

Bill No. SB 532

Amendment No. ____ Barcode 315192

| | | |
|---------------|----------------|--------------|
| | CHAMBER ACTION | |
| <u>Senate</u> | | <u>House</u> |

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

.
.
.
.
.

Senator Posey moved the following amendment:

Senate Amendment (with title amendment)

On page 2, between lines 3 and 4,

insert:

At the regular session immediately following the submission of the agency unit cost summary, the Legislature shall reduce in the General Appropriations Act for the ensuing fiscal year, by an amount equal to at least 10 percent of the allocation for the fiscal year preceding the current fiscal year, the funding of each state agency that fails to submit the report required under this paragraph.

Section 3. Section 216.1815, Florida Statutes, is created to read:

216.1815 Agency incentive and savings program.--

(1) In order to provide an incentive for agencies to re-engineer business processes and otherwise increase operating efficiency, it is the intent of the Legislature to allow agencies to retain a portion of the savings produced by

Bill No. SB 532

Amendment No. ____ Barcode 315192

1 internally generated agency program efficiencies and cost
2 reductions.

3 (2) To be eligible to retain funds, an agency must
4 submit a plan and an associated request to amend its approved
5 operating budget to the Legislative Budget Commission
6 specifying:

7 (a) The modifications to approved programs resulting
8 in efficiencies and cost savings;

9 (b) The amount and source of the funds and positions
10 saved;

11 (c) The specific positions, rate, amounts, and sources
12 of funds the agency wishes to include in its incentive
13 expenditures;

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

16 (e) How the agency will meet performance standards
17 established by the Legislature and those in its long-range
18 program plan; and

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

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

27 (4) In determining the amount the agency will be
28 allowed to retain, the commission shall consider the actual
29 savings projected for the current budget year and the
30 annualized savings.

31 (5) The amount to be retained by the agency shall be

Bill No. SB 532

Amendment No. ____ Barcode 315192

1 no less than 5 percent and no more than 25 percent of the
2 annual savings and may be used by the agency for salary
3 increases or other expenditures specified in the agency's
4 plan, provided any salary increases do not create a recurring
5 cost to the state in excess of the recurring savings achieved
6 by the agency in the plan.

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

10 Section 4. Section 216.1826, Florida Statutes, is
11 created to read:

12 216.1826 Activity-based planning and
13 budgeting.--Beginning July 1, 2003, in preparation for fiscal
14 year 2003-2004 agencies are directed to work in consultation
15 with the Executive Office of the Governor and the
16 appropriations and appropriate substantive committees of the
17 Legislature to identify and reach consensus on the appropriate
18 services and activities for activity-based budgeting. It is
19 the intent of the Legislature that all dollars within an
20 agency be allocated to the appropriate activity for budgeting
21 purposes. Additionally, agencies shall examine approved
22 performance measures and recommend any changes so that
23 outcomes are clearly delineated for each service or program,
24 as appropriate, and outputs are aligned with activities.
25 Output measures should be capable of being used to generate a
26 unit cost for each activity resulting in a true accounting of
27 what the state should spend on each activity it provides and
28 what the state should expect to accomplish with those funds.

29
30 (Redesignate subsequent sections.)

31

Bill No. SB 532

Amendment No. ____ Barcode 315192

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

2 And the title is amended as follows:

3 On page 1, line 5, after the semicolon

4

5 insert:

6 providing for reduced funding of agencies that
7 do not comply; creating s. 216.1815, F.S.;
8 providing for an agency incentive and savings
9 program; providing requirements; creating
10 216.1826, F.S.; providing for activity-based
11 planning and budgeting;

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31