

By the Committee on Banking and Insurance; and Senators Horne, Bronson, McKay, Klein and Dyer

311-765A-99

1 A bill to be entitled
2 An act relating to state financial matters;
3 amending s. 17.05, F.S.; specifying certain
4 powers of the Comptroller and the Department of
5 Banking and Finance; providing requirements;
6 specifying procedures, rights, and requirements
7 for enforcing compliance with certain
8 subpoenas; providing for assessing certain
9 costs under certain circumstances; amending s.
10 17.076, F.S.; providing for payment of
11 retirement benefits by direct deposit; amending
12 s. 20.04, F.S.; exempting the Department of
13 Banking and Finance from certain organizational
14 requirements; amending s. 20.12, F.S.;
15 specifying purposes and duties of the
16 Comptroller and providing that provisions of
17 this section do not apply to the Office of
18 Chief Fiscal Officer; deleting divisions of the
19 department; creating the Office of Financial
20 Investigations; amending s. 110.1165, F.S.;
21 deleting a reference for purposes of specifying
22 a statute of limitations for certain purposes;
23 specifying a time limit for filing actions to
24 recover certain compensation; providing
25 application; amending s. 112.061, F.S.;
26 providing for designees of agency heads to
27 perform specified functions; relating to per
28 diem and travel expenses; amending s. 215.422,
29 F.S.; deleting certain requirements relating to
30 vendors and state purchasing agreements and
31 warrants; amending s. 216.011, F.S.; revising a

1 definition; amending s. 216.102, F.S.; revising
2 duties of the Comptroller relating to preparing
3 and publishing certain financial information;
4 amending s. 273.02, F.S.; revising a
5 definition; amending ss. 17.11, 215.3206,
6 215.3208, 216.183, 216.212, 216.237, 280.08,
7 288.778, 494.0011, 494.0017, 494.0041,
8 494.00421, 494.0061, 494.0062, 494.0072,
9 497.407, 497.435, 516.03, 520.998, 655.90, and
10 655.942, F.S., to conform; providing an
11 effective date.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. Section 17.05, Florida Statutes, is amended
16 to read:

17 17.05 Subpoenas; sworn statements; enforcement
18 proceedings ~~May examine under oath parties and persons privy~~
19 ~~to accounts.--~~

20 (1) The Comptroller ~~of this state~~ may demand and
21 require full answers on oath from any and every person, party
22 or privy to any account, claim, or demand against or by the
23 state, such as it may be the Comptroller's ~~his or her~~ official
24 duty to examine into, and which answers the Comptroller may
25 require to be in writing and to be sworn to before the
26 Comptroller or the department ~~himself or herself~~ or before any
27 judicial officer or clerk of any court of the state so as to
28 enable the ~~such~~ Comptroller to determine ~~decide as to~~ the
29 justice or legality of such account, claim, or demand.

30 (2) In exercising authority under this chapter, the
31 Comptroller or his or her designee may:

1 (a) Issue subpoenas, administer oaths, and examine
2 witnesses.

3 (b) Require or permit a person to file a statement in
4 writing, under oath or otherwise as the Comptroller or his or
5 her designee requires, as to all the facts and circumstances
6 concerning the matter to be audited, examined, or
7 investigated.

8 (3) Subpoenas shall be issued by the Comptroller or
9 his or her designee under seal commanding such witnesses to
10 appear before the Comptroller or the Comptroller's
11 representative or the department at a specified time and place
12 and to bring books, records, and documents as specified or to
13 submit books, records, and documents for inspection. Such
14 subpoenas may be served by an authorized representative of the
15 Comptroller or the department.

16 (4) In the event of noncompliance with a subpoena
17 issued pursuant to this section, the Comptroller or the
18 department may petition the circuit court of the county in
19 which the person subpoenaed resides or has his or her
20 principal place of business for an order requiring the
21 subpoenaed person to appear and testify and to produce books,
22 records, and documents as specified in the subpoena. The
23 court may grant legal, equitable, or injunctive relief,
24 including, but not limited to, issuance of a writ of ne exeat
25 or the restraint by injunction or appointment of a receiver of
26 any transfer, pledge, assignment, or other disposition of such
27 person's assets or any concealment, alteration, destruction,
28 or other disposition of subpoenaed books, records, or
29 documents, as the court deems appropriate, until such person
30 has fully complied with such subpoena and the Comptroller or
31 the department has completed the audit, examination, or

1 investigation. The Comptroller or the department is entitled
2 to the summary procedure provided in s. 51.011 and the court
3 shall advance the cause on its calendar. Costs incurred by
4 the Comptroller or the department to obtain an order granting,
5 in whole or in part, such petition for enforcement of a
6 subpoena shall be charged against the subpoenaed person, and
7 failure to comply with such order shall be a contempt of
8 court.

9 Section 2. Subsection (8) is added to section 17.076,
10 Florida Statutes, to read:

11 17.076 Direct deposit of funds.--

12 (8) Effective July 1, 2000, all new recipients of
13 retirement benefits from this state shall be paid by direct
14 deposit of funds. A retiree may request from the department an
15 exemption from the provisions of this subsection when such
16 retiree can demonstrate a hardship. The department may pay
17 retirement benefits by state warrant when deemed
18 administratively necessary.

