

Bill No. CS for SB 832

Amendment No.     

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senator Williams moved the following amendment:		
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13	<b>Senate Amendment (with title amendment)</b>		
14	On page 2, line 11,		
15			
16	insert:		
17	Section 1. Subsection (1) of section 216.011, Florida		
18	Statutes, is amended to read:		
19	216.011 Definitions.--		
20	(1) For the purpose of fiscal affairs of the state,		
21	appropriations acts, legislative budgets, and approved		
22	budgets, each of the following terms has the meaning		
23	indicated:		
24	(a) "Annual salary rate" means the salary estimated to		
25	be paid or actually paid a position or positions on an		
26	annualized basis. In calculating salary rate, a vacant		
27	position shall be calculated at the minimum of the pay grade		
28	for that position.		
29	(b) "Appropriation" means a legal authorization to		
30	make expenditures for specific purposes within the amounts		
31	authorized in the appropriations act.		

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1           (c) "Appropriations act" means the authorization of  
2 the Legislature, based upon legislative budgets or based upon  
3 legislative findings of the necessity for an authorization  
4 when no legislative budget is filed, for the expenditure of  
5 amounts of money by an agency, the judicial branch, and the  
6 legislative branch for stated purposes in the performance of  
7 the functions it is authorized by law to perform.

8           (d) "Authorized position" means a position included in  
9 an approved budget. In counting the number of authorized  
10 positions, part-time positions shall be converted to full-time  
11 equivalents.

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

15           (f) "Consultation" means to deliberate and seek advice  
16 in an open and forthright manner with the full committee, a  
17 subcommittee thereof, the chair, or the staff as deemed  
18 appropriate by the chair of the respective appropriations  
19 committee.

20           (g) "Continuing appropriation" means an appropriation  
21 automatically renewed without further legislative action,  
22 period after period, until altered or revoked by the  
23 Legislature.

24           (h) "Data processing services" means electronic data  
25 processing services provided by or to state agencies or the  
26 judicial branch, which services include, but are not limited  
27 to, systems design, software development, or time-sharing by  
28 other governmental units or budget entities.

29           (i) "Disbursement" means the payment of an  
30 expenditure.

31           (j) "Disincentive" means a sanction as described in s.

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1 216.163.

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

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

7 (m)~~(l)~~ "Expense" means the usual, ordinary, and  
8 incidental expenditures by an agency or the judicial branch,  
9 including, but not limited to, such items as contractual  
10 services, commodities, and supplies of a consumable nature,  
11 current obligations, and fixed charges, and excluding  
12 expenditures classified as operating capital outlay. Payments  
13 to other funds or local, state, or federal agencies are  
14 included in this budget classification of expenditures.

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

18 (o)~~(n)~~ "Fixed capital outlay" means real property  
19 (land, buildings, including appurtenances, fixtures and fixed  
20 equipment, structures, etc.), including additions,  
21 replacements, major repairs, and renovations to real property  
22 which materially extend its useful life or materially improve  
23 or change its functional use and including furniture and  
24 equipment necessary to furnish and operate a new or improved  
25 facility, when appropriated by the Legislature in the fixed  
26 capital outlay appropriation category.

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

30 (q)~~(p)~~ "Grants and aids" means contributions to units  
31 of governments or nonprofit organizations to be used for one

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1 or more specified purposes, activities, or facilities. Funds  
2 appropriated under this category may be advanced.

3 (r) "Incentive" means a mechanism, as described in s.  
4 216.163, for recognizing the achievement of performance  
5 standards or for motivating performance that exceeds  
6 performance standards.

7 (s)~~(r)~~ "Independent judgment" means an evaluation of  
8 actual needs made separately and apart from the legislative  
9 budget request of any other agency or of the judicial branch,  
10 or any assessments by the Governor. Such evaluation shall not  
11 be limited by revenue estimates of the Revenue Estimating  
12 Conference.

13 (t)~~(r)~~ "Judicial branch" means all officers,  
14 employees, and offices of the Supreme Court, district courts  
15 of appeal, circuit courts, county courts, and the Judicial  
16 Qualifications Commission.

17 (u)~~(s)~~ "Legislative branch" means the various  
18 officers, committees, and other units of the legislative  
19 branch of state government.

20 (v)~~(t)~~ "Legislative budget" means a request to the  
21 Legislature, filed pursuant to s. 216.023, or supplemental  
22 detailed requests filed with the Legislature, for the amounts  
23 of money such agency or branch believes will be needed in the  
24 performance of the functions that it is authorized, or which  
25 it is requesting authorization by law, to perform.

26 (w)~~(u)~~ "Lump-sum appropriation" means funds  
27 appropriated to accomplish a specific activity or project  
28 which must be transferred to one or more appropriation  
29 categories for expenditure.

30 (x)~~(v)~~ "Operating capital outlay" means equipment,  
31 fixtures, and other tangible personal property of a

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1 nonconsumable and nonexpendable nature, the value or cost of  
2 which is \$500 or more and the normal expected life of which is  
3 1 year or more, and hardback-covered bound books that are  
4 circulated to students or the general public, the value or  
5 cost of which is \$25 or more, and hardback-covered bound  
6 books, the value or cost of which is \$100 or more.

7 (y)~~(w)~~ "Original approved budget" means the approved  
8 plan of operation of an agency or of the judicial branch  
9 consistent with the General Appropriations Act or special  
10 appropriations acts.

11 (z)~~(x)~~ "Other personal services" means the  
12 compensation for services rendered by a person who is not a  
13 regular or full-time employee filling an established position.  
14 This definition includes, but is not limited to, services of  
15 temporary employees, student or graduate assistants, persons  
16 on fellowships, part-time academic employees, board members,  
17 and consultants and other services specifically budgeted by  
18 each agency, or by the judicial branch, in this category.

19 1. In distinguishing between payments to be made from  
20 salaries appropriations and other-personal-services  
21 appropriations, those persons filling established positions  
22 shall be paid from salaries appropriations and those persons  
23 performing services for a state agency or for the judicial  
24 branch, but who are not filling established positions, shall  
25 be paid from other-personal-services appropriations.

26 2. It is further intended that those persons paid from  
27 salaries appropriations shall be state officers or employees  
28 and shall be eligible for membership in a state retirement  
29 system and those paid from other-personal-services  
30 appropriations shall not be eligible for such membership.

31 (aa)~~(y)~~ "Part-time position" means a position

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1 authorized for less than the entire normally established work  
2 period, daily, weekly, monthly, or annually.

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

6 (cc)~~(aa)~~ "Perquisites" means those things, or the use  
7 thereof, or services of a kind which confer on the officers or  
8 employees receiving same some benefit that is in the nature of  
9 additional compensation, or which reduces to some extent the  
10 normal personal expenses of the officer or employee receiving  
11 the same, and shall include, but not be limited to, such  
12 things as quarters, subsistence, utilities, laundry services,  
13 medical service, use of state-owned vehicles for other than  
14 state purposes, servants paid by the state, and other similar  
15 things.

