

By the Committee on Ways and Means; and Senator Atwater

576-1870-05

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Senate Joint Resolution No. ____

A joint resolution proposing amendments to Section 19 of Article III of the State Constitution, relating to requirements for state budget planning, spending, and accountability.

Be It Resolved by the Legislature of the State of Florida:

That the following amendments to Section 19 of Article III of the State Constitution are agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE III

LEGISLATURE

SECTION 19. State Budgeting, Planning and Appropriations Processes.--

(a) ANNUAL BUDGETING.

~~(1) Effective July 1, 1994,~~ General law shall prescribe the adoption of annual state budgetary and planning processes and require that detail reflecting the annualized costs of the state budget and reflecting the nonrecurring costs of the budget requests shall accompany state department and agency legislative budget requests, the governor's recommended budget, and appropriation bills.

(2) Unless approved by a three-fifths vote of the membership of each house, appropriations made for recurring purposes from nonrecurring general revenue funds for any fiscal year shall not exceed three percent of the total

1 general revenue funds estimated to be available at the time
2 such appropriation is made.

3 (3) As prescribed by general law, each state
4 department and agency shall be required to submit a
5 legislative budget request that is based upon and that
6 reflects the long-range financial outlook adopted by the joint
7 legislative budget commission or that specifically explains
8 any variance from the long-range financial outlook contained
9 in the request.

10 (4) For purposes of this section ~~subsection~~, the terms
11 department and agency shall include the judicial branch.

12 (b) APPROPRIATION BILLS FORMAT. Separate sections
13 within the general appropriation bill shall be used for each
14 major program area of the state budget; major program areas
15 shall include: education enhancement "lottery" trust fund
16 items; education (all other funds); human services; criminal
17 justice and corrections; natural resources, environment,
18 growth management, and transportation; general government; and
19 judicial branch. Each major program area shall include an
20 itemization of expenditures for: state operations; state
21 capital outlay; aid to local governments and nonprofit
22 organizations operations; aid to local governments and
23 nonprofit organizations capital outlay; federal funds and the
24 associated state matching funds; spending authorizations for
25 operations; and spending authorizations for capital outlay.
26 Additionally, appropriation bills passed by the legislature
27 shall include an itemization of specific appropriations that
28 exceed one million dollars (\$1,000,000.00) in 1992 dollars.
29 For purposes of this subsection, "specific appropriation,"
30 "itemization," and "major program area" shall be defined by
31 law. This itemization threshold shall be adjusted by general

1 law every four years to reflect the rate of inflation or
2 deflation as indicated in the Consumer Price Index for All
3 Urban Consumers, U.S. City Average, All Items, or successor
4 reports as reported by the United States Department of Labor,
5 Bureau of Labor Statistics or its successor. Substantive bills
6 containing appropriations shall also be subject to the
7 itemization requirement mandated under this provision and
8 shall be subject to the governor's specific appropriation veto
9 power described in Article III, Section 8. ~~This subsection~~
10 ~~shall be effective July 1, 1994.~~

11 (c) APPROPRIATIONS ~~REVIEW~~ PROCESS.

12 (1) No later than September 15 of each year, the joint
13 legislative budget commission shall issue a long-range
14 financial outlook setting out fiscal strategies for the state
15 and its departments and agencies in order to assist the
16 legislature in making policy and budget decisions. The
17 long-range financial outlook must include major workload and
18 revenue estimates. In order to implement this paragraph, the
19 joint legislative budget commission shall use current official
20 consensus estimates and may request the development of
21 additional official estimates.

22 (2) The joint legislative budget commission shall seek
23 input from the public and from the executive and judicial
24 branches when developing and implementing the long-range
25 financial outlook.

26 (3) The legislature shall prescribe by general law
27 conditions under which limited adjustments to the budget, as
28 recommended by the governor or the chief justice of the
29 supreme court, may be approved without the concurrence of the
30 full legislature. ~~Effective July 1, 1993, general law shall~~
31 prescribe requirements for each department and agency of state

1 ~~government to submit a planning document and supporting budget~~
2 ~~request for review by the appropriations committees of both~~
3 ~~houses of the legislature. The review shall include a~~
4 ~~comparison of the major issues in the planning document and~~
5 ~~budget requests to those major issues included in the~~
6 ~~governor's recommended budget. For purposes of this~~
7 ~~subsection, the terms department and agency shall include the~~
8 ~~judicial branch.~~

9 (d) SEVENTY-TWO HOUR PUBLIC REVIEW PERIOD. All
10 general appropriation bills shall be furnished to each member
11 of the legislature, each member of the cabinet, the governor,
12 and the chief justice of the supreme court at least
13 seventy-two hours before final passage by either house of the
14 legislature of the bill in the form that will be presented to
15 the governor.