19 Section 3. Subsection (3) of section 20.04, Florida
20 Statutes, is amended to read:

21 20.04 Structure of executive branch.--The executive
22 branch of state government is structured as follows:

23 (3) For their internal structure, all departments,
24 except for the Department of Banking and Finance, the
25 Department ~~Departments~~ of Children and Family Services, the
26 Department of Corrections, the Department of Management
27 Services, the Department of Revenue, and the Department of
28 Transportation, must adhere to the following standard terms:

29 (a) The principal unit of the department is the
30 "division." Each division is headed by a "director."
31

1 (b) The principal unit of the division is the
2 "bureau." Each bureau is headed by a "chief."

3 (c) The principal unit of the bureau is the "section."
4 Each section is headed by an "administrator."

5 (d) If further subdivision is necessary, sections may
6 be divided into "subsections," which are headed by
7 "supervisors."

8 Section 4. Section 20.12, Florida Statutes, is amended
9 to read:

10 20.12 Department of Banking and Finance.--There is
11 created a Department of Banking and Finance.

12 (1) The head of the Department of Banking and Finance
13 is the Comptroller.

14 (2) As provided in s. 4(d), Art. IV of the State
15 Constitution, the purpose of the Comptroller is to serve as
16 the chief fiscal officer of the state, and shall settle and
17 approve accounts against the state.

18 (3) The Comptroller shall execute the programs and
19 policies as adopted by the Legislature.The Division of
20 Financial Investigations is following divisions are
21 established within the Department of Banking and Finance+

22 ~~(a) Division of Accounting and Auditing.~~

23 ~~(b) Division of Administration.~~

24 ~~(c) Division of Banking.~~

25 ~~(d) Division of Finance.~~

26 ~~(e) Division of Information Systems.~~

27 ~~(f) Division of Securities and Investor Protection.~~

28 ~~(g) Division of Financial Investigations.~~

29 (4) There is created as a subunit within the
30 Department of Banking and Finance the Office of Financial
31 Investigations. The Office of Financial Investigations shall:

1 (a) Function as a criminal justice agency within the
2 meaning of s. 943.045(10)(d); and

3 (b) Have a separate budget.

4 (5) This section does not apply to the Office of Chief
5 Fiscal Officer, as created by the State Constitution effective
6 January 7, 2003.

7 Section 5. Subsection (1) of section 110.1165, Florida
8 Statutes, is amended, and subsection (3) is added to said
9 section, to read:

10 110.1165 Executive branch personnel errors.--

11 (1) An agency of the executive branch, including the
12 State University System, shall establish procedures for the
13 receipt, consideration, and disposition of a claim regarding
14 pay or benefits brought by an employee when that employee is
15 damaged as a result of being provided with erroneous written
16 information by the employing agency regarding his or her pay
17 or benefits, and the employee detrimentally relies upon such
18 written information. In order to qualify for the relief
19 provided by this section, the employee's reliance on the
20 representation must have been reasonable and based only upon
21 the written representations made by those persons authorized
22 by the agency head to make such representations. Furthermore,
23 the erroneous calculation and payment of an employee's salary,
24 wages, or benefits is not among the written representations
25 which will trigger relief under this section. ~~Section 95.11(4)~~
26 ~~is the statute of limitations for filing any action to recover~~
27 ~~salary, wages, overtime, benefits, or related damages by or on~~
28 ~~behalf of a state employee, or any action under this section.~~
29 ~~No distinctions between the terms "salary" and "wages" in~~
30 ~~construing the provisions of s. 95.11(4) apply to this section~~

1 ~~or the statute of limitations for filing any action under this~~
2 ~~section.~~

3 (3) The time limit to file any action to recover
4 compensation, including, but not limited to, salaries, wages,
5 overtime pay, fringe benefits, or damages or penalties
6 relating to errors in such compensation from, by, or on behalf
7 of a state officer or employee is 2 years from the date of the
8 alleged error in payment of such compensation. The time limit
9 applies in all disputes over compensation for work performed
10 by state officers or employees, and is not confined to cases
11 arising under subsections (1) and (2).

12 Section 6. Paragraphs (d) and (f) of subsection (3),
13 paragraph (b) of subsection (4), paragraphs (a), (d), and (f)
14 of subsection (7), and subsections (12) and (13) of section
15 112.061, Florida Statutes, 1998 Supplement, are amended to
16 read:

17 112.061 Per diem and travel expenses of public
18 officers, employees, and authorized persons.--

19 (3) AUTHORITY TO INCUR TRAVEL EXPENSES.--

20 (d) Travel expenses of public employees for the sole
21 purpose of taking merit system or other job placement
22 examinations, written or oral, shall not be allowed under any
23 circumstances, except that upon prior written approval of the
24 agency head or his or her designee, candidates for executive
25 or professional positions may be allowed travel expenses
26 pursuant to this section.

27 (f) A traveler who becomes sick or injured while away
28 from his or her official headquarters and is therefore unable
29 to perform the official business of the agency may continue to
30 receive subsistence as provided in subsection (6) during this
31 period of illness or injury until such time as he or she is

1 able to perform the official business of the agency or returns
2 to his or her official headquarters, whichever is earlier.
3 Such subsistence may be paid when approved by the agency head
4 or his or her designee.

