

By Senator Carlton

23-185C-05

1 A bill to be entitled
2 An act relating to the management of state
3 financial matters; amending s. 14.2015, F.S.;
4 requiring the Office of Tourism, Trade, and
5 Economic Development and the Florida Commission
6 on Tourism to advise and consult with the
7 Consensus Estimating Conference principals
8 concerning certain duties; amending s. 45.062,
9 F.S.; requiring that certain legislative
10 officers and the Attorney General receive prior
11 notice concerning settlement negotiations and
12 presettlement agreements or orders; specifying
13 that such notice is a condition precedent to an
14 agency's authority to enter into such an
15 agreement; providing certain exceptions;
16 requiring that moneys paid in settlement of a
17 legal action be placed unobligated into the
18 General Revenue Fund or an appropriate trust
19 fund; prohibiting payment outside the State
20 Treasury except in settlement of a personal
21 injury claim; requiring that certain
22 legislative officers and the Attorney General
23 receive prior notice concerning certain
24 settlements involving a state agency or
25 officer; amending s. 110.1245, F.S., relating
26 to a savings sharing program; correcting a
27 reference; amending s. 215.32, F.S.; requiring
28 state agencies to use trust funds for specified
29 purposes, to the extent possible; authorizing
30 an agency to request the creation of a
31 necessary trust fund; revising requirements and

1 uses of the Working Capital Fund; amending s.
2 215.5601, F.S., relating to the Lawton Chiles
3 Endowment Fund; revising provisions governing
4 appropriations to the fund; amending ss. 215.93
5 and 215.94, F.S., relating to the Florida
6 Financial Management Information System;
7 revising duties of the Financial Management
8 Information Board and the functional owners of
9 the information subsystems; requiring the
10 Auditor General to provide technical advice;
11 amending s. 215.97, F.S., relating to the
12 Florida Single Audit Act; revising and
13 providing definitions; revising the uniform
14 state audit requirements for state financial
15 assistance that is provided by state agencies
16 to nonstate entities; requiring the Department
17 of Financial Services to adopt rules and
18 perform additional duties with respect to the
19 provision of financial assistance to carry out
20 state projects; specifying duties of
21 coordinating agencies; exempting nonstate
22 entities that act only as a conduit of state
23 financial assistance from the requirements of
24 the Florida Single Audit Act; amending s.
25 216.011, F.S.; revising definitions applicable
26 to the fiscal affairs of the state; defining
27 the terms "mandatory reserve," "budget
28 reserve," "activity," and "statutorily
29 authorized entity"; amending s. 216.013, F.S.;
30 revising requirements for the long-range
31 program plans developed by state agencies;

1 providing for submitting such plans on an
2 alternate date under certain circumstances;
3 revising the date for making adjustments;
4 amending s. 216.023, F.S., relating to
5 legislative budget requests; providing
6 alternate dates for submitting such requests
7 under certain circumstances; providing
8 requirements for a request to outsource or
9 privatize agency functions; deleting certain
10 requirements for performance-based program
11 budget requests; amending s. 216.031, F.S.;
12 revising requirements for target budget
13 requests; repealing s. 216.052(2), (3), (8),
14 and (9), F.S., relating to community budget
15 requests and a revolving loan program;
16 repealing s. 216.053(5), F.S., relating to
17 summary information concerning
18 performance-based program budgets; amending s.
19 216.065, F.S.; requiring that a fiscal impact
20 statement provided to the legislative
21 appropriations committees contain information
22 concerning subsequent fiscal years; amending s.
23 216.081, F.S.; providing data requirements for
24 the Governor's recommended budget under certain
25 circumstances; repealing s. 216.136(7) and (8),
26 F.S., relating to the Child Welfare System
27 Estimating Conference and the Juvenile Justice
28 Estimating Conference; amending s. 216.162,
29 F.S.; revising the date for the Governor to
30 submit the recommended budget for the state;
31 amending s. 216.167, F.S.; deleting references

1 to the Working Capital Fund to conform to
2 changes made by the act; amending s. 216.168,
3 F.S.; deleting provisions exempting the
4 Governor from a requirement to submit amended
5 recommendations; amending s. 216.177, F.S.;
6 revising requirements for notifying the
7 Legislature of actions taken under ch. 216,
8 F.S., and funds expended in settlement of
9 agency litigation; amending s. 216.181, F.S.;
10 requiring approval of certain amendments to an
11 approved operating budget by the Legislative
12 Budget Commission; clarifying provisions with
13 respect to the notice required for the transfer
14 of lump-sum appropriations; revising
15 requirements for determining salary rates;
16 authorizing the Legislative Budget Commission
17 to approve salary rates; deleting certain
18 notice requirements; authorizing certain
19 refunds, payments, and transfers pursuant to
20 budget authority within the executive branch
21 and the judicial branch; requiring notice to
22 the chairs of the legislative committees
23 responsible for developing the general
24 appropriations acts; repealing ss. 216.1825 and
25 216.183, F.S., relating to the use of
26 zero-based budgeting principles and
27 performance-based program budgets; amending s.
28 216.192, F.S.; requiring that an agency submit
29 an operational work plan to the Executive
30 Office of the Governor and the chairs of the
31 legislative appropriations committees for

1 approval before funds are released for
2 information technology projects; providing
3 requirements for the work plan; requiring that
4 the agency submit project-status reports;
5 requiring that the frequency of work plans and
6 status reports be specified in the General
7 Appropriations Act; deleting provisions
8 authorizing the legislative appropriations
9 committees to provide advice regarding the
10 release of funds; authorizing the Executive
11 Office of the Governor and the Chief Justice to
12 place appropriations in mandatory reserve or
13 budget reserve; amending s. 216.195, F.S.;
14 deleting certain notice and review requirements
15 for the impoundment of funds; amending s.
16 216.221, F.S.; authorizing the Legislature to
17 direct the use of any state funds in an
18 appropriations act; revising requirements for
19 adjusting budgets in order to avoid or
20 eliminate a deficit; revising procedures for
21 certifying a budget deficit; revising
22 requirements for the Governor and the Chief
23 Justice in developing plans of action;
24 requiring that the Legislative Budget
25 Commission implement certain reductions in
26 appropriations; revising requirements for
27 resolving deficits; requiring that certain
28 actions to resolve a deficit be approved by the
29 Legislative Budget Commission; amending s.
30 216.231, F.S., relating to the release of
31 classified appropriations; conforming

1 provisions to changes made by the act; amending
2 s. 216.235, F.S., relating to the Innovation
3 Investment Program; correcting references;
4 limiting the funding of certain proposals under
5 the program; amending s. 216.241, F.S.;
6 requiring that the initiation or commencement
7 of new programs be approved by the Legislative
8 Budget Commission; deleting certain notice
9 requirements; limiting certain other actions
10 and budget adjustments by a state agency or the
11 judicial branch without the approval of the
12 Legislature or the Legislative Budget
13 Commission; amending s. 216.251, F.S.;
14 correcting a reference; revising requirements
15 for establishing certain salaries; amending s.
16 216.262, F.S.; requiring the Legislative Budget
17 Commission to approve certain increases in the
18 number of positions; deleting provisions
19 authorizing an agency to retain salary dollars
20 under certain circumstances; amending s.
21 216.292, F.S.; revising provisions limiting the
22 transferability of appropriations; prohibiting
23 spending fixed capital outlay for other
24 purposes; prohibiting transferring
25 appropriations except as otherwise provided by
26 law; providing certain exceptions; amending s.
27 216.301, F.S.; revising requirements for
28 continuing unexpended balances of
29 appropriations for fixed capital outlay;
30 requiring approval by the Executive Office of
31 the Governor; authorizing the President of the

1 Senate and the Speaker of the House of
2 Representatives to provide for the retention of
3 certain balances from legislative budget
4 entities; repealing s. 218.60(3), F.S.,
5 relating to estimates made by the revenue
6 estimating conference and provided to local
7 governments; amending ss. 252.37 and 265.55,
8 F.S.; deleting certain references to the
9 Working Capital Fund to conform to changes made
10 by the act; repealing s. 288.1234, F.S.,
11 relating to the Olympic Games Guaranty Account
12 within the Economic Development Trust Fund;
13 amending s. 320.20, F.S.; providing duties of
14 the Chief Financial Officer with respect to the
15 deposit of certain trust fund moneys based on
16 anticipated annual revenues; amending s.
17 339.135, F.S.; revising requirements for the
18 tentative work programs submitted by state
19 agencies; requiring that the Legislative Budget
20 Commission approve certain extensions of
21 spending authority; revising requirements for
22 amending certain work programs; amending s.
23 381.0303, F.S.; authorizing the Department of
24 Health to obtain reimbursement for special
25 needs shelters from unappropriated moneys in
26 the General Revenue Fund; amending s. 409.906,
27 F.S.; deleting provisions authorizing the
28 Department of Children and Family Services to
29 transfer certain funds in excess of the amount
30 specified in the General Appropriations Act;
31 repealing s. 409.912(11)(b), F.S., relating to

1 the transfer of certain funds from the
2 Department of Elderly Affairs to the Agency for
3 Health Care Administration; amending ss.
4 468.392 and 475.484, F.S.; deleting provisions
5 exempting funds in the Auctioneer Recovery Fund
6 and the Real Estate Recovery Fund from
7 limitations imposed by an appropriation act;
8 amending s. 631.141, F.S.; clarifying
9 provisions requiring the Legislative Budget
10 Commission to approve certain appropriations;
11 amending s. 921.001, F.S.; requiring the
12 Legislature to make certain determinations with
13 respect to legislation that affects the prison
14 population; amending s. 943.61, F.S., relating
15 to appropriations to the Capitol Police;
16 deleting provisions requiring approval by the
17 Governor and the Legislative Budget Commission;
18 amending s. 1009.536, F.S.; deleting duties of
19 the Workforce Estimating Conference with
20 respect to certain career education programs;
21 amending s. 1013.512, F.S.; requiring a
22 recommendation by the Governor before placing
23 certain school district funds in reserve;
24 providing for references to the Working Capital
25 Fund in certain appropriations and proviso
26 language to be replaced with a reference to the
27 General Revenue Fund; providing effective
28 dates.

29
30 Be It Enacted by the Legislature of the State of Florida:
31

1 Section 1. Subsection (8) of section 14.2015, Florida
2 Statutes, is amended to read:

3 14.2015 Office of Tourism, Trade, and Economic
4 Development; creation; powers and duties.--

5 (8) The Office of Tourism, Trade, and Economic
6 Development shall ensure that the contract between the Florida
7 Commission on Tourism and the commission's direct-support
8 organization contains a provision to provide the data on the
9 visitor counts and visitor profiles used in revenue
10 estimating, employing the same methodology used in fiscal year
11 1995-1996 by the Department of Commerce. The Office of
12 Tourism, Trade, and Economic Development and the Florida
13 Commission on Tourism must advise and consult ~~reach agreement~~
14 with the Consensus Estimating Conference principals before
15 making any changes in methodology used or information
16 gathered.

17 Section 2. Effective July 1, 2006, section 45.062,
18 Florida Statutes, is amended to read:

19 45.062 Settlements, conditions, or orders when an
20 agency of the executive branch is a party.--

21 (1) In any civil action in which a state executive
22 branch agency or officer is a party in state or federal court,
23 the officer, agent, official, or attorney who represents or is
24 acting on behalf of such agency or officer may not settle such
25 action, consent to any condition, or agree to any order in
26 connection therewith, if the settlement, condition, or order
27 requires the expenditure of or the obligation to expend any
28 state funds or other state resources, the refund or future
29 loss of state revenues exceeding \$10 million, or the
30 establishment of any new program, unless:
31

1 (a) The expenditure is provided for by an existing
2 appropriation or program established by law; ~~and~~

3 **(b) At the time settlement negotiations are begun in**
4 **earnest, written notification is given to the President of the**
5 **Senate, the Speaker of the House of Representatives, the**
6 **Senate and House minority leaders, the chairs of the**
7 **appropriations committees of the Legislature, and the Attorney**
8 **General; and**

9 ~~(c)(b)~~ Prior written notification is given at least
10 ~~within~~ 5 business days before ~~of~~ the date the settlement or
11 presettlement agreement or order is to be made final to the
12 President of the Senate, the Speaker of the House of
13 Representatives, the Senate and House minority leaders, the
14 chairs of the appropriations committees of the Legislature,
15 and the Attorney General. Such notification is a condition
16 precedent to the agency's authority to enter into the
17 settlement or presettlement agreement and shall be subject to
18 the review and objection procedures of s. 216.177. Such
19 notification shall specify how the agency involved will
20 address the costs in future years within the limits of current
21 appropriations.

22 1. The Division of Risk Management need not give the
23 notification required by this paragraph when settling any
24 claim covered by the state self-insurance program for an
25 amount less than \$100,000.

26 2. The notification specified in this paragraph is not
27 required if the only settlement obligation of the state
28 resulting from the claim is to pay court costs in an amount
29 less than \$10,000.

30
31

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

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

7 (4) Any settlement that commits the state to spending
8 in excess of current appropriations or to policy changes
9 inconsistent with current state law shall be contingent upon
10 and subject to legislative appropriation or statutory
11 amendment. The state agency or officer may agree to use all
12 efforts to procure legislative funding or statutory amendment.

13 (5) When a state agency or officer settles an action
14 or legal claim in which the state asserted a right to recover
15 money, all moneys paid to the state by a party in full or
16 partial exchange for a release of the state's claim shall be
17 placed unobligated into the General Revenue Fund or the
18 appropriate trust fund. A settlement may not authorize or
19 ratify any payment outside the State Treasury, other than to a
20 person, as defined in s. 1.01, suffering an injury arising out
21 of the transaction or course of conduct giving rise to the
22 settled claim. This subsection does not limit the right of a
23 private party to settle a claim independent of the settlement
24 by a public party.

25 ~~(6)~~(5) State executive branch agencies and officers
26 shall report to each substantive and fiscal committee of the
27 Legislature having jurisdiction over the reporting agency on
28 all potential settlements that may commit the state to:

29 (a) Spend in excess of current appropriations; or

30 (b) Make policy changes inconsistent with current
31 state law.

1
2 The state executive branch agency or officer shall provide
3 periodic updates to the appropriate legislative committees on
4 these issues during the settlement process.

5 (7) In any civil action in which a state executive
6 branch agency or officer is a party in state or federal court,
7 the officer, agent, official, or attorney who represents or is
8 acting on behalf of such agency or officer may not settle such
9 action if the settlement requires the other party to commit
10 funds to a particular purpose as a condition of the
11 settlement, unless at least 5 business days before the date
12 the settlement agreement is to be made final written notice is
13 given to the President of the Senate, the Speaker of the House
14 of Representatives, the Senate and House minority leaders, the
15 chairs of the appropriations committees of the Legislature,
16 and the Attorney General. Such notification is a condition
17 precedent to the agency's authority to enter into the
18 settlement and is subject to the review and objection
19 procedures of s. 216.177.

20 Section 3. Paragraph (b) of subsection (1) of section
21 110.1245, Florida Statutes, is amended to read:

22 110.1245 Savings sharing program; bonus payments;
23 other awards.--

24 (1)

25 (b) Each agency head shall recommend employees
26 individually or by group to be awarded an amount of money,
27 which amount shall be directly related to the cost savings
28 realized. Each proposed award and amount of money must be
29 approved by the Legislative ~~Budget~~ Budgeting Commission.

30 Section 4. Section 215.32, Florida Statutes, is
31 amended to read:

1 215.32 State funds; segregation.--

2 (1) All moneys received by the state shall be
3 deposited in the State Treasury unless specifically provided
4 otherwise by law and shall be deposited in and accounted for
5 by the Chief Financial Officer within the following funds,
6 which funds are hereby created and established:

7 (a) General Revenue Fund.

8 (b) Trust funds.

