

By the Fiscal Responsibility Council and Representative
Lacasa

1 A bill to be entitled
2 An act relating to state planning and
3 budgeting; amending s. 216.011, F.S.; modifying
4 the definitions of "operating capital outlay"
5 and "state agency"; amending s. 216.013, F.S.;
6 removing the requirement for the Executive
7 Office of the Governor to consider certain
8 findings relating to information technology in
9 its review of long-range program plans of
10 executive agencies; requiring long-range
11 program plans to be consistent with legislation
12 implementing the General Appropriations Act;
13 amending s. 216.023, F.S.; revising
14 requirements of legislative budget requests
15 relating to the total number of positions and
16 to unit-cost data; requiring legislative budget
17 requests to include an inventory of litigation
18 requiring additional appropriations or changes
19 in the law; providing for update of such
20 inventory; amending s. 216.0446, F.S.;
21 correcting terminology; amending s. 216.081,
22 F.S.; revising provisions requiring submission
23 to the Governor of information on financial
24 needs for the next fiscal year to remove
25 applicability to the judicial branch; amending
26 s. 216.151, F.S.; adding the judicial branch to
27 entities the Executive Office of the Governor
28 is required to study for budgeting and
29 reorganizational purposes; amending s. 216.163,
30 F.S.; revising requirements for the Governor's
31 recommended budget to exclude recommendations

1 of the Chief Justice of the Supreme Court,
2 require the Governor to make such
3 recommendations, and include the legislative
4 budget request of the judicial branch; amending
5 s. 216.177, F.S.; revising the manner in which
6 requests regarding legislative intent on the
7 General Appropriations Act are to be made;
8 revising requirements relating to notice of
9 action on appropriations to be taken by the
10 Executive Office of the Governor or the Chief
11 Justice of the Supreme Court; deleting an
12 obsolete notice requirement; amending s.
13 216.181, F.S.; requiring budget amendments for
14 the judicial branch to be approved by the Chief
15 Justice of the Supreme Court and the
16 Legislative Budget Commission; authorizing the
17 Chief Justice to amend, without approval of the
18 Legislative Budget Commission, judicial branch
19 entity budgets to reflect transferred funds
20 based on the approved plans for lump-sum
21 appropriations; requiring approval of the
22 Legislative Budget Commission for certain
23 adjustments to approved salary rate; providing
24 circumstances under which lump-sum bonuses may
25 be provided; requiring quarterly reporting of
26 positions filled, positions vacant, and the
27 salary rate associated with each category;
28 granting the Legislative Budget Commission
29 authority to approve state trust fund
30 appropriations in excess of \$1 million;
31 creating s. 216.1815, F.S.; providing for an

1 agency incentive and savings program; providing
2 requirements; creating s. 216.1826, F.S.;
3 providing for activity-based planning and
4 budgeting; amending s. 216.192, F.S.;
5 conforming provisions; amending s. 216.216,
6 F.S.; providing restrictions on the expenditure
7 of funds for court settlements negotiated by
8 the state; amending s. 216.221, F.S.; providing
9 requirements for the elimination of a deficit
10 in a trust fund; amending s. 216.292, F.S.;
11 conforming provisions; adding food products as
12 an allowable fund transfer category;
13 authorizing transfer of positions under certain
14 circumstances; authorizing transfers of
15 appropriations for operations from trust funds
16 in excess of certain amounts under certain
17 conditions; amending s. 11.90, F.S.;
18 establishing the chair and vice chair of the
19 Legislative Budget Commission each year;
20 eliminating the election of such officers;
21 amending ss. 27.345 and 27.3451, F.S.; revising
22 references, to conform; amending s. 45.062,
23 F.S.; requiring certain notification and
24 reporting with respect to executive branch
25 settlements; saving s. 215.20(3), F.S.,
26 relating to an additional trust fund service
27 charge, from scheduled repeal; amending s.
28 284.385, F.S.; requiring assigned counsel to
29 report to the covered department on the status
30 of casualty claims or litigation; prohibiting
31 compromise or settlement of a casualty claim

1 without prior notification to the covered
2 department; amending s. 376.15, F.S.;
3 correcting a cross reference; providing an
4 effective date.

5
6 Be It Enacted by the Legislature of the State of Florida:

7
8 Section 1. Paragraphs (bb) and (qq) of subsection (1)
9 of section 216.011, Florida Statutes, are amended to read:

10 216.011 Definitions.--

11 (1) For the purpose of fiscal affairs of the state,
12 appropriations acts, legislative budgets, and approved
13 budgets, each of the following terms has the meaning
14 indicated:

15 (bb) "Operating capital outlay" means the
16 appropriation category used to fund equipment, fixtures, and
17 other tangible personal property of a nonconsumable and
18 nonexpendable nature, according to ~~up~~ to the value or cost
19 specified in s. 273.02.

20 (qq) "State agency" or "agency" means any official,
21 officer, commission, board, authority, council, committee, or
22 department of the executive branch of state government. For
23 purposes of this chapter and chapter 215, "state agency" or
24 "agency" includes, but is not limited to, state attorneys,
25 public defenders, the capital collateral regional counsels,
26 the Justice Administrative Commission, The Florida Bar, the
27 Florida Board of Bar Examiners, the Florida Housing Finance
28 Corporation, and the Florida Public Service Commission;
29 however, for purposes of this chapter and chapter 215,
30 employees of The Florida Bar and the Florida Board of Bar
31 Examiners shall not be considered state employees. Solely for

1 the purposes of implementing s. 19(h), Art. III of the State
2 Constitution, the terms "state agency" or "agency" include the
3 judicial branch.