5 (4) OFFICIAL HEADQUARTERS.--The official headquarters
6 of an officer or employee assigned to an office shall be the
7 city or town in which the office is located except that:

8 (b) When any state employee is stationed in any city
9 or town for a period of over 30 continuous workdays, such city
10 or town shall be deemed to be the employee's official
11 headquarters, and he or she shall not be allowed per diem or
12 subsistence, as provided in this section, after the said
13 period of 30 continuous workdays has elapsed, unless this
14 period of time is extended by the express approval of the
15 agency head or his or her designee.

16 (7) TRANSPORTATION.--

17 (a) All travel must be by a usually traveled route.
18 In case a person travels by an indirect route for his or her
19 own convenience, any extra costs shall be borne by the
20 traveler; and reimbursement for expenses shall be based only
21 on such charges as would have been incurred by a usually
22 traveled route. The agency head or his or her designee shall
23 designate the most economical method of travel for each trip,
24 keeping in mind the following conditions:

- 25 1. The nature of the business.
26 2. The most efficient and economical means of travel
27 (considering time of the traveler, impact on the productivity
28 of the traveler, cost of transportation, and per diem or
29 subsistence required). When it is more efficient and
30 economical to either the traveler or the agency head, jet
31 service offered by any airline, whether on state contract or

1 not, may be used when the cost is within an approved threshold
2 determined by the agency head or his or her designee.

3 3. The number of persons making the trip and the
4 amount of equipment or material to be transported.

5 (d)1. The use of privately owned vehicles for official
6 travel in lieu of publicly owned vehicles or common carriers
7 may be authorized by the agency head or his or her designee.
8 Whenever travel is by privately owned vehicle, the traveler
9 shall be entitled to a mileage allowance at a fixed rate of 25
10 cents per mile for state fiscal year 1994-1995 and 29 cents
11 per mile thereafter or the common carrier fare for such
12 travel, as determined by the agency head. Reimbursement for
13 expenditures related to the operation, maintenance, and
14 ownership of a vehicle shall not be allowed when privately
15 owned vehicles are used on public business and reimbursement
16 is made pursuant to this paragraph, except as provided in
17 subsection (8).

18 2. All mileage shall be shown from point of origin to
19 point of destination and, when possible, shall be computed on
20 the basis of the current map of the Department of
21 Transportation. Vicinity mileage necessary for the conduct of
22 official business is allowable but must be shown as a separate
23 item on the expense voucher.

24 (f) The agency head or his or her designee may grant
25 monthly allowances in fixed amounts for use of privately owned
26 automobiles on official business in lieu of the mileage rate
27 provided in paragraph (d). Allowances granted pursuant to
28 this paragraph shall be reasonable, taking into account the
29 customary use of the automobile, the roads customarily
30 traveled, and whether any of the expenses incident to the
31 operation, maintenance, and ownership of the automobile are

1 paid from funds of the agency or other public funds. Such
2 allowance may be changed at any time, and shall be made on the
3 basis of a signed statement of the traveler, filed before the
4 allowance is granted or changed, and at least annually
5 thereafter. The statement shall show the places and distances
6 for an average typical month's travel on official business,
7 and the amount that would be allowed under the approved rate
8 per mile for the travel shown in the statement, if payment had
9 been made pursuant to paragraph (d).

10 (12) ADVANCEMENTS.--Notwithstanding any of the
11 foregoing restrictions and limitations, an agency head or his
12 or her designee may make, or authorize the making of, advances
13 to cover anticipated costs of travel to travelers. Such
14 advancements may include the costs of subsistence and travel
15 of any person transported in the care or custody of the
16 traveler in the performance of his or her duties.

17 (13) DIRECT PAYMENT OF EXPENSES BY AGENCY.--Whenever
18 an agency requires an employee to incur either Class A or
19 Class B travel on emergency notice to the traveler, such
20 traveler may request the agency to pay his or her expenses for
21 meals and lodging directly to the vendor, and the agency may
22 pay the vendor the actual expenses for meals and lodging
23 during the travel period, limited to an amount not to exceed
24 that authorized pursuant to this section. In emergency
25 situations, the agency head or his or her designee may
26 authorize an increase in the amount paid for a specific meal,
27 provided that the total daily cost of meals does not exceed
28 the total amount authorized for meals each day. The agency
29 head or his or her designee may also grant prior approval for
30 a state agency to make direct payments of travel expenses in
31 other situations that result in cost savings to the state, and

1 such cost savings shall be documented in the voucher submitted
2 to the Comptroller for the direct payment of travel expenses.
3 The provisions of this subsection shall not be deemed to apply
4 to any legislator or to any employee of the Legislature.

5 Section 7. Subsections (5), (6), and (9) of section
6 215.422, Florida Statutes, are amended to read:

7 215.422 Warrants, vouchers, and invoices; processing
8 time limits; dispute resolution; agency or judicial branch
9 compliance.--

10 (5) All purchasing agreements between a state agency
11 or the judicial branch and a vendor, applicable to this
12 section, shall include a statement of the vendor's rights and
13 the state's responsibilities under this section. The vendor's
14 rights shall include being provided with the ~~name and~~
15 telephone number of the vendor ombudsman within the Department
16 of Banking and Finance, which information shall also be placed
17 on all agency or judicial branch purchase orders.