16 (e) FINAL BUDGET REPORT. ~~Effective November 4, 1992,~~
17 A final budget report shall be prepared as prescribed by
18 general law. The final budget report shall be produced no
19 later than the 120th ~~90th~~ day after the beginning of the
20 fiscal year, and copies of the report shall be furnished to
21 each member of the legislature, the head of each department
22 and agency of the state, the auditor general, and the chief
23 justice of the supreme court.

24 (f) TRUST FUNDS.

25 (1) No trust fund of the State of Florida or other
26 public body may be created or re-created by law without a
27 three-fifths(~~3/5~~) vote of the membership of each house of the
28 legislature in a separate bill for that purpose only.

29 (2) ~~State trust funds in existence before the~~
30 ~~effective date of this subsection shall terminate not more~~
31 ~~than four years after the effective date of this subsection.~~

1 State trust funds ~~created after the effective date of this~~
2 ~~subsection~~ shall terminate not more than four years after the
3 effective date of the act authorizing the initial creation of
4 the trust fund. By law the legislature may set a shorter time
5 period for which any trust fund is authorized.

6 (3) Trust funds required by federal programs or
7 mandates; trust funds established for bond covenants,
8 indentures, or resolutions, whose revenues are legally pledged
9 by the state or public body to meet debt service or other
10 financial requirements of any debt obligations of the state or
11 any public body; the state transportation trust fund; the
12 trust fund containing the net annual proceeds from the Florida
13 Education Lotteries; the Florida retirement trust fund; trust
14 funds for institutions under the management of the Board of
15 Governors Regents, where such trust funds are for auxiliary
16 enterprises and contracts, grants, and donations, as those
17 terms are defined by general law; trust funds that serve as
18 clearing funds or accounts for the chief financial officer or
19 state agencies; trust funds that account for assets held by
20 the state in a trustee capacity as an agent or fiduciary for
21 individuals, private organizations, or other governmental
22 units; and other trust funds authorized by this Constitution,
23 are not subject to the requirements set forth in paragraph (2)
24 of this subsection.

25 (4) All cash balances and income of any trust funds
26 abolished under this subsection shall be deposited into the
27 general revenue fund.

28 ~~(5) The provisions of this subsection shall be~~
29 ~~effective November 4, 1992.~~

30 (g) BUDGET STABILIZATION FUND. ~~Beginning with the~~
31 ~~1994 1995 fiscal year, at least 1% of an amount equal to the~~

1 ~~last completed fiscal year's net revenue collections for the~~
2 ~~general revenue fund shall be retained in a budget~~
3 ~~stabilization fund. The budget stabilization fund shall be~~
4 ~~increased to at least 2% of said amount for the 1995-1996~~
5 ~~fiscal year, at least 3% of said amount for the 1996-1997~~
6 ~~fiscal year, at least 4% of said amount for the 1997-1998~~
7 ~~fiscal year, and at least 5% of said amount for the 1998-1999~~
8 ~~fiscal year.~~ Subject to the provisions of this subsection,
9 ~~the budget stabilization fund shall be maintained at an amount~~
10 equal to at least 5% of the last completed fiscal year's net
11 revenue collections for the general revenue fund shall be
12 retained in the budget stabilization fund. The budget
13 stabilization fund's principal balance shall not exceed an
14 amount equal to 10% of the last completed fiscal year's net
15 revenue collections for the general revenue fund. The
16 legislature shall provide criteria for withdrawing funds from
17 the budget stabilization fund in a separate bill for that
18 purpose only and only for the purpose of covering revenue
19 shortfalls of the general revenue fund or for the purpose of
20 providing funding for an emergency, as defined by general law.
21 General law shall provide for the restoration of this fund.
22 The budget stabilization fund shall be comprised of funds not
23 otherwise obligated or committed for any purpose.

