
5 measures.

6           ~~(uu)(ss)~~ "Performance measure" means a quantitative or  
7 qualitative indicator used to assess state agency performance.

8           ~~(vv)(tt)~~ "Program" means a set of activities  
9 undertaken in accordance with a plan of action organized to  
10 realize identifiable goals and objectives based on legislative  
11 authorization.

12           ~~(ww)(uu)~~ "Standard" means the level of performance of  
13 an outcome or output.

14           ~~(xx)~~ "Performance-based program appropriation" means  
15 funds appropriated for a specific set of activities or  
16 classification of expenditure within an approved  
17 performance-based program.

18           ~~(yy)~~ "Performance ledger" means the official  
19 compilation of information about state agency  
20 performance-based programs and measures, including approved  
21 programs, approved outputs and outcomes, baseline data,  
22 approved standards for each performance measure and any  
23 approved adjustments thereto, as well as actual agency  
24 performance for each measure.

25           Section 2. Section 216.0166, Florida Statutes, is  
26 amended to read:

27           216.0166 Submission by state agencies of  
28 performance-based budget requests, programs, and performance  
29 measures.--

30           (1) Prior to September 1 ~~October 15~~ of the fiscal year  
31 prior to in which a state agency is required to submit a

1 performance-based program budget request pursuant to s.  
2 216.0172, such state agency shall identify and submit to the  
3 Executive Office of the Governor a list of proposed state  
4 agency programs and performance measures. The agency may also  
5 provide a list of statutes or rules affecting its performance  
6 which may be addressed as incentives or disincentives for the  
7 performance-based program budget. The list should be  
8 accompanied by recommended legislation to implement the  
9 requested changes for potential incentives. Such  
10 identification shall be conducted after discussion with  
11 legislative appropriations and appropriate substantive  
12 committees and shall be approved by the Executive Office of  
13 the Governor. ~~State agencies selected by the Governor pursuant~~  
14 ~~to s. 216.0172(1) shall submit such lists prior to May 15,~~  
15 ~~1994.~~ The Executive Office of the Governor, after discussion  
16 with legislative appropriations and appropriate substantive  
17 committees and the Office of Program Policy Analysis and  
18 Government Accountability, shall review the list of programs  
19 and performance measures, may make any changes or require the  
20 agency to resubmit the list, and shall make a final  
21 recommendation of programs and associated performance measures  
22 to the Legislature ~~approve or disapprove a list~~ within 60 ~~30~~  
23 days after ~~of~~ receipt, to be used in the preparation and  
24 submission of the state agency's final legislative budget  
25 request pursuant to s. 216.023(5). The Executive Office of the  
26 Governor may also recommend legislation to implement any or  
27 all of the proposed incentives. Agencies continuing under  
28 performance-based program budgeting may provide as part of  
29 their legislative budget request a list of statutes or rules  
30 affecting their program performance which may be addressed as  
31 incentives or disincentives for the performance-based program

1 budget. ~~The Executive Office of the Governor shall provide~~  
2 ~~the approved program list to the Legislature.~~

3 (2) The following documentation shall accompany the  
4 list of proposed programs and measures submitted by the state  
5 agency:

6 (a) The constitutional or statutory direction and  
7 authority for each program.

8 (b) Identification of the customers, clients, and  
9 users of each program.

10 (c) The purpose of each program or the benefit derived  
11 by the customers, clients, and users of the program.

12 (d) Direct and indirect costs of each program.

13 ~~(e) Information on fees collected and the adequacy of~~  
14 ~~those fees in funding each program for which the fees are~~  
15 ~~collected.~~

16 (e)(f) An assessment of whether each program is  
17 conducive to performance-based program budgeting.

18 (f)(g) An assessment of the time needed to develop  
19 meaningful performance measures for each program.

20 (g) Any proposed legislation necessary to implement  
21 the incentives or disincentives requested pursuant to this  
22 subsection.

23 (h) A comparison of the agency's existing budget  
24 structure to the proposed budget structure.

25 (i) A description of the use of performance measures  
26 in agency decisionmaking, agency actions to allocate funds and  
27 manage programs, and the agency strategic plan.

28 ~~(3) The Executive Office of the Governor, after~~  
29 ~~discussion with legislative appropriations committees,~~  
30 ~~appropriate substantive committees, and the Legislative~~  
31 ~~Auditing Committee, shall jointly develop instructions for the~~

1 ~~development of performance measures for each program on the~~  
2 ~~list approved pursuant to this section and shall submit such~~  
3 ~~instructions to the state agencies prior to December 1 of the~~  
4 ~~fiscal year preceding the year in which a state agency is~~  
5 ~~required to submit a performance-based program budget request~~  
6 ~~pursuant to s. 216.0172.~~

7 ~~(4) Prior to June 1, each state agency is required to~~  
8 ~~submit to the executive Office of the Governor performance~~  
9 ~~measures for each program on the approved list required~~  
10 ~~pursuant to subsection (1). State agencies shall also identify~~

11 (j) The outputs produced by each proposed approved  
12 program, the outcomes resulting from each proposed approved  
13 program, and baseline data associated with each performance  
14 measure. Agencies must submit documentation for each output  
15 and outcome measure which explains the validity, reliability,  
16 and appropriateness of each performance measure. Such  
17 documentation must be prepared by the agency in consultation  
18 with its inspector general.~~Performance measures shall be~~  
19 ~~reviewed, after discussion with legislative appropriations and~~  
20 ~~appropriate substantive committees and the Office of Program~~  
21 ~~Policy Analysis and Government Accountability, revised as~~  
22 ~~necessary, and approved or disapproved by the Executive Office~~  
23 ~~of the Governor within 30 days of receipt. For those state~~  
24 ~~agencies selected by the Governor pursuant to s. 216.0172(1),~~  
25 ~~performance measures, outputs, outcomes, and baseline data~~  
26 ~~shall be submitted prior to July 1, 1994.~~

27 (3)(5) The agency shall submit a performance-based  
28 program legislative budget request pursuant to s. 216.0172,  
29 using the programs and performance measures adopted by the  
30 Legislature, or, if none are adopted, those recommended by the  
31 Executive Office of the Governor.~~Notwithstanding the~~

1 programs, performance measures, and standards requested in  
2 each state agency's final legislative budget request or the  
3 Governor's budget recommendations, the Legislature shall have  
4 final approval of all programs, performance measures, and  
5 standards through the General Appropriations Act or  
6 legislation implementing the General Appropriations Act.

