

By the Committee on Financial Services and Representatives
Flanagan, Crow, Wallace, Bainter, Goode, Bitner, Turnbull and
Fasano

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. 20.12, F.S.; specifying purposes and duties
13 of the Comptroller; deleting divisions of the
14 department; creating the Office of Financial
15 Investigations; specifying the function of the
16 office; providing for a separate budget for the
17 office; amending s. 20.04, F.S.; providing an
18 exception to the required state government
19 structure for the Department of Banking and
20 Finance; providing for future repeal of certain
21 provisions; amending s. 110.1165, F.S.;
22 deleting a reference for purposes of specifying
23 a statute of limitations for certain purposes;
24 specifying a time limit for filing actions to
25 recover certain compensation; providing
26 application; amending s. 112.061, F.S.;
27 providing for designees of agency heads to
28 perform specified functions; relating to per
29 diem and travel expenses; amending s. 215.422,
30 F.S.; deleting certain requirements relating to
31 vendors and state purchasing agreements and

1 warrants; correcting an accounting subsystem
2 reference; amending s. 216.011, F.S.; revising
3 a definition; amending s. 216.102, F.S.;
4 revising duties of the Comptroller relating to
5 preparing and publishing certain financial
6 information; requiring the Comptroller to
7 prepare and publish a Comprehensive Annual
8 Financial Report; correcting an accounting
9 subsystem reference; amending s. 273.02, F.S.;
10 revising a definition; amending s. 287.058,
11 F.S.; specifying as public records certain
12 documents and materials relating to contracts
13 for services; specifying an additional
14 requirement for certain written agreements for
15 procurement of contractual services by the
16 state; amending ss. 17.11, 215.3206, 215.3208,
17 216.183, 216.212, 216.237, 280.08, 288.778,
18 494.0011, 494.0017, 494.0041, 494.00421,
19 494.0061, 494.0062, 494.0072, 497.407, 497.435,
20 516.03, 520.998, 655.90, and 655.942, F.S., to
21 conform; providing an effective date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Section 17.05, Florida Statutes, is amended
26 to read:

27 17.05 Subpoenas; sworn statements; enforcement
28 proceedings ~~May examine under oath parties and persons privy~~
29 ~~to accounts.--~~

30 (1) The Comptroller ~~of this state~~ may demand and
31 require full answers on oath from any and every person, party

1 or privy to any account, claim, or demand against or by the
2 state, such as it may be the Comptroller's ~~his or her~~ official
3 duty to examine into, and which answers the Comptroller may
4 require to be in writing and to be sworn to before the
5 Comptroller or the department ~~himself or herself~~ or before any
6 judicial officer or clerk of any court of the state so as to
7 enable the ~~such~~ Comptroller to determine ~~decide as to~~ the
8 justice or legality of such account, claim, or demand.

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

11 (a) Issue subpoenas, administer oaths, and examine
12 witnesses.

13 (b) Require or permit a person to file a statement in
14 writing, under oath or otherwise as the Comptroller or his or
15 her designee requires, as to all the facts and circumstances
16 concerning the matter to be audited, examined, or
17 investigated.

18 (3) Subpoenas shall be issued by the Comptroller or
19 his or her designee under seal commanding such witnesses to
20 appear before the Comptroller or the Comptroller's
21 representative or the department at a specified time and place
22 and to bring books, records, and documents as specified or to
23 submit books, records, and documents for inspection. Such
24 subpoenas may be served by an authorized representative of the
25 Comptroller or the department.

26 (4) In the event of noncompliance with a subpoena
27 issued pursuant to this section, the Comptroller or the
28 department may petition the circuit court of the county in
29 which the person subpoenaed resides or has his or her
30 principal place of business for an order requiring the
31 subpoenaed person to appear and testify and to produce books,

1 records, and documents as specified in the subpoena. The
2 court may grant legal, equitable, or injunctive relief,
3 including, but not limited to, issuance of a writ of ne exeat
4 or the restraint by injunction or appointment of a receiver of
5 any transfer, pledge, assignment, or other disposition of such
6 person's assets or any concealment, alteration, destruction,
7 or other disposition of subpoenaed books, records, or
8 documents, as the court deems appropriate, until such person
9 has fully complied with such subpoena and the Comptroller or
10 the department has completed the audit, examination, or
11 investigation. The Comptroller or the department is entitled
12 to the summary procedure provided in s. 51.011 and the court
13 shall advance the cause on its calendar. Costs incurred by
14 the Comptroller or the department to obtain an order granting,
15 in whole or in part, such petition for enforcement of a
16 subpoena shall be charged against the subpoenaed person, and
17 failure to comply with such order shall be a contempt of
18 court.