4 Section 2. Subsections (4) and (9) of section 216.013,
5 Florida Statutes, are amended to read:

6 216.013 Long-range program plan.--

7 (4) The Executive Office of the Governor shall review
8 the long-range program plans for executive agencies to ensure
9 that they are consistent with the state's goals and objectives
10 and other requirements as specified in the written
11 instructions and that they provide the framework and context
12 for the agency's budget request. ~~In its review, the Executive~~
13 ~~Office of the Governor shall consider the findings of the~~
14 ~~Technology Review Workgroup as to the consistency of the~~
15 ~~information technology portion of long-range program plans~~
16 ~~with the State Annual Report on Information Resources~~
17 ~~Management and statewide policies recommended by the State~~
18 ~~Technology Council and the state's plan for facility needs~~
19 ~~pursuant to s. 216.0158. Based on the results of the review,~~
20 ~~the Executive Office of the Governor may require an agency to~~
21 ~~revise the plan.~~

22 (9) Agencies and the judicial branch shall make
23 appropriate adjustments to their long-range program plans to
24 be consistent with the appropriations and performance measures
25 in the General Appropriations Act and legislation implementing
26 the General Appropriations Act. Agencies and the judicial
27 branch have until June 15 to make adjustments to their plans
28 and submit the adjusted plans to the Executive Office of the
29 Governor for review.

30 Section 3. Paragraphs (d) and (j) of subsection (4) of
31 section 216.023, Florida Statutes, are amended, subsections

1 (8) through (12) of said section are renumbered as subsections
2 (9) through (13), respectively, and a new subsection (8) is
3 added to said section, to read:

4 216.023 Legislative budget requests to be furnished to
5 Legislature by agencies.--

6 (4) The legislative budget request must contain for
7 each program:

8 (d) The total number of positions (authorized, fixed,
9 and ~~or~~ requested).

10 (j) Unit costs for major activities for the budget
11 entities as defined in the General Appropriations Act. It is
12 the intent of the Legislature to use unit-cost data not only
13 as a budgeting tool but also as a policymaking tool and an
14 accountability tool. Therefore, each budget entity must also
15 submit a one-page summary of information related to itself,
16 subordinate entities, and contracting entities which includes:

17 1. The budget for each entity;

18 2. The total amount of revenue received or otherwise
19 passed through each entity;

20 3. The line-item listings of major activities along
21 with total amounts spent for each major activity and unit
22 costs for each such activity; and

23 4. The total amount of reversions or actual
24 pass-throughs without unit-cost data ~~approved output measures~~
25 ~~pursuant to s. 186.022.~~

26 (8) As a part of the legislative budget request, the
27 head of each state agency shall include an inventory of all
28 litigation in which the agency is involved that may require
29 additional appropriations to the agency or amendments to the
30 law under which the agency operates. No later than March 1
31 following the submission of the legislative budget request,

1 the head of the state agency shall provide an update of any
2 additions or changes to the inventory. Such inventory shall
3 include information specified annually in the legislative
4 budget instructions.

5 Section 4. Paragraph (a) of subsection (2) of section
6 216.0446, Florida Statutes, is amended to read:

7 216.0446 Review of information resources management
8 needs.--

9 (2) In addition to its primary duty specified in
10 subsection (1), the Technology Review Workgroup shall have
11 powers and duties that include, but are not limited to, the
12 following:

13 (a) To evaluate the information resource management
14 needs identified in the agency long-range program plans for
15 consistency with the State Annual Report on Information
16 Resources Management and statewide policies recommended by the
17 State Technology Office Council, and make recommendations to
18 the chairs of the legislative appropriations committees.

19 Section 5. Section 216.081, Florida Statutes, is
20 amended to read:

21 216.081 Data on legislative ~~and judicial~~ branch
22 expenses.--

23 (1) In sufficient time to be included in the
24 Governor's recommended budget, estimates of the financial
25 needs of the legislative branch ~~and the judicial branch~~ during
26 the ensuing fiscal year shall be furnished to the Governor
27 pursuant to chapter 11.

28 (2) All of the data relative to the legislative branch
29 ~~and to the judicial branch~~ shall be for information and
30 guidance in estimating the total financial needs of the state
31 for the ensuing fiscal year; none of these estimates shall be

1 subject to revision or review by the Governor, and they must
2 be included in the Governor's recommended budget.

3 Section 6. Subsection (1) of section 216.151, Florida
4 Statutes, is amended to read:

5 216.151 Duties of the Executive Office of the
6 Governor.--It shall be the duty of the Executive Office of the
7 Governor to:

8 (1) Make a detailed study, as necessary, of each of
9 the several state agencies and the judicial branch, with a
10 view toward ascertaining and determining the needs thereof;
11 whether changes should be made in existing organizations,
12 their activities and methods of operation; what appropriation
13 should be made therefor; whether the operations and activities
14 of different agencies or within the same agencies should be
15 combined, consolidated, or integrated or should be regrouped
16 and rearranged, all to the end of securing greater economy
17 without sacrificing efficiency in the operations of such
18 agencies. In order to accomplish this type of study, the
19 Executive Office of the Governor may request any or all
20 agencies and the judicial branch to submit a budget plan with
21 respect to targets established by the Governor. Such a
22 request shall not influence the independent judgments of the
23 agencies or the Chief Justice ~~agencies' independent judgments~~
24 in making legislative budget requests, as required by law.

25 Section 7. Subsection (2) of section 216.163, Florida
26 Statutes, is amended to read:

27 216.163 Governor's recommended budget; form and
28 content; declaration of collective bargaining impasses.--

29 (2) The Governor's recommended budget shall also
30 include:

31

1 (a) The Governor's recommendations for operating each
2 state agency,~~and those of the Chief Justice of the Supreme~~
3 ~~Court for operating~~ the judicial branch,~~for the next fiscal~~
4 year. These recommendations shall be displayed by
5 appropriation category within each budget entity and shall
6 also include the legislative budget request of the
7 corresponding agency.

8 (b)1. The Governor's recommendations ~~and those of the~~
9 ~~Chief Justice~~ for fixed capital outlay appropriations for the
10 next fiscal year. These recommendations shall be displayed by
11 budget entity and shall also include the legislative budget
12 request of the corresponding agency and the judicial branch.