7 ~~(6) Each state agency shall submit documentation to~~  
8 ~~the Executive Office of the Governor regarding the validity,~~  
9 ~~reliability, and appropriateness of each performance measure.~~  
10 ~~In addition, each state agency shall indicate how the~~  
11 ~~performance measure relates to its strategic plan and how it~~  
12 ~~is used in management decisionmaking and other agency~~  
13 ~~processes.~~

14 (4)~~(7)~~ Annually, no later than 45 days after the  
15 General Appropriations Act becomes law, state agencies may  
16 submit to the Executive Office of the Governor any adjustments  
17 to their performance standards based on the amounts  
18 appropriated for each program by the Legislature. When such  
19 adjustment is made, all performance standards, including any  
20 adjustments made, shall be submitted to and reviewed and  
21 revised as necessary by the Executive Office of the Governor,  
22 and, upon approval, submitted to the Legislature pursuant to  
23 the review and approval process provided in s. 216.177. The  
24 Executive Office of the Governor shall maintain both the  
25 official record of adjustments to the performance standards as  
26 part of the agency's approved operating budget and the  
27 official performance ledger.

28 (5)~~(8)~~ A state agency operating under a  
29 performance-based program budget pursuant to s. 216.0172 shall  
30 not have the authority to amend approved ~~or establish~~ programs  
31 or performance measures. However, a state agency may propose

1 revisions ~~a revision~~ to the list of approved programs or  
2 performance measures ~~used in its legislative budget request.~~  
3 Such revisions ~~revision is~~ subject to review and approval  
4 by the Executive Office of the Governor and the Legislature  
5 and shall be submitted to the Executive Office of the Governor  
6 prior to February 1 ~~April 15~~ of the year in which the state  
7 agency proposes ~~intends~~ to incorporate these changes into its  
8 legislative budget request. The submission must include the  
9 documentation required by s. 216.0166(2), where applicable.  
10 The Executive Office of the Governor shall have 30 days to  
11 review ~~act on~~ the proposed revisions and make a recommendation  
12 to the Legislature. All approved revisions must ~~Revised~~  
13 ~~performance measures, standards, and baseline data shall be~~  
14 submitted ~~along~~ with the agency's preliminary legislative  
15 budget request. Any new programs or performance measures  
16 proposed by the agency must be submitted pursuant to s.  
17 216.0166(1) and must include the documentation required by s.  
18 216.0166(2), where applicable.

19 Section 3. Section 216.0172, Florida Statutes, is  
20 amended to read:

21 216.0172 Schedule for submission of performance-based  
22 program budgets.--In order to implement the provisions of  
23 chapter 94-249, Laws of Florida, state agencies shall submit  
24 performance-based program budget legislative budget requests  
25 ~~budgets~~ for programs approved pursuant to s. 216.0166 to the  
26 Executive Office of the Governor and the Legislature based on  
27 the following schedule:

28 (1) By September 1, 1994, for the 1995-1996 fiscal  
29 year, two state agencies selected by the Governor, subject to  
30 the review and approval process pursuant to s. 216.177.

31

- 1           (2) By September 1, 1995, for the 1996-1997 fiscal  
2 year:
- 3           (a) Department of Education (Community Colleges).  
4           (b) Department of Health and Rehabilitative Services  
5 (Alcohol, Drug Abuse, Mental Health).  
6           (c) Department of Labor and Employment Security.  
7           (d) Department of Law Enforcement.  
8           (e) Department of Management Services.  
9           (f) Division of Retirement.
- 10          (3) By September 1, 1996, for the 1997-1998 fiscal  
11 year, by the following:
- 12          (a) Agency for Health Care Administration.  
13          (b) Department of Education (State University System).  
14          (c) Game and Fresh Water Fish Commission.  
15          (d) Department of Highway Safety and Motor Vehicles.  
16          (e) Department of Revenue.  
17          (f) Department of State.  
18          (g) Department of Transportation.
- 19          (4) By September 1, 1997, for the 1998-1999 fiscal  
20 year, by the following:
- 21          (a) Department of Banking and Finance.  
22          (b) Department of Corrections.  
23          (c) Department of Education (Public Schools).  
24          (d) Department of Environmental Protection.  
25          (e) Executive Office of the Governor.  
26          (f) Department of Children and Family Health and  
27 ~~Rehabilitative~~ Services.  
28          (g) Department of Legal Affairs.  
29          (h) Department of Juvenile Justice.
- 30          (5) By September 1, 1998, for the 1999-2000 fiscal  
31 year, by the following:



- 1 (a) Department of Agriculture and Consumer Services.  
2 ~~(b) Department of Commerce.~~  
3 (b)(c) Department of Elderly Affairs.  
4 (c)(d) Department of the Lottery.  
5 (d)(e) Department of Military Affairs.  
6 (6) By September 1, 1999, for the 2000-2001 fiscal  
7 year, by the following:  
8 (a) Division of Administrative Hearings.  
9 (b) Department of Business and Professional  
10 Regulation.  
11 (c) Parole and Probation Commission.  
12 (d) Public Service Commission.  
13 (e) Department of Health.  
14 (f) Department of Education (all remaining programs).  
15 (7) By September 1, 2000, for the 2001-2002 fiscal  
16 year, by the following:  
17 (a) Department of Citrus.  
18 (b) Department of Community Affairs.  
19 (c) Department of Insurance.  
20 (d) Department of Veterans' Affairs.  
21 (e) State attorneys.  
22 (f) Public defenders.  
23 (g) Justice Administrative Commission and capital  
24 collateral counsel.  
25 (8) Any new agency or portion thereof created after  
26 September 1, 2000, shall submit a performance-based program  
27 budget request for programs approved pursuant to s. 216.0166  
28 to the Executive Office of the Governor and the Legislature by  
29 September 1 of the year following the creation of the agency  
30 or portion thereof.  
31

1           ~~(9)(8)~~ The schedule set forth in subsections (2)  
2 through (7) may be amended by the Legislative Auditing  
3 Committee, the General Appropriations Act, or upon the  
4 recommendation of the Governor, which recommendation is  
5 subject to the review and approval process provided in s.  
6 216.177.