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

21 17.076 Direct deposit of funds.--

22 (8) Effective July 1, 2000, all new recipients of
23 retirement benefits from this state shall be paid by direct
24 deposit of funds. A retiree may request from the department an
25 exemption from the provisions of this subsection when such
26 retiree can demonstrate a hardship. The department may pay
27 retirement benefits by state warrant when deemed
28 administratively necessary.

29 Section 3. Section 20.12, Florida Statutes, is amended
30 to read:

31

1 20.12 Department of Banking and Finance.--There is
2 created a Department of Banking and Finance.

3 (1) The head of the Department of Banking and Finance
4 is the Comptroller.

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

9 (3) The Comptroller shall execute the programs and
10 policies as adopted by the Legislature.~~The following~~
11 ~~divisions are established within the Department of Banking and~~
12 ~~Finance:~~

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

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

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

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

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

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

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

20 (4) The Office of Financial Investigations is created
21 as a subunit within the Department of Banking and Finance.
22 The office shall function as a criminal justice agency within
23 the meaning of s. 943.045(10)(d) and shall have a separate
24 budget.

25 (5) Subsections (3) and (4) are repealed January 7,
26 2003.

27 Section 4. Subsection (3) of section 20.04, Florida
28 Statutes, is amended to read:

29 20.04 Structure of executive branch.--The executive
30 branch of state government is structured as follows:

31

1 (3) For their internal structure, all departments,
2 except for the Departments of Children and Family Services,
3 Corrections, Management Services, Revenue, Banking and
4 Finance, and Transportation, must adhere to the following
5 standard terms:

6 (a) The principal unit of the department is the
7 "division." Each division is headed by a "director."

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

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

12 (d) If further subdivision is necessary, sections may
13 be divided into "subsections," which are headed by
14 "supervisors."

15 Section 5. Subsection (1) of section 110.1165, Florida
16 Statutes, is amended, and subsection (3) is added to said
17 section, to read:

18 110.1165 Executive branch personnel errors.--

19 (1) An agency of the executive branch, including the
20 State University System, shall establish procedures for the
21 receipt, consideration, and disposition of a claim regarding
22 pay or benefits brought by an employee when that employee is
23 damaged as a result of being provided with erroneous written
24 information by the employing agency regarding his or her pay
25 or benefits, and the employee detrimentally relies upon such
26 written information. In order to qualify for the relief
27 provided by this section, the employee's reliance on the
28 representation must have been reasonable and based only upon
29 the written representations made by those persons authorized
30 by the agency head to make such representations. Furthermore,
31 the erroneous calculation and payment of an employee's salary,

1 wages, or benefits is not among the written representations
2 which will trigger relief under this section. ~~Section 95.11(4)~~
3 ~~is the statute of limitations for filing any action to recover~~
4 ~~salary, wages, overtime, benefits, or related damages by or on~~
5 ~~behalf of a state employee, or any action under this section.~~
6 ~~No distinctions between the terms "salary" and "wages" in~~
7 ~~construing the provisions of s. 95.11(4) apply to this section~~
8 ~~or the statute of limitations for filing any action under this~~
9 ~~section.~~

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

19 Section 6. Paragraphs (d) and (f) of subsection (3),
20 paragraph (b) of subsection (4), paragraphs (a), (d), and (f)
21 of subsection (7), and subsections (12) and (13) of section
22 112.061, Florida Statutes, 1998 Supplement, are amended to
23 read:

24 112.061 Per diem and travel expenses of public
25 officers, employees, and authorized persons.--

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

27 (d) Travel expenses of public employees for the sole
28 purpose of taking merit system or other job placement
29 examinations, written or oral, shall not be allowed under any
30 circumstances, except that upon prior written approval of the
31 agency head or his or her designee, candidates for executive

1 or professional positions may be allowed travel expenses
2 pursuant to this section.

3 (f) A traveler who becomes sick or injured while away
4 from his or her official headquarters and is therefore unable
5 to perform the official business of the agency may continue to
6 receive subsistence as provided in subsection (6) during this
7 period of illness or injury until such time as he or she is
8 able to perform the official business of the agency or returns
9 to his or her official headquarters, whichever is earlier.
10 Such subsistence may be paid when approved by the agency head
11 or his or her designee.