9 ~~(c) Working Capital Fund.~~

10 (c)(d) Budget Stabilization Fund.

11 (2) The source and use of each of these funds shall be
12 as follows:

13 (a) The General Revenue Fund shall consist of all
14 moneys received by the state from every source whatsoever,
15 except as provided in paragraphs (b) and (c). Such moneys
16 shall be expended pursuant to General Revenue Fund
17 appropriations acts or transferred as provided in paragraph
18 (c). Annually, at least 5 percent of the estimated increase
19 in General Revenue Fund receipts for the upcoming fiscal year
20 over the current year General Revenue Fund effective
21 appropriations shall be appropriated for state-level capital
22 outlay, including infrastructure improvement and general
23 renovation, maintenance, and repairs.

24 (b)1. The trust funds shall consist of moneys received
25 by the state which under law or under trust agreement are
26 segregated for a purpose authorized by law. The state agency
27 or branch of state government receiving or collecting such
28 moneys shall be responsible for their proper expenditure as
29 provided by law. Upon the request of the state agency or
30 branch of state government responsible for the administration
31 of the trust fund, the Chief Financial Officer may establish

1 accounts within the trust fund at a level considered necessary
2 for proper accountability. Once an account is established
3 within a trust fund, the Chief Financial Officer may authorize
4 payment from that account only upon determining that there is
5 sufficient cash and releases at the level of the account.

6 2. In addition to other trust funds created by law, to
7 the extent possible, each agency shall use the following trust
8 funds as described in this subparagraph for day-to-day
9 operations:

10 a. Operations or operating trust fund, for use as a
11 depository for funds to be used for program operations funded
12 by program revenues, with the exception of administrative
13 activities when the operations or operating trust fund is a
14 proprietary fund.

15 b. Operations and maintenance trust fund, for use as a
16 depository for client services funded by third-party payors.

17 c. Administrative trust fund, for use as a depository
18 for funds to be used for management activities that are
19 departmental in nature and funded by indirect cost earnings
20 and assessments against trust funds. Proprietary funds are
21 excluded from the requirement of using an administrative trust
22 fund.

23 d. Grants and donations trust fund, for use as a
24 depository for funds to be used for allowable grant or donor
25 agreement activities funded by restricted contractual revenue
26 from private and public nonfederal sources.

27 e. Agency working capital trust fund, for use as a
28 depository for funds to be used pursuant to s. 216.272.

29 f. Clearing funds trust fund, for use as a depository
30 for funds to account for collections pending distribution to
31 lawful recipients.

1 g. Federal grant trust fund, for use as a depository
2 for funds to be used for allowable grant activities funded by
3 restricted program revenues from federal sources.

4
5 To the extent possible, each agency must adjust its internal
6 accounting to use existing trust funds consistent with the
7 requirements of this subparagraph. If an agency does not have
8 trust funds listed in this subparagraph and cannot make such
9 adjustment, the agency must recommend the creation of the
10 necessary trust funds to the Legislature no later than the
11 next scheduled review of the agency's trust funds pursuant to
12 s. 215.3206.

13 3. All such moneys are hereby appropriated to be
14 expended in accordance with the law or trust agreement under
15 which they were received, subject always to the provisions of
16 chapter 216 relating to the appropriation of funds and to the
17 applicable laws relating to the deposit or expenditure of
18 moneys in the State Treasury.

19 4.a. Notwithstanding any provision of law restricting
20 the use of trust funds to specific purposes, unappropriated
21 cash balances from selected trust funds may be authorized by
22 the Legislature for transfer to the Budget Stabilization Fund
23 and General Revenue ~~Working Capital~~ Fund in the General
24 Appropriations Act.

25 b. This subparagraph does not apply to trust funds
26 required by federal programs or mandates; trust funds
27 established for bond covenants, indentures, or resolutions
28 whose revenues are legally pledged by the state or public body
29 to meet debt service or other financial requirements of any
30 debt obligations of the state or any public body; the State
31 Transportation Trust Fund; the trust fund containing the net

1 annual proceeds from the Florida Education Lotteries; the
2 Florida Retirement System Trust Fund; trust funds under the
3 management of the State Board of Education ~~Board of Regents~~,
4 where such trust funds are for auxiliary enterprises,
5 self-insurance, and contracts, grants, and donations, as those
6 terms are defined by general law; trust funds that serve as
7 clearing funds or accounts for the Chief Financial Officer or
8 state agencies; trust funds that account for assets held by
9 the state in a trustee capacity as an agent or fiduciary for
10 individuals, private organizations, or other governmental
11 units; and other trust funds authorized by the State
12 Constitution.

13 (c)1. The Budget Stabilization Fund shall consist of
14 amounts equal to at least 5 percent of net revenue collections
15 for the General Revenue Fund during the last completed fiscal
16 year. The Budget Stabilization Fund's principal balance shall
17 not exceed an amount equal to 10 percent of the last completed
18 fiscal year's net revenue collections for the General Revenue
19 Fund. As used in this paragraph, the term "last completed
20 fiscal year" means the most recently completed fiscal year
21 prior to the regular legislative session at which the
22 Legislature considers the General Appropriations Act for the
23 year in which the transfer to the Budget Stabilization Fund
24 must be made under this paragraph.

25 2. By September 15 of each year, the Governor shall
26 authorize the Chief Financial Officer to transfer, and the
27 Chief Financial Officer shall transfer pursuant to
28 appropriations made by law, to the Budget Stabilization Fund
29 the amount of money needed for the balance of that fund to
30 equal the amount specified in subparagraph 1., less any
31 amounts expended and not restored. The moneys needed for this

1 transfer may be appropriated by the Legislature from any
2 funds.

3 3. Unless otherwise provided in this subparagraph, an
4 expenditure from the Budget Stabilization Fund must be
5 restored pursuant to a restoration schedule that provides for
6 making five equal annual transfers from the General Revenue
7 Fund, beginning in the third fiscal year following that in
8 which the expenditure was made. For any Budget Stabilization
9 Fund expenditure, the Legislature may establish by law a
10 different restoration schedule and such change may be made at
11 any time during the restoration period. Moneys are hereby
12 appropriated for transfers pursuant to this subparagraph.

13 4. The Budget Stabilization Fund ~~and the Working~~
14 ~~Capital Fund~~ may be used as a revolving fund funds for
15 transfers as provided in s. 215.18 ~~s. 17.61~~; however, any
16 interest earned must be deposited in the General Revenue Fund.

17 5. The Chief Financial Officer and the Department of
18 Management Services shall transfer funds to water management
19 districts to pay eligible water management district employees
20 for all benefits due under s. 373.6065, as long as funds
21 remain available for the program described under s. 100.152.

22 ~~(d) The Working Capital Fund shall consist of moneys~~
23 ~~in the General Revenue Fund which are in excess of the amount~~
24 ~~needed to meet General Revenue Fund appropriations for the~~
25 ~~current fiscal year. Each year, no later than the publishing~~
26 ~~date of the annual financial statements for the state by the~~
27 ~~Chief Financial Officer under s. 216.102, funds shall be~~
28 ~~transferred between the Working Capital Fund and the General~~
29 ~~Revenue Fund to establish the balance of the Working Capital~~
30 ~~Fund for that fiscal year at the amount determined pursuant to~~
31 ~~this paragraph.~~

1 Section 5. Subsection (5) of section 215.5601, Florida
2 Statutes, is amended to read:

3 215.5601 Lawton Chiles Endowment Fund.--

4 (5) AVAILABILITY OF FUNDS; USES.--

5 (a) Funds from the endowment which are available for
6 legislative appropriation shall be transferred by the board to
7 the Department of Financial Services Tobacco Settlement
8 Clearing Trust Fund, created in s. 17.41, and disbursed in
9 accordance with the legislative appropriation.

10 1. Appropriations by the Legislature to the Department
11 of Health from endowment earnings from the principal set aside
12 for biomedical research shall be from a category called the
13 James and Esther King Biomedical Research Program and shall be
14 deposited into the Biomedical Research Trust Fund in the
15 Department of Health established in s. 20.435.

16 2. Appropriations by the Legislature to the Department
17 of Children and Family Services, the Department of Health, or
18 the Department of Elderly Affairs from endowment earnings for
19 health and human services programs ~~shall be from a category~~
20 ~~called the Lawton Chiles Endowment Fund Programs~~ and shall be
21 deposited into each department's respective Tobacco Settlement
22 Trust Fund as appropriated.

23 (b) In order to ensure that the expenditure of funds
24 earned from the Lawton Chiles Endowment Fund will be used for
25 the purposes intended by the Legislature, the Legislature
26 shall establish line item categories for the state agencies
27 describing the designated use of the appropriated funds as
28 provided in the General Appropriations Act.

29 (c) The secretaries of the state agencies shall
30 conduct meetings to discuss priorities for endowment funding
31 for health and human services programs for children and elders

1 before submitting their legislative budget requests to the
2 Executive Office of the Governor and the Legislature. The
3 purpose of the meetings is to gain consensus for priority
4 requests and recommended endowment funding levels for those
5 priority requests. No later than September 1 of each year, the
6 secretaries of the state agencies shall also submit their
7 consensus priority requests to the Lawton Chiles Endowment
8 Fund Advisory Council created in subsection (6).

9 (d) Subject to legislative appropriations, state
10 agencies shall use distributions from the endowment to enhance
11 or support increases in clients served or to meet increases in
12 program costs in health and human services program areas.
13 Funds distributed from the endowment may not be used to
14 supplant existing revenues.

15 (e) Notwithstanding s. 216.301 and pursuant to s.
16 216.351, all unencumbered balances of appropriations from each
17 department's respective Tobacco Settlement Trust Fund as of
18 June 30 or undisbursed balances as of December 31 shall revert
19 to the endowment's principal. Unencumbered balances in the
20 Biomedical Research Trust Fund shall be managed as provided in
21 s. 20.435(1)(h)2.

22 ~~(f) When advised by the Revenue Estimating Conference~~
23 ~~that a deficit will occur with respect to the appropriations~~
24 ~~from the tobacco settlement trust funds of the state agencies~~
25 ~~in any fiscal year, the Governor shall develop a plan of~~
26 ~~action to eliminate the deficit. Before implementing the plan~~
27 ~~of action, the Governor must comply with s. 216.177(2). In~~
28 ~~developing the plan of action, the Governor shall, to the~~
29 ~~extent possible, preserve legislative policy and intent, and,~~
30 ~~absent any specific directions to the contrary in the General~~
31 ~~Appropriations Act, any reductions in appropriations from the~~

1 ~~tobacco settlement trust funds of the state agencies for a~~
2 ~~fiscal year shall be prorated among the specific~~
3 ~~appropriations made from all tobacco settlement trust funds of~~
4 ~~the state agencies for that year.~~

5 Section 6. Subsection (3) of section 215.93, Florida
6 Statutes, is amended to read:

7 215.93 Florida Financial Management Information
8 System.--

9 (3) The Florida Financial Management Information
10 System shall include financial management data and utilize the
11 chart of accounts approved by the Chief Financial Officer.
12 Common financial management data shall include, but not be
13 limited to, data codes, titles, and definitions used by one or
14 more of the functional owner subsystems. The Florida
15 Financial Management Information System shall utilize common
16 financial management data codes. The council shall recommend
17 and the board shall adopt policies regarding the approval and
18 publication of the financial management data. The Chief
19 Financial Officer shall adopt policies regarding the approval
20 and publication of the chart of accounts. The Chief Financial
21 Officer's chart of accounts shall be consistent with the
22 common financial management data codes established by the
23 coordinating council. Further, all systems not a part of the
24 Florida Financial Management Information System which provide
25 information to the system shall use the common data codes from
26 the Florida Financial Management Information System and the
27 Chief Financial Officer's chart of accounts. Data codes that
28 cannot be supplied by the Florida Financial Management
29 Information System and the Chief Financial Officer's chart of
30 accounts and that are required for use by the information
31 subsystems shall be approved by the board upon recommendation

1 of the coordinating council. ~~However, board approval shall not~~
2 ~~be required for those data codes specified by the Auditor~~
3 ~~General under the provisions of s. 215.94(6)(c).~~

4 Section 7. Subsection (6) of section 215.94, Florida
5 Statutes, is amended to read:

6 215.94 Designation, duties, and responsibilities of
7 functional owners.--

8 (6)(a) Consistent with the provisions of s. 215.86,
9 the respective functional owner of each information subsystem
10 shall be responsible for ensuring ~~The Auditor General shall be~~
11 ~~advised by the functional owner of each information subsystem~~
12 ~~as to the date that the development or significant~~
13 ~~modification of its functional system specifications is to~~
14 ~~begin.~~

15 ~~(b) Upon such notification, the Auditor General shall~~
16 ~~participate with each functional owner to the extent necessary~~
17 ~~to provide assurance that:~~

18 1. The accounting information produced by the
19 information subsystem adheres to generally accepted accounting
20 principles.

21 2. The information subsystem contains the necessary
22 controls to maintain its integrity, within acceptable limits
23 and at an acceptable cost.

24 3. The information subsystem is auditable.

25 ~~(b)(c)~~ The Auditor General shall be advised by the
26 functional owner of each information subsystem as to the date
27 that the development or significant modification of its
28 functional system specifications is to begin. The Auditor
29 General shall provide technical advice, as allowed by
30 professional auditing standards, on specific issues relating
31 to the design, implementation, and operation of each

1 information subsystem. ~~specify those additional features,~~
2 ~~characteristics, controls, and internal control measures~~
3 ~~deemed necessary to carry out the provisions of this~~
4 ~~subsection. Further, it shall be the responsibility of each~~
5 ~~functional owner to ensure installation and incorporation of~~
6 ~~such specified features, characteristics, controls, and~~
7 ~~internal control measures within each information subsystem.~~

8 Section 8. Section 215.97, Florida Statutes, is
9 amended to read:

10 215.97 Florida Single Audit Act.--

11 (1) The purposes of the section are to:

12 (a) Establish uniform state audit requirements for
13 state financial assistance provided by state agencies to
14 nonstate entities to carry out state projects.

15 (b) Promote sound financial management, including
16 effective internal controls, with respect to state financial
17 assistance administered by nonstate entities.

18 (c) Promote audit economy and efficiency by relying to
19 the extent possible on already required audits of federal
20 financial assistance provided to nonstate entities.

21 (d) Provide for identification of state financial
22 assistance transactions in the appropriations act, state
23 accounting records, and recipient organization records.

24 (e) Promote improved coordination and cooperation
25 within and between affected state agencies providing state
26 financial assistance and nonstate entities receiving state
27 assistance.

28 (f) Ensure, to the maximum extent possible, that state
29 agencies monitor, use, and followup on audits of state
30 financial assistance provided to nonstate entities.

31 (2) Definitions; as used in this section, the term:

1 (a) "Audit threshold" means the threshold amount used
2 to determine ~~to use in determining~~ when a state single audit
3 or project-specific audit of a nonstate entity shall be
4 conducted in accordance with this section. Each nonstate
5 entity that expends a total amount of state financial
6 assistance equal to or in excess of ~~\$500,000~~\$300,000 in any
7 fiscal year of such nonstate entity shall be required to have
8 a state single audit, or a project-specific audit, for such
9 fiscal year in accordance with the requirements of this
10 section. Every 2 years the Auditor General, after consulting
11 with the Executive Office of the Governor, the Department of
12 Financial Services ~~Chief Financial Officer~~, and all state
13 awarding agencies ~~that provide state financial assistance to~~
14 ~~nonstate entities~~, shall review the threshold amount for
15 requiring audits under this section and may adjust such
16 threshold ~~dollar~~ amount consistent with the purposes ~~purpose~~
17 of this section.

18 (b) "Auditing standards" means the auditing standards
19 as stated in the rules of the Auditor General as applicable to
20 for-profit organizations, nonprofit organizations, or local
21 governmental entities.