18 (6) The Department of Banking and Finance shall
19 monitor each agency's and the judicial branch's compliance
20 with the time limits and interest penalty provisions of this
21 section. The department shall provide a report to an agency
22 or to the judicial branch if the department determines that
23 the agency or the judicial branch has failed to maintain an
24 acceptable rate of compliance with the time limits and
25 interest penalty provisions of this section. The department
26 shall establish criteria for determining acceptable rates of
27 compliance. The report shall also include a list of late
28 vouchers or payments, the amount of interest owed or paid, and
29 any corrective actions recommended. The department shall
30 perform monitoring responsibilities, pursuant to this section,
31 using the Management Services and Purchasing Subsystem or the

1 Florida Accounting Information Resource Subsystem State
2 ~~Automated Management Accounting Subsystem~~ provided in s.
3 215.94. Each agency and the judicial branch shall be
4 responsible for the accuracy of information entered into the
5 Management Services and Purchasing Subsystem and the Florida
6 Accounting Information Resource Subsystem State Automated
7 ~~Management Accounting Subsystem~~ for use in this monitoring.

8 (9) Each agency and the judicial branch shall include
9 in the official position description of every officer or
10 employee who is responsible for the approval or processing of
11 vendors' invoices or distribution of warrants to vendors that
12 the requirements of this section are mandatory. ~~In addition,~~
13 ~~each employee shall be required to sign a statement at least~~
14 ~~annually that he or she has been provided a copy of this~~
15 ~~section and the rules promulgated by the Comptroller. The~~
16 ~~statement shall also acknowledge that the employee understands~~
17 ~~the approval and processing time limitations and the provision~~
18 ~~for automatic interest penalty payments. Each agency and the~~
19 ~~judicial branch shall certify its compliance with this~~
20 ~~subsection to the Comptroller on or before February 1 of each~~
21 ~~year.~~

22 Section 8. Paragraph (x) of subsection (1) of section
23 216.011, Florida Statutes, 1998 Supplement, is amended to
24 read:

25 216.011 Definitions.--

26 (1) For the purpose of fiscal affairs of the state,
27 appropriations acts, legislative budgets, and approved
28 budgets, each of the following terms has the meaning
29 indicated:

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

1 nonconsumable and nonexpendable nature, the value or cost of
2 which is \$1,000~~\$500~~ or more and the normal expected life of
3 which is 1 year or more, and hardback-covered bound books that
4 are 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 \$250~~\$100~~ or more.

7 Section 9. Subsections (1) and (2) of section 216.102,
8 Florida Statutes, are amended to read:

9 216.102 Recording and filing of financial information;
10 handling by Comptroller; penalty for noncompliance.--

11 (1) On or before September 30 of each year, each
12 agency supported by any form of taxation, licenses, fees,
13 imposts, or exactions, and the judicial branch, shall, in the
14 form and format prescribed by the Comptroller, file with the
15 Comptroller the financial and other information necessary for
16 the preparation of annual financial statements for the State
17 of Florida as of June 30 in accordance with generally accepted
18 accounting principles. In addition, each such agency and the
19 judicial branch shall prepare financial statements showing the
20 financial position and results of agency or branch operations
21 as of June 30 for internal management purposes.

22 (a) Each state agency and the judicial branch shall
23 record the receipt and disbursement of funds from federal
24 sources in a form and format prescribed by the Comptroller.
25 The access to federal funds by the administering agencies or
26 the judicial branch may not be authorized until:

27 1. The deposit has been recorded in the Florida
28 Accounting Information Resource Subsystem ~~State Automated~~
29 ~~Management Accounting Subsystem~~ using proper, consistent codes
30 which designate deposits as federal funds.

31

1 2. The deposit and appropriate recording required by
2 this paragraph have been verified by the Office of the
3 Treasurer.

4 (b) The Comptroller shall publish a statewide policy
5 detailing the requirements for recording receipt and
6 disbursement of federal funds into the Florida Accounting
7 Information Resource Subsystem ~~State Automated Management~~
8 ~~Accounting Subsystem~~ and provide technical assistance to the
9 agencies and the judicial branch to implement the policy.

10 (2) It shall be the duty of the Comptroller to:

11 (a) Prepare and furnish to the Auditor General ~~publish~~
12 annual financial statements for the State of Florida in
13 accordance with generally accepted accounting principles on or
14 before December 31 annually.

15 (b) Prepare and publish a Comprehensive Annual
16 Financial Report for the State of Florida in accordance with
17 generally accepted accounting principles on or before February
18 28 each year.

19 ~~(c)(b)~~ Furnish the Governor, the President of the
20 Senate, and the Speaker of the House of Representatives with
21 copies of the Comprehensive Annual Financial Report ~~annual~~
22 ~~financial statements~~ prepared pursuant to paragraph ~~(b)(a)~~.

23 ~~(d)(c)~~ Notify each agency and the judicial branch of
24 the data that is required to be recorded to enhance
25 accountability for tracking federal financial assistance.

