

567-185AXB-21

Bill No. HB 1953

Amendment No. ____ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

11 Representative(s) Wallace offered the following:

13 **Amendment (with title amendment)**

14 On page 2, line 28, through page 4, line 7,
15 remove: all of said lines

17 and insert:

18 (3) The Executive Office of the Governor, in
19 consultation with the Chief Financial Officer, shall develop
20 within the state's chart of accounts a consistent fund titling
21 and coding plan for existing and newly created trust funds.
22 At least every 4 years, the Executive Office of the Governor
23 and the Chief Financial Officer shall revise the plan as
24 needed. The plan shall be developed for use beginning with
25 the 2003-2004 fiscal year. To the extent possible, existing
26 trust funds shall be converted to the new plan for the
27 2003-2004 fiscal year. In all cases, trust funds shall be
28 converted to the new plan during the trust fund reviews
29 specified in s. 215.3209 that are initiated subsequent to the
30 2003-2004 fiscal year.

31 (4) Beginning with the 2003-2004 fiscal year, the

- 1 Chief Financial Officer shall maintain a web-accessible
- 2 catalog of state trust funds, which shall include, but not be
- 3 limited to, the following information for each fund:
- 4 (a) The law authorizing the trust fund.
- 5 (b) The primary purpose of the trust fund.
- 6 (c) The agency or agencies administering the trust
- 7 fund.
- 8 (d) The authorized types or sources of revenues for
- 9 the trust fund.
- 10 (e) The authorized uses of the trust fund's resources.
- 11 (f) Any minimum or maximum balance established by law
- 12 for the trust fund.
- 13 (g) The total average annual revenues and operating
- 14 transfers in the trust fund for each year over the most recent
- 15 5 fiscal years.
- 16 (h) The total average annual expenditures and
- 17 operating transfers out of the trust fund for each year over
- 18 the most recent 5 fiscal years.
- 19 (i) The unreserved fund equity as of the end of each
- 20 of the last 5 fiscal years.

21 Section 2. Subsection (1) of section 215.3208, Florida
22 Statutes, is amended to read:

23 215.3208 Trust funds; legislative review.--

24 (1)(a) In order to implement s. 19(f), Art. III of the
25 State Constitution, for the purpose of reviewing trust funds
26 prior to their automatic termination pursuant to the
27 provisions of s. 19(f)(2), Art. III of the State Constitution,
28 the Legislature shall review all state trust funds at least
29 once every 4 years. The schedule for such review may be
30 included in the legislative budget instructions developed
31 pursuant to the requirements of s. 216.023. The Legislature

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

11 (b) The Legislature, in its review of each trust fund,
 12 shall consider the fiscal analysis prepared in accordance with
 13 s. 215.3209 and the recommendations of the Joint Legislative
 14 Auditing Committee made pursuant to s. 215.3209.

15 (c) The Legislature may adjust the types and amounts
 16 of revenues allocated to a trust fund to reflect the
 17 expenditures associated with operating the programs the trust
 18 fund supports.

19 Section 3. Section 215.3209, Florida Statutes, is
 20 created to read:

21 215.3209 Trust funds; fiscal analysis.--

22 (1) Each trust fund being reviewed pursuant to s.
 23 215.3208 shall be subject to a fiscal analysis in the year of
 24 its review for termination or re-creation as provided in this
 25 section.

26 (2) Before July 1 of each year, the Legislative
 27 Auditing Committee shall establish a timetable sufficient to
 28 allow complete review of the 4-year history, plus a summary of
 29 the previous reviews pursuant to this subsection, of trust
 30 fund activities for those trust funds scheduled for review
 31 during the next legislative session and shall coordinate its

1 analyses with the legislative fiscal committees, the Auditor
 2 General, and the Office of Program Policy Analysis and
 3 Government Accountability. Lead analysts shall be determined
 4 by July 15, and the fiscal analysis of each trust fund subject
 5 to review shall be completed by December 1. A copy of the
 6 fiscal analysis for each trust fund shall be submitted to the
 7 President of the Senate and the Speaker of the House of
 8 Representatives.

9 (3) Each fiscal analysis of a trust fund shall
 10 include, at a minimum, the following:

11 (a) Receipts and disbursements, both operating and
 12 nonoperating, for the trust fund, including detail at the
 13 level maintained by the central accounting component of the
 14 Florida Accounting Information Resource Subsystem.

15 (b) A comparison of the legislative appropriations
 16 made from the trust fund with actual receipts, disbursements,
 17 and cash balances.