7           (10) Beginning in fiscal year 1998-1999, the Executive  
8 Office of the Governor shall, for any agency that fails to  
9 meet the requirements set forth in s. 216.0166 according to  
10 the schedule set forth in s. 216.0172 or within three years  
11 thereafter, recommend programs and performance measures to the  
12 Legislature on behalf of that agency.

13           Section 4. Subsection (3) of section 216.0235, Florida  
14 Statutes, is amended to read:

15           216.0235 Performance-based legislative program budget  
16 requests to be furnished by agencies.--

17           (3) The Executive Office of the Governor and the  
18 legislative appropriations committees shall jointly develop  
19 legislative program budget instructions from which each agency  
20 that has an approved program and the judicial branch, pursuant  
21 to ss. 216.0166 and 216.043, shall prepare its legislative  
22 program budget request. The program budget instructions must  
23 be consistent with s. 216.141 and must be transmitted to each  
24 agency and to the judicial branch no later than June 15 of  
25 each year. The budget instructions must also include  
26 instructions for agencies in submitting performance measures  
27 and standards as required by s. 216.0166.In the event that  
28 agreement cannot be reached between the Executive Office of  
29 the Governor and the legislative appropriations committees  
30 regarding legislative program budget instructions, the issue  
31

1 shall be resolved by the Governor, the President of the  
2 Senate, and the Speaker of the House of Representatives.

3 Section 5. Subsection (11) of section 216.031, Florida  
4 Statutes, is amended and subsection (12) is added to that  
5 section to read:

6 216.031 Budgets for operational expenditures.--A  
7 legislative budget request, reflecting the independent  
8 judgment of the head of the state agency, and of the Chief  
9 Justice of the Supreme Court, with respect to the needs of the  
10 agency and the judicial branch for operational expenditures  
11 during the next fiscal year, shall be submitted by each head  
12 of a state agency and by the Chief Justice of the Supreme  
13 Court and shall contain the following:

14 (11) For performance-based program budgets, the  
15 baseline data, outcome measures ~~outcomes~~, output performance  
16 measures, and standards for program measures ~~current programs~~,  
17 including justification for those programs in the format  
18 required by the legislative budget instructions.

19 (12) A prioritized listing of planned expenditures for  
20 review and possible reduction in the event of revenue  
21 shortfalls, as provided for in s. 216.221. Such list shall be  
22 in the format provided in the planning and budgeting  
23 instructions.

24  
25 Either chair of a legislative appropriations committee, or the  
26 Executive Office of the Governor for state agencies, may  
27 require the agency or the Chief Justice to address major  
28 issues separate from those outlined in s. 216.023, this  
29 section, and s. 216.043 for inclusion in the requests of the  
30 agency or of the judicial branch. The issues shall be  
31 submitted to the agency no later than July 30 of each year and

1 shall be displayed in its requests as provided in the budget  
2 instructions. The Executive Office of the Governor may  
3 request an agency, or the chair of the appropriations  
4 committees of the Senate or House of Representatives may  
5 request any agency or the judicial branch, to submit no later  
6 than September 15 of each year a budget plan with respect to  
7 targets established by the Governor or either chair. The  
8 target budget shall require each entity to establish an order  
9 of priorities for its budget issues and may include requests  
10 for multiple options for the budget issues. The target budget  
11 may also require each entity to submit a program budget or a  
12 performance-based budget in the format prescribed by the  
13 Executive Office of the Governor or either chair; provided,  
14 however, the target budget format shall be compatible with the  
15 planning and budgeting system requirements set out in s.  
16 216.141. Such a request shall not influence the agencies' or  
17 judicial branch's independent judgment in making legislative  
18 budget requests, as required by law.

19 Section 6. Subsection (4) of section 216.163, Florida  
20 Statutes, is amended to read:

21 216.163 Governor's recommended budget; form and  
22 content; declaration of collective bargaining impasses.--

23 (4) The Executive Office of the Governor shall review  
24 the evaluation report required by s. 216.031(10) and the  
25 findings of the Office of Program Policy Analysis and  
26 Government Accountability, to the extent they are available,  
27 request any reports or additional analyses as necessary, and  
28 submit a recommendation, pursuant to paragraph (2)(g) which  
29 may include a recommendation regarding incentives or  
30 disincentives for agency performance. Incentives or  
31 disincentives may apply to all or part of a state agency.

- 1 (a) Incentives may include, but are not limited to:  
2 1. Additional flexibility in budget management, such  
3 as, but not limited to, the use of lump sums, special  
4 categories, or performance-based program appropriation;  
5 consolidation of budget entities or program components;  
6 consolidation of appropriation categories; and increased  
7 agency transfer authority between appropriation categories or  
8 budget entities.  
9 2. Additional flexibility in salary rate and position  
10 management.  
11 3. Retention of up to 50 percent of all unexpended and  
12 unencumbered balances of appropriations as of June 30, or  
13 undisbursed balances as of December 31, excluding special  
14 categories and grants and aids, which may be used for  
15 nonrecurring purposes including, but not limited to, lump-sum  
16 bonuses, employee training, or productivity enhancements,  
17 including technology and other improvements.  
18 4. Additional funds to be used for, but not limited  
19 to, lump-sum bonuses, employee training, or productivity  
20 enhancements, including technology and other improvements.  
21 5. Additional funds provided pursuant to law to be  
22 released to an agency quarterly or incrementally contingent  
23 upon the accomplishment of units of output or outcome  
24 specified in the General Appropriations Act.  
25 (b) Disincentives may include, but are not limited to:  
26 1. Mandatory quarterly reports to the Executive Office  
27 of the Governor and the Legislature on the agency's progress  
28 in meeting performance standards.  
29 2. Mandatory quarterly appearances before the  
30 Legislature, the Governor, or the Governor and Cabinet to  
31

1 report on the agency's progress in meeting performance  
2 standards.

3 3. Elimination or restructuring of the program, which  
4 may include, but not be limited to transfer of the program or  
5 outsourcing all or a portion of the program.

6 4. Reduction of total positions for a program.

7 5. Restriction on or reduction of the spending  
8 authority provided in s. 216.292(2)(c).

9 6. Reduction of managerial salaries.