26 ~~(e)(d)~~ Provide reports, as requested, to executive or
27 judicial branch entities, the President of the Senate, the
28 Speaker of the House of Representatives, and the members of
29 the Florida Congressional Delegation, detailing the federal
30 financial assistance received and disbursed by state agencies
31 and the judicial branch.

1 (f)~~(e)~~ Consult with and elicit comments from the
2 Executive Office of the Governor on changes to the Florida
3 ~~State Automated Management Accounting~~ Information Resource
4 Subsystem which clearly affect the accounting of federal
5 funds, so as to ensure consistency of information entered into
6 the Federal Aid Tracking System by state executive and
7 judicial branch entities. While efforts shall be made to
8 ensure the compatibility of the Florida State Automated
9 ~~Management Accounting~~ Information Resource Subsystem and the
10 Federal Aid Tracking System, any successive systems serving
11 identical or similar functions shall preserve such
12 compatibility.

13 (g) The Comptroller may furnish and publish the
14 financial statements and the Comprehensive Annual Financial
15 Report pursuant to paragraphs (a), (b), and (c) in electronic
16 form.

17 Section 10. Section 273.02, Florida Statutes, is
18 amended to read:

19 273.02 Record and inventory of certain property.--The
20 word "property" as used in this section means equipment,
21 fixtures, and other tangible personal property of a
22 nonconsumable and nonexpendable nature, the value or cost of
23 which is \$1,000~~\$500~~ or more and the normal expected life of
24 which is 1 year or more, and hardback-covered bound books that
25 are circulated to students or the general public, the value or
26 cost of which is \$25 or more, and hardback-covered bound
27 books, the value or cost of which is \$250~~\$100~~ or more. Each
28 item of property which it is practicable to identify by
29 marking shall be marked in the manner required by the Auditor
30 General. Each custodian shall maintain an adequate record of
31 property in his or her custody, which record shall contain

1 such information as shall be required by the Auditor General.
2 Once each year, on July 1 or as soon thereafter as is
3 practicable, and whenever there is a change of custodian, each
4 custodian shall take an inventory of property in his or her
5 custody. The inventory shall be compared with the property
6 record, and all discrepancies shall be traced and reconciled.
7 All publicly supported libraries shall be exempt from marking
8 hardback-covered bound books, as required by this section.
9 The catalog and inventory control records maintained by each
10 publicly supported library shall constitute the property
11 record of hardback-covered bound books with a value or cost of
12 \$25 or more included in each publicly supported library
13 collection and shall serve as a perpetual inventory in lieu of
14 an annual physical inventory. All books identified by these
15 records as missing shall be traced and reconciled, and the
16 library inventory shall be adjusted accordingly.

17 Section 11. Subsection (2) of section 17.11, Florida
18 Statutes, is amended to read:

19 17.11 To report disbursements made.--

20 (2) The Comptroller shall also cause to have reported
21 from the Florida Accounting Information Resource Subsystem
22 ~~state automated management accounting subsystem~~ no less than
23 quarterly the disbursements which agencies made to small
24 businesses, as defined in the Florida Small and Minority
25 Business Assistance Act of 1985; to certified minority
26 business enterprises in the aggregate; and to certified
27 minority business enterprises broken down into categories of
28 minority persons, as well as gender and nationality subgroups.
29 This information shall be made available to the agencies, the
30 Minority Business Advocacy and Assistance Office, the
31 Governor, the President of the Senate, and the Speaker of the

1 House of Representatives. Each agency shall be responsible for
2 the accuracy of information entered into the Florida
3 Accounting Information Resource Subsystem ~~state automated~~
4 ~~management accounting subsystem~~ for use in this reporting.

5 Section 12. Subsection (4) of section 215.3206,
6 Florida Statutes, is amended to read:

7 215.3206 Trust funds; termination or re-creation.--

8 (4) For the purposes of this section, the Governor,
9 Chief Justice, and agencies shall review the trust funds as
10 they are identified by a unique 6-digit code in the Florida
11 Accounting Information Resource Subsystem ~~State Automated~~
12 ~~Management Accounting Subsystem (SAMAS)~~ at a level composed of
13 the 2-digit organization level 1, the 1-digit state fund type
14 2, and the first three digits of the fund identifier. The
15 Governor, Chief Justice, and agencies may also conduct their
16 review and make recommendations concerning accounts within
17 such trust funds.

18 Section 13. Subsection (3) of section 215.3208,
19 Florida Statutes, is amended to read:

20 215.3208 Trust funds; schedule for termination;
21 legislative review.--

22 (3) For the purposes of this section, the Legislature
23 shall review the trust funds as they are identified by a
24 unique 6-digit code in the Florida Accounting Information
25 Resource Subsystem ~~State Automated Management Accounting~~
26 ~~Subsystem (SAMAS)~~ at a level composed of the 2-digit
27 organization level 1, the 1-digit state fund type 2, and the
28 first three digits of the fund identifier. When a statutorily
29 created trust fund that was in existence on November 4, 1992,
30 has more than one 6-digit code, the Legislature may treat it
31 as a single trust fund for the purposes of this section. The

1 Legislature may also conduct its review concerning accounts
2 within such trust funds.

3 Section 14. Section 216.183, Florida Statutes, is
4 amended to read:

5 216.183 Entities using performance-based program
6 budgets; chart of accounts.--State agencies and the judicial
7 branch for which a performance-based program budget has been
8 appropriated shall utilize the chart of accounts used by the
9 Florida Accounting Information Resource Subsystem ~~State~~
10 ~~Automated Management Accounting Subsystem~~ in the manner
11 described in s. 215.93(3). The chart of accounts for state
12 agencies and the judicial branch for which a performance-based
13 program budget has been appropriated shall be developed and
14 amended, if necessary, in consultation with the Department of
15 Banking and Finance and the Executive Office of the Governor.