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

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

23 (7) TRANSPORTATION.--

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

- 1 1. The nature of the business.
- 2 2. The most efficient and economical means of travel
3 (considering time of the traveler, impact on the productivity
4 of the traveler, cost of transportation, and per diem or
5 subsistence required). When it is more efficient and
6 economical to either the traveler or the agency head, jet
7 service offered by any airline, whether on state contract or
8 not, may be used when the cost is within an approved threshold
9 determined by the agency head or his or her designee.
- 10 3. The number of persons making the trip and the
11 amount of equipment or material to be transported.
- 12 (d)1. The use of privately owned vehicles for official
13 travel in lieu of publicly owned vehicles or common carriers
14 may be authorized by the agency head or his or her designee.
15 Whenever travel is by privately owned vehicle, the traveler
16 shall be entitled to a mileage allowance at a fixed rate of 25
17 cents per mile for state fiscal year 1994-1995 and 29 cents
18 per mile thereafter or the common carrier fare for such
19 travel, as determined by the agency head. Reimbursement for
20 expenditures related to the operation, maintenance, and
21 ownership of a vehicle shall not be allowed when privately
22 owned vehicles are used on public business and reimbursement
23 is made pursuant to this paragraph, except as provided in
24 subsection (8).
- 25 2. All mileage shall be shown from point of origin to
26 point of destination and, when possible, shall be computed on
27 the basis of the current map of the Department of
28 Transportation. Vicinity mileage necessary for the conduct of
29 official business is allowable but must be shown as a separate
30 item on the expense voucher.
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1 (f) The agency head or his or her designee may grant
2 monthly allowances in fixed amounts for use of privately owned
3 automobiles on official business in lieu of the mileage rate
4 provided in paragraph (d). Allowances granted pursuant to
5 this paragraph shall be reasonable, taking into account the
6 customary use of the automobile, the roads customarily
7 traveled, and whether any of the expenses incident to the
8 operation, maintenance, and ownership of the automobile are
9 paid from funds of the agency or other public funds. Such
10 allowance may be changed at any time, and shall be made on the
11 basis of a signed statement of the traveler, filed before the
12 allowance is granted or changed, and at least annually
13 thereafter. The statement shall show the places and distances
14 for an average typical month's travel on official business,
15 and the amount that would be allowed under the approved rate
16 per mile for the travel shown in the statement, if payment had
17 been made pursuant to paragraph (d).

18 (12) ADVANCEMENTS.--Notwithstanding any of the
19 foregoing restrictions and limitations, an agency head or his
20 or her designee may make, or authorize the making of, advances
21 to cover anticipated costs of travel to travelers. Such
22 advancements may include the costs of subsistence and travel
23 of any person transported in the care or custody of the
24 traveler in the performance of his or her duties.

25 (13) DIRECT PAYMENT OF EXPENSES BY AGENCY.--Whenever
26 an agency requires an employee to incur either Class A or
27 Class B travel on emergency notice to the traveler, such
28 traveler may request the agency to pay his or her expenses for
29 meals and lodging directly to the vendor, and the agency may
30 pay the vendor the actual expenses for meals and lodging
31 during the travel period, limited to an amount not to exceed

1 that authorized pursuant to this section. In emergency
2 situations, the agency head or his or her designee may
3 authorize an increase in the amount paid for a specific meal,
4 provided that the total daily cost of meals does not exceed
5 the total amount authorized for meals each day. The agency
6 head or his or her designee may also grant prior approval for
7 a state agency to make direct payments of travel expenses in
8 other situations that result in cost savings to the state, and
9 such cost savings shall be documented in the voucher submitted
10 to the Comptroller for the direct payment of travel expenses.
11 The provisions of this subsection shall not be deemed to apply
12 to any legislator or to any employee of the Legislature.

13 Section 7. Subsections (5), (6), and (9) of section
14 215.422, Florida Statutes, are amended to read:

15 215.422 Warrants, vouchers, and invoices; processing
16 time limits; dispute resolution; agency or judicial branch
17 compliance.--

18 (5) All purchasing agreements between a state agency
19 or the judicial branch and a vendor, applicable to this
20 section, shall include a statement of the vendor's rights and
21 the state's responsibilities under this section. The vendor's
22 rights shall include being provided with the ~~name~~ and
23 telephone number of the vendor ombudsman within the Department
24 of Banking and Finance, which information shall also be placed
25 on all agency or judicial branch purchase orders.

26 (6) The Department of Banking and Finance shall
27 monitor each agency's and the judicial branch's compliance
28 with the time limits and interest penalty provisions of this
29 section. The department shall provide a report to an agency
30 or to the judicial branch if the department determines that
31 the agency or the judicial branch has failed to maintain an

1 acceptable rate of compliance with the time limits and
2 interest penalty provisions of this section. The department
3 shall establish criteria for determining acceptable rates of
4 compliance. The report shall also include a list of late
5 vouchers or payments, the amount of interest owed or paid, and
6 any corrective actions recommended. The department shall
7 perform monitoring responsibilities, pursuant to this section,
8 using the Management Services and Purchasing Subsystem or the
9 Florida State Automated Management Accounting Information
10 Resource Subsystem provided in s. 215.94. Each agency and the
11 judicial branch shall be responsible for the accuracy of
12 information entered into the Management Services and
13 Purchasing Subsystem and the Florida State Automated
14 Management Accounting Information Resource Subsystem for use
15 in this monitoring.