10 Section 7. Section 216.167, Florida Statutes, is  
11 amended to read:

12 216.167 Governor's recommendations.--The Governor's  
13 recommendations shall include a financial schedule that  
14 provides ~~which shall provide~~:

15 (1) The Governor's estimate of the recommended  
16 recurring revenues available in the Budget Stabilization Fund,  
17 ~~in the Working Capital Fund,~~ and the General Revenue Fund.

18 (2) The Governor's estimate of the recommended  
19 nonrecurring revenues available in the Budget Stabilization  
20 Fund, ~~in the Working Capital Fund,~~ and the General Revenue  
21 Fund.

22 (3) The Governor's recommended recurring and  
23 nonrecurring appropriations from the Budget Stabilization  
24 Fund, the Working Capital Fund, and the General Revenue Fund.

25 (4) The Governor's estimates of any interfund loans or  
26 temporary obligations of the Budget Stabilization Fund, the  
27 Working Capital Fund, or trust funds, which loans or  
28 obligations are needed to implement his or her recommended  
29 budget.

30 (5)(a) For any recommendation to be funded by a  
31 proposed state debt or obligation as defined in s. 216.0442,

1 the documents set forth in s. 216.0442(2) and a 5-year  
2 estimate of the program operational costs associated with any  
3 proposed fixed capital outlay project to be funded by the  
4 proposed state debt or obligation.

5 (b) The Governor's estimates of the debt service and  
6 reserve requirements for any recommended new bond issues or  
7 reissues and his or her recommended debt service  
8 appropriations for all outstanding fixed capital outlay bond  
9 issues.

10 Section 8. Subsection (2) of section 216.178, Florida  
11 Statutes, is amended to read:

12 216.178 General Appropriations Act; format; procedure;  
13 cost statement for new debt or obligation.--

14 (2) Effective June 30, 1993, the Office of Planning  
15 and Budgeting shall develop a final budget report that  
16 reflects the net appropriations for each budget item. The  
17 report shall reflect actual expenditures for each of the 2  
18 preceding fiscal years and the estimated expenditures for the  
19 current fiscal year. In addition, the report must contain the  
20 actual revenues and cash balances for the preceding 2 fiscal  
21 years and the estimated revenues and cash balances for the  
22 current fiscal year. The report may also contain expenditure  
23 data, program objectives, and program measures for each state  
24 agency program. The report must be produced by October 15  
25 each year ~~within 90 days after the beginning of the fiscal~~  
26 ~~year~~. A copy of the report must be made available to each  
27 member of the Legislature, to the head of each state agency,  
28 to the Auditor General, and to the public.

29 Section 9. Section 216.292, Florida Statutes, is  
30 amended to read:

31 216.292 Appropriations nontransferable; exceptions.--

1           (1)(a) Funds provided in the General Appropriations  
2 Act or as otherwise expressly provided by law shall be  
3 expended only for the purpose for which appropriated, except  
4 that if deemed necessary such moneys may be transferred as  
5 provided in subsections (3) and (4) when it is determined to  
6 be in the best interest of the state. Appropriations for fixed  
7 capital outlay may not be expended for any other purpose, and  
8 appropriations may not be transferred between state agencies,  
9 or between a state agency and the judicial branch, unless  
10 specifically authorized by law.

11           (b) For the 1997-1998 fiscal year only, the Department  
12 of Children and Family Services and the Agency for Health Care  
13 Administration may transfer general revenue funds as necessary  
14 to comply with any provision of the General Appropriations Act  
15 that requires or specifically authorizes the transfer of  
16 general revenue funds between these two agencies. This  
17 paragraph is repealed on July 1, 1998.

18           (2) A lump sum appropriated for a performance-based  
19 program must be distributed by the Governor for state agencies  
20 or the Chief Justice for the judicial branch into the  
21 traditional expenditure categories in accordance with s.  
22 216.181(5)(b)~~s. 216.181(4)(b)~~. At any time during the year,  
23 the agency head or Chief Justice may transfer funds between  
24 those categories with no limit on the amount of the transfer.  
25 Authorized revisions of the original approved operating  
26 budget, together with related changes, if any, must be  
27 transmitted by the state agency or by the judicial branch to  
28 the Executive Office of the Governor or the Chief Justice, the  
29 chairs of the legislative appropriations committees, the  
30 Office of Program Policy Analysis and Government  
31 Accountability, and the Auditor General. Such authorized



1 revisions shall be consistent with the intent of the approved  
2 operating budget, shall be consistent with legislative policy  
3 and intent, and shall not conflict with specific spending  
4 policies specified in the General Appropriations Act. The  
5 Executive Office of the Governor shall forward a copy of the  
6 revisions within 7 working days to the Comptroller for entry  
7 in his or her records in the manner and format prescribed by  
8 the Executive Office of the Governor in consultation with the  
9 Comptroller.~~Authorized revisions of the original approved~~  
10 ~~operating budget, together with related changes, if any, must~~  
11 ~~be transmitted by the state agency or by the judicial branch~~  
12 ~~to the Comptroller for entry in his or her records in the~~  
13 ~~manner and format prescribed by the Executive Office of the~~  
14 ~~Governor in consultation with the Comptroller. A copy of such~~  
15 ~~revisions shall be furnished, within 7 working days, to the~~  
16 ~~Executive Office of the Governor or the Chief Justice, the~~  
17 ~~chairs of the legislative appropriations committees, the~~  
18 ~~Office of Program Policy Analysis and Government~~  
19 ~~Accountability, and the Auditor General.~~Such authorized  
20 revisions shall be consistent with the intent of the approved  
21 operating budget, shall be consistent with legislative policy  
22 and intent, and shall not conflict with specific spending  
23 policies specified in the General Appropriations Act.  
24 Additionally, subsection (3) shall not apply to programs  
25 operating under performance-based program budgeting where a  
26 lump sum was appropriated ~~program-performance based budgets.~~  
27 (3) The head of each department or the Chief Justice  
28 of the Supreme Court, whenever it is deemed necessary by  
29 reason of changed conditions, may transfer appropriations  
30 funded from identical funding sources, except appropriations  
31 for fixed capital outlay, and transfer the amounts included

1 within the total original approved budget and releases as  
2 furnished pursuant to ss. 216.181 and 216.192, as follows:

3 (a) Between categories of appropriations within a  
4 budget entity, if no category of appropriation is increased or  
5 decreased by more than 5 percent of the original approved  
6 budget or \$25,000, whichever is greater, by all action taken  
7 under this subsection.