16 Section 15. Subsection (4) of section 216.212, Florida
17 Statutes, is amended to read:

18 216.212 Budgets for federal funds; restrictions on
19 expenditure of federal funds.--

20 (4) The Office of the Comptroller and the Executive
21 Office of the Governor, in consultation with the Office of the
22 Treasurer and the Office of the Auditor General, shall develop
23 and maintain a means to ensure the compatibility of the
24 Florida Accounting Information Resource Subsystem ~~State~~
25 ~~Automated Management Accounting Subsystem~~ and the Federal Aid
26 Tracking System. Any successive systems serving identical or
27 similar functions shall preserve such compatibility.

28 Section 16. Section 216.237, Florida Statutes, is
29 amended to read:

30 216.237 Availability of any remaining funds; agency
31 maintenance of accounting records.--Any remaining funds from

1 the General Revenue Fund and trust fund spending authority not
2 awarded to agencies pursuant to section 2 of this bill shall
3 be available to agencies for innovative projects which
4 generate a cost savings, increase revenue, or improve service
5 delivery. Innovative projects which generate a cost savings
6 shall receive greater consideration when awarding innovation
7 investment funds. Any trust fund authority granted under this
8 program shall be utilized in a manner consistent with the
9 statutory authority for the use of said trust fund. Any
10 savings realized as a result of implementing the innovative
11 project shall be used by the agency to establish an internal
12 innovations fund. State agencies which are awarded funds for
13 innovative projects shall utilize the chart of accounts used
14 by the Florida Accounting Information Resource Subsystem ~~State~~
15 ~~Automated Management Accounting System~~ in the manner described
16 in s. 215.93(3). Such chart of accounts shall be developed and
17 amended in consultation with the Department of Banking and
18 Finance and the Executive Office of the Governor to separate
19 and account for the savings that result from the
20 implementation of the innovative projects and to keep track of
21 how the innovative funds are reinvested by the state agency to
22 fund additional innovative projects, which may include, but
23 not be limited to, expenditures for training and information
24 technology resources. Guidelines for the establishment of such
25 internal innovations fund shall be provided by the Department
26 of Management Services. Any agency awarded funds under this
27 section shall maintain detailed accounting records showing all
28 expenses, loan transfers, savings, or other financial actions
29 concerning the project. Any savings realized as a result of
30 implementing the innovative project shall be quantified,
31 validated, and verified by the agency. A final report of the

1 results of the implementation of each innovative project shall
2 be submitted by each participating agency to the Governor's
3 Office of Planning and Budgeting and the legislative
4 appropriations committees by June 30 of the fiscal year in
5 which the funds were received and ensuing fiscal years for the
6 life of the project.

7 Section 17. Subsection (1) of section 280.08, Florida
8 Statutes, 1998 Supplement, is amended to read:

9 280.08 Procedure for payment of losses.--When the
10 Treasurer determines that a default or insolvency has
11 occurred, he or she shall provide notice as required in s.
12 280.085(1) and implement the following procedures:

13 (1) The Treasurer, in cooperation with the ~~Director of~~
14 ~~the Division of Banking of the~~ Department of Banking and
15 Finance or the receiver of the qualified public depository in
16 default, shall ascertain the amount of funds of each public
17 depositor on deposit at such depository and the amount of
18 deposit insurance applicable to such deposits.

19 Section 18. Section 288.778, Florida Statutes, is
20 amended to read:

21 288.778 Department of Banking and Finance.--The
22 ~~Division of Banking of the~~ Department of Banking and Finance
23 shall review the corporation's activities once every 24 months
24 to determine compliance with this part and other related laws
25 and rules and to evaluate the corporation's operations. The
26 department division shall prepare a report based on its review
27 and evaluation with recommendation for any corrective action.
28 The president shall submit to the department division regular
29 reports on the corporation's activities. The content and
30 frequency of such reports shall be determined by the
31 department division. The department division shall charge a

1 fee for conducting the review and evaluation and preparing the
2 related report, which fee shall not be in excess of the
3 examination fee paid by financial institutions chartered or
4 licensed under the financial institutions code of this state.

5 Section 19. Subsection (3) of section 494.0011,
6 Florida Statutes, 1998 Supplement, is amended to read:

7 494.0011 Powers and duties of the department.--

8 (3) All fees, charges, and fines collected by the
9 department pursuant to ss. 494.001-494.0077 shall be deposited
10 in the State Treasury to the credit of the Regulatory Trust
11 Fund under the ~~Division of Finance~~ of the department.