13 2. For each specific fixed capital outlay project or
14 group of projects or operating capital outlay requests
15 recommended to be funded from a proposed state debt or
16 obligation, he or she shall make available pursuant to s.
17 216.164(1)(a) the documents set forth in s. 216.0442(2).

18 (c) The evaluation of the fixed capital outlay request
19 of each agency and the judicial branch and alternatives to the
20 proposed projects as made by the Department of Management
21 Services pursuant to s. 216.044.

22 (d) A summary statement of the amount of
23 appropriations requested by each state agency and the judicial
24 branch and as recommended by the Governor ~~and by the judicial~~
25 ~~branch~~.

26 (e) A distinct listing of all nonrecurring
27 appropriations recommended by the Governor ~~or the Chief~~
28 ~~Justice~~.

29 (f) The Governor's recommendations for critical
30 information resource management projects which should be
31 subject to special monitoring under s. 282.322. These

1 recommendations shall include proviso language which specifies
2 whether funds are specifically provided to contract for
3 project monitoring, or whether the Auditor General will
4 conduct such project monitoring. When funds are recommended
5 for contracting with a project monitor, such funds may equal 1
6 percent to 5 percent of the project's estimated total costs.
7 These funds shall be specifically appropriated and
8 nonrecurring.

9 (g) Any additional information which the Governor ~~or~~
10 ~~Chief Justice~~ feels is needed to justify his or her
11 recommendations.

12 Section 8. Section 216.177, Florida Statutes, is
13 amended to read:

14 216.177 Appropriations acts, statement of intent,
15 violation, notice, review and objection procedures.--

16 (1) When an appropriations act is delivered to the
17 Governor after the Legislature has adjourned sine die, as soon
18 as practicable, but no later than the 10th day before the end
19 of the period allowed by law for veto consideration in any
20 year in which an appropriation is made, the chairs of the
21 legislative appropriations committees shall jointly transmit:

22 (a) The official list of General Revenue Fund
23 appropriations determined in consultation with the Executive
24 Office of the Governor to be nonrecurring; and

25 (b) The documents set forth in s. 216.0442(2)(a) and
26 (c),

27
28 to the Executive Office of the Governor, the Comptroller, the
29 Auditor General, the Chief Justice of the Supreme Court, and
30 each state agency. A request for additional explanation and
31 direction regarding the legislative intent of the General

1 Appropriations Act during the fiscal year may be made to the
2 chair and vice chair of the Legislative Budget Commission or
3 the President of the Senate and the Speaker of the House of
4 Representatives only by and through the Executive Office of
5 the Governor for state agencies, and by and through the Chief
6 Justice of the Supreme Court for the judicial branch, as is
7 deemed necessary. However, the Comptroller may also request
8 further clarification of legislative intent pursuant to the
9 Comptroller's responsibilities related to his or her preaudit
10 function of expenditures.

11 (2)(a) Whenever notice of action to be taken by the
12 Executive Office of the Governor or the Chief Justice of the
13 Supreme Court is required by this chapter, such notice shall
14 be given to the chair and vice chair of the Legislative Budget
15 Commission ~~and chairs of the legislative appropriations~~
16 ~~committees~~ in writing, and shall be delivered at least 14 days
17 prior to the action referred to, unless a shorter period is
18 approved in writing by the chair. If the action is solely for
19 the release of funds appropriated by the Legislature, the
20 notice shall be delivered at least 3 days before the effective
21 date of the action. Action shall not be taken on any budget
22 item for which this chapter requires notice to the Legislative
23 Budget Commission or the ~~and~~ appropriations committees without
24 such notice having been provided, even though there may be
25 good cause for considering such item.

26 (b) If the chair and vice chair of the Legislative
27 Budget Commission or the President of the Senate and the
28 Speaker of the House of Representatives timely advise, in
29 writing, the Executive Office of the Governor or the Chief
30 Justice of the Supreme Court that an action or a proposed
31 action, whether subject to the notice and review requirements

1 of this chapter or not, exceeds the delegated authority of the
2 Executive Office of the Governor for the executive branch or
3 the Chief Justice for the judicial branch, respectively, or is
4 contrary to legislative policy and intent, the Governor or the
5 Chief Justice of the Supreme Court shall void such action and
6 instruct the affected state agency or entity of the judicial
7 branch to change immediately its spending action or spending
8 proposal until the Legislature addresses the issue. The
9 written documentation shall indicate the specific reasons that
10 an action or proposed action exceeds the delegated authority
11 or is contrary to legislative policy and intent.

12 (c) The House of Representatives and the Senate shall
13 provide by rule that any member of the House of
14 Representatives or Senate may request, in writing, of either
15 the President of the Senate or the Speaker of the House of
16 Representatives ~~or the chair of the Legislative Budget~~
17 ~~Commission~~ to initiate the procedures of paragraph (b).

18 (3) The Legislature may annually specify any
19 incentives and disincentives for agencies operating programs
20 under performance-based program budgets pursuant to this
21 chapter in the General Appropriations Act or legislation
22 implementing the General Appropriations Act.

23 ~~(4) Notwithstanding the 14-day notice requirements of~~
24 ~~this section, and for the 2000-2001 fiscal year only, the~~
25 ~~Department of Children and Family Services is required to~~
26 ~~provide notice of proposed transfers submitted pursuant to s.~~
27 ~~20.19(10)(c)8. to the Executive Office of the Governor and the~~
28 ~~chairs of the legislative appropriations committees at least 3~~
29 ~~working days prior to their implementation.~~

30 Section 9. Subsections (1), (2), (6), (10), and (11)
31 of section 216.181, Florida Statutes, are amended to read:

1 216.181 Approved budgets for operations and fixed
2 capital outlay.--

3 (1) The General Appropriations Act and any other acts
4 containing appropriations shall be considered the original
5 approved operating budgets for operational and fixed capital
6 expenditures. Amendments to the approved operating budgets for
7 operational and fixed capital outlay expenditures from state
8 agencies may be requested only through the Executive Office of
9 the Governor and approved by the Governor and the Legislative
10 Budget Commission as provided in this chapter. Amendments from
11 the judicial branch may be requested only through, ~~and~~
12 ~~approved by,~~ the Chief Justice of the Supreme Court and
13 approved by the Chief Justice and the Legislative Budget
14 Commission as provided in this chapter. This includes
15 amendments which are necessary to implement the provisions of
16 s. 216.212 or s. 216.221.