18 (4) In the fiscal analysis of each trust fund:

19 (a) The lead analyst, in consultation with the Office
 20 of Economic and Demographic Research, shall:

21 1. Make a projection of the receipts into and
 22 disbursements from the trust fund over the next 4 fiscal
 23 years.

24 2. Review all factors affecting receipts into the
 25 trust fund, including, but not limited to, demographic and
 26 economic factors and all taxes, fees, penalties, fines, and
 27 transfers. This shall include a projection of units of
 28 service provided and rates of assessment.

29 3. Review all factors affecting disbursements from the
 30 trust fund, including all transfers and payments.

31 (b) The lead analyst shall provide:

1 1. An analysis of the impact of terminating the trust
2 fund and having its functions maintained in another trust fund
3 or terminating the trust fund and funding the programs it
4 supports in some other manner.

5 2. A summary of any findings and recommendations
6 related to the trust fund included in audits or reviews
7 completed by the Auditor General or the Office of Program
8 Policy Analysis and Government Accountability during the
9 previous 4 fiscal years and any changes made as a result of
10 those audits.

11 (5) Based on each trust fund's fiscal analysis, the
12 Legislative Auditing Committee shall recommend to the
13 Legislature that the trust fund be re-created, combined with
14 another trust fund, continued as exempt, or terminated.

15 (6) If the trust fund is recommended for termination,
16 the recommendation shall provide for the distribution of
17 moneys in the trust fund and for changes to the law that
18 provided for the segregation of money into the trust fund.

19 (7)(a) If the trust fund is recommended for
20 re-creation, the Legislative Auditing Committee shall also
21 recommend a maximum trust fund unencumbered balance for the
22 next 4 fiscal years. With respect to a recommendation for a
23 maximum trust fund unencumbered balance:

24 1. The allowable growth of a trust fund's unencumbered
25 balance may not exceed the average annual rate of growth over
26 the 4 prior fiscal years and an adjustment rate established by
27 the Legislature.

28 2. A trust fund shall be not be subject to a maximum
29 trust fund unencumbered balance if its unencumbered balance is
30 used to meet bond covenants, fiduciary responsibilities,
31 federal or grants requirements, or similar restrictions.

1 3. A recommendation for a maximum trust fund
 2 unencumbered balance shall include a recommendation for the
 3 abatement of receipts to the trust fund if that balance is
 4 exceeded during the 4-year period and a recommendation of the
 5 appropriate balance, below the trust fund's maximum
 6 unencumbered balance, which must be reached before the
 7 abatement is removed.

8 4. Each agency administering a trust fund is
 9 prohibited from seeking a budget amendment that increases
 10 expenditures or transfers as a method of reducing the trust
 11 fund below its authorized maximum unencumbered balance level.

12 (b) If the trust fund is recommended for re-creation,
 13 the Legislative Auditing Committee shall also recommend, as
 14 appropriate, changes to the source of the receipts and rates
 15 of assessment and uses of the trust fund, based on the fiscal
 16 analysis, to ensure a minimal trust fund balance.

17 (8) If the trust fund is recommended for continuation
 18 as exempt from automatic termination pursuant to s. 19(f)(3),
 19 Art. III of the State Constitution, the Legislative Auditing
 20 Committee shall also recommend changes, as appropriate, to the
 21 trust fund that will make it more efficient whether or not
 22 such changes affect its exempt status.

23 (9) The Legislative Auditing Committee shall also
 24 recommend an appropriate service charge to be deducted from
 25 each trust fund in accordance with rates established in s.
 26 215.20.

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

30 And the title is amended as follows:

31 On page 1, lines 5-13,

1 remove: all of said lines
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3 and insert:
4 for specified purposes; providing for
5 development and implementation of a consistent
6 trust fund titling and coding plan; requiring
7 maintenance of a web-accessible catalog of
8 state trust funds and providing requirements
9 thereof; amending s. 215.3208, F.S.; requiring
10 consideration of the fiscal analysis and
11 related recommendations for a trust fund in the
12 legislative review of the trust fund; providing
13 for adjustment of a trust fund's revenues to
14 match the expenditures authorized for its
15 programs; creating s. 215.3209, F.S.; providing
16 for fiscal analysis of trust funds in
17 conjunction with their scheduled review prior
18 to termination; providing requirements of such
19 an analysis; requiring submission of such
20 analyses to the Governor and Legislature;
21 providing for recommendations for maximum trust
22 fund unencumbered balance levels and
23 appropriate service fees; providing for
24 abatement of receipts to a trust fund under
25 certain circumstances; amending s. 216.023,
26 F.S.;

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