8 (b) Additionally, between budget entities within  
9 identical categories of appropriations, if no category of  
10 appropriation is increased or decreased by more than 5 percent  
11 of the original approved budget or \$25,000, whichever is  
12 greater, by all action taken under this subsection.

13 (c) Such authorized revisions must be consistent with  
14 the intent of the approved operating budget, must be  
15 consistent with legislative policy and intent, and must not  
16 conflict with specific spending policies specified in the  
17 General Appropriations Act.

18  
19 Such authorized revisions, together with related changes, if  
20 any, in the plan for release of appropriations, shall be  
21 transmitted by the state agency or by the judicial branch to  
22 the Comptroller for entry in the Comptroller's records in the  
23 manner and format prescribed by the Executive Office of the  
24 Governor in consultation with the Comptroller. A copy of such  
25 revision shall be furnished to the Executive Office of the  
26 Governor or the Chief Justice, the chairs of the legislative  
27 committees, and the Auditor General.

28 (4) The head of each department or the Chief Justice  
29 of the Supreme Court, whenever it is deemed necessary by  
30 reason of changed conditions, may transfer funds, positions,  
31 and salary rate within and between program budget entities

1 with performance-based program appropriations as defined in s.  
2 216.011(1)(xx). Such transfers may include appropriations from  
3 any operating category, except appropriations for fixed  
4 capital outlay. However, the total program funds, positions,  
5 and salary rate shall not be increased or decreased by more  
6 than 5 percent by all action taken under this section.  
7 Authorized revisions of the original approved operating  
8 budget, together with related changes, if any, must be  
9 transmitted by the state agency or by the judicial branch to  
10 the Executive Office of the Governor or the Chief Justice, the  
11 chairs of the legislative appropriations committees, the  
12 Office of Program Policy Analysis and Government  
13 Accountability, and the Auditor General. Such authorized  
14 revisions shall be consistent with legislative policy and  
15 intent, and shall not conflict with specific spending policies  
16 specified in the General Appropriations Act. The Executive  
17 Office of the Governor shall forward a copy of the revisions  
18 within 7 working days to the Comptroller for entry in his or  
19 her records in the manner and format prescribed by the  
20 Executive Office of the Governor in consultation with the  
21 Comptroller.

22 (5)~~(4)~~(a) Transfers of appropriations for operations  
23 from the General Revenue Fund in excess of those provided in  
24 subsections ~~subsection~~ (3) and (4)but within a state agency  
25 or within the judicial branch may be authorized by the  
26 commission for the executive branch and the Chief Justice for  
27 the judicial branch, pursuant to the request of the agency  
28 filed with the Executive Office of the Governor, or pursuant  
29 to the request of an entity of the judicial branch filed with  
30 the Chief Justice of the Supreme Court, if deemed necessary  
31 and in the best interest of the state and consistent with

1 legislative policy and intent. The provisions of this  
2 paragraph are subject to the notice, review, and objection  
3 procedures set forth in s. 216.177.

4 (b) When an appropriation for a named fixed capital  
5 outlay project is found to be in excess of that needed to  
6 complete that project, at the request of the Executive Office  
7 of the Governor for state agencies or the Chief Justice of the  
8 Supreme Court for the judicial branch the excess may be  
9 transferred, with the approval of the commission or the Chief  
10 Justice, to another project for which there has been an  
11 appropriation in the same fiscal year from the same fund and  
12 within the same department where a deficiency is found to  
13 exist. Further, a fixed capital outlay project may not be  
14 initiated without a specific legislative appropriation, nor  
15 may the scope of a fixed capital outlay project be changed by  
16 the transfer of funds. The provisions of this paragraph are  
17 subject to the notice, review, and objection procedures set  
18 forth in s. 216.177.

19 (6)~~(5)~~ Upon request of a department to, and approval  
20 by, the Comptroller, funds appropriated may be transferred to  
21 accounts established for disbursement purposes upon release of  
22 such appropriation. Such transfer may only be made to the  
23 same appropriation category and the same funding source from  
24 which the funds are transferred.

25 (7)~~(6)~~ Any transfers from the Working Capital Fund to  
26 the General Revenue Fund may be approved provided such  
27 transfers were identified or contemplated by the Legislature  
28 in the original approved budget.

29 (8)~~(7)~~(a) Should any state agency or the judicial  
30 branch become more than 90 days delinquent on reimbursements  
31 due to the Unemployment Compensation Trust Fund, the

1 Department of Labor and Employment Security shall certify to  
2 the Comptroller the amount due; and the Comptroller shall  
3 transfer the amount due to the Unemployment Compensation Trust  
4 Fund from any funds of the agency available.

5 (b) Should any state agency or the judicial branch  
6 become more than 90 days delinquent in paying the Division of  
7 Risk Management of the Department of Insurance for insurance  
8 coverage, the Department of Insurance may certify to the  
9 Comptroller the amount due; and the Comptroller shall transfer  
10 the amount due to the Division of Risk Management from any  
11 funds of the agency or the judicial branch available.

12 (9)~~(8)~~ Moneys appropriated in the General  
13 Appropriations Act for the purpose of paying for services  
14 provided by the state communications system in the Division of  
15 Communications of the Department of Management Services shall  
16 be paid by the user agencies, or the judicial branch, within  
17 45 days after the billing date. Billed amounts not paid by  
18 the user agencies, or by the judicial branch, shall be  
19 transferred by the Comptroller from the user agencies to the  
20 Communications Working Capital Trust Fund.

21 (10)~~(9)~~ The Comptroller shall report all such  
22 transfers and the reasons for such transfers to the  
23 legislative appropriations committees.

24 (11)~~(10)~~ Where any reorganization has been authorized  
25 by the Legislature and the necessary adjustments of  
26 appropriations and positions have not been provided in the  
27 General Appropriations Act, the Administration Commission may  
28 approve, consistent with legislative policy and intent, the  
29 necessary transfers to accomplish the purposes of such  
30 reorganization within state agencies. The Chief Justice of  
31

1 the Supreme Court may approve such transfers for the judicial  
2 branch.