22 (c) "Catalog of State Financial Assistance" means a
23 comprehensive listing of state projects. The Catalog of State
24 Financial Assistance shall be issued by the Department of
25 Financial Services ~~Executive Office of the Governor~~ after
26 conferring with the Executive Office of the Governor ~~Chief~~
27 ~~Financial Officer~~ and all state awarding agencies ~~that provide~~
28 ~~state financial assistance to nonstate entities~~. The Catalog
29 of State Financial Assistance shall include for each listed
30 state project: the responsible state awarding agency; standard
31 state project number identifier; official title; legal

1 authorization; and description of the state project, including
2 objectives, restrictions, application and awarding procedures,
3 and other relevant information determined necessary.

4 (d) "Coordinating agency" means the state awarding
5 agency that provides the predominant amount of state financial
6 assistance expended by a recipient, as determined by the
7 recipient's Schedule of Expenditures of State Financial
8 Assistance. To provide continuity, the determination of the
9 predominant amount of state financial assistance shall be
10 based upon state financial assistance expended in the
11 recipient's fiscal years ending in 2006, 2009, and 2012, and
12 every third year thereafter.

13 (e)(d) "Financial reporting package" means the
14 nonstate entities' financial statements, Schedule of
15 Expenditures of State Financial Assistance, auditor's reports,
16 management letter, auditee's written responses or corrective
17 action plan, correspondence on followup of prior years'
18 corrective actions taken, and such other information
19 determined by the Auditor General to be necessary and
20 consistent with the purposes of this section.

21 (f)(e) "Federal financial assistance" means financial
22 assistance from federal sources passed through the state and
23 provided to nonstate organizations ~~entities~~ to carry out a
24 federal program. "Federal financial assistance" includes all
25 types of federal assistance as defined in applicable United
26 States Office of Management and Budget circulars.

27 (g)(f) "For-profit organization" means any
28 organization or sole proprietor that ~~but~~ is not a ~~local~~
29 governmental entity or a nonprofit organization.

30 (h)(g) "Independent auditor" means an independent
31 ~~external state or local government auditor or a certified~~

1 public accountant licensed under chapter 473 ~~who meets the~~
2 ~~independence standards.~~

3 ~~(i)(h)~~ "Internal control over state projects" means a
4 process, effected by a nonstate ~~an~~ entity's management and
5 other personnel, designed to provide reasonable assurance
6 regarding the achievement of objectives in the following
7 categories:

- 8 1. Effectiveness and efficiency of operations.
- 9 2. Reliability of financial operations.
- 10 3. Compliance with applicable laws and regulations.

11 ~~(j)(i)~~ "Local governmental entity" means a county as a
12 whole ~~agency~~, municipality, or special district or any other
13 entity ~~excluding~~~~(other than~~ a district school board, charter
14 school, ~~or~~ community college), or public university, however
15 styled, which independently exercises any type of governmental
16 function within the state.

17 ~~(k)(j)~~ "Major state project" means any state project
18 meeting the criteria as stated in the rules of the Department
19 of Financial Services ~~Executive Office of the Governor~~. Such
20 criteria shall be established after consultation with all the
21 ~~Chief Financial Officer and appropriate~~ state awarding
22 agencies ~~that provide state financial assistance~~ and shall
23 consider the amount of state project expenditures and ~~or~~
24 expenses or inherent risks. Each major state project shall be
25 audited in accordance with the requirements of this section.

26 ~~(l)(k)~~ "Nonprofit organization" means any corporation,
27 trust, association, cooperative, or other organization that:

- 28 1. Is operated primarily for scientific, educational
29 service, charitable, or similar purpose in the public
30 interest;
- 31 2. Is not organized primarily for profit;

1 3. Uses net proceeds to maintain, improve, or expand
2 the operations of the organization; and

3 4. Has no part of its income or profit distributable
4 to its members, directors, or officers.

5 ~~(m)(1)~~ "Nonstate entity" means a local governmental
6 entity, nonprofit organization, or for-profit organization
7 that receives state financial assistance ~~resources~~.

8 ~~(n)(m)~~ "Recipient" means a nonstate entity that
9 receives state financial assistance directly from a state
10 awarding agency.

11 ~~(o)(n)~~ "Schedule of Expenditures of State Financial
12 Assistance" means a document prepared in accordance with the
13 rules of the Department of Financial Services ~~Chief Financial~~
14 ~~Officer~~ and included in each financial reporting package
15 required by this section.

16 ~~(p)(o)~~ "State awarding agency" means a the state
17 agency, as defined in s. 216.011, that is primarily
18 responsible for the operations and outcomes of a state
19 project, regardless of the state agency that actually provides
20 ~~provided~~ state financial assistance to a the nonstate entity.

21 ~~(q)(p)~~ "State financial assistance" means ~~financial~~
22 ~~assistance from~~ state resources, not including federal
23 financial assistance and state matching on federal programs,
24 provided to a nonstate entity ~~entities~~ to carry out a state
25 project. "State financial assistance" includes the all types
26 of state resources ~~assistance as~~ stated in the rules of the
27 Department of Financial Services ~~Executive Office of the~~
28 ~~Governor~~ established in consultation with all the Chief
29 ~~Financial Officer and appropriate~~ state awarding agencies ~~that~~
30 ~~provide state financial assistance. It includes~~ State
31 financial assistance may be provided directly by state

1 | awarding agencies or indirectly by nonstate entities
2 | ~~recipients of state awards or subrecipients. State financial~~
3 | assistance ~~It~~ does not include procurement contracts used to
4 | buy goods or services from vendors and. ~~Audits of such~~
5 | ~~procurement contracts with vendors are outside of the scope of~~
6 | ~~this section. Also, audits of contracts to operate state-owned~~
7 | ~~state government owned and contractor-operated facilities are~~
8 | ~~excluded from the audit requirements of this section.~~

9 | ~~(r)(q)~~ "State matching" means state resources provided
10 | to a nonstate entity ~~entities to be used~~ to meet federal
11 | financial participation matching requirements ~~of federal~~
12 | ~~programs.~~

13 | ~~(s)~~ "State program" means a set of special-purpose
14 | activities undertaken to realize identifiable goals and
15 | objectives in order to achieve a state agency's mission and
16 | legislative intent requiring accountability for state
17 | resources.

18 | ~~(t)(r)~~ "State project" means a state program that
19 | provides ~~all~~ state financial assistance to a nonstate
20 | organization and that must be ~~entity~~ assigned a ~~single~~ state
21 | project number identifier in the Catalog of State Financial
22 | Assistance.

23 | ~~(u)(s)~~ "State Projects Compliance Supplement" means a
24 | document issued by the Department of Financial Services
25 | ~~Executive Office of the Governor~~, in consultation with ~~the~~
26 | ~~Chief Financial Officer~~ and all state awarding agencies ~~that~~
27 | ~~provide state financial assistance.~~ The State Projects
28 | Compliance Supplement shall identify state projects, the
29 | significant compliance requirements, eligibility requirements,
30 | matching requirements, suggested audit procedures, and other
31 | relevant information determined necessary.

1 ~~(v)(t)~~ "State project-specific audit" means an audit
2 of one state project performed in accordance with the
3 requirements of subsection~~(10)(9)~~.

4 ~~(w)(u)~~ "State single audit" means an audit of a
5 nonstate entity's financial statements and state financial
6 assistance. Such audits shall be conducted in accordance with
7 the auditing standards as stated in the rules of the Auditor
8 General.

9 ~~(x)(v)~~ "Subrecipient" means a nonstate entity that
10 receives state financial assistance through another nonstate
11 entity.

12 ~~(y)(w)~~ "Vendor" means a dealer, distributor, merchant,
13 or other seller providing goods or services that are required
14 for the conduct of a state project. These goods or services
15 may be for an organization's own use or for the use of
16 beneficiaries of the state project.

17 (3) The Executive Office of the Governor is
18 responsible for notifying the Department of Financial Services
19 of any actions during the budgetary process which impact the
20 Catalog of State Financial Assistance. ~~shall:~~

21 ~~(a) Upon conferring with the Chief Financial Officer~~
22 ~~and all state awarding agencies, adopt rules necessary to~~
23 ~~provide appropriate guidance to state awarding agencies,~~
24 ~~recipients and subrecipients, and independent auditors of~~
25 ~~state financial assistance relating to the requirements of~~
26 ~~this section, including:~~

27 ~~1. The types or classes of financial assistance~~
28 ~~considered to be state financial assistance which would be~~
29 ~~subject to the requirements of this section. This would~~
30 ~~include guidance to assist in identifying when the state~~
31

1 ~~agency or recipient has contracted with a vendor rather than~~
2 ~~with a recipient or subrecipient.~~

3 ~~2. The criteria for identifying a major state project.~~

4 ~~3. The criteria for selecting state projects for~~
5 ~~audits based on inherent risk.~~

6 ~~(b) Be responsible for coordinating the initial~~
7 ~~preparation and subsequent revisions of the Catalog of State~~
8 ~~Financial Assistance after consultation with the Chief~~
9 ~~Financial Officer and all state awarding agencies.~~

10 ~~(c) Be responsible for coordinating the initial~~
11 ~~preparation and subsequent revisions of the State Projects~~
12 ~~Compliance Supplement, after consultation with the Chief~~
13 ~~Financial Officer and all state awarding agencies.~~

14 (4) The Department of Financial Services Chief
15 ~~Financial Officer~~ shall:

16 (a) Upon conferring with the Executive Office of the
17 Governor and all state awarding agencies, adopt rules
18 necessary to provide appropriate guidance to state awarding
19 agencies, nonstate entities, and independent auditors of state
20 financial assistance relating to the requirements of this
21 section, including:

22 1. The types or classes of state resources considered
23 to be state financial assistance that would be subject to the
24 requirements of this section. This would include guidance to
25 assist in identifying when the state awarding agency or a
26 nonstate entity has contracted with a vendor rather than with
27 a recipient or subrecipient.

28 2. The criteria for identifying a major state project.

29 3. The criteria for selecting state projects for
30 audits based on inherent risk.

31

1 (b) Be responsible for coordinating revisions to the
2 Catalog of State Financial Assistance after consultation with
3 the Executive Office of the Governor and all state awarding
4 agencies.

5 (c) Be responsible for coordinating with the Executive
6 Office of the Governor actions affecting the budgetary process
7 under paragraph (b).

8 (d) Be responsible for coordinating revisions to the
9 State Projects Compliance Supplement, after consultation with
10 the Executive Office of the Governor and all state awarding
11 agencies.

12 ~~(e)(a)~~ Make enhancements to the state's accounting
13 system to provide for the:

14 1. Recording of state financial assistance and federal
15 financial assistance appropriations and expenditures within
16 the state awarding agencies' operating funds.

17 2. Recording of state project number identifiers, as
18 provided in the Catalog of State Financial Assistance, for
19 state financial assistance.

20 3. Establishment and recording of an identification
21 code for each financial transaction, including awarding state
22 agencies' disbursements of state financial assistance and
23 federal financial assistance, as to the corresponding type or
24 organization that is party to the transaction (e.g., other
25 governmental agencies, nonprofit organizations, and for-profit
26 organizations), and disbursements of federal financial
27 assistance, as to whether the party to the transaction is or
28 is not a nonstate entity recipient or subrecipient.

29 ~~(f)(b)~~ Upon conferring with the Executive Office of
30 the Governor and all state awarding agencies, adopt rules
31 necessary to provide appropriate guidance to state awarding

1 agencies, nonstate entities ~~recipients and subrecipients~~, and
2 independent auditors of state financial assistance relating to
3 the format for the Schedule of Expenditures of State Financial
4 Assistance.

5 ~~(g)(e)~~ Perform any inspections, reviews,
6 investigations, or audits of state financial assistance
7 considered necessary in carrying out the Department of
8 Financial Services' ~~Chief Financial Officer's~~ legal
9 responsibilities for state financial assistance or to comply
10 with the requirements of this section.

11 (5) Each state awarding agency shall:

12 (a) Provide to each ~~a~~ recipient information needed by
13 the recipient to comply with the requirements of this section,
14 including:

15 1. The audit and accountability requirements for state
16 projects as stated in this section and applicable ~~rules of the~~
17 ~~Executive Office of the Governor,~~ rules of the Department of
18 Financial Services ~~Chief Financial Officer,~~ and rules of the
19 Auditor General.

20 2. Information from the Catalog of State Financial
21 Assistance, including the standard state project number
22 identifier; official title; legal authorization; and
23 description of the state project including objectives,
24 restrictions, and other relevant information determined
25 necessary.

26 3. Information from the State Projects Compliance
27 Supplement, including the significant compliance requirements,
28 eligibility requirements, matching requirements, suggested
29 audit procedures, and other relevant information determined
30 necessary.

31

1 (b) Require the recipient, as a condition of receiving
2 state financial assistance, to allow the state awarding
3 agency, the Department of Financial Services ~~Chief Financial~~
4 ~~Officer~~, and the Auditor General access to the recipient's
5 records and the recipient's independent auditor's working
6 papers as necessary for complying with the requirements of
7 this section.

8 (c) Notify the recipient that this section does not
9 limit the authority of the state awarding agency to conduct or
10 arrange for the conduct of additional audits or evaluations of
11 state financial assistance or limit the authority of any state
12 awarding agency inspector general, the Auditor General, or any
13 other state official.

14 (d) Be provided one copy of each financial reporting
15 package prepared in accordance with the requirement of this
16 section.

17 (e) Review the recipient's ~~recipient~~ financial
18 reporting package, including the management letters and
19 corrective action plans, to the extent necessary to determine
20 whether timely and appropriate corrective action has been
21 taken with respect to audit findings and recommendations
22 pertaining to state financial assistance that are specific to
23 ~~provided by~~ the state awarding agency.

24 (f) Designate within the state awarding agency an
25 organizational unit that will be responsible for reviewing
26 financial reporting packages pursuant to paragraph (e).

27
28 If the state awarding agency is not the coordinating agency as
29 defined in paragraph (2)(d), the state awarding agency's
30 designated organizational unit shall communicate to the
31 coordinating agency the state awarding agency's approval of

1 the recipient's corrective action plan with respect to
2 findings and recommendations that are not specific to the
3 state awarding agency.

4 (6) Each coordinating agency shall:

5 (a) Review the recipient's financial reporting
6 package, including the management letter and corrective action
7 plan, to identify audit findings and recommendations that
8 affect state financial assistance which are not specific to a
9 particular state awarding agency.

10 (b) For any such findings and recommendations,
11 determine:

12 1. Whether timely and appropriate corrective action
13 has been taken.

14 2. Promptly inform the state awarding agency's
15 contact, as provided in paragraph (5)(f), of actions taken by
16 the recipient to comply with the approved corrective action
17 plan.

18 (c) Maintain records of followup actions taken for the
19 use of any succeeding coordinating agency.

20 (7)(6) As a condition of receiving state financial
21 assistance, each nonstate entity ~~recipient~~ that provides state
22 financial assistance to a subrecipient shall:

23 (a) Provide to each a subrecipient information needed
24 by the subrecipient to comply with the requirements of this
25 section, including:

26 1. Identification of the state awarding agency.

27 2. The audit and accountability requirements for state
28 projects as stated in this section and applicable ~~rules of the~~
29 ~~Executive Office of the Governor,~~ rules of the Department of
30 Financial Services ~~Chief Financial Officer,~~ and rules of the
31 Auditor General.

1 3. Information from the Catalog of State Financial
2 Assistance, including the standard state project number
3 identifier; official title; legal authorization; and
4 description of the state project, including objectives,
5 restrictions, and other relevant information.

6 4. Information from the State Projects Compliance
7 Supplement including the significant compliance requirements,
8 eligibility requirements, matching requirements, and suggested
9 audit procedures, and other relevant information determined
10 necessary.