17 (2) Amendments to the original approved operating
18 budgets for operational and fixed capital outlay expenditures
19 must comply with the following guidelines in order to be
20 approved by the Governor and the Legislative Budget Commission
21 as provided in this chapter for the executive branch and the
22 Chief Justice and the Legislative Budget Commission as
23 provided in this chapter for the judicial branch:

24 (a) The amendment must be consistent with legislative
25 policy and intent.

26 (b) The amendment may not initiate or commence a new
27 program, except as authorized by this chapter, or eliminate an
28 existing program.

29 (c) Except as authorized in s. 216.292 or other
30 provisions of this chapter, the amendment may not provide
31 funding or increased funding for items which were funded by

1 the Legislature in an amount less than that requested by the
2 agency or Governor in the legislative budget request or which
3 were vetoed by the Governor.

4 (d) For amendments that involve trust funds, there
5 must be adequate and appropriate revenues available in the
6 trust fund and the amendment must be consistent with the laws
7 authorizing such trust funds and the laws relating to the use
8 of the trust funds. However, a trust fund shall not be
9 increased in excess of the original approved budget, except as
10 provided in subsection (11).

11 (e) The amendment shall not conflict with any
12 provision of law.

13 (f) The amendment must not provide funding for any
14 issue which was requested by the agency or branch in its
15 legislative budget request and not funded in the General
16 Appropriations Act.

17 (g) The amendment must include a written description
18 of the purpose of the proposed change, an indication of why
19 interim budget action is necessary, and the intended recipient
20 of any funds for contracted services.

21 (h) The amendment must not provide general salary
22 increases which the Legislature has not authorized in the
23 General Appropriations Act or other laws.

24 (6)(a) The Executive Office of the Governor or the
25 Chief Justice of the Supreme Court may require the submission
26 of a detailed plan from the agency or entity of the judicial
27 branch affected, consistent with the General Appropriations
28 Act, special appropriations acts, and the statement of intent
29 before transferring and releasing the balance of a lump-sum
30 appropriation. The provisions of this paragraph are subject to
31 the notice and review procedures set forth in s. 216.177.

1 (b) The Executive Office of the Governor and the Chief
2 Justice of the Supreme Court may amend, without approval of
3 the Legislative Budget Commission, state agency and judicial
4 branch entity budgets, respectively,to reflect the
5 transferred funds based on the approved plans for lump-sum
6 appropriations.

7
8 The Executive Office of the Governor shall transmit to each
9 state agency and the Comptroller, and the Chief Justice shall
10 transmit to each judicial branch component and the
11 Comptroller, any approved amendments to the approved operating
12 budgets.

13 (10)(a) The Executive Office of the Governor and the
14 Chief Justice of the Supreme Court may increase or decrease
15 the approved salary rate for positions for the purpose of
16 implementing the General Appropriations Act, special
17 appropriations acts, and actions pursuant to s. 216.262
18 consistent with legislative intent and policy. Other
19 adjustments to approved salary rate must be approved by the
20 Legislative Budget Commission pursuant to the request of the
21 agency filed with the Executive Office of the Governor or
22 pursuant to the request of an entity of the judicial branch
23 filed with the Chief Justice of the Supreme Court, if deemed
24 necessary and in the best interest of the state and consistent
25 with legislative policy and intent.The provisions of this
26 paragraph are subject to the notice and review procedures set
27 forth in s. 216.177.

28 (b) Lump-sum salary bonuses may be provided only if
29 specifically appropriated or provided pursuant to s. 216.1815
30 or s. 110.1245.

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1 (c) State agencies and the judicial branch shall
2 report, each fiscal quarter, the number of filled positions,
3 the number of vacant positions, and the salary rate associated
4 with each category to the Legislative Budget Commission in a
5 form and manner prescribed by the commission.

6 ~~(11) The Executive Office of the Governor may approve~~
7 ~~transfers of appropriations in the General Appropriations Act~~
8 ~~within any state trust fund of an agency, and the Chief~~
9 ~~Justice of the Supreme Court may approve such transfers for~~
10 ~~the judicial branch.~~The Executive Office of the Governor and
11 the Chief Justice of the Supreme Court may approve changes in
12 the amounts appropriated from state trust funds in excess of
13 those in the approved operating budget up to \$1 million only
14 pursuant to the federal funds provisions of s. 216.212, when
15 grants and donations are received after April 1, or when
16 deemed necessary due to a set of conditions that were
17 unforeseen at the time the General Appropriations Act was
18 adopted and that are essential to correct in order to continue
19 the operation of government. Changes in the amounts
20 appropriated from state trust funds in excess of those in the
21 approved operating budget which are in excess of \$1 million
22 may only be approved by the Legislative Budget Commission
23 pursuant to the request of a state agency filed with the
24 Executive Office of the Governor or pursuant to the request of
25 an entity of the judicial branch filed with the Chief Justice
26 of the Supreme Court.The provisions of this subsection are
27 subject to the notice, review, and objection procedures set
28 forth in s. 216.177.

29 Section 10. Section 216.1815, Florida Statutes, is
30 created to read:

31 216.1815 Agency incentive and savings program.--

1 (1) In order to provide an incentive for agencies to
2 re-engineer business processes and otherwise increase
3 operating efficiency, it is the intent of the Legislature to
4 allow agencies to retain a portion of the savings produced by
5 internally generated agency program efficiencies and cost
6 reductions.