3 Section 10. Subsection (2) of section 186.022, Florida  
4 Statutes, is amended to read:

5 186.022 State agency strategic plans; preparation,  
6 form, and review.--

7 (2) Each agency strategic plan must be in a form and  
8 manner prescribed in written instructions prepared by the  
9 Executive Office of the Governor after consultation with the  
10 President of the Senate and the Speaker of the House of  
11 Representatives. Each agency strategic plan must identify the  
12 specific legislative authority necessary to implement the  
13 provisions of the plan. An agency may only implement those  
14 portions of its strategic plan that are consistent with  
15 existing statutory or constitutional authority and for which  
16 funding, if needed, is available consistent with the  
17 provisions of chapter 216. An agency's budget request  
18 prescribed in s. 216.023(1) shall identify the financial  
19 resources necessary to further the provisions of the agency's  
20 strategic plan. Performance measures, as defined in s. 216.011  
21 and proposed by the agency pursuant to s. 216.0166(1), must be  
22 consistent with the objectives in the draft agency strategic  
23 plan and shall represent 1-year implementation efforts  
24 necessary to meet the 5-year agency strategic plan objectives.  
25 State agency strategic plans shall be amended by the agency,  
26 as necessary, to ensure consistency with the legislative  
27 actions prior to the effective date of the agency strategic  
28 plan.

29 Section 11. Subsection (8) of section 121.051, Florida  
30 Statutes, is amended to read:

31 121.051 Participation in the system.--

1           (8) DIVISION OF REHABILITATION AND LIQUIDATION  
2 EMPLOYEES MEMBERSHIP.--Effective July 1, 1994, the regular  
3 receivership employees of the Division of Rehabilitation and  
4 Liquidation who are assigned to established positions and are  
5 subject to established rules and regulations regarding  
6 discipline, pay, classification, and time and attendance are  
7 hereby declared to be state employees within the meaning of  
8 this chapter and shall be compulsory members in compliance  
9 with this chapter, the provisions of s. 216.011(1)(z)2.~~s.~~  
10 ~~216.011(1)(x)2.~~, notwithstanding. Employment performed before  
11 July 1, 1994, as such a receivership employee may be claimed  
12 as creditable retirement service upon payment by the employee  
13 or employer of contributions required in s. 121.081(1), as  
14 applicable for the period claimed.

15           Section 12. Section 215.32, Florida Statutes, is  
16 amended to read:

17           215.32 State funds; segregation.--

18           (1) All moneys received by the state shall be  
19 deposited in the State Treasury unless specifically provided  
20 otherwise by law and shall be deposited in and accounted for  
21 by the Treasurer and the Department of Banking and Finance  
22 within the following funds, which funds are hereby created and  
23 established:

24           (a) General Revenue Fund.

25           (b) Trust funds.

26           (c) Working Capital Fund.

27           (d) Budget Stabilization Fund.

28           (2) The source and use of each of these funds shall be  
29 as follows:

30           (a) The General Revenue Fund shall consist of all  
31 moneys received by the state from every source whatsoever,

1 except as provided in paragraphs (b) and (c). Such moneys  
2 shall be expended pursuant to General Revenue Fund  
3 appropriations acts or transferred as provided in paragraph  
4 (c). Annually, at least 5 percent of the estimated increase  
5 in General Revenue Fund receipts for the upcoming fiscal year  
6 over the current year General Revenue Fund effective  
7 appropriations shall be appropriated for state-level capital  
8 outlay, including infrastructure improvement and general  
9 renovation, maintenance, and repairs.

10 (b)1. The trust funds shall consist of moneys received  
11 by the state which under law or under trust agreement are  
12 segregated for a purpose authorized by law. The state agency  
13 or branch of state government receiving or collecting such  
14 moneys shall be responsible for their proper expenditure as  
15 provided by law. Upon the request of the state agency or  
16 branch of state government responsible for the administration  
17 of the trust fund, the Comptroller may establish accounts  
18 within the trust fund at a level considered ~~deemed~~ necessary  
19 for proper accountability. Once an account is established  
20 within a trust fund, the Comptroller may ~~shall~~ authorize  
21 payment from that account only upon determining that there is  
22 sufficient cash and releases at the level of the account.

23 2. In order to maintain a minimum number of trust  
24 funds in the State Treasury, each state agency or the judicial  
25 branch may consolidate, if permitted under the terms and  
26 conditions of their receipt, the trust funds administered by  
27 it; provided, however, the agency or judicial branch employs  
28 effectively a uniform system of accounts sufficient to  
29 preserve the integrity of such trust funds; and provided,  
30 further, that consolidation of trust funds is approved by the  
31 Administration Commission or the Chief Justice.



1           3. All such moneys are hereby appropriated to be  
2 expended in accordance with the law or trust agreement under  
3 which they were received, subject always to the provisions of  
4 chapter 216 relating to the appropriation of funds and to the  
5 applicable laws relating to the deposit or expenditure of  
6 moneys in the State Treasury.

7           4.a. Notwithstanding any provision of law restricting  
8 the use of trust funds to specific purposes, unappropriated  
9 cash balances from selected trust funds may be authorized by  
10 the Legislature for transfer to the Budget Stabilization  
11 ~~Working Capital~~ Fund in the General Appropriations Act.

12           b. ~~The provisions of~~ This subparagraph does ~~shall~~ not  
13 apply to trust funds required by federal programs or mandates;  
14 trust funds established for bond covenants, indentures, or  
15 resolutions whose revenues are legally pledged by the state or  
16 public body to meet debt service or other financial  
17 requirements of any debt obligations of the state or any  
18 public body; the State Transportation Trust Fund; the trust  
19 fund containing the net annual proceeds from the Florida  
20 Education Lotteries; the Florida Retirement Trust Fund; trust  
21 funds under the management of the Board of Regents, where such  
22 trust funds are for auxiliary enterprises, self-insurance, and  
23 contracts, grants, and donations, as those terms are defined  
24 by general law; trust funds that serve as clearing funds or  
25 accounts for the Comptroller or state agencies; trust funds  
26 that account for assets held by the state in a trustee  
27 capacity as an agent or fiduciary for individuals, private  
28 organizations, or other governmental units; and other trust  
29 funds authorized by the State Constitution.