11 (b) Review the financial reporting package of the
12 subrecipient ~~audit reports~~, including the management letter
13 and corrective action plan letters, to the extent necessary to
14 determine whether timely and appropriate corrective action has
15 been taken with respect to audit findings and recommendations
16 pertaining to state financial assistance provided by ~~a the~~
17 state awarding agency or nonstate entity.

18 (c) Perform any such other procedures ~~as~~ specified in
19 terms and conditions of the written agreement with the state
20 awarding agency or nonstate entity, including any required
21 monitoring of the subrecipient's use of state financial
22 assistance through onsite visits, limited scope audits, or
23 other specified procedures.

24 (d) Require subrecipients, as a condition of receiving
25 state financial assistance, to permit the independent auditor
26 of the nonstate entity recipient, the state awarding agency,
27 the Department of Financial Services ~~Chief Financial Officer~~,
28 and the Auditor General access to the subrecipient's records
29 and the subrecipient's independent auditor's working papers as
30 necessary to comply with the requirements of this section.

31

1 ~~(8)(7)~~ Each recipient or subrecipient of state
2 financial assistance shall comply with the following:

3 (a) Each nonstate entity that ~~receives state financial~~
4 ~~assistance and~~ meets the audit threshold requirements, in any
5 fiscal year of the nonstate entity, ~~as~~ stated in the rules of
6 the Auditor General, shall have a state single audit conducted
7 for such fiscal year in accordance with the requirements of
8 this act and with additional requirements established in ~~rules~~
9 ~~of the Executive Office of the Governor,~~ rules of the
10 Department of Financial Services Chief Financial Officer, and
11 rules of the Auditor General. If only one state project is
12 involved in a nonstate entity's fiscal year, the nonstate
13 entity may elect to have only a state project-specific audit
14 ~~of the state project for that fiscal year.~~

15 (b) Each nonstate entity that ~~receives state financial~~
16 ~~assistance and~~ does not meet the audit threshold requirements,
17 in any fiscal year of the nonstate entity, ~~as~~ stated in this
18 law or the rules of the Auditor General is exempt for such
19 fiscal year from the state single audit requirements of this
20 section. However, such nonstate entity must meet terms and
21 conditions specified in the written agreement with the state
22 awarding agency or nonstate entity.

23 (c) If a nonstate entity has no, or extremely limited,
24 required activities related to the administration of a state
25 project, and only acts as a conduit of state financial
26 assistance, none of the requirements of the Florida Single
27 Audit Act apply to the conduit nonstate entity. However, the
28 nonstate entity that is provided state financial assistance by
29 the conduit nonstate entity is subject to the requirements of
30 the Florida Single Audit Act.

1 ~~(d)(e)~~ Regardless of the amount of the state financial
2 assistance, ~~the provisions of this section does de~~ not exempt
3 a nonstate entity from compliance with provisions of law
4 relating to maintaining records concerning state financial
5 assistance to such nonstate entity or allowing access and
6 examination of those records by the state awarding agency, the
7 nonstate entity, the Department of Financial Services Chief
8 Financial Officer, or the Auditor General.

9 ~~(e)(d)~~ Audits conducted pursuant to this section shall
10 be performed annually.

11 ~~(f)(e)~~ Audits conducted pursuant to this section shall
12 be conducted by independent auditors in accordance with
13 auditing standards ~~as~~ stated in rules of the Auditor General.

14 ~~(g)(f)~~ Upon completion of the audit ~~as~~ required by
15 this section, a copy of the recipient's financial reporting
16 package shall be filed with the state awarding agency and the
17 Auditor General. Upon completion of the audit ~~as~~ required by
18 this section, a copy of the subrecipient's financial reporting
19 package shall be filed with the nonstate entity recipient that
20 provided the state financial assistance and the Auditor
21 General. The financial reporting package shall be filed in
22 accordance with the rules of the Auditor General.

23 ~~(h)(g)~~ All financial reporting packages prepared
24 pursuant to ~~the requirements of~~ this section shall be
25 available for public inspection.

26 ~~(i)(h)~~ If an audit conducted pursuant to this section
27 discloses any significant audit findings relating to state
28 financial assistance, including material noncompliance with
29 individual state project compliance requirements or reportable
30 conditions in internal controls of the nonstate entity, the
31 nonstate entity shall submit as part of the financial

1 reporting ~~audit~~ package to the state awarding agency or
2 nonstate entity a plan for corrective action to eliminate such
3 audit findings or a statement describing the reasons that
4 corrective action is not necessary.

5 ~~(j)(i)~~ An audit conducted in accordance with this
6 section is in addition to any audit of federal awards required
7 by the federal Single Audit Act and other federal laws and
8 regulations. To the extent that such federally required audits
9 provide the state awarding agency or nonstate entity with
10 information it requires to carry out its responsibilities
11 under state law or other guidance, ~~the~~ a state awarding agency
12 or nonstate entity shall rely upon and use that information.

13 ~~(k)(j)~~ Unless prohibited by law, the costs ~~cost~~ of
14 audits pursuant to this section are ~~is~~ allowable charges to
15 state projects. However, any charges to state projects should
16 be limited to those incremental costs incurred as a result of
17 the audit requirements of this section in relation to other
18 audit requirements. The nonstate entity should allocate such
19 incremental costs to all state projects for which it expended
20 state financial assistance.

21 ~~(l)(k)~~ Audit costs may not be charged to state
22 projects when audits required by this section have not been
23 made or have been made but not in accordance with this
24 section. If a nonstate entity fails to have an audit conducted
25 consistent with this section, a state awarding agency or
26 nonstate entity ~~agencies~~ may take appropriate corrective
27 action to enforce compliance.

28 ~~(m)(l)~~ This section does not prohibit the state
29 awarding agency or nonstate entity from including terms and
30 conditions in the written agreement which require additional
31 assurances that state financial assistance meets the

1 applicable requirements of laws, regulations, and other
2 compliance rules.

3 ~~(n)(m)~~ A state awarding agency or nonstate entity that
4 ~~provides state financial assistance to nonstate entities and~~
5 conducts or arranges for audits of state financial assistance
6 that are in addition to the audits conducted under this act,
7 including audits of nonstate entities that do not meet the
8 audit threshold requirements, shall, consistent with other
9 applicable law, arrange for funding the full cost of such
10 additional audits.

11 ~~(9)(8)~~ The independent auditor when conducting a state
12 single audit of a nonstate entity ~~recipients or subrecipients~~
13 shall:

14 (a) Determine whether the nonstate entity's financial
15 statements are presented fairly in all material respects in
16 conformity with generally accepted accounting principles.

17 (b) Determine whether state financial assistance shown
18 on the Schedule of Expenditures of State Financial Assistance
19 is presented fairly in all material respects in relation to
20 the nonstate entity's financial statements taken as a whole.

21 (c) With respect to internal controls pertaining to
22 each major state project:

23 1. Obtain an understanding of internal controls;

24 2. Assess control risk;

25 3. Perform tests of controls unless the controls are
26 deemed to be ineffective; and

27 4. Determine whether the nonstate entity has internal
28 controls in place to provide reasonable assurance of
29 compliance with the provisions of laws and rules pertaining to
30 state financial assistance that have a material effect on each
31 major state project.

1 (d) Determine whether each major state project
2 complied with the provisions of laws, rules, and guidelines as
3 identified in the State Projects Compliance Supplement, or
4 otherwise identified by the state awarding agency, which have
5 a material effect on each major state project. When major
6 state projects are less than 50 percent of the nonstate
7 entity's total expenditures for all state financial
8 assistance, the auditor shall select and test additional state
9 projects as major state projects as necessary to achieve audit
10 coverage of at least 50 percent of the expenditures for all
11 state financial assistance provided to the nonstate entity.
12 Additional state projects needed to meet the 50-percent
13 requirement may be selected on an inherent risk basis as
14 stated in the rules of the Department of Financial Services
15 ~~Executive Office of the Governor~~.

16 (e) Report on the results of any audit conducted
17 pursuant to this section in accordance with the ~~rules of the~~
18 ~~Executive Office of the Governor~~, rules of the Department of
19 Financial Services Chief Financial Officer, and rules of the
20 Auditor General. Financial reporting packages must ~~Audit~~
21 ~~reports shall~~ include summaries of the auditor's results
22 regarding the nonstate entity's financial statements; Schedule
23 of Expenditures of State Financial Assistance; internal
24 controls; and compliance with laws, rules, and guidelines.

25 (f) Issue a management letter as prescribed in the
26 rules of the Auditor General.

27 (g) Upon notification by the nonstate entity, make
28 available the working papers relating to the audit conducted
29 pursuant to ~~the requirements of~~ this section to the state
30 awarding agency, the Department of Financial Services Chief
31

1 ~~Financial Officer~~, or the Auditor General for review or
2 copying.

3 ~~(10)(9)~~ The independent auditor, when conducting a
4 state project-specific audit of a nonstate entity recipients
5 ~~or subrecipients~~, shall:

6 (a) Determine whether the nonstate entity's Schedule
7 of Expenditure of State Financial Assistance is presented
8 fairly in all material respects in conformity with stated
9 accounting policies.

10 (b) Obtain an understanding of internal controls
11 ~~control~~ and perform tests of internal controls ~~control~~ over
12 the state project consistent with the requirements of a major
13 state project.

14 (c) Determine whether or not the auditee has complied
15 with applicable provisions of laws, rules, and guidelines ~~as~~
16 identified in the State Projects Compliance Supplement, or
17 otherwise identified by the state awarding agency, which could
18 have a direct and material effect on the state project.

19 (d) Report on the results of the ~~a~~ state
20 project-specific audit consistent with the requirements of the
21 state single audit and issue a management letter as prescribed
22 in the rules of the Auditor General.

23 (e) Upon notification by the nonstate entity, make
24 available the working papers relating to the audit conducted
25 pursuant to ~~the requirements of~~ this section to the state
26 awarding agency, the Department of Financial Services ~~Chief~~
27 ~~Financial Officer~~, or the Auditor General for review or
28 copying.

29 ~~(11)(10)~~ The Auditor General shall:

30 (a) Have the authority to audit state financial
31 assistance provided to any nonstate entity when determined

1 necessary by the Auditor General or when directed by the
2 Legislative Auditing Committee.

3 (b) Adopt rules that state the auditing standards that
4 independent auditors are to follow for audits of nonstate
5 entities required by this section.

6 (c) Adopt rules that describe the contents and the
7 filing deadlines for the financial reporting package.

8 (d) Provide technical advice upon request of the
9 Department of Financial Services Chief Financial Officer,
10 ~~Executive Office of the Governor,~~ and state awarding agencies
11 relating to financial reporting and audit responsibilities
12 contained in this section.

13 (e) Be provided one copy of each financial reporting
14 package prepared in accordance with ~~the requirements of~~ this
15 section.

16 (f) Perform ongoing reviews of a sample of financial
17 reporting packages filed pursuant to ~~the requirements of~~ this
18 section to determine compliance with the reporting
19 requirements of this section and applicable ~~rules of the~~
20 ~~Executive Office of the Governor,~~ rules of the Department of
21 Financial Services Chief Financial Officer, and rules of the
22 Auditor General.

23 Section 9. Paragraphs (a), (b), (n), (gg), (hh), and
24 (jj) of subsection (1) of section 216.011, Florida Statutes,
25 are amended, paragraph (rr) is added to that subsection, and
26 paragraph (c) is added to subsection (3) of that section, to
27 read:

28 216.011 Definitions.--

29 (1) For the purpose of fiscal affairs of the state,
30 appropriations acts, legislative budgets, and approved
31

1 budgets, each of the following terms has the meaning
2 indicated:

3 (a) "Annual salary rate" means the monetary
4 compensation authorized to be paid a position on an annualized
5 basis. The term does not include moneys authorized for
6 benefits associated with the position. ~~In calculating salary
7 rate, a vacant position shall be calculated at the minimum of
8 the pay grade for that position.~~

9 (b) "Appropriation" means a legal authorization to
10 make expenditures for specific purposes within the amounts
11 authorized by law ~~in the appropriations act.~~

12 (n) "Expense" means the appropriation category used to
13 fund the usual, ordinary, and incidental expenditures by an
14 agency or the judicial branch, including such items as
15 ~~contractual services,~~ commodities, ~~and~~ supplies of a
16 consumable nature, current obligations, and fixed charges, and
17 excluding expenditures classified as operating capital outlay.
18 Payments to other funds or local, state, or federal agencies
19 may be included in this category.

20 (gg) "Mandatory reserve" means the reduction of an
21 appropriation by the Governor or the Legislative Budget
22 Commission due to an anticipated deficit in a fund, pursuant
23 to s. 216.221. Action may not be taken to restore a mandatory
24 reserve either directly or indirectly. ~~"Performance based
25 program appropriation" means the appropriation category used
26 to fund a specific set of activities or classification of
27 expenditure within an approved performance based program.~~

28 (hh) "Budget reserve" means the withholding, as
29 authorized by the Legislature, of an appropriation or portion
30 thereof. The need for a budget reserve may exist until certain
31 conditions set by the Legislature are met by the affected

1 agency, or such need may exist due to financial or program
2 changes that have occurred since, and were unforeseen at the
3 time of, passage of the General Appropriations Act.

4 ~~"Performance based program budget" means a budget that~~
5 ~~incorporates approved programs and performance measures.~~

6 (jj) "Program" means a set of services and activities
7 undertaken in accordance with a plan of action organized to
8 realize identifiable goals and objectives based on legislative
9 authorization.

10 (rr) "Activity" means a unit of work which has
11 identifiable starting and ending points, consumes resources,
12 and produces outputs.

13 (3) For purposes of this chapter, the term:

14 (c) "Statutorily authorized entity" means any entity
15 primarily acting as an instrumentality of the state, any
16 regulatory or governing body, or any other governmental or
17 quasi-governmental organization that receives, disburses,
18 expends, administers, awards, recommends expenditure of,
19 handles, manages, or has custody or control of funds
20 appropriated by the Legislature and:

21 1. Is created, organized, or specifically authorized
22 to be created or established by general law; or

23 2. Assists a department, as defined in s. 20.03(2), or
24 other unit of state government in providing programs or
25 services on a statewide basis with a statewide service area or
26 population.

27 Section 10. Subsections (1), (2), (3), and (9) of
28 section 216.013, Florida Statutes, are amended to read:

29 216.013 Long-range program plan.--

30 (1) State agencies shall develop long-range program
31 plans to achieve state goals using an interagency planning

1 process that includes the development of integrated agency
2 program service outcomes. The plan shall cover a period of 5
3 fiscal years and shall become effective July 1 each year.

4 Long-range program plans shall provide the framework for the
5 development of agency budget requests and shall:

6 (a) Identify agency programs and address how agency
7 programs will be used to implement state policy and achieve
8 state goals and program component objectives;

9 (b) Identify and describe agency services and
10 activities ~~functions~~ and how they will be used to achieve
11 designated outcomes;

12 (c) Identify demand, output, total costs, and unit
13 costs for each activity ~~function~~;

14 (d) Provide information regarding performance
15 measurement, which includes, but is not limited to, how data
16 is collected, the methodology used to measure a performance
17 indicator, the validity and reliability of a measure, the
18 appropriateness of a measure, and whether the agency inspector
19 general has assessed the reliability and validity of agency
20 performance measures, pursuant to s. 20.055(2);

21 (e) Identify and justify facility and fixed capital
22 outlay projects and their associated costs; and

23 (f) Identify and justify information technology
24 infrastructure and applications and their associated costs for
25 information technology projects or initiatives.

26 (2) All agency activities ~~functions~~ and their costs
27 shall be carefully evaluated and justified by the agency. The
28 justification must clearly demonstrate the needs of agency
29 customers and clients and why the agency is proposing
30 functions and their associated costs to address the needs
31 based on state priorities, the agency mission, and legislative

1 authorization. Further, the justification must show how
2 agency functions are integrated and contribute to the overall
3 achievement of state goals. Facilities, fixed capital outlay
4 and information technology infrastructure, and applications
5 shall be evaluated pursuant to ss. 216.0158, 216.043, and
6 216.0446, respectively.