7 (2) To be eligible to retain funds, an agency must
8 submit a plan and an associated request to amend its approved
9 operating budget to the Legislative Budget Commission
10 specifying:

11 (a) The modifications to approved programs resulting
12 in efficiencies and cost savings;

13 (b) The amount and source of the funds and positions
14 saved;

15 (c) The specific positions, rate, amounts, and sources
16 of funds the agency wishes to include in its incentive
17 expenditures;

18 (d) How the agency will meet the goals and objectives
19 established in its long-range program plan;

20 (e) How the agency will meet performance standards
21 established by the Legislature and those in its long-range
22 program plan; and

23 (f) Any other incentive expenditures which the agency
24 believes will enhance its performance.

25 (3) Notwithstanding the 14-day notice requirement
26 contained in s. 216.177(2)(a), all plans and budget amendments
27 submitted to the Legislative Budget Commission pursuant to
28 this section shall be delivered at least 30 days prior to the
29 date of the commission meeting at which the request will be
30 considered.

31

1 (4) In determining the amount the agency will be
2 allowed to retain, the commission shall consider the actual
3 savings projected for the current budget year and the
4 annualized savings.

5 (5) The amount to be retained by the agency shall be
6 no less than 5 percent and no more than 25 percent of the
7 annual savings and may be used by the agency for salary
8 increases or other expenditures specified in the agency's
9 plan.

10 (6) Each agency allowed to retain funds pursuant to
11 this section shall submit in its next legislative budget
12 request a schedule showing how the agency utilized such funds.

13 Section 11. Section 216.1826, Florida Statutes, is
14 created to read:

15 216.1826 Activity-based planning and
16 budgeting.--Agencies are directed to work in consultation with
17 the Executive Office of the Governor and the appropriations
18 and appropriate substantive committees of the Legislature to
19 identify and reach consensus on the appropriate services and
20 activities for activity-based budgeting. It is the intent of
21 the Legislature that all dollars within an agency be allocated
22 to the appropriate activity for budgeting purposes.
23 Additionally, agencies shall examine approved performance
24 measures and recommend any changes so that outcomes are
25 clearly delineated for each service or program, as
26 appropriate, and outputs are aligned with activities. Output
27 measures should be capable of being used to generate a unit
28 cost for each activity resulting in a true accounting of what
29 the state should spend on each activity it provides and what
30 the state should expect to accomplish with those funds.

31

1 Section 12. Subsection (1) of section 216.192, Florida
2 Statutes, is amended to read:

3 216.192 Release of appropriations; revision of
4 budgets.--

5 (1) Unless otherwise provided in the General
6 Appropriations Act, on July 1 of each fiscal year, up to 25
7 percent of the original approved operating budget of each
8 agency and of the judicial branch may be released until such
9 time as annual plans for quarterly releases for all
10 appropriations have been developed, approved, and furnished to
11 the Comptroller by the Executive Office of the Governor for
12 state agencies and by the Chief Justice of the Supreme Court
13 for the judicial branch. The plans, including appropriate
14 plans of releases for fixed capital outlay projects that
15 correspond with each project schedule, shall attempt to
16 maximize the use of trust funds and shall be transmitted to
17 the Comptroller by August 1 of each fiscal year. Such releases
18 shall at no time exceed the total appropriations available to
19 a state agency or to the judicial branch, or the approved
20 budget for such agency or the judicial branch if less. The
21 Comptroller shall enter such releases in his or her records in
22 accordance with the release plans prescribed by the Executive
23 Office of the Governor and the Chief Justice, unless otherwise
24 amended as provided by law. The Executive Office of the
25 Governor and the Chief Justice shall transmit a copy of the
26 approved annual releases to the head of the state agency, the
27 chair and vice chair of the Legislative Budget Commission, ~~the~~
28 ~~chairs of the legislative appropriations committees,~~ and the
29 Auditor General. The Comptroller shall authorize all
30 expenditures to be made from the appropriations on the basis
31 of such releases and in accordance with the approved budget,

1 and not otherwise. Expenditures shall be authorized only in
2 accordance with legislative authorizations. Nothing herein
3 precludes periodic reexamination and revision by the Executive
4 Office of the Governor or by the Chief Justice of the annual
5 plans for release of appropriations and the notifications of
6 the parties of all such revisions.

7 Section 13. Section 216.216, Florida Statutes, is
8 amended to read:

9 216.216 Court settlement funds negotiated by the
10 state.--In any court settlement in which a state agency or
11 officer or any other counsel representing the interests of the
12 state negotiates settlement amounts to be expended by ~~on any~~
13 ~~state operational or fixed capital issue~~ in the judicial
14 branch or the executive branch, such funds may not be expended
15 unless the Legislature has appropriated funds to the agency in
16 the appropriate category or the Legislative Budget Commission
17 has approved a budget amendment for such funds. In either
18 instance, the funding source identified must be sufficient to
19 cover both the anticipated program costs and the amount of the
20 settlement, the settlement must not be contrary to the intent
21 of the Legislature, and, if the settlement amount is
22 substantial, good reason must exist for entering into the
23 settlement prior to the next legislative session and no
24 significant amount of recurring funding shall be committed
25 ~~appropriated by the Legislature to the appropriate agency~~
26 ~~responsible for the operational or fixed capital issue.~~ When a
27 state agency or officer settles an action in which the state
28 will receive moneys, the funds shall be placed in the General
29 Revenue Fund or in the trust fund that is associated with the
30 agency's or officer's authority to pursue the legal action.