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

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1 Section 8. Paragraph (x) of subsection (1) of section
2 216.011, Florida Statutes, 1998 Supplement, is amended to
3 read:

4 216.011 Definitions.--

5 (1) For the purpose of fiscal affairs of the state,
6 appropriations acts, legislative budgets, and approved
7 budgets, each of the following terms has the meaning
8 indicated:

9 (x) "Operating capital outlay" means equipment,
10 fixtures, and other tangible personal property of a
11 nonconsumable and nonexpendable nature, the value or cost of
12 which is \$1,000~~\$500~~ or more and the normal expected life of
13 which is 1 year or more, and hardback-covered bound books that
14 are circulated to students or the general public, the value or
15 cost of which is \$25 or more, and hardback-covered bound
16 books, the value or cost of which is \$250~~\$100~~ or more.

17 Section 9. Subsections (1) and (2) of section 216.102,
18 Florida Statutes, as amended by chapter 95-303, Laws of
19 Florida, are amended to read:

20 216.102 Recording and filing of financial information;
21 handling by Comptroller; penalty for noncompliance.--

22 (1) On or before September 30 of each year, each
23 agency supported by any form of taxation, licenses, fees,
24 imposts, or exactions, and the judicial branch, shall, in the
25 form and format prescribed by the Comptroller, file with the
26 Comptroller the financial and other information necessary for
27 the preparation of annual financial statements for the State
28 of Florida as of June 30 in accordance with generally accepted
29 accounting principles. In addition, each such agency and the
30 judicial branch shall prepare financial statements showing the
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1 financial position and results of agency or branch operations
2 as of June 30 for internal management purposes.

3 (a) Each state agency and the judicial branch shall
4 record the receipt and disbursement of funds from federal
5 sources in a form and format prescribed by the Comptroller.
6 The access to federal funds by the administering agencies or
7 the judicial branch may not be authorized until:

8 1. The deposit has been recorded in the Florida State
9 ~~Automated Management Accounting Information Resource~~ Subsystem
10 using proper, consistent codes which designate deposits as
11 federal funds.

12 2. The deposit and appropriate recording required by
13 this paragraph have been verified by the Office of the
14 Treasurer.

15 (b) The Comptroller shall publish a statewide policy
16 detailing the requirements for recording receipt and
17 disbursement of federal funds into the Florida State Automated
18 ~~Management Accounting Information Resource~~ Subsystem and
19 provide technical assistance to the agencies and the judicial
20 branch to implement the policy.

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

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

26 (b) Prepare and publish a Comprehensive Annual
27 Financial Report for the State of Florida in accordance with
28 generally accepted accounting principles on or before February
29 28 each year.

30 (c) ~~(b)~~ Furnish the Governor, the President of the
31 Senate, and the Speaker of the House of Representatives with

1 copies of the Comprehensive Annual Financial Report ~~annual~~
2 ~~financial statements~~ prepared pursuant to paragraph ~~(b)~~~~(a)~~.

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

6 ~~(e)~~~~(d)~~ Provide reports, as requested, to executive or
7 judicial branch entities, the President of the Senate, the
8 Speaker of the House of Representatives, and the members of
9 the Florida Congressional Delegation, detailing the federal
10 financial assistance received and disbursed by state agencies
11 and the judicial branch.

12 ~~(f)~~~~(e)~~ Consult with and elicit comments from the
13 Executive Office of the Governor on changes to the Florida
14 ~~State Automated Management Accounting Information Resource~~
15 Subsystem which clearly affect the accounting of federal
16 funds, so as to ensure consistency of information entered into
17 the Federal Aid Tracking System by state executive and
18 judicial branch entities. While efforts shall be made to
19 ensure the compatibility of the Florida State Automated
20 ~~Management Accounting Information Resource~~ Subsystem and the
21 Federal Aid Tracking System, any successive systems serving
22 identical or similar functions shall preserve such
23 compatibility.

24 ~~(g)~~ The Comptroller may furnish and publish the
25 financial statements and the Comprehensive Annual Financial
26 Report pursuant to paragraphs (a), (b), and (c) in electronic
27 form.