12 Section 20. Subsection (3) of section 494.0017,
13 Florida Statutes, is amended to read:

14 494.0017 Mortgage Brokerage Guaranty Fund.--

15 (3) The Mortgage Brokerage Guaranty Fund shall be
16 disbursed as provided in former s. 494.044, upon approval by
17 the department ~~Division of Finance~~, to any party to a mortgage
18 financing transaction who:

19 (a) Is adjudged by a court of competent jurisdiction
20 of this state to have suffered monetary damages as a result of
21 any violation of chapter 494 in effect prior to October 1,
22 1991, committed by a licensee or registrant;

23 (b) Has filed a claim for recovery prior to January 1,
24 1992; and

25 (c) Has suffered monetary damages as a result of an
26 act occurring prior to October 1, 1991.

27 Section 21. Paragraph (m) of subsection (2) of section
28 494.0041, Florida Statutes, is amended to read:

29 494.0041 Administrative penalties and fines; license
30 violations.--

31

1 (2) Each of the following acts constitutes a ground
2 for which the disciplinary actions specified in subsection (1)
3 may be taken:

4 (m) Failure to maintain, preserve, and keep available
5 for examination all books, accounts, or other documents
6 required by ss. 494.001-494.0077 and the rules of the
7 department ~~Division of Finance~~.

8 Section 22. Paragraph (a) of subsection (7) of section
9 494.00421, Florida Statutes, is amended to read:

10 494.00421 Fees earned upon obtaining a bona fide
11 commitment.--Notwithstanding the provisions of ss.
12 494.001-494.0077, any mortgage brokerage business which
13 contracts to receive from a borrower a mortgage brokerage fee
14 upon obtaining a bona fide commitment shall accurately
15 disclose in the mortgage brokerage agreement:

16 (7)(a) The following statement, in no less than
17 12-point boldface type immediately above the signature lines
18 for the borrowers:

19
20 "You are entering into a contract with a mortgage brokerage
21 business to obtain a bona fide mortgage loan commitment under
22 the same terms and conditions as stated hereinabove or in a
23 separate executed good faith estimate form. If the mortgage
24 brokerage business obtains a bona fide commitment under the
25 same terms and conditions, you will be obligated to pay the
26 mortgage brokerage business fees, including, but not limited
27 to, a mortgage brokerage fee, even if you choose not to
28 complete the loan transaction. If the provisions of s.
29 494.00421, Florida Statutes, are not met, the mortgage
30 brokerage fee can only be earned upon the funding of the
31 mortgage loan. The borrower may contact the Department of

1 Banking and Finance, ~~Division of Finance~~, Tallahassee,
2 Florida, regarding any complaints that the borrower may have
3 against the mortgage broker or the mortgage brokerage
4 business. The telephone number of the department as set by
5 rule of the department is: ...[insert telephone number]...."
6

7 The Department of Banking and Finance shall review the effects
8 of this section on consumers and shall issue a written report,
9 by January 31, 1997, to the President of the Senate and the
10 Speaker of the House of Representatives. Such report shall
11 summarize the findings of the department's review and include
12 recommended changes, if any, to this section.

13 Section 23. Subsection (3) of section 494.0061,
14 Florida Statutes, is amended to read:

15 494.0061 Mortgage lender's license requirements.--

16 (3) Each initial application for a mortgage lender's
17 license must be in written form prescribed by the department.
18 The department ~~division~~ may require each applicant to provide
19 any information reasonably necessary to make a determination
20 of the applicant's eligibility for licensure. The department
21 may require that each officer, director, and ultimate
22 equitable owner of a 10-percent or greater interest in the
23 applicant submit a complete set of fingerprints taken by an
24 authorized law enforcement officer.

25 Section 24. Subsection (3) of section 494.0062,
26 Florida Statutes, is amended to read:

27 494.0062 Correspondent mortgage lender's license
28 requirements.--

29 (3) Each initial application for a correspondent
30 mortgage lender's license must be in written form prescribed
31 by the department. The department ~~division~~ may require each

1 applicant to provide any information reasonably necessary to
2 make a determination of the applicant's eligibility for
3 licensure. The department may require that each officer,
4 director, and ultimate equitable owner of a 10-percent or
5 greater interest submit a complete set of fingerprints taken
6 by an authorized law enforcement officer.

7 Section 25. Paragraph (m) of subsection (2) of section
8 494.0072, Florida Statutes, is amended to read:

9 494.0072 Administrative penalties and fines; license
10 violations.--

11 (2) Each of the following acts constitutes a ground
12 for which the disciplinary actions specified in subsection (1)
13 may be taken:

14 (m) Failure to maintain, preserve, and keep available
15 for examination all books, accounts, or other documents
16 required by ss. 494.001-494.0077 or the rules of the
17 department ~~Division of Finance~~.

18 Section 26. Subsections (4), (9), and (12) of section
19 497.407, Florida Statutes, are amended to read:

20 497.407 Certificate of authority; annual statement;
21 renewal; transfer.--

22 (4) The fee payable to the department for issuance of
23 the original certificate of authority and each annual renewal
24 thereof shall be set by the board at an amount not to exceed
25 \$500 and shall accompany each application for an original
26 certificate and, thereafter, each annual statement. Any
27 person or entity that is part of a common business enterprise
28 that has a certificate of authority issued pursuant to this
29 section and elects to operate under a name other than that of
30 the common business enterprise shall submit an application on
31 a form adopted by the board to become a branch registrant.