31

1 The provisions of this section are subject to the notice and
2 review procedures set forth in s. 216.177.

3 Section 14. Subsection (10) of section 216.221,
4 Florida Statutes, is renumbered as subsection (11), and a new
5 subsection (10) is added to said section to read:

6 216.221 Appropriations as maximum appropriations;
7 adjustment of budgets to avoid or eliminate deficits.--

8 (10) When advised by the Revenue Estimating
9 Conference, the Comptroller, or any agency responsible for a
10 trust fund that a deficit will occur with respect to the
11 appropriations from a specific trust fund in the current
12 fiscal year, the Governor for the executive branch, or the
13 Chief Justice for the judicial branch, shall develop a plan of
14 action to eliminate the deficit. Before implementing the plan
15 of action, the Governor or the Chief Justice must comply with
16 the provisions of s. 216.177(2). In developing the plan of
17 action, the Governor or the Chief Justice shall, to the extent
18 possible, preserve legislative policy and intent, and, absent
19 any specific directions to the contrary in the General
20 Appropriations Act, any reductions in appropriations from the
21 trust fund for the fiscal year shall be prorated among the
22 specific appropriations made from the trust fund for the
23 current fiscal year.

24 Section 15. Subsections (2), (3), (4), and (5) of
25 section 216.292, Florida Statutes, are amended to read:

26 216.292 Appropriations nontransferable; exceptions.--

27 (2) A lump sum appropriated for a performance-based
28 program must be distributed by the Governor for state agencies
29 or the Chief Justice for the judicial branch into the
30 traditional expenditure categories in accordance with s.
31 216.181(6)(b). At any time during the year, the agency head

1 or Chief Justice may transfer funds between those categories
2 with no limit on the amount of the transfer. Authorized
3 revisions of the original approved operating budget, together
4 with related changes, if any, must be transmitted by the state
5 agency or by the judicial branch to the Executive Office of
6 the Governor or the Chief Justice, the chair and vice chair of
7 the Legislative Budget Commission, ~~the chairs of the~~
8 ~~legislative appropriations committees~~, the Office of Program
9 Policy Analysis and Government Accountability, and the Auditor
10 General. Such authorized revisions shall be consistent with
11 the intent of the approved operating budget, shall be
12 consistent with legislative policy and intent, and shall not
13 conflict with specific spending policies specified in the
14 General Appropriations Act. The Executive Office of the
15 Governor shall forward a copy of the revisions within 7
16 working days to the Comptroller for entry in his or her
17 records in the manner and format prescribed by the Executive
18 Office of the Governor in consultation with the Comptroller.
19 Such authorized revisions shall be consistent with the intent
20 of the approved operating budget, shall be consistent with
21 legislative policy and intent, and shall not conflict with
22 specific spending policies specified in the General
23 Appropriations Act.

24 (3) The head of each department or the Chief Justice
25 of the Supreme Court, whenever it is deemed necessary by
26 reason of changed conditions, may transfer appropriations
27 funded from identical funding sources, except appropriations
28 for fixed capital outlay, and transfer the amounts included
29 within the total original approved budget and releases as
30 furnished pursuant to ss. 216.181 and 216.192, as follows:
31

1 (a) Between categories of appropriations within a
2 budget entity, if no category of appropriation is increased or
3 decreased by more than 5 percent of the original approved
4 budget or \$150,000, whichever is greater, by all action taken
5 under this subsection.

6 (b) Additionally, between budget entities within
7 identical categories of appropriations, if no category of
8 appropriation is increased or decreased by more than 5 percent
9 of the original approved budget or \$150,000, whichever is
10 greater, by all action taken under this subsection.

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

16
17 Such authorized revisions, together with related changes, if
18 any, in the plan for release of appropriations, shall be
19 transmitted by the state agency or by the judicial branch to
20 the Comptroller for entry in the Comptroller's records in the
21 manner and format prescribed by the Executive Office of the
22 Governor in consultation with the Comptroller. A copy of such
23 revision shall be furnished to the Executive Office of the
24 Governor or the Chief Justice, the chair and vice chair of the
25 Legislative Budget Commission, ~~the chairs of the legislative~~
26 ~~committees~~, and the Auditor General.

27 (4)(a) The head of each department or the Chief
28 Justice of the Supreme Court may transfer funds within
29 programs identified in the General Appropriations Act from
30 identical funding sources between the following appropriation
31 categories without limitation so long as such a transfer does

1 not result in an increase to the total recurring general
2 revenue or trust fund cost of the agency or entity of the
3 judicial branch in the subsequent fiscal year: other personal
4 services, expenses, operating capital outlay, food products,
5 performance-based program budgeting lump sums, acquisition of
6 motor vehicles, data processing services, operating and
7 maintenance of patrol vehicles, overtime payments, salary
8 incentive payments, compensation to retired judges, law
9 libraries, and juror and witness payments. Such transfers must
10 be consistent with legislative policy and intent and must not
11 adversely affect achievement of approved performance outcomes
12 or outputs in any program. Notice of proposed transfers under
13 this authority shall be provided to the Executive Office of
14 the Governor and the chairs of the legislative appropriations
15 committees at least 5 working days prior to their
16 implementation.

17 (b) The head of each department or the Chief Justice
18 of the Supreme Court may transfer funds and positions from
19 identical funding sources between salaries and benefits
20 appropriation categories within programs identified in the
21 General Appropriations Act. Such transfers must be consistent
22 with legislative policy and intent and must not adversely
23 affect achievement of approved performance outcomes or outputs
24 in any program. Notice of proposed transfers under this
25 authority shall be provided to the Executive Office of the
26 Governor and the chairs of the legislative appropriations
27 committees at least 5 working days prior to their
28 implementation.

29 (5)(a) Transfers of appropriations for operations from
30 the General Revenue Fund in excess of those provided in
31 subsections (3) and (4) but within a state agency or within

1 the judicial branch may be authorized by the commission ~~for~~
2 ~~the executive branch and the Chief Justice for the judicial~~
3 ~~branch~~, pursuant to the request of the agency filed with the
4 Executive Office of the Governor, ~~or~~ pursuant to the request
5 of an entity of the judicial branch filed with the Chief
6 Justice of the Supreme Court, if deemed necessary and in the
7 best interest of the state and consistent with legislative
8 policy and intent. The provisions of this paragraph are
9 subject to the notice, review, and objection procedures set
10 forth in s. 216.177.