28 Section 10. Subsection (2) of section 216.102, Florida
29 Statutes, as amended by chapter 95-312, Laws of Florida, is
30 amended to read:

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1 216.102 Filing of financial information; handling by
2 Comptroller; penalty for noncompliance.--

3 (2) Financial information must be contained within the
4 Florida State Automated Management Accounting Information
5 Resource Subsystem. Other information must be submitted in
6 the form and format prescribed by the Comptroller.

7 (a) Each component unit shall file financial
8 information and other information necessary for the
9 preparation of annual financial statements with the agency or
10 branch designated by the Comptroller, by the date specified by
11 the Comptroller.

12 (b) The state agency or branch designated by the
13 Comptroller to receive financial information and other
14 information from component units shall include the financial
15 information in the Florida State Automated Management
16 Accounting Information Resource Subsystem and shall include
17 the component units' other information in its submission to
18 the Comptroller.

19 Section 11. Section 273.02, Florida Statutes, is
20 amended to read:

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

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

19 Section 12. Paragraph (c) of subsection (1) of section
20 287.058, Florida Statutes, 1998 Supplement, is amended to
21 read:

22 287.058 Contract document.--

23 (1) Every procurement of contractual services in
24 excess of the threshold amount provided in s. 287.017 for
25 CATEGORY TWO, except for the providing of health and mental
26 health services or drugs in the examination, diagnosis, or
27 treatment of sick or injured state employees or the providing
28 of other benefits as required by the provisions of chapter
29 440, shall be evidenced by a written agreement embodying all
30 provisions and conditions of the procurement of such services,
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1 which provisions and conditions shall, where applicable,
2 include, but shall not be limited to:
3 (c) A provision allowing unilateral cancellation by
4 the agency for refusal by the contractor to allow public
5 access to all documents, papers, letters, or other material,
6 subject to the provisions of chapter 119 and made or received
7 by the contractor directly in conjunction with the contract.
8 All documents, papers, letters, or other material made or
9 received by any contractor, subcontractor, or any other person
10 directly in connection with any contract for services in
11 excess of the threshold amount for CATEGORY TWO, are public
12 records and subject to the provisions of chapter 119. Every
13 written agreement, in excess of the threshold amount for
14 CATEGORY TWO, between a contractor and subcontractor, or
15 between a subcontractor and other parties performing services
16 relating to the contract, shall also contain a provision
17 allowing unilateral cancellation for refusal to allow public
18 access to all documents, papers, letters, or other material
19 made or received in connection with the contract.

20
21 In lieu of a written agreement, the department may authorize
22 the use of a purchase order for classes of contractual
23 services, provided the provisions of paragraphs (a)-(f) are
24 included in the purchase order, invitation to bid, or request
25 for proposals. The purchase order shall include an adequate
26 description of the services, the contract period, and the
27 method of payment. In lieu of printing the provisions of
28 paragraphs (a)-(f) in the contract document or purchase order,
29 agencies may incorporate the requirements of paragraphs
30 (a)-(f) by reference.

31

1 Section 13. Subsection (2) of section 17.11, Florida
2 Statutes, is amended to read:

3 17.11 To report disbursements made.--

4 (2) The Comptroller shall also cause to have reported
5 from the Florida ~~state automated management~~ Accounting
6 Information Resource Subsystem no less than quarterly the
7 disbursements which agencies made to small businesses, as
8 defined in the Florida Small and Minority Business Assistance
9 Act of 1985; to certified minority business enterprises in the
10 aggregate; and to certified minority business enterprises
11 broken down into categories of minority persons, as well as
12 gender and nationality subgroups. This information shall be
13 made available to the agencies, the Minority Business Advocacy
14 and Assistance Office, the Governor, the President of the
15 Senate, and the Speaker of the House of Representatives. Each
16 agency shall be responsible for the accuracy of information
17 entered into the Florida ~~state automated management~~ Accounting
18 Information Resource Subsystem for use in this reporting.

19 Section 14. Subsection (4) of section 215.3206,
20 Florida Statutes, is amended to read:

21 215.3206 Trust funds; termination or re-creation.--

22 (4) For the purposes of this section, the Governor,
23 Chief Justice, and agencies shall review the trust funds as
24 they are identified by a unique 6-digit code in the Florida
25 ~~State Automated Management~~ Accounting Information Resource
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. The Governor, Chief
29 Justice, and agencies may also conduct their review and make
30 recommendations concerning accounts within such trust funds.
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1 Section 15. Subsection (3) of section 215.3208,
2 Florida Statutes, is amended to read:

3 215.3208 Trust funds; schedule for termination;
4 legislative review.--

5 (3) For the purposes of this section, the Legislature
6 shall review the trust funds as they are identified by a
7 unique 6-digit code in the Florida State Automated Management
8 Accounting Information Resource Subsystem(~~SAMAS~~) at a level
9 composed of the 2-digit organization level 1, the 1-digit
10 state fund type 2, and the first three digits of the fund
11 identifier. When a statutorily created trust fund that was in
12 existence on November 4, 1992, has more than one 6-digit code,
13 the Legislature may treat it as a single trust fund for the
14 purposes of this section. The Legislature may also conduct its
15 review concerning accounts within such trust funds.