7 (3) Long-range program plans shall be submitted to the
8 Executive Office of the Governor by August 1 of each year,
9 unless an alternative date is agreed to be in the best
10 interests of the state by the Governor and the chairs of the
11 legislative appropriations committees, in a form and manner
12 prescribed by the ~~Executive Office of the~~ Governor and the
13 chairs of the legislative appropriations committees. Such
14 long-range program plans for the Judicial Branch shall be
15 submitted by the Chief Justice of the Supreme Court to the
16 President of the Senate and the Speaker of the House of
17 Representatives, and a copy shall be provided to the Executive
18 Office of the Governor.

19 (9) Agencies and the judicial branch shall make
20 appropriate adjustments to their long-range program plans to
21 be consistent with the appropriations and performance measures
22 in the General Appropriations Act and legislation implementing
23 the General Appropriations Act. Agencies and the judicial
24 branch have until June 30 15 to make adjustments to their
25 plans and submit the adjusted plans to the Executive Office of
26 the Governor for review.

27 Section 11. Section 216.023, Florida Statutes, is
28 amended to read:

29 216.023 Legislative budget requests to be furnished to
30 Legislature by agencies.--

31

1 (1) The head of each state agency, except as provided
2 in subsection (2), shall submit a final legislative budget
3 request to the Legislature and to the Governor, as chief
4 budget officer of the state, in the form and manner prescribed
5 in the budget instructions and at such time as specified by
6 the Executive Office of the Governor, based on the agency's
7 independent judgment of its needs. However, ~~a no~~ state agency
8 ~~may not shall~~ submit its complete legislative budget request,
9 including all supporting forms and schedules required by this
10 chapter, later than October ~~September~~ 15 of ~~any each~~ year
11 unless an alternative date is agreed to be in the best
12 interests of the state by the Governor and the chairs of the
13 legislative appropriations committees.

14 (2) The judicial branch and the Division of
15 Administrative Hearings shall submit their complete
16 legislative budget requests directly to the Legislature with a
17 copy to the Governor, as chief budget officer of the state, in
18 the form and manner as prescribed in the budget instructions.
19 However, the complete legislative budget requests, including
20 all supporting forms and schedules required by this chapter,
21 shall be submitted no later than October ~~September~~ 15 of each
22 year unless an alternative date is agreed to be in the best
23 interests of the state by the Governor and the chairs of the
24 legislative appropriations committees.

25 (3) The Executive Office of the Governor and the
26 appropriations committees of the Legislature shall jointly
27 develop legislative budget instructions for preparing the
28 exhibits and schedules that make up the agency budget from
29 which each agency and the judicial branch shall prepare their
30 budget request. The budget instructions shall be consistent
31 with s. 216.141 and shall be transmitted to each agency and to

1 the judicial branch no later than ~~July~~ June 15 of each year
2 unless an alternative date is agreed to be in the best
3 interests of the state by the Governor and the chairs of the
4 legislative appropriations committees. In the event that
5 agreement cannot be reached between the Executive Office of
6 the Governor and the appropriations committees of the
7 Legislature regarding legislative budget instructions, the
8 issue shall be resolved by the Governor, the President of the
9 Senate, and the Speaker of the House of Representatives.

10 (4)(a) The legislative budget request must contain for
11 each program:

12 1. The constitutional or statutory authority for a
13 program, a brief purpose statement, and approved program
14 components.

15 2. Information on expenditures for 3 fiscal years
16 (actual prior-year expenditures, current-year estimated
17 expenditures, and agency budget requested expenditures for the
18 next fiscal year) by appropriation category.

19 3. Details on trust funds and fees.

20 4. The total number of positions (authorized, fixed,
21 and requested).

22 5. An issue narrative describing and justifying
23 changes in amounts and positions requested for current and
24 proposed programs for the next fiscal year.

25 6. Information resource requests.

26 7. Legislatively approved output and outcome
27 performance measures and any proposed revisions to measures.

28 8. Proposed performance standards for each performance
29 measure and justification for the standards and the sources of
30 data to be used for measurement.

31

1 9. Prior-year performance data on approved performance
2 measures and an explanation of deviation from expected
3 performance. Performance data must be assessed for reliability
4 in accordance with s. 20.055.

5 10. Proposed performance incentives and disincentives.

6 11. Supporting information, including applicable
7 cost-benefit analyses, business case analyses, performance
8 contracting procedures, service comparisons, and impacts to
9 performance standards for any requests to outsource or
10 privatize agency functions.

11 12. An evaluation of any major outsourcing and
12 privatization initiatives undertaken during the last 5 fiscal
13 years having aggregate expenditures exceeding \$10 million
14 during the term of the contract. The evaluation shall include
15 an assessment of contractor performance, a comparison of
16 anticipated service levels to actual service levels, and a
17 comparison of estimated savings to actual savings achieved.
18 Consolidated reports issued by the Department of Management
19 Services may be used to satisfy this requirement.

20 (b) It is the intent of the Legislature that total
21 accountability measures, including unit-cost data, serve not
22 only as a budgeting tool but also as a policymaking tool and
23 an accountability tool. Therefore, each state agency and the
24 judicial branch must submit a one-page summary of information
25 for the preceding year in accordance with the legislative
26 budget instructions. Each one-page summary must contain:

- 27 1. The final budget for the agency and the judicial
28 branch.
- 29 2. Total funds from the General Appropriations Act.
- 30 3. Adjustments to the General Appropriations Act.
- 31 4. The line-item listings of all activities.

1 5. The number of activity units performed or
2 accomplished.

3 6. Total expenditures for each activity, including
4 amounts paid to contractors and subordinate entities.
5 Expenditures related to administrative activities not aligned
6 with output measures must consistently be allocated to
7 activities with output measures prior to computing unit costs.

8 7. The cost per unit for each activity, including the
9 costs allocated to contractors and subordinate entities.

10 8. The total amount of reversions and pass-through
11 expenditures omitted from unit-cost calculations.

12
13 At the regular session immediately following the submission of
14 the agency unit cost summary, the Legislature shall reduce in
15 the General Appropriations Act for the ensuing fiscal year, by
16 an amount equal to at least 10 percent of the allocation for
17 the fiscal year preceding the current fiscal year, the funding
18 of each state agency that fails to submit the report required
19 under this paragraph.

20 ~~(5) At the time specified in the legislative budget~~
21 ~~instructions and in sufficient time to be included in the~~
22 ~~Governor's recommended budget, the judicial branch is required~~
23 ~~to submit a performance based program budget request. The~~
24 ~~Chief Justice of the Supreme Court shall identify and, after~~
25 ~~consultation with the Office of Program Policy Analysis and~~
26 ~~Government Accountability, submit to the President of the~~
27 ~~Senate and the Speaker of the House of Representatives a list~~
28 ~~of proposed programs and associated performance measures. The~~
29 ~~judicial branch shall provide documentation to accompany the~~
30 ~~list of proposed programs and performance measures as provided~~
31 ~~under subsection (4). The judicial branch shall submit a~~

1 ~~performance based program agency budget request using the~~
2 ~~programs and performance measures adopted by the Legislature.~~
3 ~~The Chief Justice may propose revisions to approved programs~~
4 ~~or performance measures for the judicial branch. The~~
5 ~~Legislature shall have final approval of all programs and~~
6 ~~associated performance measures and standards for the judicial~~
7 ~~branch through the General Appropriations Act or legislation~~
8 ~~implementing the General Appropriations Act. By September 15,~~
9 ~~2001, the Chief Justice of the Supreme Court shall submit to~~
10 ~~the President of the Senate and the Speaker of the House of~~
11 ~~Representatives a performance based program budget request for~~
12 ~~programs of the judicial branch approved by the Legislature~~
13 ~~and provide a copy to the Executive Office of the Governor.~~

14 ~~(5)(6)~~ Agencies must maintain a comprehensive
15 performance accountability system and provide a list of
16 performance measures maintained by the agency which are in
17 addition to the measures approved by the Legislature.

18 ~~(6)(7)~~ Annually, by June 30, executive agencies shall
19 submit to the Executive Office of the Governor adjustments to
20 their performance standards based on the amounts appropriated
21 for each program by the Legislature. When such an adjustment
22 is made, all performance standards, including any adjustments
23 made, shall be reviewed and revised as necessary by the
24 Executive Office of the Governor and, upon approval, submitted
25 to the Legislature pursuant to the review and approval process
26 provided in s. 216.177. The Senate and the House of
27 Representatives appropriations committees ~~Senate Committee on~~
28 ~~Fiscal Policy and the House of Representatives Fiscal~~
29 ~~Responsibility Council~~ shall advise Senate substantive
30 committees and House of Representatives substantive
31 committees, respectively, of all adjustments made to

1 performance standards or measures. The Executive Office of the
2 Governor shall maintain ~~both~~ the official record of
3 adjustments to the performance standards ~~as part of the~~
4 ~~agency's approved operating budget and the official~~
5 ~~performance ledger~~. As used in this section, the term
6 "official record" ~~"performance ledger"~~ means the official
7 compilation of information about state agency
8 performance-based programs and measures, including approved
9 programs, approved outputs and outcomes, baseline data,
10 approved standards for each performance measure and any
11 approved adjustments thereto, as well as actual agency
12 performance for each measure.

13 ~~(7)(8)~~ As a part of the legislative budget request,
14 the head of each state agency and the Chief Justice of the
15 Supreme Court for the judicial branch shall include an
16 inventory of all litigation in which the agency is involved
17 that may require additional appropriations to the agency, that
18 may significantly affect revenues received or anticipated to
19 be received by the state, or that may require ~~or~~ amendments to
20 the law under which the agency operates. No later than March
21 1 following the submission of the legislative budget request,
22 the head of the state agency and the Chief Justice of the
23 Supreme Court shall provide an update of any additions or
24 changes to the inventory. Such inventory shall include
25 information specified annually in the legislative budget
26 instructions.

27 ~~(8)(9)~~ Annually, by June 30, the judicial branch shall
28 make adjustments to any performance standards for approved
29 programs based on the amount appropriated for each program,
30 which shall be submitted to the Legislature pursuant to the
31 notice and review process provided in s. 216.177. The Senate

1 and the House of Representatives appropriations committees
2 ~~Senate Committee on Fiscal Policy and the House Fiscal~~
3 ~~Responsibility Council~~ shall advise Senate substantive
4 committees and House substantive committees, respectively, of
5 all adjustments made to performance standards or measures.

6 ~~(9)(10)~~ The Executive Office of the Governor shall
7 review the legislative budget request for technical compliance
8 with the budget format provided for in the budget
9 instructions. The Executive Office of the Governor shall
10 notify the agency or the judicial branch of any adjustment
11 required. The agency or judicial branch shall make the
12 appropriate corrections as requested. If the appropriate
13 technical corrections are not made as requested, the Executive
14 Office of the Governor shall adjust the budget request to
15 incorporate the appropriate technical corrections in the
16 format of the request.

17 ~~(10)(11)~~ At any time after the Governor submits his or
18 her ~~and the Chief Justice submit their~~ recommended budget
19 ~~budgets~~ to the Legislature, the head of the agency or judicial
20 branch may amend his or her request by transmitting to the
21 Governor and the Legislature an amended request in the form
22 and manner prescribed in the legislative budget instructions.

23 ~~(11)(12)~~ The legislative budget request from each
24 agency and from the judicial branch shall be reviewed by the
25 Legislature. The review may allow for the opportunity to have
26 information or testimony by the agency, the judicial branch,
27 the Auditor General, the Office of Program Policy Analysis and
28 Government Accountability, the Governor's Office of Planning
29 and Budgeting, and the public regarding the proper level of
30 funding for the agency in order to carry out its mission.

31

1 ~~(12)~~~~(13)~~ In order to ensure an integrated state
2 planning and budgeting process, the agency long-range plan
3 should be reviewed by the Legislature.

4 Section 12. Section 216.031, Florida Statutes, is
5 amended to read:

6 216.031 Target budget request.--Either chair of a
7 legislative appropriations committee, or the Executive Office
8 of the Governor for state agencies, may require the agency or
9 the Chief Justice to address major issues separate from those
10 outlined in s. 216.023, this section, and s. 216.043 for
11 inclusion in the requests of the agency or of the judicial
12 branch. The issues shall be submitted to the agency no later
13 than July 30 of each year and shall be displayed in its
14 requests as provided in the budget instructions. The
15 Executive Office of the Governor may request an agency, or the
16 chair of an ~~the~~ appropriations committee ~~committees~~ of the
17 Senate or the House of Representatives may request any agency
18 or the judicial branch, to submit ~~no later than September 30~~
19 ~~of each year~~ a budget plan with respect to targets established
20 by the Governor or either chair. The target budget shall
21 require each entity to establish an order of priorities for
22 its budget issues and may include requests for multiple
23 options for the budget issues. ~~The target budget may also~~
24 ~~require each entity to submit a program budget or a~~
25 ~~performance based budget in the format prescribed by the~~
26 ~~Executive Office of the Governor or either chair; provided,~~
27 ~~however,~~ The target budget format shall be compatible with the
28 planning and budgeting system requirements set out in s.
29 216.141. Such a request shall not influence the agencies' or
30 judicial branch's independent judgment in making legislative
31 budget requests, as required by law.

1 Section 13. Subsections (2), (3), (8), and (9) of
2 section 216.052, Florida Statutes, are repealed.

3 Section 14. Subsection (5) of section 216.053, Florida
4 Statutes, is repealed.

5 Section 15. Section 216.065, Florida Statutes, is
6 amended to read:

7 216.065 Fiscal impact statements on actions affecting
8 the budget.--In addition to the applicable requirements of
9 chapter 120, before the Governor, or Governor and Cabinet as a
10 body, performing any constitutional or statutory duty, or
11 before any state agency or statutorily authorized entity takes
12 ~~take~~ any final action that will affect revenues, directly
13 require a request for an increased or new appropriation in the
14 following 3 fiscal years year, or ~~that will~~ transfer current
15 year funds, it they shall first provide the legislative
16 appropriations committees with a fiscal impact statement that
17 details the effects of such action on the budget. The fiscal
18 impact statement must specify the estimated budget and revenue
19 impacts for the current year and the 2 subsequent fiscal years
20 at the same level of detail required to support a legislative
21 budget request, including amounts by appropriation category
22 and fund.

23 Section 16. Subsection (3) is added to section
24 216.081, Florida Statutes, to read:

25 216.081 Data on legislative and judicial branch
26 expenses.--

27 (3) If the Governor does not receive timely estimates
28 of the financial needs of the legislative branch, the
29 Governor's recommended budget must include the amounts
30 appropriated and budget entity structure established in the
31 most recent General Appropriations Act.

1 Section 17. Subsections (7) and (8) of section
2 216.136, Florida Statutes, are repealed.

3 Section 18. Subsection (1) of section 216.162, Florida
4 Statutes, is amended to read:

5 216.162 Governor's recommended budget to be furnished
6 Legislature; copies to members.--

7 (1) At least 30 ~~45~~ days before the scheduled annual
8 legislative session, the Governor shall furnish each senator
9 and representative a copy of his or her recommended balanced
10 budget for the state, based on the Governor's own conclusions
11 and judgment; ~~provided, however, that~~ in his or her first year
12 in office a new Governor may request, subject to approval of
13 the President of the Senate and the Speaker of the House of
14 Representatives, that his or her recommended balanced budget
15 be submitted at a later time prior to the Governor's first
16 regular legislative session.

17 Section 19. Subsections (1), (2), (3), and (4) of
18 section 216.167, Florida Statutes, are amended to read:

19 216.167 Governor's recommendations.--The Governor's
20 recommendations shall include a financial schedule that
21 provides:

22 (1) The Governor's estimate of the recommended
23 recurring revenues available in the Budget Stabilization Fund,
24 ~~the Working Capital Fund,~~ and the General Revenue Fund.