11 (b) Transfers of appropriations for operations from
12 trust funds in excess of those provided in subsection (4)
13 which are greater than 5 percent of the original approved
14 budget or \$1 million, whichever is greater, but within a state
15 agency or within the judicial branch may be authorized by the
16 commission, pursuant to the request of the agency filed with
17 the Executive Office of the Governor or pursuant to the
18 request of an entity of the judicial branch filed with the
19 Chief Justice of the Supreme Court, if deemed necessary and in
20 the best interest of the state and consistent with legislative
21 policy and intent. The provisions of this paragraph are
22 subject to the notice, review, and objection procedures set
23 forth in s. 216.177.

24 (c) ~~(b)~~ When an appropriation for a named fixed capital
25 outlay project is found to be in excess of that needed to
26 complete that project, at the request of the Executive Office
27 of the Governor for state agencies or the Chief Justice of the
28 Supreme Court for the judicial branch the excess may be
29 transferred, with the approval of the commission ~~or the Chief~~
30 ~~Justice~~, to another project for which there has been an
31 appropriation in the same fiscal year from the same fund and

1 within the same department where a deficiency is found to
2 exist. ~~Further, a fixed capital outlay project may not be~~
3 ~~initiated without a specific legislative appropriation, nor~~
4 ~~may~~ The scope of a fixed capital outlay project may not be
5 changed by any ~~the~~ transfer of funds made pursuant to this
6 subsection. The provisions of this paragraph are subject to
7 the notice, review, and objection procedures set forth in s.
8 216.177.

9 (d) A fixed capital outlay project may not be
10 initiated without a specific legislative appropriation.

11 (e)~~(c)~~ Federal funds for fixed capital outlay projects
12 for the Department of Military Affairs which do not carry a
13 continuing commitment on future appropriations by the
14 Legislature may be approved by the Executive Office of the
15 Governor for the purpose received. The provisions of this
16 paragraph are subject to the notice, review, and objection
17 procedures set forth in s. 216.177.

18 Section 16. Section 11.90, Florida Statutes, is
19 amended to read:

20 11.90 Legislative Budget ~~Budgeting~~ Commission.--

21 (1) There is created a standing joint committee of the
22 Legislature designated the Legislative Budget ~~Budgeting~~
23 Commission, composed of 14 members as follows: seven members
24 of the Senate appointed by the President of the Senate, to
25 include the Chairman of the Senate Budget Committee or its
26 successor, and seven members of the House of Representatives
27 appointed by the Speaker of the House of Representatives, to
28 include the Chairman of the Fiscal Responsibility Council or
29 its successor. The terms of members shall be for 2 years and
30 shall run from the organization of one Legislature to the
31 organization of the next Legislature. Vacancies occurring

1 during the interim period shall be filled in the same manner
2 as the original appointment. During even-numbered years, the
3 chair of the commission shall be the chair of the Senate
4 Budget Committee or its successor, and the vice chair of the
5 commission shall be the chair of the House Fiscal
6 Responsibility Council or its successor. During odd-numbered
7 years, the chair of the commission shall be the chair of the
8 House Fiscal Responsibility Council or its successor, and the
9 vice chair of the commission shall be the chair of the Senate
10 Budget Committee or its successor. ~~The members of the~~
11 ~~committee shall elect a chair and vice chair. During the~~
12 ~~2-year term, a member of each house shall serve as chair for 1~~
13 ~~year.~~

14 (2) The Legislative Budget Commission shall be
15 governed by joint rules of the Senate and the House of
16 Representatives which shall remain in effect until repealed or
17 amended by concurrent resolution.

18 (3) The commission shall meet at least quarterly and
19 more frequently at the direction of the presiding officers or
20 upon call of the chairman. A quorum shall consist of a
21 majority of members from each house, plus one additional
22 member from either house. Action by the commission requires a
23 majority vote of the members present of each house.

24 (4) The commission may conduct its meetings through
25 teleconferences or other similar means.

26 (5) The commission will be jointly staffed by the
27 appropriations committees of the House of Representatives and
28 the Senate. During even-numbered years, the Senate will serve
29 as lead staff, and during odd-numbered years, the House of
30 Representatives will serve as lead staff.

31

1 Section 17. Subsection (2) of section 27.345, Florida
2 Statutes, is amended to read:

3 27.345 State Attorney RICO Trust Fund; authorized use
4 of funds; reporting.--

5 (2) There is created for each of the several state
6 attorneys a trust fund to be known as the State Attorney RICO
7 Trust Fund. The amounts awarded to a state attorney pursuant
8 to this section shall be deposited in the trust fund for that
9 state attorney. Funds deposited in such trust fund shall be
10 used, when authorized by appropriation or ~~action of the~~
11 ~~Executive Office of the Governor~~ pursuant to s.
12 216.181(11)(10), for investigation, prosecution, and
13 enforcement by that state attorney of civil or criminal causes
14 of action arising under the provisions of the Florida RICO
15 (Racketeer Influenced and Corrupt Organization) Act.

16 Section 18. Section 27.3451, Florida Statutes, is
17 amended to read:

18 27.3451 State Attorney's Forfeiture and Investigative
19 Support Trust Fund.--There is created for each of the several
20 state attorneys a trust fund to be known as the State
21 Attorney's Forfeiture and Investigative Support Trust Fund.
22 Revenues received by a state attorney as a result of
23 forfeiture proceedings, as provided under s. 932.704, shall be
24 deposited in such trust fund and shall be used, when
25 authorized by appropriation or ~~action of the Executive Office~~
26 ~~of the Governor~~ pursuant to s. 216.181(11)(10), for the
27 investigation of crime, prosecution of criminals, or other law
28 enforcement purposes.