16 Section 16. Section 216.183, Florida Statutes, is
17 amended to read:

18 216.183 Entities using performance-based program
19 budgets; chart of accounts.--State agencies and the judicial
20 branch for which a performance-based program budget has been
21 appropriated shall utilize the chart of accounts used by the
22 Florida State Automated Management Accounting Information
23 Resource Subsystem in the manner described in s. 215.93(3).
24 The chart of accounts for state agencies and the judicial
25 branch for which a performance-based program budget has been
26 appropriated shall be developed and amended, if necessary, in
27 consultation with the Department of Banking and Finance and
28 the Executive Office of the Governor.

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

31

1 216.212 Budgets for federal funds; restrictions on
2 expenditure of federal funds.--

3 (4) The Office of the Comptroller and the Executive
4 Office of the Governor, in consultation with the Office of the
5 Treasurer and the Office of the Auditor General, shall develop
6 and maintain a means to ensure the compatibility of the
7 Florida State Automated Management Accounting Information
8 Resource Subsystem and the Federal Aid Tracking System. Any
9 successive systems serving identical or similar functions
10 shall preserve such compatibility.

11 Section 18. Section 216.237, Florida Statutes, is
12 amended to read:

13 216.237 Availability of any remaining funds; agency
14 maintenance of accounting records.--Any remaining funds from
15 the General Revenue Fund and trust fund spending authority not
16 awarded to agencies pursuant to section 2 of this bill shall
17 be available to agencies for innovative projects which
18 generate a cost savings, increase revenue, or improve service
19 delivery. Innovative projects which generate a cost savings
20 shall receive greater consideration when awarding innovation
21 investment funds. Any trust fund authority granted under this
22 program shall be utilized in a manner consistent with the
23 statutory authority for the use of said trust fund. Any
24 savings realized as a result of implementing the innovative
25 project shall be used by the agency to establish an internal
26 innovations fund. State agencies which are awarded funds for
27 innovative projects shall utilize the chart of accounts used
28 by the Florida State Automated Management Accounting
29 Information Resource Subsystem ~~System~~ in the manner described
30 in s. 215.93(3). Such chart of accounts shall be developed and
31 amended in consultation with the Department of Banking and

1 Finance and the Executive Office of the Governor to separate
2 and account for the savings that result from the
3 implementation of the innovative projects and to keep track of
4 how the innovative funds are reinvested by the state agency to
5 fund additional innovative projects, which may include, but
6 not be limited to, expenditures for training and information
7 technology resources. Guidelines for the establishment of such
8 internal innovations fund shall be provided by the Department
9 of Management Services. Any agency awarded funds under this
10 section shall maintain detailed accounting records showing all
11 expenses, loan transfers, savings, or other financial actions
12 concerning the project. Any savings realized as a result of
13 implementing the innovative project shall be quantified,
14 validated, and verified by the agency. A final report of the
15 results of the implementation of each innovative project shall
16 be submitted by each participating agency to the Governor's
17 Office of Planning and Budgeting and the legislative
18 appropriations committees by June 30 of the fiscal year in
19 which the funds were received and ensuing fiscal years for the
20 life of the project.

21 Section 19. Subsection (1) of section 280.08, Florida
22 Statutes, 1998 Supplement, is amended to read:

23 280.08 Procedure for payment of losses.--When the
24 Treasurer determines that a default or insolvency has
25 occurred, he or she shall provide notice as required in s.
26 280.085(1) and implement the following procedures:

27 (1) The Treasurer, in cooperation with the ~~Director of~~
28 ~~the Division of Banking of the~~ Department of Banking and
29 Finance or the receiver of the qualified public depository in
30 default, shall ascertain the amount of funds of each public
31

1 depositor on deposit at such depository and the amount of
2 deposit insurance applicable to such deposits.

3 Section 20. Section 288.778, Florida Statutes, is
4 amended to read:

5 288.778 Department of Banking and Finance.--The
6 ~~Division of Banking of the~~ Department of Banking and Finance
7 shall review the corporation's activities once every 24 months
8 to determine compliance with this part and other related laws
9 and rules and to evaluate the corporation's operations. The
10 department division shall prepare a report based on its review
11 and evaluation with recommendation for any corrective action.
12 The president shall submit to the department division regular
13 reports on the corporation's activities. The content and
14 frequency of such reports shall be determined by the
15 department division. The department division shall charge a
16 fee for conducting the review and evaluation and preparing the
17 related report, which fee shall not be in excess of the
18 examination fee paid by financial institutions chartered or
19 licensed under the financial institutions code of this state.