24 (h) LONG-RANGE STATE PLANNING DOCUMENT AND DEPARTMENT
25 AND AGENCY PLANNING DOCUMENT PROCESSES. General law shall
26 provide for a long-range state planning document. The governor
27 shall recommend to the legislature biennially any revisions to
28 the long-range state planning document, as defined by law.
29 General law shall require a biennial review and revision of
30 the long-range state planning document, ~~shall require the~~
31 ~~governor to report to the legislature on the progress in~~

1 ~~achieving the state planning document's goals,~~ and shall
2 require all departments and agencies of state government to
3 develop planning documents that identify statewide strategic
4 goals and objectives, consistent with the long-range state
5 planning document. The long-range state planning document and
6 department and agency planning documents shall remain subject
7 to review and revision by the legislature. The long-range
8 state planning document must include projections of future
9 needs and resources of the state which are consistent with the
10 long-range financial outlook. The department and agency
11 planning documents shall include a prioritized listing of
12 planned expenditures for review and possible reduction in the
13 event of revenue shortfalls, as defined by general law. ~~To~~
14 ~~ensure productivity and efficiency in the executive,~~
15 ~~legislative, and judicial branches, a quality management and~~
16 ~~accountability program shall be implemented by general law.~~
17 ~~For the purposes of this subsection, the terms department and~~
18 ~~agency shall include the judicial branch. This subsection~~
19 ~~shall be effective July 1, 1993.~~

20 (i) GOVERNMENT EFFICIENCY TASK FORCE. No later than
21 January of 2007, and each fourth year thereafter, the
22 president of the senate, the speaker of the house of
23 representatives, and the governor shall appoint a government
24 efficiency task force, the membership of which shall be
25 established by general law. The task force shall be composed
26 of members of the legislature and representatives from the
27 private and public sectors who shall develop recommendations
28 for improving governmental operations and reducing costs.
29 Staff to assist the task force in performing its duties shall
30 be assigned by general law, and the task force may obtain
31 assistance from the private sector. The task force shall

1 complete its work within one year and shall submit its
2 recommendations to the joint legislative budget commission,
3 the governor, and the chief justice of the supreme court.

4 (j) JOINT LEGISLATIVE BUDGET COMMISSION. There is
5 created within the legislature the joint legislative budget
6 commission composed of equal numbers of senate members
7 appointed by the president of the senate and house members
8 appointed by the speaker of the house of representatives. Each
9 member shall serve at the pleasure of the officer who
10 appointed the member. A vacancy on the commission shall be
11 filled in the same manner as the original appointment. From
12 November of each odd-numbered year through October of each
13 even-numbered year, the chairperson of the joint legislative
14 budget commission shall be appointed by the president of the
15 senate and the vice chairperson of the commission shall be
16 appointed by the speaker of the house of representatives. From
17 November of each even-numbered year through October of each
18 odd-numbered year, the chairperson of the joint legislative
19 budget commission shall be appointed by the speaker of the
20 house of representatives and the vice chairperson of the
21 commission shall be appointed by the president of the senate.
22 The joint legislative budget commission shall be governed by
23 the joint rules of the senate and the house of
24 representatives, which shall remain in effect until repealed
25 or amended by concurrent resolution. The commission shall
26 convene at least quarterly and shall convene at the call of
27 the president of the senate and the speaker of the house of
28 representatives. A majority of the commission members of each
29 house plus one additional member from either house constitutes
30 a quorum. Action by the commission requires a majority vote of
31 the commission members present of each house. The commission

1 may conduct its meetings through teleconferences or similar
2 means. In addition to the powers and duties specified in this
3 subsection, the joint legislative budget commission shall
4 exercise all other powers and perform any other duties not in
5 conflict with paragraph (c)(3) and as prescribed by general
6 law or joint rule.

7 BE IT FURTHER RESOLVED that the following statement be
8 placed on the ballot:

9 CONSTITUTIONAL AMENDMENT

10 ARTICLE III, SECTION 19

11 STATE PLANNING AND BUDGET PROCESS.--Proposing
12 amendments to the State Constitution to limit the amount of
13 nonrecurring general revenue which may be appropriated for
14 recurring purposes in any fiscal year to 3 percent of the
15 total general revenue funds estimated to be available, unless
16 otherwise approved by a three-fifths vote of the Legislature;
17 to establish a Joint Legislative Budget Commission, which
18 shall issue long-range financial outlooks; to provide for
19 limited adjustments in the state budget without the
20 concurrence of the full Legislature, as provided by general
21 law; to reduce the number of times trust funds are
22 automatically terminated; to require the preparation and
23 biennial revision of a long-range state planning document; and
24 to establish a Government Efficiency Task Force and specify
25 its duties.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Joint Resolution 2144

Requires the Legislative Budget Commission to seek input from the judicial branch when developing the long-range fiscal plan. Extends the time frame for production of the final budget report to 120 days after the beginning of each fiscal year.