25 (2) The Governor's estimate of the recommended
26 nonrecurring revenues available in the Budget Stabilization
27 Fund,~~the Working Capital Fund,~~ and the General Revenue Fund.

28 (3) The Governor's recommended recurring and
29 nonrecurring appropriations from the Budget Stabilization
30 Fund,~~the Working Capital Fund,~~ and the General Revenue Fund.

31

1 (4) The Governor's estimates of any interfund loans or
2 temporary obligations of the Budget Stabilization Fund, the
3 General Revenue ~~Working Capital~~ Fund, or trust funds, which
4 loans or obligations are needed to implement his or her
5 recommended budget.

6 Section 20. Subsection (4) of section 216.168, Florida
7 Statutes, is amended to read:

8 216.168 Governor's amended revenue or budget
9 recommendations; optional and mandatory.--

10 (4) If the Governor determines, at any time after he
11 or she has furnished the Legislature with his or her
12 recommendations or amended recommendations, that the revenue
13 estimates upon which the Governor's recommendations were based
14 are insufficient to fund these recommendations, the Governor
15 shall amend his or her revenues or appropriations
16 recommendations to bring the Governor's recommended budget
17 into balance. ~~On or after March 1, if the Governor determines~~
18 ~~that there is insufficient time to provide the information for~~
19 ~~the amended recommendations required in ss. 216.164 and~~
20 ~~216.166, he or she shall be exempt from such requirement.~~

21 Section 21. Subsections (2) and (3) of section
22 216.177, Florida Statutes, are amended to read:

23 216.177 Appropriations acts, statement of intent,
24 violation, notice, review and objection procedures.--

25 (2)(a) Whenever notice of action to be taken by the
26 Executive Office of the Governor or the Chief Justice of the
27 Supreme Court is required by this chapter, such notice shall
28 be given to the chair and vice chair of the Legislative Budget
29 Commission in writing, and shall be delivered at least 14 days
30 prior to the action referred to, unless a shorter period is
31 approved in writing by the chair and vice chair. If the action

1 is solely for the release of funds appropriated by the
2 Legislature, the notice shall be delivered at least 3 days
3 before the effective date of the action. Action shall not be
4 taken on any budget item for which this chapter requires
5 notice to the Legislative Budget Commission or the
6 appropriations committees without such notice having been
7 provided, even though there may be good cause for considering
8 such item.

9 (b) If the chair and vice chair of the Legislative
10 Budget Commission or the President of the Senate and the
11 Speaker of the House of Representatives timely advise, in
12 writing, the Executive Office of the Governor or the Chief
13 Justice of the Supreme Court that an action or a proposed
14 action, including any expenditure of funds resulting from the
15 settlement of litigation involving a state agency or officer,
16 whether subject to the notice and review requirements of this
17 chapter or not, exceeds the delegated authority of the
18 Executive Office of the Governor for the executive branch or
19 the Chief Justice for the judicial branch, respectively, or is
20 contrary to legislative policy and intent, the Governor or the
21 Chief Justice of the Supreme Court shall void such action and
22 instruct the affected state agency or entity of the judicial
23 branch to change immediately its spending action or spending
24 proposal until the Legislative Budget Commission or the
25 Legislature addresses the issue. The written documentation
26 shall indicate the specific reasons that an action or proposed
27 action exceeds the delegated authority or is contrary to
28 legislative policy and intent.

29 (c) The House of Representatives and the Senate shall
30 provide by rule that any member of the House of
31 Representatives or Senate may request, in writing, of either

1 the President of the Senate or the Speaker of the House of
2 Representatives to initiate the procedures of paragraph (b).

3 (3) The Legislature may annually specify any
4 incentives and disincentives for agencies operating programs
5 under performance-based ~~program~~ budgets pursuant to this
6 chapter in the General Appropriations Act or legislation
7 implementing the General Appropriations Act.

8 Section 22. Subsections (1), (2), (4), (6), (8), (9),
9 (10), (12), and (16) of section 216.181, Florida Statutes, are
10 amended to read:

11 216.181 Approved budgets for operations and fixed
12 capital outlay.--

13 (1) The General Appropriations Act and any other acts
14 containing appropriations shall be considered the original
15 approved operating budgets for operational and fixed capital
16 expenditures. Amendments to the approved operating budgets for
17 operational and fixed capital outlay expenditures from state
18 agencies may be requested only through the Executive Office of
19 the Governor and approved by the Governor and the Legislative
20 Budget Commission as provided in this chapter. Amendments from
21 the judicial branch may be requested only through, ~~and~~
22 ~~approved by, the Chief Justice of the Supreme Court~~ and must
23 be approved by the Chief Justice and the Legislative Budget
24 Commission as provided in this chapter. This includes
25 amendments which are necessary to implement the provisions of
26 s. 216.212 or s. 216.221.

27 (2) Amendments to the original approved operating
28 budgets for operational and fixed capital outlay expenditures
29 must comply with the following guidelines in order to be
30 approved by the Governor and the Legislative Budget Commission
31 ~~as provided in this chapter~~ for the executive branch and the

1 Chief Justice and the Legislative Budget Commission for the
2 judicial branch:

3 (a) The amendment must be consistent with legislative
4 policy and intent.

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

8 (c) Except as authorized in s. 216.292 or other
9 provisions of this chapter, the amendment may not provide
10 funding or increased funding for items which were funded by
11 the Legislature in an amount less than that requested by the
12 agency ~~or Governor~~ in the legislative budget request or
13 recommended by the Governor, or which were vetoed by the
14 Governor.

15 (d) For amendments that involve trust funds, there
16 must be adequate and appropriate revenues available in the
17 trust fund and the amendment must be consistent with the laws
18 authorizing such trust funds and the laws relating to the use
19 of the trust funds. However, a trust fund shall not be
20 increased in excess of the original approved budget, except as
21 provided in subsection (11).

22 (e) The amendment shall not conflict with any
23 provision of law.

24 (f) The amendment must not provide funding for any
25 issue which was requested by the agency or branch in its
26 legislative budget request and not funded in the General
27 Appropriations Act.

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

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

4 (4) To the extent possible, individual members of the
5 Senate and the House of Representatives should be advised of
6 budget amendments requested by the executive branch and
7 judicial branch.

8 (6)(a) The Executive Office of the Governor or the
9 Chief Justice of the Supreme Court may require the submission
10 of a detailed plan from the agency or entity of the judicial
11 branch affected, consistent with the General Appropriations
12 Act, special appropriations acts, and statements ~~the statement~~
13 of intent before transferring and releasing the balance of a
14 lump-sum appropriation. ~~The provisions of this paragraph are~~
15 ~~subject to the notice and review procedures set forth in s.~~
16 ~~216.177.~~

17 (b) The Executive Office of the Governor and the Chief
18 Justice of the Supreme Court may amend, without approval of
19 the Legislative Budget Commission, state agency and judicial
20 branch entity budgets, respectively, to reflect the
21 transferred funds and to provide the associated increased
22 salary rate based on the approved plans for lump-sum
23 appropriations. This paragraph is subject to the notice and
24 review procedures set forth in s. 216.177.

25
26 The Executive Office of the Governor shall transmit to each
27 state agency and the Chief Financial Officer, and the Chief
28 Justice shall transmit to each judicial branch component and
29 the Chief Financial Officer, any approved amendments to the
30 approved operating budgets.
31

1 (8) As part of the approved operating budget, the
2 Executive Office of the Governor shall furnish to each state
3 agency, and the Chief Justice of the Supreme Court shall
4 furnish to the entity of the judicial branch, an approved
5 annual salary rate for each budget entity containing a salary
6 appropriation. This rate shall be based upon the actual salary
7 rate and shall be consistent with the General Appropriations
8 Act or special appropriations acts. The annual salary rate
9 shall be:

10 (a) ~~Determined by~~ Calculated based on the actual
11 ~~salary rate in effect on June 30, and the salary policy and~~
12 ~~the number of authorized positions as~~ specified in the General
13 Appropriations Act and adjusted for reorganizations authorized
14 by law, for any other appropriations made by law, and, subject
15 to s. 216.177, for distributions of lump-sum appropriations
16 and administered funds ~~special appropriations acts, or as~~
17 ~~provided pursuant to s. 216.177.~~

18 (b) Controlled by the budget entity ~~department or~~
19 ~~agency; except for the Department of Education, which shall be~~
20 ~~controlled by division and for the judicial branch, which~~
21 shall be controlled at the branch level.

22 (c) Assigned to the number of authorized positions.

23 (9)(a) The calculation for the annual salary rate for
24 vacant and newly authorized positions shall be ~~at no more than~~
25 ~~the midpoint of the range of the pay grade for the position or~~
26 as provided in the General Appropriations Act.

27 (b) No agency or the judicial branch may exceed its
28 maximum approved annual salary rate for the fiscal year.
29 However, at any time during the fiscal year, an agency or
30 entity of the judicial branch may exceed its approved rate for
31 all budget entities by no more than 5 percent, provided that,

1 by June 30 of every fiscal year, the agency or entity of the
2 judicial branch has reduced its salary rate so that the salary
3 rate for each budget entity is within the approved rate limit
4 for that budget entity.

5 (10)(a) The Legislative Budget Commission ~~Executive~~
6 ~~Office of the Governor and the Chief Justice of the Supreme~~
7 ~~Court~~ may authorize increases or decreases in increase or
8 ~~decrease~~ the approved salary rate for positions ~~for the~~
9 ~~purpose of implementing the General Appropriations Act,~~
10 ~~special appropriations acts, and actions pursuant to s.~~
11 ~~216.262 consistent with legislative intent and policy. Other~~
12 ~~adjustments to approved salary rate must be approved by the~~
13 ~~Legislative Budget Commission~~ pursuant to the request of the
14 agency filed with the Executive Office of the Governor or
15 pursuant to the request of an entity of the judicial branch
16 filed with the Chief Justice of the Supreme Court, if deemed
17 necessary and in the best interest of the state and consistent
18 with legislative policy and intent. ~~The provisions of this~~
19 ~~paragraph are subject to the notice and review procedures set~~
20 ~~forth in s. 216.177.~~

21 (b) Lump-sum salary bonuses may be provided only if
22 specifically appropriated or provided pursuant to s. 110.1245
23 or s. 216.1815.

24 (c) State agencies and the judicial branch shall
25 report, each fiscal quarter, the number of filled positions,
26 the number of vacant positions, and the salary rate associated
27 with each category to the Legislative Budget Commission in a
28 form and manner prescribed by the commission.

29 (12)(a) There is established ~~appropriated nonoperating~~
30 budget authority for refunds, payments to the United States
31 Treasury, payments of the service charge to the General

1 Revenue Fund, and transfers of funds specifically required by
2 law. Such ~~authorized~~ budget authority, together with related
3 releases, shall be transmitted by the state agency or by the
4 judicial branch to the Chief Financial Officer for entry in
5 his or her records in the manner and format prescribed by the
6 Executive Office of the Governor in consultation with the
7 Chief Financial Officer. A copy of such authorized budget
8 authority ~~budgets~~ shall be furnished to the Executive Office
9 of the Governor or the Chief Justice, the chairs of the
10 legislative committees responsible for developing the general
11 appropriations acts, and the Auditor General. Notwithstanding
12 the duty specified for each state agency in s. 17.61(3), the
13 Governor may withhold approval of nonoperating investment
14 authority for certain trust funds when deemed in the best
15 interest of the state.

16 (b) The Governor for the executive branch, and the
17 Chief Justice for the judicial branch, may establish budget
18 authority pursuant to this subsection, with the approval of
19 the chairs of the legislative committees responsible for
20 developing the general appropriations acts, nonoperating
21 ~~budgets~~ for transfers, purchase of investments, special
22 expenses, distributions, and any other ~~nonoperating~~ budget
23 authority categories they deem necessary and in the best
24 interest of the state and consistent with legislative intent
25 and policy. Other budget authority may include ~~The provisions~~
26 ~~of this subsection are subject to the notice, review, and~~
27 ~~objection procedures set forth in s. 216.177. For purposes of~~
28 ~~this section, the term "nonoperating budgets" means~~
29 ~~nonoperating~~ disbursement authority for purchase of
30 investments, refunds, payments to the United States Treasury,
31 transfers of funds specifically required by law, distributions

1 of assets held by the state in a trustee capacity as an agent
2 of fiduciary, and special expenses, ~~and other nonoperating~~
3 ~~budget categories as determined necessary by the Executive~~
4 ~~Office of the Governor,~~ not otherwise appropriated in the
5 General Appropriations Act.

6 (c) All budget actions taken pursuant to this
7 subsection are subject to the procedures for notice, review,
8 and objection set forth in s. 216.177.

9 (16)(a) Funds provided in any specific appropriation
10 in the General Appropriations Act may be advanced if the
11 General Appropriations Act specifically so provides.

12 (b) Any agency, or the judicial branch, that has been
13 authorized by the General Appropriations Act or expressly
14 authorized by other law to make advances for program startup
15 or advances for contracted services, in total or periodically,
16 shall limit such disbursements to other governmental entities
17 and not-for-profit corporations. The amount that ~~which~~ may be
18 advanced shall not exceed the expected cash needs of the
19 contractor or recipient within the initial 3 months.
20 Thereafter, disbursements shall only be made on a
21 reimbursement basis. Any agreement that provides for
22 advancements may contain a clause that permits the contractor
23 or recipient to temporarily invest the proceeds, provided that
24 any interest income shall either be returned to the agency or
25 be applied against the agency's obligation to pay the contract
26 amount. This paragraph does not constitute lawful authority
27 to make any advance payment not otherwise authorized by laws
28 relating to a particular agency or general laws relating to
29 the expenditure or disbursement of public funds. The Chief
30 Financial Officer may, after consultation with the legislative
31 appropriations committees, advance funds beyond a 3-month

1 requirement if it is determined to be consistent with the
2 intent of the approved operating budget.

3 ~~(c) Unless specifically prohibited in the General~~
4 ~~Appropriations Act, funds appropriated to the Department of~~
5 ~~Children and Family Services and the Department of Health may~~
6 ~~be advanced for those contracted services that were approved~~
7 ~~for advancement by the Comptroller in fiscal year 1993-1994,~~
8 ~~including those services contracted on a fixed price or~~
9 ~~unit cost basis.~~

10 Section 23. Sections 216.1825 and 216.183, Florida
11 Statutes, are repealed.

12 Section 24. Section 216.192, Florida Statutes, is
13 amended to read:

14 216.192 Release of appropriations; revision of
15 budgets.--

16 (1)(a) Unless otherwise provided in the General
17 Appropriations Act, on July 1 of each fiscal year, up to 25
18 percent of the original approved operating budget of each
19 agency and of the judicial branch may be released until such
20 time as annual plans for quarterly releases for all
21 appropriations have been developed, approved, and furnished to
22 the Chief Financial Officer by the Executive Office of the
23 Governor for state agencies and by the Chief Justice of the
24 Supreme Court for the judicial branch. The plans, including
25 appropriate plans of releases for fixed capital outlay
26 projects that correspond with each project schedule, shall
27 attempt to maximize the use of trust funds and shall be
28 transmitted to the Chief Financial Officer by August 1 of each
29 fiscal year. Such releases shall at no time exceed the total
30 appropriations available to a state agency or to the judicial
31 branch, or the approved budget for such agency or the judicial

1 branch if less. The Chief Financial Officer shall enter such
2 releases in his or her records in accordance with the release
3 plans prescribed by the Executive Office of the Governor and
4 the Chief Justice, unless otherwise amended as provided by
5 law. The Executive Office of the Governor and the Chief
6 Justice shall transmit a copy of the approved annual releases
7 to the head of the state agency, the chair and vice chair of
8 the Legislative Budget Commission, and the Auditor General.
9 The Chief Financial Officer shall authorize all expenditures
10 to be made from the appropriations on the basis of such
11 releases and in accordance with the approved budget, and not
12 otherwise. Expenditures shall be authorized only in accordance
13 with legislative authorizations. Nothing herein precludes
14 periodic reexamination and revision by the Executive Office of
15 the Governor or by the Chief Justice of the annual plans for
16 release of appropriations and the notifications of the parties
17 of all such revisions.

