

By the Committee on General Appropriations and
 Representative Pruitt

1 A bill to be entitled
 2 An act relating to lawsuits involving the
 3 executive branch; amending s. 45.062, F.S.;
 4 providing additional requirements with respect
 5 to notification of certain settlements or
 6 orders; providing that certain settlements or
 7 orders shall be contingent upon and subject to
 8 legislative appropriation or statutory
 9 amendment; providing for the disposition of
 10 funds; providing legislative intent; amending
 11 s. 216.023, F.S.; providing for an inventory of
 12 all litigation in which an agency is involved
 13 that may require additional appropriations to
 14 the agency or amendments to the law under which
 15 the agency operates as a part of legislative
 16 budget requests; amending s. 284.385, F.S.;
 17 revising language with respect to the reporting
 18 and handling of claims by the Department of
 19 Insurance covered by the Florida Casualty
 20 Insurance Risk Management Trust Fund; providing
 21 an effective date.

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

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 25 Section 1. Section 45.062, Florida Statutes, is
 26 amended to read:

27 45.062 Settlements, conditions, or orders when an
 28 agency of the executive branch is a party.--

29 (1) In any civil action in which a state executive
 30 branch agency or officer is a party in state or federal court,
 31 the officer, agent, official, or attorney who represents or is

1 acting on behalf of such agency or officer may not settle such
2 action, consent to any condition, or agree to any order in
3 connection therewith, if the settlement, condition, or order
4 requires the expenditure of or the obligation to expend any
5 state funds or other state resources, or the establishment of
6 any new program, unless:

7 (a) The expenditure is provided for by an existing
8 appropriation or program established by law; and

9 (b) Prior written notification is given within 5
10 business days of the date the settlement or presettlement
11 agreement or order is to be made final to the President of the
12 Senate, the Speaker of the House of Representatives, the
13 Senate and House minority leaders, and the Attorney General.
14 Such notification shall specify how the agency involved will
15 address the costs in future years within the limits of current
16 appropriations.

17 (2) The state executive branch agency or officer shall
18 negotiate a closure date as soon as possible for the civil
19 action.

20 (3) The state executive branch agency or officer may
21 not pledge any current or future action of another branch of
22 state government as a condition for settling the civil action.

23 (4) Any settlement that commits the state to spending
24 in excess of current appropriations or to policy changes
25 inconsistent with current state law shall be contingent upon
26 and subject to legislative appropriation or statutory
27 amendment. The state agency or officer may agree to use all
28 efforts to procure legislative funding or statutory amendment.

29 (5) When a state agency or officer settles an action
30 in which the state will receive moneys, the funds will be
31 placed unobligated in the General Revenue Fund or in the trust

1 fund which is associated with the agency's or official's
2 authority to pursue the legal action.

3 (6) The Legislature intends that state agencies and
4 officers advise the appropriate legislative committees of
5 potential settlements, which may commit the state to spending
6 in excess of current appropriations or to policy changes
7 inconsistent with current state law, and of the progress
8 thereon during the settlement process.

9 Section 2. Subsection (8) is added to section 216.023,
10 Florida Statutes, to read:

11 216.023 Legislative budget requests to be furnished by
12 agencies.--

13 (8) As a part of the legislative budget request, the
14 head of each state agency shall include an inventory of all
15 litigation in which the agency is involved that may require
16 additional appropriations to the agency or amendments to the
17 law under which the agency operates. No later than March 1
18 following the submission of the legislative budget request,
19 the head of the state agency shall provide an update of any
20 additions or changes to the inventory. Such inventory shall
21 include:

- 22 (a) The names of the parties.
23 (b) The court with jurisdiction.
24 (c) A summary of the complaint.
25 (d) The estimated value of the claim.
26 (e) The specific laws challenged.
27 (f) The status of the case.

28 Section 3. Section 284.385, Florida Statutes, is
29 amended to read:

30 284.385 Reporting and handling of claims.--All
31 departments covered by the Florida Casualty Insurance Risk

1 Management Trust Fund under this part shall immediately report
2 all known or potential claims to the Department of Insurance
3 for handling, except employment complaints which have not been
4 filed with the Florida Human Relations Commission, Equal
5 Employment Opportunity Commission, or any similar agency.
6 When deemed necessary, the Department of Insurance shall
7 assign or reassign the claim to counsel. The assigned counsel
8 shall report regularly to the Department of Insurance and to
9 the covered department on the status of any such claims or
10 litigation as required by the Department of Insurance. No
11 such claim shall be compromised or settled for monetary
12 compensation without the prior approval of the Department of
13 Insurance and prior notification to the covered department.
14 All departments shall cooperate with the Department of
15 Insurance in its handling of claims. The Department of
16 Insurance, the Department of Management Services, and the
17 Department of Banking and Finance, with the cooperation of the
18 state attorneys and the clerks of the courts, shall develop a
19 system to coordinate the exchange of information concerning
20 claims for and against the state, its agencies, and its
21 subdivisions, to assist in collection of amounts due to them.
22 The covered department shall have the responsibility for the
23 settlement of any claim for injunctive or affirmative relief
24 under 42 U.S.C. s. 1983 or similar federal or state statutes.
25 The payment of a settlement or judgment for any claim covered
26 and reported under this part shall be made only from the
27 Florida Casualty Insurance Risk Management Trust Fund.

28 Section 4. This act shall take effect July 1, 2000.
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HOUSE SUMMARY

Revises a provision of law governing settlements, conditions, or orders when an agency of the executive branch of government is a party to provide additional requirements with respect to notification, to provide that described settlements or orders shall be contingent upon and subject to legislative appropriation or statutory amendment, to provide for the deposit of funds in the General Revenue Fund or in the agency fund, and to provide for the intent of the Legislature with respect to potential settlements. Provides for an inventory of all litigation in which an agency is involved that may require additional appropriations to the agency or statutory amendments as a part of the legislative budget request. Provides a list of elements to be included in such inventories. Revises language with respect to the reporting and handling of claims by the Department of Insurance covered by the Florida Casualty Insurance Risk Management Trust Fund.