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

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

21 (ff)~~(dd)~~ "Program component" means an aggregation of  
22 generally related objectives which, because of their special  
23 character, related workload, and interrelated output, can  
24 logically be considered an entity for purposes of  
25 organization, management, accounting, reporting, and  
26 budgeting.

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

30 (hh)~~(ff)~~ "Reclassification" means changing an  
31 established position in one class in a series to the next

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1 higher or lower class in the same series or to a class in a  
2 different series which is the result of a natural change in  
3 the duties and responsibilities of the position.

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

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

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

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

15 (mm)~~(kk)~~ "State agency" or "agency" means any  
16 official, officer, commission, board, authority, council,  
17 committee, or department of the executive branch of state  
18 government. For purposes of this chapter and chapter 215,  
19 "state agency" or "agency" includes state attorneys, public  
20 defenders, the Capital Collateral Representative, and the  
21 Justice Administrative Commission.

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

24 (oo)~~(mm)~~ "Title of position," or "class of positions"  
25 means the official name assigned to a position or class of  
26 positions.

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

30 1. Grants to local units of governments and nonprofit  
31 organizations for the acquisition of real property (land,

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1 buildings, including appurtenances, fixtures and fixed  
2 equipment, structures, etc.); additions, replacements, major  
3 repairs, and renovations to real property which materially  
4 extend its useful life or materially improve or change its  
5 functional use; and operating capital outlay necessary to  
6 furnish and operate a new or improved facility; and

7           2. Grants to local units of government for their  
8 respective infrastructure and growth management needs related  
9 to local government comprehensive plans.

10

11 Funds appropriated under this category may be advanced in part  
12 or in whole.

13           ~~(qq)~~~~(oo)~~ "Baseline data" means indicators of a state  
14 agency's current performance level, pursuant to guidelines  
15 established by the Executive Office of the Governor, in  
16 consultation with legislative appropriations and appropriate  
17 substantive committees.

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

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

22           ~~(tt)~~~~(rr)~~ "Performance-based program budget" means a  
23 budget that incorporates approved programs and performance  
24 measures.

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

27           ~~(vv)~~~~(tt)~~ "Program" means a set of activities  
28 undertaken in accordance with a plan of action organized to  
29 realize identifiable goals and objectives based on legislative  
30 authorization.

31           ~~(ww)~~~~(uu)~~ "Standard" means the level of performance of



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1 an outcome or output.

2 (xx) "Performance-based program appropriation" means  
3 funds appropriated for a specific set of activities or  
4 classification of expenditure within an approved  
5 performance-based program.

6 (yy) "Performance ledger" means the official  
7 compilation of information about state agency  
8 performance-based programs and measures, including approved  
9 programs, approved outputs and outcomes, baseline data,  
10 approved standards for each performance measure and any  
11 approved adjustments thereto, as well as actual agency  
12 performance for each measure.

13 Section 2. Section 216.0166, Florida Statutes, is  
14 amended to read:

15 216.0166 Submission by state agencies of  
16 performance-based budget requests, programs, and performance  
17 measures.--

18 (1) Prior to September 1 ~~October 15~~ of the fiscal year  
19 prior to in which a state agency is required to submit a  
20 performance-based program budget request pursuant to s.  
21 216.0172, such state agency shall identify and submit to the  
22 Executive Office of the Governor a list of proposed state  
23 agency programs and performance measures. The agency may also  
24 provide a list of statutes or rules affecting its performance  
25 which may be addressed as incentives or disincentives for the  
26 performance-based program budget. The list should be  
27 accompanied by recommended legislation to implement the  
28 requested changes for potential incentives.Such  
29 identification shall be conducted after discussion with  
30 legislative appropriations and appropriate substantive  
31 committees and shall be approved by the Executive Office of

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

22 (2) The following documentation shall accompany the  
23 list of proposed programs and measures submitted by the state  
24 agency:

25 (a) The constitutional or statutory direction and  
26 authority for each program.

27 (b) Identification of the customers, clients, and  
28 users of each program.

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

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

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1           ~~(e) Information on fees collected and the adequacy of~~  
2 ~~those fees in funding each program for which the fees are~~  
3 ~~collected.~~

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

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

8           (g) Any proposed legislation necessary to implement  
9 the incentives or disincentives requested pursuant to this  
10 subsection.

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

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

16           ~~(3) The Executive Office of the Governor, after~~  
17 ~~discussion with legislative appropriations committees,~~  
18 ~~appropriate substantive committees, and the Legislative~~  
19 ~~Auditing Committee, shall jointly develop instructions for the~~  
20 ~~development of performance measures for each program on the~~  
21 ~~list approved pursuant to this section and shall submit such~~  
22 ~~instructions to the state agencies prior to December 1 of the~~  
23 ~~fiscal year preceding the year in which a state agency is~~  
24 ~~required to submit a performance-based program budget request~~  
25 ~~pursuant to s. 216.0172.~~

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

30           (j) The outputs produced by each proposed approved  
31 program, the outcomes resulting from each proposed approved

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1 program, and baseline data associated with each performance  
2 measure. Agencies must submit documentation for each output  
3 and outcome measure which explains the validity, reliability,  
4 and appropriateness of each performance measure. Such  
5 documentation must be prepared by the agency in consultation  
6 with its inspector general.~~Performance measures shall be~~  
7 ~~reviewed, after discussion with legislative appropriations and~~  
8 ~~appropriate substantive committees and the Office of Program~~  
9 ~~Policy Analysis and Government Accountability, revised as~~  
10 ~~necessary, and approved or disapproved by the Executive Office~~  
11 ~~of the Governor within 30 days of receipt. For those state~~  
12 ~~agencies selected by the Governor pursuant to s. 216.0172(1),~~  
13 ~~performance measures, outputs, outcomes, and baseline data~~  
14 ~~shall be submitted prior to July 1, 1994.~~

15 (3)(5) The agency shall submit a performance-based  
16 program legislative budget request pursuant to s. 216.0172,  
17 using the programs and performance measures adopted by the  
18 Legislature, or, if none are adopted, those recommended by the  
19 Executive Office of the Governor.Notwithstanding the  
20 programs, performance measures, and standards requested in  
21 each state agency's final legislative budget request or the  
22 Governor's budget recommendations, the Legislature shall have  
23 final approval of all programs, performance measures, and  
24 standards through the General Appropriations Act or  
25 legislation implementing the General Appropriations Act.