29 Section 19. Section 45.062, Florida Statutes, is
30 amended to read:

31

1 45.062 Settlements, conditions, or orders when an
2 agency of the executive branch is a party.--

3 (1) In any civil action in which a state executive
4 branch agency or officer is a party in state or federal court,
5 the officer, agent, official, or attorney who represents or is
6 acting on behalf of such agency or officer may not settle such
7 action, consent to any condition, or agree to any order in
8 connection therewith, if the settlement, condition, or order
9 requires the expenditure of or the obligation to expend any
10 state funds or other state resources, or the establishment of
11 any new program, unless:

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

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

22 (2) The state executive branch agency or officer shall
23 negotiate a closure date as soon as possible for the civil
24 action.

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

28 (4) State executive branch agencies and officers shall
29 report to each substantive and fiscal committee of the
30 Legislature having jurisdiction over the reporting agency on
31 all potential settlements which may commit the state to:

- 1 (a) Spend in excess of current appropriations; or
2 (b) Make policy changes inconsistent with current law.

3

4 The state executive branch agency or officer shall provide
5 periodic updates to the appropriate legislative committees on
6 these issues during the settlement process.

7 Section 20. Notwithstanding the provisions of section
8 10 of chapter 90-110, Laws of Florida, subsection (3) of
9 section 215.20, Florida Statutes, shall not stand repealed on
10 October 1, 2001, and shall continue in full force and effect.

11 Section 21. Section 284.385, Florida Statutes, is
12 amended to read:

13 284.385 Reporting and handling of claims.--All
14 departments covered by the State Risk Management Trust Fund
15 under this part shall immediately report all known or
16 potential claims to the Department of Insurance for handling,
17 except employment complaints which have not been filed with
18 the Florida Human Relations Commission, Equal Employment
19 Opportunity Commission, or any similar agency. When deemed
20 necessary, the Department of Insurance shall assign or
21 reassign the claim to counsel. The assigned counsel shall
22 report regularly to the Department of Insurance or to the
23 covered department on the status of any such claims or
24 litigation as required by the Department of Insurance. No
25 such claim shall be compromised or settled for monetary
26 compensation without the prior approval of the Department of
27 Insurance and prior notification to the covered department.
28 All departments shall cooperate with the Department of
29 Insurance in its handling of claims. The Department of
30 Insurance, the Department of Management Services, and the
31 Department of Banking and Finance, with the cooperation of the

1 state attorneys and the clerks of the courts, shall develop a
2 system to coordinate the exchange of information concerning
3 claims for and against the state, its agencies, and its
4 subdivisions, to assist in collection of amounts due to them.
5 The covered department shall have the responsibility for the
6 settlement of any claim for injunctive or affirmative relief
7 under 42 U.S.C. s. 1983 or similar federal or state statutes.
8 The payment of a settlement or judgment for any claim covered
9 and reported under this part shall be made only from the State
10 Risk Management Trust Fund.

11 Section 22. Paragraph (b) of subsection (2) of section
12 376.15, Florida Statutes, is amended to read:

13 376.15 Derelict vessels; removal from public waters.--
14 (2)

15 (b) The commission may establish a program to provide
16 grants to coastal local governments for the removal of
17 derelict vessels from the public waters of the state. The
18 program shall be funded from the Florida Coastal Protection
19 Trust Fund. Notwithstanding the provisions in s.
20 216.181(11)~~(10)~~, funds available for grants may only be
21 authorized by appropriations acts of the Legislature.

22 Section 23. This act shall take effect July 1, 2001.
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HOUSE SUMMARY

Revises various provisions of law relating to state planning and budgeting. Modifies the definitions of "operating capital outlay" and "state agency." Removes the requirement for the Executive Office of the Governor to consider certain findings relating to information technology in its review of long-range program plans of executive agencies. Requires long-range program plans to be consistent with legislation implementing the General Appropriations Act. Revises requirements of legislative budget requests relating to the total number of positions and to unit-cost data. Requires legislative budget requests to include an inventory of litigation requiring additional appropriations or changes in the law and provides for update of such inventory. Revises provisions requiring submission to the Governor of information on financial needs for the next fiscal year to remove applicability to the judicial branch. Adds the judicial branch to entities the Executive Office of the Governor is required to study for budgeting and reorganizational purposes. Revises requirements for the Governor's recommended budget to exclude recommendations of the Chief Justice of the Supreme Court, require the Governor to make such recommendations, and include the legislative budget request of the judicial branch. Revises the manner in which requests regarding legislative intent on the General Appropriations Act are to be made. Revises requirements relating to notice of action on appropriations to be taken by the Executive Office of the Governor or the Chief Justice of the Supreme Court. Deletes an obsolete notice requirement. Requires budget amendments for the judicial branch to be approved by the Chief Justice of the Supreme Court and the Legislative Budget Commission. Authorizes the Chief Justice to amend, without approval of the Legislative Budget Commission, judicial branch entity budgets to reflect transferred funds based on the approved plans for lump-sum appropriations. Requires approval of the Legislative Budget Commission for certain adjustments to approved salary rate. Provides circumstances under which lump-sum bonuses may be provided. Requires quarterly reporting of positions filled, positions vacant, and the salary rate associated with each category. Grants the Legislative Budget Commission authority to approve state trust fund appropriations in excess of \$1 million. Provides for an agency incentive and savings program. Provides for activity-based planning and budgeting. Provides restrictions on the expenditure of funds for court settlements negotiated by the state. Provides requirements for the elimination of a deficit in a trust fund. Adds food products as an allowable fund transfer category. Authorizes transfer of positions under certain circumstances. Authorizes transfers of appropriations for operations from trust funds in excess of certain amounts under certain conditions. Establishes the chair and vice chair of the Legislative Budget Commission each year and eliminates the election of such officers. Requires certain notification and reporting with respect to

1 executive branch settlements. Saves the 0.3 percent
2 service charge deducted from designated trust funds from
3 scheduled repeal. Requires assigned counsel to report to
4 the covered department on the status of casualty claims
or litigation. Prohibits compromise or settlement of a
casualty claim without prior notification to the covered
department. See bill for details.
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