30           (c)1. The Budget Stabilization Fund shall consist of  
31 amounts equal to at least 5 percent of net revenue collections

1 for the General Revenue Fund during the last completed fiscal  
2 year. The Budget Stabilization Fund's principal balance shall  
3 not exceed an amount equal to 10 percent of the last completed  
4 fiscal year's net revenue collections for the General Revenue  
5 Fund. As used in this paragraph, the term "last completed  
6 fiscal year" means the most recently completed fiscal year  
7 prior to the regular legislative session at which the  
8 Legislature considers the General Appropriations Act for the  
9 year in which the transfer to the Budget Stabilization Fund  
10 must be made under this paragraph.

11 2. By September 15 of each year, the Governor shall  
12 authorize the Comptroller to transfer, and the Comptroller  
13 shall transfer pursuant to appropriations made by law, to the  
14 Budget Stabilization Fund the amount of money needed for the  
15 balance of that fund to equal the amount specified in  
16 subparagraph 1., less any amounts expended and not restored.  
17 The moneys needed for this transfer may be appropriated by the  
18 Legislature from any funds.

19 3. Unless otherwise provided in this subparagraph, an  
20 expenditure from the Budget Stabilization Fund must be  
21 restored pursuant to a restoration schedule that provides for  
22 making five equal annual transfers from the General Revenue  
23 Fund, beginning in the fiscal year following that in which the  
24 expenditure was made. For any Budget Stabilization Fund  
25 expenditure, the Legislature may establish by law a different  
26 restoration schedule and such change may be made at any time  
27 during the restoration period. Moneys are hereby appropriated  
28 for transfers pursuant to this subparagraph.

29 4. The Budget Stabilization Fund and the Working  
30 Capital Fund may be used as revolving funds for transfers as  
31

1 provided in s. 18.125; however, any interest earned must be  
2 deposited in the General Revenue Fund.

3 (d) The Working Capital Fund shall consist of moneys  
4 in the General Revenue Fund which are in excess of the amount  
5 needed to meet General Revenue Fund appropriations for the  
6 current fiscal year. Each year, no later than the publishing  
7 date of the annual financial statements for the state by the  
8 Comptroller under s. 216.102, funds shall be transferred  
9 between the Working Capital Fund and the General Revenue Fund  
10 to establish the balance of the Working Capital Fund for that  
11 fiscal year at the amount determined pursuant to this  
12 paragraph.

13 ~~1. The amount of moneys in the General Revenue Fund~~  
14 ~~shall be determined at the beginning of the fiscal year based~~  
15 ~~on the Revenue Estimating Conference's estimate of funds~~  
16 ~~available. This amount shall be adjusted upon determination~~  
17 ~~of the previous year's appropriations which remain unspent~~  
18 ~~after certifications are completed pursuant to s. 216.301.~~

19 ~~2. The Working Capital Fund shall consist of an~~  
20 ~~amount, not more than 10 percent of the amount of net revenue~~  
21 ~~of the General Revenue Fund for the preceding fiscal year,~~  
22 ~~which accrues from moneys in the General Revenue Fund which~~  
23 ~~are in excess of the amount needed to meet the General Revenue~~  
24 ~~Fund appropriations acts. The Legislature shall have as a goal~~  
25 ~~that the Working Capital Fund for fiscal year 1994-1995 have~~  
26 ~~not less than 2 percent of the amount of net revenue of the~~  
27 ~~General Revenue Fund for the preceding fiscal year, that the~~  
28 ~~Working Capital Fund for fiscal year 1995-1996 have not less~~  
29 ~~than 3 percent of the amount of net revenue of the General~~  
30 ~~Revenue Fund for the preceding fiscal year, that the Working~~  
31 ~~Capital Fund for fiscal year 1996-1997 have not less than 4~~

1 ~~percent of the amount of net revenue of the General Revenue~~  
2 ~~Fund for the preceding fiscal year, and that the Working~~  
3 ~~Capital Fund for fiscal year 1997-1998 and each fiscal year~~  
4 ~~thereafter have not less than 5 percent of the amount of net~~  
5 ~~revenue of the General Revenue Fund for the preceding fiscal~~  
6 ~~year. By September 15 of each year, the Executive Office of~~  
7 ~~the Governor shall transfer the excess funds that are in the~~  
8 ~~General Revenue Fund to the Working Capital Fund. Whenever the~~  
9 ~~Governor determines that revenue collections in the General~~  
10 ~~Revenue Fund will be insufficient to meet General Revenue Fund~~  
11 ~~appropriations, he or she shall certify the amount of the~~  
12 ~~deficit and transfer up to the amount specified in the General~~  
13 ~~Appropriations Act from the Working Capital Fund to the~~  
14 ~~General Revenue Fund pursuant to s. 216.221. When not required~~  
15 ~~to meet General Revenue Fund appropriations, such moneys shall~~  
16 ~~be used as a revolving fund for transfers as provided by s.~~  
17 ~~215.18; and when the Comptroller determines that such moneys~~  
18 ~~are not needed for either type of transfer, they may be~~  
19 ~~temporarily invested as provided in s. 18.125.~~

20 ~~3. The provisions of subparagraph 1. notwithstanding,~~  
21 ~~the Comptroller shall pay from the Working Capital Fund such~~  
22 ~~claims as are authorized pursuant to s. 265.55.~~

23 Section 13. Subsections (2), (5), and (7) of section  
24 216.221, Florida Statutes, are amended to read:

25 216.221 Appropriations as maximum appropriations;  
26 adjustment of budgets to avoid or eliminate deficits.--

27 (2) The Legislature shall annually provide direction  
28 in the General Appropriations Act regarding use of the Budget  
29 Stabilization Fund ~~Working Capital Fund~~ to offset General  
30 Revenue Fund deficits.

31

1           (5)(a) If, in the opinion of the Governor, after  
2 consultation with the Revenue Estimating Conference, a deficit  
3 will occur in the General Revenue Fund, he or she shall so  
4 certify to the commission and to the Chief Justice of the  
5 Supreme Court. No more than 30 days after certifying that a  
6 deficit will occur in the General Revenue Fund, the Governor  
7 shall develop for the executive branch, and the Chief Justice  
8 of the Supreme Court shall develop for the judicial branch,  
9 and provide to the commission and to the Legislature plans of  
10 action to eliminate the deficit.