26 ~~(6) Each state agency shall submit documentation to~~  
27 ~~the Executive Office of the Governor regarding the validity,~~  
28 ~~reliability, and appropriateness of each performance measure.~~  
29 ~~In addition, each state agency shall indicate how the~~  
30 ~~performance measure relates to its strategic plan and how it~~  
31 ~~is used in management decisionmaking and other agency~~

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1 ~~processes.~~

2       (4)(7) Annually, no later than 45 days after the  
3 General Appropriations Act becomes law, state agencies may  
4 submit to the Executive Office of the Governor any adjustments  
5 to their performance standards based on the amounts  
6 appropriated for each program by the Legislature. When such  
7 adjustment is made, all performance standards, including any  
8 adjustments made, shall be submitted to and reviewed and  
9 revised as necessary by the Executive Office of the Governor,  
10 and, upon approval, submitted to the Legislature pursuant to  
11 the review and approval process provided in s. 216.177. The  
12 Executive Office of the Governor shall maintain both the  
13 official record of adjustments to the performance standards as  
14 part of the agency's approved operating budget and the  
15 official performance ledger.

16       (5)(8) A state agency operating under a  
17 performance-based program budget pursuant to s. 216.0172 shall  
18 not have the authority to amend approved ~~or establish~~ programs  
19 or performance measures. However, a state agency may propose  
20 revisions ~~a revision to the list of~~ approved programs or  
21 performance measures ~~used in its legislative budget request.~~  
22 Such revisions are ~~revision is~~ subject to review and approval  
23 by the Executive Office of the Governor and the Legislature  
24 and shall be submitted to the Executive Office of the Governor  
25 prior to February 1 ~~April 15~~ of the year in which the state  
26 agency proposes ~~intends~~ to incorporate these changes into its  
27 legislative budget request. The submission must include the  
28 documentation required by s. 216.0166(2), where applicable.  
29 The Executive Office of the Governor shall have 30 days to  
30 review ~~act on~~ the proposed revisions and make a recommendation  
31 to the Legislature. All approved revisions must ~~Revised~~

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1 ~~performance measures, standards, and baseline data shall be~~  
2 submitted ~~along~~ with the agency's preliminary legislative  
3 budget request. Any new programs or performance measures  
4 proposed by the agency must be submitted pursuant to s.  
5 216.0166(1) and must include the documentation required by s.  
6 216.0166(2), where applicable.

7 Section 3. Section 216.0172, Florida Statutes, is  
8 amended to read:

9 216.0172 Schedule for submission of performance-based  
10 program budgets.--In order to implement the provisions of  
11 chapter 94-249, Laws of Florida, state agencies shall submit  
12 performance-based program budget legislative budget requests  
13 ~~budgets~~ for programs approved pursuant to s. 216.0166 to the  
14 Executive Office of the Governor and the Legislature based on  
15 the following schedule:

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

19 (2) By September 1, 1995, for the 1996-1997 fiscal  
20 year:

21 (a) Department of Education (Community Colleges).

22 (b) Department of Health and Rehabilitative Services  
23 (Alcohol, Drug Abuse, Mental Health).

24 (c) Department of Labor and Employment Security.

25 (d) Department of Law Enforcement.

26 (e) Department of Management Services.

27 (f) Division of Retirement.

28 (3) By September 1, 1996, for the 1997-1998 fiscal  
29 year, by the following:

30 (a) Agency for Health Care Administration.

31 (b) Department of Education (State University System).

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- 1 (c) Game and Fresh Water Fish Commission.  
 2 (d) Department of Highway Safety and Motor Vehicles.  
 3 (e) Department of Revenue.  
 4 (f) Department of State.  
 5 (g) Department of Transportation.  
 6 (4) By September 1, 1997, for the 1998-1999 fiscal  
 7 year, by the following:  
 8 (a) Department of Banking and Finance.  
 9 (b) Department of Corrections.  
 10 (c) Department of Education (Public Schools).  
 11 (d) Department of Environmental Protection.  
 12 (e) Executive Office of the Governor.  
 13 (f) Department of Children and Family ~~Health and~~  
 14 ~~Rehabilitative~~ Services.  
 15 (g) Department of Legal Affairs.  
 16 (h) Department of Juvenile Justice.  
 17 (5) By September 1, 1998, for the 1999-2000 fiscal  
 18 year, by the following:  
 19 (a) Department of Agriculture and Consumer Services.  
 20 ~~(b) Department of Commerce.~~  
 21 (b)~~(c)~~ Department of Elderly Affairs.  
 22 (c)~~(d)~~ Department of the Lottery.  
 23 (d)~~(e)~~ Department of Military Affairs.  
 24 (6) By September 1, 1999, for the 2000-2001 fiscal  
 25 year, by the following:  
 26 (a) Division of Administrative Hearings.  
 27 (b) Department of Business and Professional  
 28 Regulation.  
 29 (c) Parole and Probation Commission.  
 30 (d) Public Service Commission.  
 31 (e) Department of Health.

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1           (f) Department of Education (all remaining programs).

2           (7) By September 1, 2000, for the 2001-2002 fiscal  
3 year, by the following:

4           (a) Department of Citrus.

5           (b) Department of Community Affairs.

6           (c) Department of Insurance.

7           (d) Department of Veterans' Affairs.

8           (e) State attorneys.

9           (f) Public defenders.

10          (g) Justice Administrative Commission and capital  
11 collateral counsel.

12          (8) Any new agency or portion thereof created after  
13 September 1, 2000, shall submit a performance-based program  
14 budget request for programs approved pursuant to s. 216.0166  
15 to the Executive Office of the Governor and the Legislature by  
16 September 1 of the year following the creation of the agency  
17 or portion thereof.

18          ~~(9)~~(8) The schedule set forth in subsections (2)  
19 through (7) may be amended by the Legislative Auditing  
20 Committee, the General Appropriations Act, or upon the  
21 recommendation of the Governor, which recommendation is  
22 subject to the review and approval process provided in s.  
23 216.177.

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

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



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1           216.0235 Performance-based legislative program budget  
2 requests to be furnished by agencies.--

3           (3) The Executive Office of the Governor and the  
4 legislative appropriations committees shall jointly develop  
5 legislative program budget instructions from which each agency  
6 that has an approved program and the judicial branch, pursuant  
7 to ss. 216.0166 and 216.043, shall prepare its legislative  
8 program budget request. The program budget instructions must  
9 be consistent with s. 216.141 and must be transmitted to each  
10 agency and to the judicial branch no later than June 15 of  
11 each year. The budget instructions must also include  
12 instructions for agencies in submitting performance measures  
13 and standards as required by s. 216.0166.In the event that  
14 agreement cannot be reached between the Executive Office of  
15 the Governor and the legislative appropriations committees  
16 regarding legislative program budget instructions, the issue  
17 shall be resolved by the Governor, the President of the  
18 Senate, and the Speaker of the House of Representatives.

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

22           216.031 Budgets for operational expenditures.--A  
23 legislative budget request, reflecting the independent  
24 judgment of the head of the state agency, and of the Chief  
25 Justice of the Supreme Court, with respect to the needs of the  
26 agency and the judicial branch for operational expenditures  
27 during the next fiscal year, shall be submitted by each head  
28 of a state agency and by the Chief Justice of the Supreme  
29 Court and shall contain the following:

30           (11) For performance-based program budgets, the  
31 baseline data, ~~outcome measures~~ ~~outcomes~~, ~~output~~ ~~performance~~

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1 measures, and standards for program measures ~~current programs~~,  
2 including justification for those programs in the format  
3 required by the legislative budget instructions.