20 Section 21. Subsection (3) of section 494.0011,
21 Florida Statutes, 1998 Supplement, is amended to read:

22 494.0011 Powers and duties of the department.--

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

27 Section 22. Subsection (3) of section 494.0017,
28 Florida Statutes, is amended to read:

29 494.0017 Mortgage Brokerage Guaranty Fund.--

30 (3) The Mortgage Brokerage Guaranty Fund shall be
31 disbursed as provided in former s. 494.044, upon approval by

1 the department ~~Division of Finance~~, to any party to a mortgage
2 financing transaction who:

3 (a) Is adjudged by a court of competent jurisdiction
4 of this state to have suffered monetary damages as a result of
5 any violation of chapter 494 in effect prior to October 1,
6 1991, committed by a licensee or registrant;

7 (b) Has filed a claim for recovery prior to January 1,
8 1992; and

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

11 Section 23. Paragraph (m) of subsection (2) of section
12 494.0041, Florida Statutes, is amended to read:

13 494.0041 Administrative penalties and fines; license
14 violations.--

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

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

22 Section 24. Paragraph (a) of subsection (7) of section
23 494.00421, Florida Statutes, is amended to read:

24 494.00421 Fees earned upon obtaining a bona fide
25 commitment.--Notwithstanding the provisions of ss.
26 494.001-494.0077, any mortgage brokerage business which
27 contracts to receive from a borrower a mortgage brokerage fee
28 upon obtaining a bona fide commitment shall accurately
29 disclose in the mortgage brokerage agreement:

30
31

1 (7)(a) The following statement, in no less than
2 12-point boldface type immediately above the signature lines
3 for the borrowers:

4
5 "You are entering into a contract with a mortgage brokerage
6 business to obtain a bona fide mortgage loan commitment under
7 the same terms and conditions as stated hereinabove or in a
8 separate executed good faith estimate form. If the mortgage
9 brokerage business obtains a bona fide commitment under the
10 same terms and conditions, you will be obligated to pay the
11 mortgage brokerage business fees, including, but not limited
12 to, a mortgage brokerage fee, even if you choose not to
13 complete the loan transaction. If the provisions of s.
14 494.00421, Florida Statutes, are not met, the mortgage
15 brokerage fee can only be earned upon the funding of the
16 mortgage loan. The borrower may contact the Department of
17 Banking and Finance, ~~Division of Finance~~, Tallahassee,
18 Florida, regarding any complaints that the borrower may have
19 against the mortgage broker or the mortgage brokerage
20 business. The telephone number of the department as set by
21 rule of the department is: ...[insert telephone number]...."

22 Section 25. Subsection (3) of section 494.0061,
23 Florida Statutes, is amended to read:

24 494.0061 Mortgage lender's license requirements.--

25 (3) Each initial application for a mortgage lender's
26 license must be in written form prescribed by the department.
27 The department ~~division~~ may require each applicant to provide
28 any information reasonably necessary to make a determination
29 of the applicant's eligibility for licensure. The department
30 may require that each officer, director, and ultimate
31 equitable owner of a 10-percent or greater interest in the

1 applicant submit a complete set of fingerprints taken by an
2 authorized law enforcement officer.

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

5 494.0062 Correspondent mortgage lender's license
6 requirements.--

7 (3) Each initial application for a correspondent
8 mortgage lender's license must be in written form prescribed
9 by the department. The department ~~division~~ may require each
10 applicant to provide any information reasonably necessary to
11 make a determination of the applicant's eligibility for
12 licensure. The department may require that each officer,
13 director, and ultimate equitable owner of a 10-percent or
14 greater interest submit a complete set of fingerprints taken
15 by an authorized law enforcement officer.

16 Section 27. Paragraph (m) of subsection (2) of section
17 494.0072, Florida Statutes, is amended to read:

18 494.0072 Administrative penalties and fines; license
19 violations.--

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

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

27 Section 28. Subsections (4), (9), and (12) of section
28 497.407, Florida Statutes, are amended to read:

29 497.407 Certificate of authority; annual statement;
30 renewal; transfer.--

31

1 (4) The fee payable to the department for issuance of
2 the original certificate of authority and each annual renewal
3 thereof shall be set by the board at an amount not to exceed
4 \$500 and shall accompany each application for an original
5 certificate and, thereafter, each annual statement. Any
6 person or entity that is part of a common business enterprise
7 that has a certificate of authority issued pursuant to this
8 section and elects to operate under a name other than that of
9 the common business enterprise shall submit an application on
10 a form adopted by the board to become a branch registrant.
11 Upon the approval of the board that such entity qualifies to
12 sell preneed contracts under this chapter except for the
13 requirements of subparagraph (2)(c)1. and if the
14 certificateholder meets the requirements of such subparagraph,
15 a branch registration shall be issued. Each branch registrant
16 may operate under the certificate of authority of the common
17 business enterprise upon the payment of a fee established by
18 the board not to exceed \$100 accompanying the application on
19 April 1 annually. The fee shall be payable to the Regulatory
20 Trust Fund under the department ~~Division of Finance~~.