18 (b)1. Before the release of funds for information
19 technology projects designated in the General Appropriations
20 Act, the agency shall submit a detailed operational work plan
21 to the Executive Office of the Governor and the chairs of the
22 legislative appropriations committees. The work plan must
23 include a project charter that describes the business
24 objectives and expected outcomes to be attained and specifies
25 planned project milestones and deliverables; a work breakdown
26 structure that summarizes all tasks required to complete the
27 project; a project schedule and spending plan; a description
28 of the project organization and the roles and responsibilities
29 of the project participants; and a description of the
30 processes and procedures that will be used to identify and
31

1 manage the project's risks and to manage changes in the
2 requirements of the project.

3 2. The agency may request the Executive Office of the
4 Governor to release the funds based upon the operational work
5 plan; however, the funds may not be released until the
6 operational work plan is approved by the Executive Office of
7 the Governor, in consultation with the legislative
8 appropriations committees pursuant to the requirements set
9 forth in chapter 216. Funds released for the information
10 technology project may not exceed the amount needed for the
11 fiscal year as specifically appropriated and identified in the
12 approved operational work plan.

13 3. The agency also shall submit to the Executive
14 Office of the Governor and the legislative appropriations
15 chairs status reports for the project which compare the
16 planned progress of the project as specified in the
17 operational work plan versus the actual progress made to date,
18 the actual completion dates, and the actual costs incurred.
19 The status reports must also describe the planned project
20 milestones, deliverables, and expenditures for the next
21 reporting period; the current issues requiring resolution; and
22 the project risks that are being actively managed and the
23 actions being taken to mitigate the risks. The operational
24 work plans and project status reports must comply with the
25 standards annually published by the State Technology Office
26 and the Technology Review Workgroup jointly. The General
27 Appropriations Act shall specify the frequency of operational
28 work plans and project-status reports.

29 (2) Any department under the direct supervision of a
30 member of the Cabinet or of a board consisting of the Governor
31 and members of the Cabinet which contends that the plan for

1 releases of funds appropriated to it is contrary to the
2 approved operating budget shall have the right to have the
3 issue reviewed by the Administration Commission which shall
4 decide such issue by majority vote. ~~The appropriations~~
5 ~~committees of the Legislature may advise the Administration~~
6 ~~Commission on the issue.~~

7 (3) The Executive Office of the Governor shall make
8 releases within the amounts appropriated and as requested for
9 all appropriations to the legislative branch, and the
10 provisions of subsections (1) and (2) shall not apply to the
11 legislative branch.

12 ~~(4) The legislative appropriations committees may~~
13 ~~advise the Chief Financial Officer, the Executive Office of~~
14 ~~the Governor, or the Chief Justice relative to the release of~~
15 ~~any funds under this section.~~

16 ~~(4)(5)~~ The annual plans of releases authorized by this
17 section may be considered by the Revenue Estimating Conference
18 in preparation of the statement of financial outlook.

19 (5) In order to implement directives contained in the
20 General Appropriations Act or to prevent deficits pursuant to
21 s. 216.221, the Executive Office of the Governor for the
22 executive branch and the Chief Justice for the judicial branch
23 may place appropriations in budget reserve or mandatory
24 reserve.

25 (6) All budget actions taken pursuant to the
26 provisions of this section are subject to the notice and
27 review procedures set forth in s. 216.177.

28 Section 25. Section 216.195, Florida Statutes, is
29 amended to read:

30 216.195 Impoundment of funds; restricted.--The
31 Executive Office of the Governor, the Chief Justice of the

1 Supreme Court, any member of the Cabinet, or any state agency
2 shall not impound any appropriation except as necessary to
3 avoid or eliminate a deficit pursuant to the provisions of s.
4 216.221. As used in this section, the term "impoundment"
5 means the omission of any appropriation or part of an
6 appropriation in the approved operating plan prepared pursuant
7 to s. 216.181 or in the schedule of releases prepared pursuant
8 to s. 216.192 or the failure of any state agency or the
9 judicial branch to spend an appropriation for the stated
10 purposes authorized in the approved operating budget. ~~The~~
11 ~~provisions of this section are subject to the notice and~~
12 ~~review procedures of s. 216.177.~~ The Governor or either house
13 of the Legislature may seek judicial review of any action or
14 proposed action which violates ~~the provisions of~~ this section.

15 Section 26. Subsections (2), (3), (5), (7), (9), and
16 (10) of section 216.221, Florida Statutes, are amended to
17 read:

18 216.221 Appropriations as maximum appropriations;
19 adjustment of budgets to avoid or eliminate deficits.--

20 (2) The Legislature may annually provide direction in
21 the General Appropriations Act regarding use of any state
22 funds ~~the Budget Stabilization Fund and Working Capital Fund~~
23 to offset General Revenue Fund deficits.

24 (3) For purposes of preventing a deficit in the
25 General Revenue Fund, all branches and agencies of government
26 ~~that receive General Revenue Fund appropriations~~ shall
27 participate in deficit reduction efforts. Absent specific
28 legislative ~~direction in the General Appropriations Act~~, when
29 budget reductions are required in order to prevent a deficit
30 under the provisions of subsection (7), each branch shall
31

1 reduce its General Revenue Fund appropriations by a
2 proportional amount.

3 (5)(a) If, in the opinion of the Governor, after
4 consultation with the Revenue Estimating Conference, a deficit
5 will occur in the General Revenue Fund, he or she shall so
6 certify to the commission and to the Chief Justice of the
7 Supreme Court. No more than 30 days after certifying that a
8 deficit will occur in the General Revenue Fund, the Governor
9 shall develop for the executive branch, and the Chief Justice
10 of the Supreme Court shall develop for the judicial branch,
11 and provide to the commission and to the Legislature plans of
12 action to eliminate the deficit.

13 (b) If, in the opinion of the President of the Senate
14 and the Speaker of the House of Representatives, after
15 consultation with the Revenue Estimating Conference, a deficit
16 will occur in the General Revenue Fund and the Governor has
17 not certified the deficit, the President of the Senate and the
18 Speaker of the House of Representatives shall so certify.
19 Within 30 days after such certification, the Governor shall
20 develop for the executive branch and the Chief Justice of the
21 Supreme Court shall develop for the judicial branch, and
22 provide to the commission and to the Legislature, plans of
23 action to eliminate the deficit.

24 ~~(c)(b)~~ In developing a plan of action to prevent
25 deficits in accordance with subsection (7), the Governor and
26 Chief Justice shall, to the extent possible, preserve
27 legislative policy and intent, and, absent any specific
28 direction to the contrary in the General Appropriations Act,
29 the Governor and Chief Justice shall comply with the following
30 guidelines for reductions in the approved operating budgets of
31 the executive branch and the judicial branch:

1 ~~1. Entire statewide programs previously established by~~
2 ~~the Legislature should not be eliminated.~~

3 ~~1.2.~~ Education budgets should not be reduced more than
4 provided for in s. 215.16(2).

5 ~~2.3.~~ The use of nonrecurring funds to solve recurring
6 deficits should be minimized.

7 ~~3.4.~~ Newly created programs that are not fully
8 implemented and programs with critical audits, evaluations,
9 and reviews should receive first consideration for reductions.

10 ~~4.5.~~ No agencies or branches of government receiving
11 appropriations should be exempt from reductions.

12 ~~5.6.~~ When reductions in positions are required, the
13 focus should be initially on vacant positions.

14 ~~7. Any reductions applied to all agencies and branches~~
15 ~~should be uniformly applied.~~

16 ~~6.8.~~ Reductions that would cause substantial losses of
17 federal funds should be minimized.

18 ~~9. To the greatest extent possible, across the board,~~
19 ~~prorated reductions should be considered.~~

20 ~~7.10.~~ Reductions to statewide programs should occur
21 only after review of programs that provide only local
22 benefits.

23 ~~8.11.~~ Reductions in administrative and support
24 functions should be considered before reductions in
25 direct-support services.

26 ~~9.12.~~ Maximum reductions should be considered in
27 budgets for expenses including travel and in budgets for
28 equipment replacement, outside consultants, and contracts.

29 ~~10.13.~~ Reductions in salaries for elected state
30 officials should be considered.

31

1 ~~11.14.~~ Reductions that adversely affect the public
2 health, safety, and welfare should be minimized.

3 ~~12.15.~~ The Budget Stabilization Fund should not be
4 reduced to a level that would impair the financial stability
5 of this state.

6 ~~13.16.~~ Reductions in programs that are traditionally
7 funded by the private sector and that may be assumed by
8 private enterprise should be considered.

9 ~~14.17.~~ Reductions in programs that are duplicated
10 among state agencies or branches of government should be
11 considered.

12 (7) Deficits in the General Revenue Fund that do not
13 meet the amounts specified by subsection (6) shall be resolved
14 by the Governor ~~Commission~~ for the executive branch and the
15 Chief Justice of the Supreme Court for the judicial branch.
16 The Governor ~~commission~~ and Chief Justice shall implement any
17 directions provided in the General Appropriations Act related
18 to eliminating deficits and to reducing agency and judicial
19 branch budgets, including the use of those legislative
20 appropriations voluntarily placed in reserve. In addition,
21 the Governor and Chief Justice ~~commission~~ shall implement any
22 directions in the General Appropriations Act relating to the
23 resolution of deficit situations. When reducing state agency
24 or judicial branch budgets, the Governor ~~commission~~ or the
25 Chief Justice, respectively, shall use the guidelines
26 prescribed in subsection (5). The Executive Office of the
27 Governor ~~for the commission~~, and the Chief Justice for the
28 judicial branch, shall implement the deficit reduction plans
29 through amendments to the approved operating budgets in
30 accordance with s. 216.181.

31

1 (9) If, in the opinion of the Chief Financial Officer,
2 after consultation with the Revenue Estimating Conference, a
3 deficit will occur, he or she shall report his or her opinion
4 to the Governor, the President of the Senate, and the Speaker
5 of the House of Representatives in writing. In the event the
6 Governor does not certify a deficit, or the President of the
7 Senate and the Speaker of the House of Representatives do not
8 certify a deficit, within 10 days after the Chief Financial
9 Officer's report, the Chief Financial Officer shall report his
10 or her findings and opinion to the commission and the Chief
11 Justice of the Supreme Court.

12 (10) When advised by the Revenue Estimating
13 Conference, the Chief Financial Officer, or any agency
14 responsible for a trust fund that a deficit will occur with
15 respect to the appropriations from a specific trust fund in
16 the current fiscal year, the Governor for the executive
17 branch, or the Chief Justice for the judicial branch, shall
18 develop a plan of action to eliminate the deficit. Before
19 implementing the plan of action, the Governor or the Chief
20 Justice must comply with the provisions of s. 216.177(2), and
21 actions to resolve deficits in excess of \$1 million must be
22 approved by the Legislative Budget Commission. In developing
23 the plan of action, the Governor or the Chief Justice shall,
24 to the extent possible, preserve legislative policy and
25 intent, ~~and, absent any specific directions to the contrary in~~
26 ~~the General Appropriations Act, any reductions in~~
27 ~~appropriations from the trust fund for the fiscal year shall~~
28 ~~be prorated among the specific appropriations made from the~~
29 ~~trust fund for the current fiscal year.~~

30 Section 27. Subsection (2) of section 216.231, Florida
31 Statutes, is amended to read:

1 216.231 Release of certain classified
2 appropriations.--

3 (2) The release of appropriated funds classified as
4 "deficiency" shall be approved only when a General Revenue
5 Fund appropriation for operations of a state agency or of the
6 judicial branch is inadequate because the workload or cost of
7 the operation exceeds that anticipated by the Legislature and
8 a determination has been made by the Governor ~~commission~~ that
9 the deficiency will result in an impairment of the activities
10 of an agency or of the judicial branch to the extent that the
11 agency is unable to carry out its program as provided by the
12 Legislature in the general appropriations acts. These funds
13 may not be used for creation of any new agency or program, for
14 increases of salary, or for the construction or equipping of
15 additional buildings.

16 Section 28. Subsections (3), (6), and (11) of section
17 216.235, Florida Statutes, are amended to read:

18 216.235 Innovation Investment Program.--

19 (3) For purposes of this section:

20 (a) "Agency" means an official, officer, commission,
21 authority, council, committee, department, division, bureau,
22 board, section, or other unit or entity of the executive
23 branch.

24 ~~(b) "Commission" means the Information Resource~~
25 ~~Commission.~~

26 **(b)(e)** "Committee" means the State Innovation
27 Committee.

28 **(c)(d)** "Office" means the Office of Tourism, Trade,
29 and Economic Development within the Executive Office of the
30 Governor.

31

1 ~~(d)(e)~~ "Review board" means a nonpartisan board
2 composed of private citizens and public employees who evaluate
3 the projects and make funding recommendations to the
4 committee.

5 (6) Any agency developing an innovative investment
6 project proposal that involves information technology
7 resources may consult with and seek technical assistance from
8 the state technology office ~~commission~~. The office shall
9 consult with the state technology office ~~commission~~ for any
10 project proposal that involves information resource
11 technology. The state technology office ~~commission~~ is
12 responsible for evaluating these projects and for advising the
13 committee and review board of the technical feasibility and
14 any transferable benefits of the proposed technology. In
15 addition to the requirements of subsection (5), the agencies
16 shall provide to the state technology office ~~commission~~ any
17 information requested by the state technology office
18 ~~commission~~ to aid in determining that the proposed technology
19 is appropriate for the project's success.

20 (11) Funds appropriated for the Innovation Investment
21 Program shall be distributed by the Executive Office of the
22 Governor subject to notice, review, and objection procedures
23 set forth in s. 216.177. The office may transfer funds from
24 the annual appropriation as necessary to administer the
25 program. Proposals considered but not funded by the
26 Legislature as part of an agency legislative budget request or
27 the Governor's budget recommendation are not eligible to
28 receive funding under the Innovation Investment Program.

29 Section 29. Section 216.241, Florida Statutes, is
30 amended to read:
31

1 216.241 Initiation or commencement of new programs;
2 approval; expenditure of certain revenues.--

3 (1) A state agency or the judicial branch may not
4 initiate or commence any new program, including any new
5 federal program or initiative, or make changes in its current
6 programs, as provided for in the appropriations act, that
7 require additional financing unless funds have been
8 specifically appropriated by the Legislature or unless the
9 Legislative Budget Commission or the Chief Justice of the
10 ~~Supreme Court~~ expressly approves such new program or changes.
11 ~~The commission and the Chief Justice shall give notice as~~
12 ~~provided in s. 216.177 prior to approving such new program or~~
13 ~~changes.~~

14 (2) ~~No~~ Changes that which are inconsistent with the
15 approved ~~operating~~ budget may not shall be made to existing
16 programs unless such changes are recommended to the
17 Legislative Budget Commission by the Governor or the Chief
18 Justice and the Legislative Budget Commission expressly
19 approves such program changes. ~~The provisions of This~~
20 subsection is are subject to the notice, review, and objection
21 procedures set forth in s. 216.177.

22 (3) Any revenues generated by any tax or fee imposed
23 by amendment to the State Constitution after October 1, 1999,
24 shall not be expended by any agency, as defined in s.
25 120.52(1), except pursuant to appropriation by the
26 Legislature.