4 (12) A prioritized listing of planned expenditures for  
5 review and possible reduction in the event of revenue  
6 shortfalls, as provided for in s. 216.221. Such list shall be  
7 in the format provided in the planning and budgeting  
8 instructions.

9  
10 Either chair of a legislative appropriations committee, or the  
11 Executive Office of the Governor for state agencies, may  
12 require the agency or the Chief Justice to address major  
13 issues separate from those outlined in s. 216.023, this  
14 section, and s. 216.043 for inclusion in the requests of the  
15 agency or of the judicial branch. The issues shall be  
16 submitted to the agency no later than July 30 of each year and  
17 shall be displayed in its requests as provided in the budget  
18 instructions. The Executive Office of the Governor may  
19 request an agency, or the chair of the appropriations  
20 committees of the Senate or House of Representatives may  
21 request any agency or the judicial branch, to submit no later  
22 than September 15 of each year a budget plan with respect to  
23 targets established by the Governor or either chair. The  
24 target budget shall require each entity to establish an order  
25 of priorities for its budget issues and may include requests  
26 for multiple options for the budget issues. The target budget  
27 may also require each entity to submit a program budget or a  
28 performance-based budget in the format prescribed by the  
29 Executive Office of the Governor or either chair; provided,  
30 however, the target budget format shall be compatible with the  
31 planning and budgeting system requirements set out in s.

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1 216.141. Such a request shall not influence the agencies' or  
 2 judicial branch's independent judgment in making legislative  
 3 budget requests, as required by law.

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

6 216.163 Governor's recommended budget; form and  
 7 content; declaration of collective bargaining impasses.--

8 (4) The Executive Office of the Governor shall review  
 9 the evaluation report required by s. 216.031(10) and the  
 10 findings of the Office of Program Policy Analysis and  
 11 Government Accountability, to the extent they are available,  
 12 request any reports or additional analyses as necessary, and  
 13 submit a recommendation, ~~pursuant to paragraph (2)(g)~~ which  
 14 may include a recommendation regarding incentives or  
 15 disincentives for agency performance. Incentives or  
 16 disincentives may apply to all or part of a state agency.

17 (a) Incentives may include, but are not limited to:

18 1. Additional flexibility in budget management, such  
 19 as, but not limited to, the use of lump sums, special  
 20 categories, or performance-based program appropriation;  
 21 consolidation of budget entities or program components;  
 22 consolidation of appropriation categories; and increased  
 23 agency transfer authority between appropriation categories or  
 24 budget entities.

25 2. Additional flexibility in salary rate and position  
 26 management.

27 3. Retention of up to 50 percent of all unexpended and  
 28 unencumbered balances of appropriations as of June 30, or  
 29 undisbursed balances as of December 31, excluding special  
 30 categories and grants and aids, which may be used for  
 31 nonrecurring purposes including, but not limited to, lump-sum

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1 bonuses, employee training, or productivity enhancements,  
2 including technology and other improvements.

3 4. Additional funds to be used for, but not limited  
4 to, lump-sum bonuses, employee training, or productivity  
5 enhancements, including technology and other improvements.

6 5. Additional funds provided pursuant to law to be  
7 released to an agency quarterly or incrementally contingent  
8 upon the accomplishment of units of output or outcome  
9 specified in the General Appropriations Act.

10 (b) Disincentives may include, but are not limited to:

11 1. Mandatory quarterly reports to the Executive Office  
12 of the Governor and the Legislature on the agency's progress  
13 in meeting performance standards.

14 2. Mandatory quarterly appearances before the  
15 Legislature, the Governor, or the Governor and Cabinet to  
16 report on the agency's progress in meeting performance  
17 standards.

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

21 4. Reduction of total positions for a program.

22 5. Restriction on or reduction of the spending  
23 authority provided in s. 216.292(2) and (4)~~s. 216.292(2)(c)~~.

24 6. Reduction of managerial salaries.

25 Section 7. Section 216.167, Florida Statutes, is  
26 amended to read:

27 216.167 Governor's recommendations.--The Governor's  
28 recommendations shall include a financial schedule that  
29 provides ~~which shall provide~~:

30 (1) The Governor's estimate of the recommended  
31 recurring revenues available in the Budget Stabilization Fund,

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1 ~~in~~ the Working Capital Fund, and the General Revenue Fund.

2 (2) The Governor's estimate of the recommended  
3 nonrecurring revenues available in the Budget Stabilization  
4 Fund, ~~in~~ the Working Capital Fund, and the General Revenue  
5 Fund.

6 (3) The Governor's recommended recurring and  
7 nonrecurring appropriations from the Budget Stabilization  
8 Fund, the Working Capital Fund, and the General Revenue Fund.

9 (4) The Governor's estimates of any interfund loans or  
10 temporary obligations of the Budget Stabilization Fund, the  
11 Working Capital Fund, or trust funds, which loans or  
12 obligations are needed to implement his or her recommended  
13 budget.

14 (5)(a) For any recommendation to be funded by a  
15 proposed state debt or obligation as defined in s. 216.0442,  
16 the documents set forth in s. 216.0442(2) and a 5-year  
17 estimate of the program operational costs associated with any  
18 proposed fixed capital outlay project to be funded by the  
19 proposed state debt or obligation.

20 (b) The Governor's estimates of the debt service and  
21 reserve requirements for any recommended new bond issues or  
22 reissues and his or her recommended debt service  
23 appropriations for all outstanding fixed capital outlay bond  
24 issues.

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

27 216.178 General Appropriations Act; format; procedure;  
28 cost statement for new debt or obligation.--

29 (2) Effective June 30, 1993, the Office of Planning  
30 and Budgeting shall develop a final budget report that  
31 reflects the net appropriations for each budget item. The

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1 report shall reflect actual expenditures for each of the 2  
2 preceding fiscal years and the estimated expenditures for the  
3 current fiscal year. In addition, the report must contain the  
4 actual revenues and cash balances for the preceding 2 fiscal  
5 years and the estimated revenues and cash balances for the  
6 current fiscal year. The report may also contain expenditure  
7 data, program objectives, and program measures for each state  
8 agency program. The report must be produced by October 15  
9 each year ~~within 90 days after the beginning of the fiscal~~  
10 ~~year.~~ A copy of the report must be made available to each  
11 member of the Legislature, to the head of each state agency,  
12 to the Auditor General, and to the public.

13 Section 9. Section 216.292, Florida Statutes, is  
14 amended to read:

15 216.292 Appropriations nontransferable; exceptions.--

16 (1)(a) Funds provided in the General Appropriations  
17 Act or as otherwise expressly provided by law shall be  
18 expended only for the purpose for which appropriated, except  
19 that if deemed necessary such moneys may be transferred as  
20 provided in subsections (3), and (4), and (5) when it is  
21 determined to be in the best interest of the state.

