

CONFERENCE COMMITTEE AMENDMENT

Bill No. HB 1841

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 The Conference Committee on HB 1841 offered the following:

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3 **Conference Committee Amendment (with title amendment)**

4 Remove everything after the enacting clause and insert:

5 Section 1. Section 216.222, Florida Statutes, is amended
6 to read:

7 216.222 Budget Stabilization Fund; criteria for
8 withdrawing moneys.--

9 (1) Moneys in the Budget Stabilization Fund may be
10 transferred to the General Revenue Fund for:

11 ~~(1)~~(a)1. Offsetting a deficit in the General Revenue Fund.
12 A deficit is deemed to occur when the official estimate of funds
13 available in the General Revenue Fund for a fiscal year falls
14 below the total amount appropriated from the General Revenue
15 Fund for that fiscal year. Such a transfer must be made pursuant
16 to s. 216.221, or pursuant to an appropriation by law.

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17 ~~2.(b)~~ Notwithstanding the requirements of s. 216.221, if,
18 after consultation with the Revenue Estimating Conference, the
19 Chief Financial Officer believes that a deficit will occur in
20 the General Revenue Fund and if:

21 ~~a.1.~~ Fewer than 30 but more than 4 days are left in the
22 fiscal year, the Legislature is not in session, and neither the
23 Legislature nor the Legislative Budget Commission is scheduled
24 to meet before the end of the fiscal year, or

25 ~~b.2.~~ Fewer than 5 days are left in the fiscal year and the
26 Governor and the Chief Justice, the Legislature, or the
27 Legislative Budget Commission have not implemented measures to
28 resolve the deficit,

29
30 the Chief Financial Officer shall certify the deficit to the
31 Governor, the Chief Justice, the President of the Senate, and
32 the Speaker of the House of Representatives, and may thereafter
33 withdraw funds from the Budget Stabilization Fund to offset the
34 projected deficit in the General Revenue Fund. The Chief
35 Financial Officer shall consult with the Governor and the chair
36 and vice chair of the Legislative Budget Commission before any
37 funds may be withdrawn from the Budget Stabilization Fund. At
38 the beginning of the next fiscal year, the Chief Financial
39 Officer shall promptly determine the General Revenue Fund
40 balance to be carried forward. The Chief Financial Officer shall
41 immediately repay the Budget Stabilization Fund for the
42 withdrawn amount, up to the amount of the balance. If the
43 General Revenue Fund balance carried forward is not sufficient
44 to fully repay the Budget Stabilization Fund, the repayment of

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45 the remainder of the withdrawn funds shall be as provided in s.
46 215.32(2)(c)3.

47 ~~(b)(2)~~ Providing funding for an emergency as defined in s.
48 252.34. The emergency must have been declared by the Governor
49 pursuant to s. 252.36 or declared by law. Such a transfer must
50 be made pursuant to s. 252.37, subject to the conditions in that
51 section, or pursuant to an appropriation by law.

52 ~~(c)(3)~~ Providing temporary transfers to the General
53 Revenue Fund pursuant to s. 215.18.

54 (2)(a) Moneys in the Budget Stabilization Fund may be
55 transferred to the State Risk Management Trust Fund to provide
56 funding for an emergency. For purposes of this subsection, an
57 emergency exists when uninsured losses to state property exceed
58 \$2 million per occurrence or \$5 million annual aggregate, as
59 this constitutes an unanticipated financial need that the
60 Legislature has found must be funded to serve an essential state
61 responsibility.

62 (b) At such time that the Division of Risk Management
63 certifies that uninsured property losses exceed \$2 million per
64 occurrence or \$5 million annual aggregate, the division shall
65 request a budget amendment through the procedures set out in s.
66 216.181. Transfers into the State Risk Management Trust Fund
67 pursuant to this paragraph may not exceed \$38 million in any
68 fiscal year.

69 Section 2. Section 215.18, Florida Statutes, is amended to
70 read:

71 215.18 Transfers between funds; limitation.--Whenever
72 there exists in any fund provided for by s. 215.32 a deficiency

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73 | which would render such fund insufficient to meet its just
74 | requirements, and there shall exist in the other funds in the
75 | State Treasury moneys which are for the time being or otherwise
76 | in excess of the amounts necessary to meet the just requirements
77 | of such last-mentioned funds, the Governor may order a temporary
78 | transfer of moneys from one fund to another in order to meet
79 | temporary deficiencies in a particular fund without resorting to
80 | the necessity of borrowing money and paying interest thereon.
81 | Except as otherwise provided in s. 216.222(1)(a)2.~~(b)~~, the fund
82 | from which any money is temporarily transferred shall be repaid
83 | the amount transferred from it not later than the end of the
84 | fiscal year in which such transfer is made, the date of
85 | repayment to be specified in the order of the Governor.

86 | Section 3. This act shall take effect July 1, 2004.

87 |
88 | ===== T I T L E A M E N D M E N T =====

89 | Remove the entire title and insert:

90 | A bill to be entitled

91 | An act relating to the Budget Stabilization Fund; amending
92 | s. 216.222, F.S.; providing for transferring of funds from
93 | the Budget Stabilization Fund to the State Risk Management
94 | Trust Fund for emergencies relating to certain property
95 | losses incurred by the state; specifying conditions of
96 | such an emergency; providing certain limitations on such
97 | transfers; amending s. 215.18, F.S.; conforming a cross
98 | reference; providing an effective date.

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100 WHEREAS, the Division of Risk Management provides property
101 insurance coverage for all agencies within the executive,
102 legislative, and judicial branches of state government, and

103 WHEREAS, the state has historically retained losses of up
104 to \$2 million per occurrence, \$5 million annual aggregate, and
105 has obtained excess property insurance for higher amounts, and

106 WHEREAS, claims historically have seldom exceeded that
107 retention level, and

108 WHEREAS, insurance coverage above the retained amount and
109 up to \$40 million costs approximately \$8.6 million for coverage
110 for the 2002-2003 fiscal year, and

111 WHEREAS, excess property insurance with an annual
112 aggregate retention of \$40 million is readily obtainable and
113 more reasonably priced such that it is in the best interest of
114 the state to purchase insurance coverage for losses exceeding
115 the \$40 million aggregate retention level, and

116 WHEREAS, it appears financially prudent to provide an
117 alternative mechanism for paying unanticipated losses of up to
118 \$40 million annual aggregate retention, and

119 WHEREAS, the Legislature further finds that property
120 losses in excess of the coverage historically retained by the
121 state constitute an unanticipated financial need, and

122 WHEREAS, an unanticipated financial need that the
123 Legislature has found must be funded to serve the essential
124 state responsibility of maintaining state buildings constitutes
125 an emergency, and

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126 | WHEREAS, it would be appropriate to use moneys from the
127 | Budget Stabilization Fund to cover such an emergency, NOW,
128 | THEREFORE,

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