1 Upon the approval of the board that such entity qualifies to
2 sell preneed contracts under this chapter except for the
3 requirements of subparagraph (2)(c)1. and if the
4 certificateholder meets the requirements of such subparagraph,
5 a branch registration shall be issued. Each branch registrant
6 may operate under the certificate of authority of the common
7 business enterprise upon the payment of a fee established by
8 the board not to exceed \$100 accompanying the application on
9 April 1 annually. The fee shall be payable to the Regulatory
10 Trust Fund under the department ~~Division of Finance~~.

11 (9) In addition to any other penalty that may be
12 provided for under this chapter, the board may levy a fine not
13 to exceed \$50 a day for each day the certificateholder fails
14 to file its annual statement, and the board may levy a fine
15 not to exceed \$50 a day for each day the certificateholder
16 fails to file the statement of activities of the trust. Upon
17 notice to the certificateholder by the board that the
18 certificateholder has failed to file the annual statement or
19 the statement of activities of the trust, the
20 certificateholder's authority to sell preneed contracts shall
21 cease while such default continues. The board shall deposit
22 all sums collected under this section to the credit of the
23 Regulatory Trust Fund under the department ~~Division of~~
24 ~~Finance~~.

25 (12) Each certificateholder shall pay to the
26 Regulatory Trust Fund under the department ~~Division of Finance~~
27 an amount established by the board not to exceed \$5 for each
28 preneed contract entered into. This amount must be paid within
29 60 days after the end of each quarter. These funds must be
30 used to defray the cost of the board and the department in
31 administering the provisions of this chapter.

1 Section 27. Subsection (3) of section 497.435, Florida
2 Statutes, is amended to read:

3 497.435 Administrative fine in lieu of revocation or
4 suspension of certificate of authority.--

5 (3) The fine shall be deposited into the Regulatory
6 Trust Fund under the department ~~Division of Finance~~.

7 Section 28. Subsection (2) of section 516.03, Florida
8 Statutes, is amended to read:

9 516.03 Application for license; fees; etc.--

10 (2) FEES.--Fees herein provided for shall be collected
11 by the department and shall be turned into the State Treasury
12 to the credit of the regulatory trust fund under the ~~Division~~
13 ~~of Finance of the~~ department. The department shall have full
14 power to employ such examiners or clerks to assist the
15 department as may from time to time be deemed necessary and
16 fix their compensation.

17 Section 29. Section 520.998, Florida Statutes, is
18 amended to read:

19 520.998 Regulatory Trust Fund.--All fees, charges, and
20 fines collected by the department pursuant to this chapter
21 shall be deposited in the State Treasury to the credit of the
22 Regulatory Trust Fund under the ~~Division of Finance of the~~
23 department.

24 Section 30. Paragraph (a) of subsection (1) of section
25 655.90, Florida Statutes, is amended to read:

26 655.90 Closing during emergencies and other special
27 days.--

28 (1) DEFINITIONS.--As used in this section, the term:

29 (a) "Commissioner" means the officer of this state
30 designated by law as the head of the Department of Banking and
31 Finance and any other person lawfully exercising such powers,

1 whether as a deputy to such officer, ~~as a division~~ director,
2 bureau chief, or financial administrator of or within such
3 department, ~~or~~ otherwise. ~~In the absence of any person~~
4 ~~lawfully exercising the powers of the head of the Department~~
5 ~~of Banking and Finance, the director of the Division of~~
6 ~~Banking or any other person lawfully exercising the powers of~~
7 ~~the director of the division, whether as another division~~
8 ~~director, as a bureau chief or financial administrator, or~~
9 ~~otherwise.~~

10 Section 31. Subsection (1) of section 655.942, Florida
11 Statutes, is amended to read:

12 655.942 Standards of conduct; institutions.--

13 (1) A financial institution which is licensed or
14 authorized to do business pursuant to the financial
15 institutions codes, or its officers, directors, or employees
16 may not make or grant any loan or gratuity to any employee of
17 the department ~~Division of Banking~~ who has authority to
18 examine or otherwise supervise such financial institution.

19 Section 32. This act shall take effect October 1,
20 1999.

1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 Senate Bill 150

4 The committee substitute makes the following changes that
5 relate to state financial matters:

- 6 1. Exempts the Department of Banking and Finance from the
7 requirement of s. 20.04, F.S., to be organized along
8 division, bureau, and section lines and eliminates
9 statutory references to the term, "division," and
10 replaces it with the term "department."
- 11 2. Creates the Office of Financial Investigations, as a
12 separate subunit within the department, rather than a
13 "division," to operate as a criminal justice agency
14 within the meaning of s. 943.045(10)(d), F.S.
- 15 3. Eliminates a provision in the original bill that would
16 have extended to subcontractors and other contractual
17 parties, for state contracts in excess of \$15,000, the
18 requirement that the contract contain a provision
19 allowing for cancellation for failure to provide access
20 to documents in connection with the contract.
- 21 4. Eliminates statutory references to the State Automated
22 Management Accounting Subsystem and replaces the
23 reference with the term, "Florida Accounting Information
24 Resource Subsystem," since the state accounting system
25 was renamed in 1997.