22 Appropriations for fixed capital outlay may not be expended  
23 for any other purpose, and appropriations may not be  
24 transferred between state agencies, or between a state agency  
25 and the judicial branch, unless specifically authorized by  
26 law.

27 (b) For the 1997-1998 fiscal year only, the Department  
28 of Children and Family Services and the Agency for Health Care  
29 Administration may transfer general revenue funds as necessary  
30 to comply with any provision of the General Appropriations Act  
31 that requires or specifically authorizes the transfer of

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1 general revenue funds between these two agencies. This  
2 paragraph is repealed on July 1, 1998.

3 (2) A lump sum appropriated for a performance-based  
4 program must be distributed by the Governor for state agencies  
5 or the Chief Justice for the judicial branch into the  
6 traditional expenditure categories in accordance with s.  
7 216.181(5)(b)~~s. 216.181(4)(b)~~. At any time during the year,  
8 the agency head or Chief Justice may transfer funds between  
9 those categories with no limit on the amount of the transfer.  
10 Authorized revisions of the original approved operating  
11 budget, together with related changes, if any, must be  
12 transmitted by the state agency or by the judicial branch to  
13 the Executive Office of the Governor or the Chief Justice, the  
14 chairs of the legislative appropriations committees, the  
15 Office of Program Policy Analysis and Government  
16 Accountability, and the Auditor General. Such authorized  
17 revisions shall be consistent with the intent of the approved  
18 operating budget, shall be consistent with legislative policy  
19 and intent, and shall not conflict with specific spending  
20 policies specified in the General Appropriations Act. The  
21 Executive Office of the Governor shall forward a copy of the  
22 revisions within 7 working days to the Comptroller for entry  
23 in his or her records in the manner and format prescribed by  
24 the Executive Office of the Governor in consultation with the  
25 Comptroller.~~Authorized revisions of the original approved~~  
26 ~~operating budget, together with related changes, if any, must~~  
27 ~~be transmitted by the state agency or by the judicial branch~~  
28 ~~to the Comptroller for entry in his or her records in the~~  
29 ~~manner and format prescribed by the Executive Office of the~~  
30 ~~Governor in consultation with the Comptroller. A copy of such~~  
31 ~~revisions shall be furnished, within 7 working days, to the~~

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1 ~~Executive Office of the Governor or the Chief Justice, the~~  
2 ~~chairs of the legislative appropriations committees, the~~  
3 ~~Office of Program Policy Analysis and Government~~  
4 ~~Accountability, and the Auditor General.~~Such authorized  
5 revisions shall be consistent with the intent of the approved  
6 operating budget, shall be consistent with legislative policy  
7 and intent, and shall not conflict with specific spending  
8 policies specified in the General Appropriations Act.  
9 Additionally, subsection (3) shall not apply to programs  
10 operating under performance-based program budgeting where a  
11 lump sum was appropriated ~~program-performance based budgets.~~

12 (3) The head of each department or the Chief Justice  
13 of the Supreme Court, whenever it is deemed necessary by  
14 reason of changed conditions, may transfer appropriations  
15 funded from identical funding sources, except appropriations  
16 for fixed capital outlay, and transfer the amounts included  
17 within the total original approved budget and releases as  
18 furnished pursuant to ss. 216.181 and 216.192, as follows:

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

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

29 (c) Such authorized revisions must be consistent with  
30 the intent of the approved operating budget, must be  
31 consistent with legislative policy and intent, and must not



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1 conflict with specific spending policies specified in the  
2 General Appropriations Act.

3  
4 Such authorized revisions, together with related changes, if  
5 any, in the plan for release of appropriations, shall be  
6 transmitted by the state agency or by the judicial branch to  
7 the Comptroller for entry in the Comptroller's records in the  
8 manner and format prescribed by the Executive Office of the  
9 Governor in consultation with the Comptroller. A copy of such  
10 revision shall be furnished to the Executive Office of the  
11 Governor or the Chief Justice, the chairs of the legislative  
12 committees, and the Auditor General.

13 (4) The head of each department or the Chief Justice  
14 of the Supreme Court, whenever it is deemed necessary by  
15 reason of changed conditions, may transfer funds, positions,  
16 and salary rate within and between program budget entities  
17 with performance-based program appropriations as defined in s.  
18 216.011(1)(xx). Such transfers may include appropriations from  
19 any operating category, except appropriations for fixed  
20 capital outlay. However, the total program funds, positions,  
21 and salary rate shall not be increased or decreased by more  
22 than 5 percent by all action taken under this section.  
23 Authorized revisions of the original approved operating  
24 budget, together with related changes, if any, must be  
25 transmitted by the state agency or by the judicial branch to  
26 the Executive Office of the Governor or the Chief Justice, the  
27 chairs of the legislative appropriations committees, the  
28 Office of Program Policy Analysis and Government  
29 Accountability, and the Auditor General. Such authorized  
30 revisions shall be consistent with legislative policy and  
31 intent, and shall not conflict with specific spending policies

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1 specified in the General Appropriations Act. The Executive  
2 Office of the Governor shall forward a copy of the revisions  
3 within 7 working days to the Comptroller for entry in his or  
4 her records in the manner and format prescribed by the  
5 Executive Office of the Governor in consultation with the  
6 Comptroller.

7       (5)(4)(a) Transfers of appropriations for operations  
8 from the General Revenue Fund in excess of those provided in  
9 subsections subsection (3) and (4)but within a state agency  
10 or within the judicial branch may be authorized by the  
11 commission for the executive branch and the Chief Justice for  
12 the judicial branch, pursuant to the request of the agency  
13 filed with the Executive Office of the Governor, or pursuant  
14 to the request of an entity of the judicial branch filed with  
15 the Chief Justice of the Supreme Court, if deemed necessary  
16 and in the best interest of the state and consistent with  
17 legislative policy and intent. The provisions of this  
18 paragraph are subject to the notice, review, and objection  
19 procedures set forth in s. 216.177.

20       (b) When an appropriation for a named fixed capital  
21 outlay project is found to be in excess of that needed to  
22 complete that project, at the request of the Executive Office  
23 of the Governor for state agencies or the Chief Justice of the  
24 Supreme Court for the judicial branch the excess may be  
25 transferred, with the approval of the commission or the Chief  
26 Justice, to another project for which there has been an  
27 appropriation in the same fiscal year from the same fund and  
28 within the same department where a deficiency is found to  
29 exist. Further, a fixed capital outlay project may not be  
30 initiated without a specific legislative appropriation, nor  
31 may the scope of a fixed capital outlay project be changed by

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

4 (6)~~(5)~~ Upon request of a department to, and approval  
5 by, the Comptroller, funds appropriated may be transferred to  
6 accounts established for disbursement purposes upon release of  
7 such appropriation. Such transfer may only be made to the  
8 same appropriation category and the same funding source from  
9 which the funds are transferred.