21 (9) In addition to any other penalty that may be
22 provided for under this chapter, the board may levy a fine not
23 to exceed \$50 a day for each day the certificateholder fails
24 to file its annual statement, and the board may levy a fine
25 not to exceed \$50 a day for each day the certificateholder
26 fails to file the statement of activities of the trust. Upon
27 notice to the certificateholder by the board that the
28 certificateholder has failed to file the annual statement or
29 the statement of activities of the trust, the
30 certificateholder's authority to sell preneed contracts shall
31 cease while such default continues. The board shall deposit

1 all sums collected under this section to the credit of the
2 Regulatory Trust Fund under the department ~~Division of~~
3 ~~Finance~~.

4 (12) Each certificateholder shall pay to the
5 Regulatory Trust Fund under the department ~~Division of Finance~~
6 an amount established by the board not to exceed \$5 for each
7 preneed contract entered into. This amount must be paid within
8 60 days after the end of each quarter. These funds must be
9 used to defray the cost of the board and the department in
10 administering the provisions of this chapter.

11 Section 29. Subsection (3) of section 497.435, Florida
12 Statutes, is amended to read:

13 497.435 Administrative fine in lieu of revocation or
14 suspension of certificate of authority.--

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

17 Section 30. Subsection (2) of section 516.03, Florida
18 Statutes, is amended to read:

19 516.03 Application for license; fees; etc.--

20 (2) FEES.--Fees herein provided for shall be collected
21 by the department and shall be turned into the State Treasury
22 to the credit of the regulatory trust fund under the ~~Division~~
23 ~~of Finance of the~~ department. The department shall have full
24 power to employ such examiners or clerks to assist the
25 department as may from time to time be deemed necessary and
26 fix their compensation.

27 Section 31. Section 520.998, Florida Statutes, is
28 amended to read:

29 520.998 Regulatory Trust Fund.--All fees, charges, and
30 fines collected by the department pursuant to this chapter
31 shall be deposited in the State Treasury to the credit of the

1 Regulatory Trust Fund under the ~~Division of Finance of the~~
2 department.

3 Section 32. Paragraph (a) of subsection (1) of section
4 655.90, Florida Statutes, is amended to read:

5 655.90 Closing during emergencies and other special
6 days.--

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

8 (a) "Commissioner" means the officer of this state
9 designated by law as the head of the Department of Banking and
10 Finance and any other person lawfully exercising such powers,
11 whether as a deputy to such officer; as a division director,
12 bureau chief, or financial administrator of or within such
13 department; or otherwise. ~~In the absence of any person~~
14 ~~lawfully exercising the powers of the head of the Department~~
15 ~~of Banking and Finance, the director of the Division of~~
16 ~~Banking or any other person lawfully exercising the powers of~~
17 ~~the director of the division, whether as another division~~
18 ~~director, as a bureau chief or financial administrator, or~~
19 ~~otherwise.~~

20 Section 33. Subsection (1) of section 655.942, Florida
21 Statutes, is amended to read:

22 655.942 Standards of conduct; institutions.--

23 (1) A financial institution which is licensed or
24 authorized to do business pursuant to the financial
25 institutions codes, or its officers, directors, or employees
26 may not make or grant any loan or gratuity to any employee of
27 the department ~~Division of Banking~~ who has authority to
28 examine or otherwise supervise such financial institution.

29 Section 34. This act shall take effect October 1,
30 1999.

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HOUSE SUMMARY

Provides for payment of retirement benefits by direct deposit. Specifies purposes and duties of the Comptroller and deletes provisions creating divisions of the Department of Banking and Finance. Specifies a time limit for filing actions to recover compensation by executive branch personnel. Provides for designees of agency heads to perform specified functions relating to per diem and travel expenses. Revises duties of the Comptroller relating to preparing and publishing required financial information. Declares contracts for services above a threshold amount as public records. Requires written agreements for procurement of contractual services by the state to contain a provision for unilateral cancellation if the public is denied access to public information. See bill for details.