11           (b) In developing a plan of action to prevent deficits  
12 in accordance with subsection (7), the Governor and Chief  
13 Justice shall, to the extent possible, preserve legislative  
14 policy and intent, and, absent any specific direction to the  
15 contrary in the General Appropriations Act, the Governor and  
16 Chief Justice shall comply with the following guidelines for  
17 reductions in the approved operating budgets of the executive  
18 branch and the judicial branch:

19           1. Entire statewide programs previously established by  
20 the Legislature should not be eliminated.

21           2. Education budgets should not be reduced more than  
22 provided for in s. 215.16(2).

23           3. The use of nonrecurring funds to solve recurring  
24 deficits should be minimized.

25           4. Newly created programs that are not fully  
26 implemented and programs with critical audits should receive  
27 first consideration for reductions.

28           5. No agencies or branches of government receiving  
29 appropriations should be exempt from reductions.

30           6. When reductions in positions are required, the  
31 focus should be initially on vacant positions.

1           7. Any reductions applied to all agencies and branches  
2 should be uniformly applied.

3           8. Reductions that would cause substantial losses of  
4 federal funds should be minimized.

5           9. To the greatest extent possible, across-the-board,  
6 prorated reductions should be considered.

7           10. Reductions to statewide programs should occur only  
8 after review of programs that provide only local benefits.

9           11. Reductions in administrative and support functions  
10 should be considered before reductions in direct-support  
11 services.

12           12. Maximum reductions should be considered in budgets  
13 for expenses including travel and in budgets for equipment  
14 replacement, outside consultants, and contracts.

15           13. Reductions in salaries for elected state officials  
16 should be considered.

17           14. Reductions that adversely affect the public  
18 health, safety, and welfare should be minimized.

19           15. The Budget Stabilization Fund ~~Working Capital Fund~~  
20 should not be reduced to a level that would impair the  
21 financial stability of this state.

22           16. Reductions in programs that are traditionally  
23 funded by the private sector and that may be assumed by  
24 private enterprise should be considered.

25           17. Reductions in programs that are duplicated among  
26 state agencies or branches of government should be considered.

27           (7) Deficits in the General Revenue Fund that do not  
28 meet the amounts specified by subsection (6) shall be resolved  
29 by the commission for the executive branch and the Chief  
30 Justice of the Supreme Court for the judicial branch. The  
31 commission and Chief Justice shall implement any directions

1 provided in the General Appropriations Act related to  
2 eliminating deficits and to reducing ~~reduce~~ agency and  
3 judicial branch budgets, including the use of those  
4 legislative appropriations voluntarily placed in reserve. In  
5 addition, the commission shall implement any directions in the  
6 General Appropriations Act relating to the resolution of ~~use~~  
7 ~~of the Working Capital Fund in~~ deficit situations. When  
8 reducing state agency or judicial branch budgets, the  
9 commission or the Chief Justice, respectively, shall use the  
10 guidelines prescribed in subsection (5). The Executive Office  
11 of the Governor for the commission, and the Chief Justice for  
12 the judicial branch, shall implement the deficit reduction  
13 plans through amendments to the approved operating budgets in  
14 accordance with s. 216.181.

15 Section 14. Subsections (1) and (2) of section 252.37,  
16 Florida Statutes, are amended to read:

17 252.37 Financing.--

18 (1) ~~It is the intent of~~ The Legislature intends and  
19 declares it declared to be the policy of the state that funds  
20 to be prepared for and meet emergencies shall always be  
21 available.

22 (2) It is the legislative intent that the first  
23 recourse ~~shall~~ be made to funds regularly appropriated to  
24 state and local agencies. If the Governor finds that the  
25 demands placed upon these funds in coping with a particular  
26 disaster are unreasonably great, she or he may make funds  
27 available by transferring and expending moneys appropriated  
28 for other purposes, by transferring and expending moneys ~~or~~  
29 out of any unappropriated surplus funds, or from the Budget  
30 Stabilization Fund.

31

1           Section 15. Paragraph (b) of subsection (2) of section  
2 20.055, Florida Statutes, is amended to read:

3           20.055 Agency inspectors general.--

4           (2) The Office of Inspector General is hereby  
5 established in each state agency to provide a central point  
6 for coordination of and responsibility for activities that  
7 promote accountability, integrity, and efficiency in  
8 government. It shall be the duty and responsibility of each  
9 inspector general, with respect to the state agency in which  
10 the office is established, to:

11           (b) Assess the reliability and validity of the  
12 information provided by the state agency on performance  
13 measures and standards, and make recommendations for  
14 improvement, if necessary, prior to submission of those  
15 measures and standards to the Executive Office of the Governor  
16 pursuant to s. 216.0166(1).

17           Section 16. Subsection (3) of section 212.081, Florida  
18 Statutes, sections 186.009 and 186.031, Florida Statutes, and  
19 subsection (5) of section 186.021, Florida Statutes, are  
20 repealed.

21           Section 17. This act shall take effect upon becoming a  
22 law.



1                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
2                   COMMITTEE SUBSTITUTE FOR  
3                   Senate Bill 824  
4 Defines "incentive" as a mechanism for recognizing the  
5 achievement of performance standards or for motivating  
6 performance that exceeds performance standards.  
7 Defines "disincentive" as a sanction.  
8 Provides definitions for "Performance-based program  
9 appropriation" and "Performance Ledger."  
10 Requires additional documentation to support performance  
11 measures.  
12 Modifies time-frames to allow submission to the Legislature of  
13 programs and measures in advance of developing a  
14 performance-based program budget request.  
15 Repeals the prohibition against agencies using existing 5  
16 percent budget transfer authority between programs.  
17 Provides that all remaining programs within the Department of  
18 Education must convert to performance-based budgeting by  
19 September 1, 1999.  
20 Adds state attorneys, public defenders, the Justice  
21 Administrative Commission, and capital collateral counsel to  
22 the performance-based budgeting schedule.  
23 Requires agencies created after September 1, 2000, to submit  
24 performance-based budgets within a specified period.  
25 Establishes in statute the constitutionally-created Budget  
26 Stabilization Fund.  
27  
28  
29  
30  
31