10 (7)~~(6)~~ Any transfers from the Working Capital Fund to  
11 the General Revenue Fund may be approved provided such  
12 transfers were identified or contemplated by the Legislature  
13 in the original approved budget.

14 (8)~~(7)~~(a) Should any state agency or the judicial  
15 branch become more than 90 days delinquent on reimbursements  
16 due to the Unemployment Compensation Trust Fund, the  
17 Department of Labor and Employment Security shall certify to  
18 the Comptroller the amount due; and the Comptroller shall  
19 transfer the amount due to the Unemployment Compensation Trust  
20 Fund from any funds of the agency available.

21 (b) Should any state agency or the judicial branch  
22 become more than 90 days delinquent in paying the Division of  
23 Risk Management of the Department of Insurance for insurance  
24 coverage, the Department of Insurance may certify to the  
25 Comptroller the amount due; and the Comptroller shall transfer  
26 the amount due to the Division of Risk Management from any  
27 funds of the agency or the judicial branch available.

28 (9)~~(8)~~ Moneys appropriated in the General  
29 Appropriations Act for the purpose of paying for services  
30 provided by the state communications system in the Division of  
31 Communications of the Department of Management Services shall

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1 be paid by the user agencies, or the judicial branch, within  
2 45 days after the billing date. Billed amounts not paid by  
3 the user agencies, or by the judicial branch, shall be  
4 transferred by the Comptroller from the user agencies to the  
5 Communications Working Capital Trust Fund.

6 ~~(10)(9)~~ The Comptroller shall report all such  
7 transfers and the reasons for such transfers to the  
8 legislative appropriations committees.

9 ~~(11)(10)~~ Where any reorganization has been authorized  
10 by the Legislature and the necessary adjustments of  
11 appropriations and positions have not been provided in the  
12 General Appropriations Act, the Administration Commission may  
13 approve, consistent with legislative policy and intent, the  
14 necessary transfers to accomplish the purposes of such  
15 reorganization within state agencies. The Chief Justice of  
16 the Supreme Court may approve such transfers for the judicial  
17 branch.

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

20 186.022 State agency strategic plans; preparation,  
21 form, and review.--

22 (2) Each agency strategic plan must be in a form and  
23 manner prescribed in written instructions prepared by the  
24 Executive Office of the Governor after consultation with the  
25 President of the Senate and the Speaker of the House of  
26 Representatives. Each agency strategic plan must identify the  
27 specific legislative authority necessary to implement the  
28 provisions of the plan. An agency may only implement those  
29 portions of its strategic plan that are consistent with  
30 existing statutory or constitutional authority and for which  
31 funding, if needed, is available consistent with the

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1 provisions of chapter 216. An agency's budget request  
 2 prescribed in s. 216.023(1) shall identify the financial  
 3 resources necessary to further the provisions of the agency's  
 4 strategic plan. Performance measures, as defined in s. 216.011  
 5 and proposed by the agency pursuant to s. 216.0166(1), must be  
 6 consistent with the objectives in the draft agency strategic  
 7 plan and shall represent 1-year implementation efforts  
 8 necessary to meet the 5-year agency strategic plan objectives.  
 9 State agency strategic plans shall be amended by the agency,  
 10 as necessary, to ensure consistency with the legislative  
 11 actions prior to the effective date of the agency strategic  
 12 plan.

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

15 121.051 Participation in the system.--

16 (8) DIVISION OF REHABILITATION AND LIQUIDATION  
 17 EMPLOYEES MEMBERSHIP.--Effective July 1, 1994, the regular  
 18 receivership employees of the Division of Rehabilitation and  
 19 Liquidation who are assigned to established positions and are  
 20 subject to established rules and regulations regarding  
 21 discipline, pay, classification, and time and attendance are  
 22 hereby declared to be state employees within the meaning of  
 23 this chapter and shall be compulsory members in compliance  
 24 with this chapter, the provisions of s. 216.011(1)(z)2.~~s.~~  
 25 ~~216.011(1)(x)2.~~, notwithstanding. Employment performed before  
 26 July 1, 1994, as such a receivership employee may be claimed  
 27 as creditable retirement service upon payment by the employee  
 28 or employer of contributions required in s. 121.081(1), as  
 29 applicable for the period claimed.

30 Section 12. Section 215.32, Florida Statutes, is  
 31 amended to read:

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1           215.32 State funds; segregation.--

2           (1) All moneys received by the state shall be  
3 deposited in the State Treasury unless specifically provided  
4 otherwise by law and shall be deposited in and accounted for  
5 by the Treasurer and the Department of Banking and Finance  
6 within the following funds, which funds are hereby created and  
7 established:

8           (a) General Revenue Fund.

9           (b) Trust funds.

10          (c) Working Capital Fund.

11          (d) Budget Stabilization Fund.

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

14          (a) The General Revenue Fund shall consist of all  
15 moneys received by the state from every source whatsoever,  
16 except as provided in paragraphs (b) and (c). Such moneys  
17 shall be expended pursuant to General Revenue Fund  
18 appropriations acts or transferred as provided in paragraph  
19 (c). Annually, at least 5 percent of the estimated increase  
20 in General Revenue Fund receipts for the upcoming fiscal year  
21 over the current year General Revenue Fund effective  
22 appropriations shall be appropriated for state-level capital  
23 outlay, including infrastructure improvement and general  
24 renovation, maintenance, and repairs.

25          (b)1. The trust funds shall consist of moneys received  
26 by the state which under law or under trust agreement are  
27 segregated for a purpose authorized by law. The state agency  
28 or branch of state government receiving or collecting such  
29 moneys shall be responsible for their proper expenditure as  
30 provided by law. Upon the request of the state agency or  
31 branch of state government responsible for the administration

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1 of the trust fund, the Comptroller may establish accounts  
2 within the trust fund at a level considered ~~deemed~~ necessary  
3 for proper accountability. Once an account is established  
4 within a trust fund, the Comptroller may ~~shall~~ authorize  
5 payment from that account only upon determining that there is  
6 sufficient cash and releases at the level of the account.

7           2. In order to maintain a minimum number of trust  
8 funds in the State Treasury, each state agency or the judicial  
9 branch may consolidate, if permitted under the terms and  
10 conditions of their receipt, the trust funds administered by  
11 it; provided, however, the agency or judicial branch employs  
12 effectively a uniform system of accounts sufficient to  
13 preserve the integrity of such trust funds; and provided,  
14 further, that consolidation of trust funds is approved by the  
15 Administration Commission or the Chief Justice.

16           3. All such moneys are hereby appropriated to be  
17 expended in accordance with the law or trust agreement under  
18 which they were received, subject always to the provisions of  
19 chapter 216 relating to the appropriation of funds and to the  
20 applicable laws relating to the deposit or expenditure of  
21 moneys in the State Treasury.

22           4.a. Notwithstanding any provision of law restricting  
23 the use of trust funds to specific purposes, unappropriated  
24 cash balances from selected trust funds may be authorized by  
25 the Legislature for transfer to the Budget Stabilization and  
26 Working Capital Fund in the General Appropriations Act.

27           b. ~~The provisions of~~ This subparagraph does ~~shall~~ not  
28 apply to trust funds required by federal programs or mandates;  
29 trust funds established for bond covenants, indentures, or  
30 resolutions whose revenues are legally pledged by the state or  
31 public body to meet debt service or other financial

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1 requirements of any debt obligations of the state or any  
2 public body; the State Transportation Trust Fund; the trust  
3 fund containing the net annual proceeds from the Florida  
4 Education Lotteries; the Florida Retirement Trust Fund; trust  
5 funds under the management of the Board of Regents, where such  
6 trust funds are for auxiliary enterprises, self-insurance, and  
7 contracts, grants, and donations, as those terms are defined  
8 by general law; trust funds that serve as clearing funds or  
9 accounts for the Comptroller or state agencies; trust funds  
10 that account for assets held by the state in a trustee  
11 capacity as an agent or fiduciary for individuals, private  
12 organizations, or other governmental units; and other trust  
13 funds authorized by the State Constitution.

14 (c)1. The Budget Stabilization Fund shall consist of  
15 amounts equal to at least 5 percent of net revenue collections  
16 for the General Revenue Fund during the last completed fiscal  
17 year. The Budget Stabilization Fund's principal balance shall  
18 not exceed an amount equal to 10 percent of the last completed  
19 fiscal year's net revenue collections for the General Revenue  
20 Fund. As used in this paragraph, the term "last completed  
21 fiscal year" means the most recently completed fiscal year  
22 prior to the regular legislative session at which the  
23 Legislature considers the General Appropriations Act for the  
24 year in which the transfer to the Budget Stabilization Fund  
25 must be made under this paragraph.

26 2. By September 15 of each year, the Governor shall  
27 authorize the Comptroller to transfer, and the Comptroller  
28 shall transfer pursuant to appropriations made by law, to the  
29 Budget Stabilization Fund the amount of money needed for the  
30 balance of that fund to equal the amount specified in  
31 subparagraph 1., less any amounts expended and not restored.



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1 The moneys needed for this transfer may be appropriated by the  
2 Legislature from any funds.

3 3. Unless otherwise provided in this subparagraph, an  
4 expenditure from the Budget Stabilization Fund must be  
5 restored pursuant to a restoration schedule that provides for  
6 making five equal annual transfers from the General Revenue  
7 Fund, beginning in the fiscal year following that in which the  
8 expenditure was made. For any Budget Stabilization Fund  
9 expenditure, the Legislature may establish by law a different  
10 restoration schedule and such change may be made at any time  
11 during the restoration period. Moneys are hereby appropriated  
12 for transfers pursuant to this subparagraph.

13 4. The Budget Stabilization Fund and the Working  
14 Capital Fund may be used as revolving funds for transfers as  
15 provided in s. 18.125; however, any interest earned must be  
16 deposited in the General Revenue Fund.

17 (d) The Working Capital Fund shall consist of moneys  
18 in the General Revenue Fund which are in excess of the amount  
19 needed to meet General Revenue Fund appropriations for the  
20 current fiscal year. Each year, no later than the publishing  
21 date of the annual financial statements for the state by the  
22 Comptroller under s. 216.102, funds shall be transferred  
23 between the Working Capital Fund and the General Revenue Fund  
24 to establish the balance of the Working Capital Fund for that  
25 fiscal year at the amount determined pursuant to this  
26 paragraph.

27 ~~1. The amount of moneys in the General Revenue Fund~~  
28 ~~shall be determined at the beginning of the fiscal year based~~  
29 ~~on the Revenue Estimating Conference's estimate of funds~~  
30 ~~available. This amount shall be adjusted upon determination~~  
31 ~~of the previous year's appropriations which remain unspent~~

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1 ~~after certifications are completed pursuant to s. 216.301.~~  
2       2. ~~The Working Capital Fund shall consist of an~~  
3 ~~amount, not more than 10 percent of the amount of net revenue~~  
4 ~~of the General Revenue Fund for the preceding fiscal year,~~  
5 ~~which accrues from moneys in the General Revenue Fund which~~  
6 ~~are in excess of the amount needed to meet the General Revenue~~  
7 ~~Fund appropriations acts. The Legislature shall have as a goal~~  
8 ~~that the Working Capital Fund for fiscal year 1994-1995 have~~  
9 ~~not less than 2 percent of the amount of net revenue of the~~  
10 ~~General Revenue Fund for the preceding fiscal year, that the~~  
11 ~~Working Capital Fund for fiscal year 1995-1996 have not less~~  
12 ~~than 3 percent of the amount of net revenue of the General~~  
13 ~~Revenue Fund for the preceding fiscal year, that the Working~~  
14 ~~Capital Fund for fiscal year 1996-1997 have not less than 4~~  
15 ~~percent of the amount of net revenue of the General Revenue~~  
16 ~~Fund for the preceding fiscal year, and that the Working~~  
17 ~~Capital Fund for fiscal year 1997-1998 and each fiscal year~~  
18 ~~thereafter have not less than 5 percent of the amount of net~~  
19 ~~revenue of the General Revenue Fund for the preceding fiscal~~  
20 ~~year. By September 15 of each year, the Executive Office of~~  
21 ~~the Governor shall transfer the excess funds that are in the~~  
22 ~~General Revenue Fund to the Working Capital Fund. Whenever the~~  
23 ~~Governor determines that revenue collections in the General~~  
24 ~~Revenue Fund will be insufficient to meet General Revenue Fund~~  
25 ~~appropriations, he or she shall certify the amount of the~~  
26 ~~deficit and transfer up to the amount specified in the General~~  
27 ~~Appropriations Act from the Working Capital Fund to the~~  
28 ~~General Revenue Fund pursuant to s. 216.221. When not required~~  
29 ~~to meet General Revenue Fund appropriations, such moneys shall~~  
30 ~~be used as a revolving fund for transfers as provided by s.~~  
31 ~~215.18; and when the Comptroller determines that such moneys~~

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1 ~~are not needed for either type of transfer, they may be~~  
2 ~~temporarily invested as provided in s. 18.125.~~

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

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

8 216.221 Appropriations as maximum appropriations;  
9 adjustment of budgets to avoid or eliminate deficits.--

10 (2) The Legislature shall annually provide direction  
11 in the General Appropriations Act regarding use of the Budget  
12 Stabilization Fund and Working Capital Fund to offset General  
13 Revenue Fund deficits.

14 (5)(a) If, in the opinion of the Governor, after  
15 consultation with the Revenue Estimating Conference, a deficit  
16 will occur in the General Revenue Fund, he or she shall so  
17 certify to the commission and to the Chief Justice of the  
18 Supreme Court. No more than 30 days after certifying that a  
19 deficit will occur in the General Revenue Fund, the Governor  
20 shall develop for the executive branch, and the Chief Justice  
21 of the Supreme Court shall develop for the judicial branch,  
22 and provide to the commission and to the Legislature plans of  
23 action to eliminate the deficit.

24 (b) In developing a plan of action to prevent deficits  
25 in accordance with subsection (7), the Governor and Chief  
26 Justice shall, to the extent possible, preserve legislative  
27 policy and intent, and, absent any specific direction to the  
28 contrary in the General Appropriations Act, the Governor and  
29 Chief Justice shall comply with the following guidelines for  
30 reductions in the approved operating budgets of the executive  
31 branch and the judicial branch:

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- 1           1. Entire statewide programs previously established by  
2 the Legislature should not be eliminated.
- 3           2. Education budgets should not be reduced more than  
4 provided for in s. 215.16(2).
- 5           3. The use of nonrecurring funds to solve recurring  
6 deficits should be minimized.
- 7           4. Newly created programs that are not fully  
8 implemented and programs with critical audits should receive  
9 first consideration for reductions.
- 10          5. No agencies or branches of government receiving  
11 appropriations should be exempt from reductions.
- 12          6. When reductions in positions are required, the  
13 focus should be initially on vacant positions.
- 14          7. Any reductions applied to all agencies and branches  
15 should be uniformly applied.
- 16          8. Reductions that would cause substantial losses of  
17 federal funds should be minimized.
- 18          9. To the greatest extent possible, across-the-board,  
19 prorated reductions should be considered.
- 20          10. Reductions to statewide programs should occur only  
21 after review of programs that provide only local benefits.
- 22          11. Reductions in administrative and support functions  
23 should be considered before reductions in direct-support  
24 services.
- 25          12. Maximum reductions should be considered in budgets  
26 for expenses including travel and in budgets for equipment  
27 replacement, outside consultants, and contracts.
- 28          13. Reductions in salaries for elected state officials  
29 should be considered.
- 30          14. Reductions that adversely affect the public  
31 health, safety, and welfare should be minimized.

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

4           16. Reductions in programs that are traditionally  
5 funded by the private sector and that may be assumed by  
6 private enterprise should be considered.

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

9           (7) Deficits in the General Revenue Fund that do not  
10 meet the amounts specified by subsection (6) shall be resolved  
11 by the commission for the executive branch and the Chief  
12 Justice of the Supreme Court for the judicial branch. The  
13 commission and Chief Justice shall implement any directions  
14 provided in the General Appropriations Act related to  
15 eliminating deficits and to reducing ~~reduce~~ agency and  
16 judicial branch budgets, including the use of those  
17 legislative appropriations voluntarily placed in reserve. In  
18 addition, the commission shall implement any directions in the  
19 General Appropriations Act relating to the resolution of ~~use~~  
20 ~~of the Working Capital Fund~~ in deficit situations. When  
21 reducing state agency or judicial branch budgets, the  
22 commission or the Chief Justice, respectively, shall use the  
23 guidelines prescribed in subsection (5). The Executive Office  
24 of the Governor for the commission, and the Chief Justice for  
25 the judicial branch, shall implement the deficit reduction  
26 plans through amendments to the approved operating budgets in  
27 accordance with s. 216.181.

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

30           252.37 Financing.--

31           (1) ~~It is the intent of~~ The Legislature intends and

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1 declares it declared to be the policy of the state that funds  
2 ~~to be prepared for and~~ meet emergencies shall always be  
3 available.

4 (2) It is the legislative intent that the first  
5 recourse ~~shall~~ be made to funds regularly appropriated to  
6 state and local agencies. If the Governor finds that the  
7 demands placed upon these funds in coping with a particular  
8 disaster are unreasonably great, she or he may make funds  
9 available by transferring and expending moneys appropriated  
10 for other purposes, by transferring and expending moneys or  
11 out of any unappropriated surplus funds, or from the Budget  
12 Stabilization Fund or Working Capital Fund.

13 Section 15. Paragraph (b) of subsection (2) of section  
14 20.055, Florida Statutes, is amended to read:

15 20.055 Agency inspectors general.--

16 (2) The Office of Inspector General is hereby  
17 established in each state agency to provide a central point  
18 for coordination of and responsibility for activities that  
19 promote accountability, integrity, and efficiency in  
20 government. It shall be the duty and responsibility of each  
21 inspector general, with respect to the state agency in which  
22 the office is established, to:

23 (b) Assess the reliability and validity of the  
24 information provided by the state agency on performance  
25 measures and standards, and make recommendations for  
26 improvement, if necessary, prior to submission of those  
27 measures and standards to the Executive Office of the Governor  
28 pursuant to s. 216.0166(1).

29 Section 16. Subsection (3) of section 212.081, Florida  
30 Statutes, and subsection (5) of section 186.021, Florida  
31 Statutes, are repealed.

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(Redesignate subsequent sections.)

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

On page 1, lines 2 and 3, delete those lines

and insert:

An act relating to public business and financial matters; amending s. 216.011, F.S.; defining the terms "disincentive," "incentive," "performance-based program appropriation," and "performance ledger" for purposes of budgeting and state fiscal affairs; amending s. 216.0166, F.S.; revising guidelines and requirements for state agencies in submitting performance-based budget requests, programs, and performance measures; amending s. 216.0172, F.S.; revising the schedule for submission of performance-based program budget legislative budget requests; amending s. 216.0235, F.S.; requiring that additional information be included in program budget instructions; amending s. 216.031, F.S.; revising information to be contained in legislative budget requests; amending s. 216.163, F.S.; prescribing additional incentives and disincentives that may be included in the Governor's recommended budget; amending s. 216.167, F.S.; requiring that the Governor's recommendations include a

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1 financial schedule that provides information on  
2 revenues in the Budget Stabilization Fund;  
3 amending s. 216.178, F.S.; providing a date for  
4 the final budget report; amending s. 216.292,  
5 F.S.; providing an exception to nontransferable  
6 appropriations; amending 186.022, F.S.;

7 revising requirements for state agency  
8 strategic plans; amending s. 121.051, F.S.;

9 conforming a cross-reference to changes made by  
10 the act; amending s. 215.32, F.S.; including  
11 the Budget Stabilization Fund in the list of  
12 funds in which state moneys are deposited;

13 amending s. 216.221, F.S.; providing  
14 legislative intent for use of the Budget  
15 Stabilization Fund; amending s. 20.055, F.S.;

16 requiring inspectors general to review and  
17 assess the validity of performance measures  
18 prior to submission to the Executive Office of  
19 the Governor; amending s. 252.37, F.S.;

20 providing legislative intent regarding the  
21 order of recourse in use of state funds for  
22 emergencies; repealing s. 186.021(5), F.S.,  
23 relating to state agency strategic plans;

24 repealing s. 212.081(3), F.S., relating to  
25 legislative intent; amending s. 186.021, F.S.;

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