27 (4) A state agency or the judicial branch may not
28 shift functions or responsibilities from agency staff to the
29 private sector or to another agency's staff, including, but
30 not limited to, outsourcing, public-private partnerships, or
31 shared-savings initiatives, without specific approval by the

1 Legislature or, absent such specific approval but consistent
2 with legislative intent and policy, without specific approval
3 by the Legislative Budget Commission. A request for such
4 approval, including a recommendation submitted in an agency's
5 legislative budget request or the Governor's budget
6 recommendation, must include, but need not be limited to,
7 applicable supporting cost-benefit analyses, business case
8 analyses, proposed performance contracting procedures,
9 detailed service comparisons, and impacts to approved
10 performance standards. Adjustments to the approved budget
11 which are not reflected in the General Appropriations Act and
12 which are necessary to implement such shifts of functions and
13 responsibilities must be approved by the Legislative Budget
14 Commission prior to the execution of any related contracts or
15 other agreements.

16 Section 30. Subsection (2) of section 216.251, Florida
17 Statutes, is amended to read:

18 216.251 Salary appropriations; limitations.--

19 (2)(a) The salary for each position not specifically
20 indicated in the appropriations acts shall be as provided in
21 one of the following subparagraphs:

22 1. Within the classification and pay plans provided
23 for in chapter 110.

24 2. Within the classification and pay plans established
25 by the Board of Trustees for the Florida School for the Deaf
26 and the Blind of the Department of Education and approved by
27 the State Board of Education for academic and academic
28 administrative personnel.

29 3. Within the classification and pay plan approved and
30 administered by the State Board of Education ~~Board of Regents~~
31 for those positions in the State University System.

1 4. Within the classification and pay plan approved by
2 the President of the Senate and the Speaker of the House of
3 Representatives, as the case may be, for employees of the
4 Legislature.

5 5. Within the approved classification and pay plan for
6 the judicial branch.

7 ~~6. The salary of all positions not specifically~~
8 ~~included in this subsection shall be set by the commission or~~
9 ~~by the Chief Justice for the judicial branch.~~

10 (b) Salary payments shall be made only to employees
11 filling established positions included in the agency's or in
12 the judicial branch's approved budgets and amendments thereto
13 as may be provided by law; provided, however:

14 1. Reclassification of established positions may be
15 accomplished when justified in accordance with the established
16 procedures for reclassifying positions; or

17 2. When the Division of Risk Management of the
18 Department of Financial Services has determined that an
19 employee is entitled to receive a temporary partial disability
20 benefit or a temporary total disability benefit pursuant to
21 the provisions of s. 440.15 and there is medical certification
22 that the employee cannot perform the duties of the employee's
23 regular position, but the employee can perform some type of
24 work beneficial to the agency, the agency may return the
25 employee to the payroll, at his or her regular rate of pay, to
26 perform such duties as the employee is capable of performing,
27 even if there is not an established position in which the
28 employee can be placed. Nothing in this subparagraph shall
29 abrogate an employee's rights under chapter 440 or chapter
30 447, nor shall it adversely affect the retirement credit of a
31 member of the Florida Retirement System in the membership

1 class he or she was in at the time of, and during, the
2 member's disability.

3 Section 31. Paragraphs (a) and (c) of subsection (1)
4 of section 216.262, Florida Statutes, are amended to read:

5 216.262 Authorized positions.--

6 (1)(a) Unless otherwise expressly provided by law, the
7 total number of authorized positions may not exceed the total
8 provided in the appropriations acts. In the event any state
9 agency or entity of the judicial branch finds that the number
10 of positions so provided is not sufficient to administer its
11 authorized programs, it may file an application with the
12 Executive Office of the Governor or the Chief Justice; and, if
13 the Executive Office of the Governor or Chief Justice
14 certifies that there are no authorized positions available for
15 addition, deletion, or transfer within the agency as provided
16 in paragraph (c) and recommends an increase in the number of
17 positions, the Governor or the Chief Justice may recommend,
18 ~~after a public hearing, authorize~~ an increase in the number of
19 positions for the following reasons only:

20 1. To implement or provide for continuing federal
21 grants or changes in grants not previously anticipated;

22 2. To meet emergencies pursuant to s. 252.36;

23 3. To satisfy new federal regulations or changes
24 therein;

25 4. To take advantage of opportunities to reduce
26 operating expenditures or to increase the revenues of the
27 state or local government; and

28 5. To authorize positions which were not fixed by the
29 Legislature through error in drafting the appropriations acts.

30
31

1 Actions recommended pursuant to ~~The provisions of this~~
2 paragraph are subject to approval by the Legislative Budget
3 Commission ~~the notice and review procedures set forth in s.~~
4 ~~216.177. A copy of the application,~~ The certification, and the
5 final authorization shall be provided to ~~filed with~~ the
6 Legislative Budget Commission, the appropriations committees,
7 and ~~with~~ the Auditor General.

8 (c)1. The Executive Office of the Governor, under such
9 procedures and qualifications as it deems appropriate, shall,
10 upon agency request, delegate to any state agency authority to
11 add and delete authorized positions or transfer authorized
12 positions from one budget entity to another budget entity
13 within the same division, and may approve additions and
14 deletions of authorized positions or transfers of authorized
15 positions within the state agency when such changes would
16 enable the agency to administer more effectively its
17 authorized and approved programs. The additions or deletions
18 must be consistent with the intent of the approved operating
19 budget, must be consistent with legislative policy and intent,
20 and must not conflict with specific spending policies
21 specified in the General Appropriations Act.

22 2. The Chief Justice of the Supreme Court shall have
23 the authority to establish procedures for the judicial branch
24 to add and delete authorized positions or transfer authorized
25 positions from one budget entity to another budget entity, and
26 to add and delete authorized positions within the same budget
27 entity, when such changes are consistent with legislative
28 policy and intent and do not conflict with spending policies
29 specified in the General Appropriations Act.

30 ~~3.a. A state agency may be eligible to retain salary~~
31 ~~dollars for authorized positions eliminated after July 1,~~

1 ~~2001. The agency must certify the eliminated positions to the~~
2 ~~Legislative Budgeting Commission.~~

3 ~~b. The Legislative Budgeting Commission shall~~
4 ~~authorize the agency to retain 20 percent of the salary~~
5 ~~dollars associated with the eliminated positions and may~~
6 ~~authorize retention of a greater percentage. All such salary~~
7 ~~dollars shall be used for permanent salary increases.~~

8 Section 32. Section 216.292, Florida Statutes, is
9 amended to read:

10 (Substantial rewording of section. See
11 s. 216.292, F.S., for present text.)

12 216.292 Appropriations nontransferable; exceptions.--

13 (1)(a) Funds provided in the General Appropriations
14 Act or as otherwise expressly provided by law shall be
15 expended only for the purpose for which appropriated, except
16 that such moneys may be transferred as provided in this
17 section when it is determined to be in the best interest of
18 the state. Appropriations for fixed capital outlay may not be
19 expended for any other purpose. Appropriations may not be
20 transferred between state agencies, or between a state agency
21 and the judicial branch, unless specifically authorized by
22 law.

23 (b)1. Authorized revisions of the original approved
24 operating budget, together with related changes in the plan
25 for release of appropriations, if any, shall be transmitted by
26 the state agency or by the judicial branch to the Executive
27 Office of the Governor or the Chief Justice, respectively, the
28 chairs of the Senate and the House of Representatives
29 appropriations committees, the Office of Program Policy
30 Analysis and Government Accountability, and the Auditor
31 General. Such authorized revisions must be consistent with the

1 intent of the approved operating budget, must be consistent
2 with legislative policy and intent, and may not conflict with
3 specific spending policies specified in the General
4 Appropriations Act.

5 2. Authorized revisions, together with related
6 changes, if any, in the plan for release of appropriations,
7 shall be transmitted by the state agency or by the judicial
8 branch to the Chief Financial Officer for entry in the Chief
9 Financial Officer's records in the manner and format
10 prescribed by the Executive Office of the Governor in
11 consultation with the Chief Financial Officer.

12 3. The Executive Office of the Governor or the Chief
13 Justice shall forward a copy of the revisions within 7 working
14 days to the Chief Financial Officer for entry in his or her
15 records in the manner and format prescribed by the Executive
16 Office of the Governor in consultation with the Chief
17 Financial Officer.

18 (2) The following transfers are authorized to be made
19 by the head of each department or the Chief Justice of the
20 Supreme Court whenever it is deemed necessary by reason of
21 changed conditions:

22 (a) The transfer of appropriations funded from
23 identical funding sources, except appropriations for fixed
24 capital outlay, and the transfer of amounts included within
25 the total original approved budget and releases as furnished
26 pursuant to ss. 216.181 and 216.192, as follows:

27 1. Between categories of appropriations within a
28 budget entity, if no category of appropriation is increased or
29 decreased by more than 5 percent of the original approved
30 budget or \$250,000, whichever is greater, by all action taken
31 under this subsection.

1 2. Additionally, between budget entities within
2 identical categories of appropriations, if no category of
3 appropriation is increased or decreased by more than 5 percent
4 of the original approved budget or \$250,000, whichever is
5 greater, by all action taken under this subsection.

6 (b) After providing notice at least 5 working days
7 prior to implementation:

8 1. The transfer of funds within programs identified in
9 the General Appropriations Act from identical funding sources
10 between the following appropriation categories without
11 limitation so long as such a transfer does not result in an
12 increase to the total recurring general revenue or trust fund
13 cost of the agency or entity of the judicial branch in the
14 subsequent fiscal year: other personal services, expenses,
15 operating capital outlay, food products, state attorney and
16 public defender operations, acquisition of motor vehicles,
17 data processing services, operating and maintenance of patrol
18 vehicles, overtime payments, salary incentive payments,
19 compensation to retired judges, law libraries, and juror and
20 witness payments.

21 2. The transfer of funds and positions from identical
22 funding sources between salaries and benefits appropriation
23 categories within programs identified in the General
24 Appropriations Act.

25
26 Such transfers must be consistent with legislative policy and
27 intent and may not adversely affect achievement of approved
28 performance outcomes or outputs in any program.

29 (c) The transfer of funds appropriated to accounts
30 established for disbursement purposes upon release of such
31 appropriation upon request of a department and approval by the

1 Chief Financial Officer. Such transfer may only be made to the
2 same appropriation category and the same funding source from
3 which the funds are transferred.

4 (d) The transfer by the Executive Office of the
5 Governor of funds from appropriations for public school
6 operations to a fixed capital outlay appropriation for class
7 size reduction based on recommendations of the Florida
8 Education Finance Program Appropriation Allocation Conference
9 or the Legislative Budget Commission pursuant to s.
10 1003.03(4)(a). Actions by the Governor under this subsection
11 are subject to the notice and review provisions of s. 216.177.

12 (e) The transfer by the Department of Children and
13 Family Services of general revenue funds appropriated for
14 targeted case management services to the Agency for Health
15 Care Administration to fund state match requirements exceeding
16 the amount specified in the General Appropriations Act for
17 Medicaid targeted case management services.

18 (f) The transfer by the Department of Elderly Affairs
19 of funds that are appropriated for the Assisted Living for the
20 Elderly Medicaid waiver and not expended to the agency to fund
21 Medicaid-reimbursed nursing home care.

22 (g) The transfer of funds appropriated to the Agency
23 for Persons with Disabilities for developmental services
24 programs only if the secretary finds that treatment programs
25 for developmental disabilities will not be adversely affected.

26 (3) The following transfers are authorized with the
27 approval of the Executive Office of the Governor for the
28 executive branch or the Chief Justice for the judicial branch,
29 subject to the notice and review provisions of s. 216.177:

30
31

1 (a) The transfer of appropriations for operations from
2 trust funds in excess of those provided in subsection (2), up
3 to \$1 million.

4 (b) The transfer of positions between budget entities.

5 (4) The following transfers are authorized with the
6 approval of the Legislative Budget Commission. Unless waived
7 by the chair and vice chair of the commission, notice of such
8 transfers must be provided 14 days before the commission
9 meeting:

10 (a) The transfer of appropriations for operations from
11 the General Revenue Fund in excess of those provided in this
12 section but within a state agency or within the judicial
13 branch, as recommended by the Executive Office of the Governor
14 or the Chief Justice of the Supreme Court.

15 (b) The transfer of appropriations for operations from
16 trust funds in excess of those provided in this section which
17 exceed the greater of 5 percent of the original approved
18 budget or \$1 million, as recommended by the Executive Office
19 of the Governor or the Chief Justice of the Supreme Court.

20 (c) The transfer of the portion of an appropriation
21 for a named fixed capital outlay project found to be in excess
22 of that needed to complete the project to another project for
23 which there has been an appropriation in the same fiscal year
24 from the same fund and within the same department where a
25 deficiency is found to exist, at the request of the Executive
26 Office of the Governor for state agencies or the Chief Justice
27 of the Supreme Court for the judicial branch. The scope of a
28 fixed capital outlay project may not be changed by any
29 transfer of funds made pursuant to this subsection.

30 (d) The transfers necessary to accomplish the purposes
31 of reorganization within state agencies or the judicial branch

1 authorized by the Legislature when the necessary adjustments
2 of appropriations and positions have not been provided in the
3 General Appropriations Act.

4 (5) A transfer of funds may not result in the
5 initiation of a fixed capital outlay project that has not
6 received a specific legislative appropriation; except that
7 federal funds for fixed capital outlay projects for the
8 Department of Military Affairs, which do not carry a
9 continuing commitment on future appropriations by the
10 Legislature, may be approved by the Executive Office of the
11 Governor for the purpose received, subject to the notice,
12 review, and objection procedures set forth in s. 216.177.

13 (6) The Chief Financial Officer shall transfer from
14 any available funds of an agency or the judicial branch the
15 following amounts and shall report all such transfers and the
16 reasons therefor to the legislative appropriations committees
17 and the Executive Office of the Governor:

18 (a) The amount due to the Unemployment Compensation
19 Trust Fund which is more than 90 days delinquent on
20 reimbursements due to the Unemployment Compensation Trust
21 Fund. The amount transferred shall be that certified by the
22 state agency providing unemployment tax collection services
23 under contract with the Agency for Workforce Innovation
24 through an interagency agreement pursuant to s. 443.1316.

25 (b) The amount due to the Division of Risk Management
26 which is more than 90 days delinquent in payment to the
27 Division of Risk Management of the Department of Financial
28 Services for insurance coverage. The amount transferred shall
29 be that certified by the division.

30 (c) The amount due to the Communications Working
31 Capital Trust Fund from moneys appropriated in the General

1 Appropriations Act for the purpose of paying for services
2 provided by the state communications system in the Department
3 of Management Services which is unpaid 45 days after the
4 billing date. The amount transferred shall be that billed by
5 the department.

6 Section 33. Section 216.301, Florida Statutes, is
7 amended to read:

8 216.301 Appropriations; undisbursed balances.--

9 (1)(a) Any balance of any appropriation, except an
10 appropriation for fixed capital outlay, which is not disbursed
11 but which is expended or contracted to be expended shall, at
12 the end of each fiscal year, be certified by the head of the
13 affected state agency or the judicial or legislative branches,
14 on or before August 1 of each year, to the Executive Office of
15 the Governor, showing in detail the obligees to whom obligated
16 and the amounts of such obligations. On or before September 1
17 of each year, the Executive Office of the Governor shall
18 review and approve or disapprove, consistent with legislative
19 policy and intent, any or all of the items and amounts
20 certified by the head of the affected state agency and shall
21 approve all items and amounts certified by the Chief Justice
22 of the Supreme Court for the judicial branch and by the
23 legislative branch and shall furnish the Chief Financial
24 Officer, the legislative appropriations committees, and the
25 Auditor General a detailed listing of the items and amounts
26 approved as legal encumbrances against the undisbursed balance
27 of such appropriation. The review shall assure that trust
28 funds have been fully maximized. Any such encumbered balance
29 remaining undisbursed on December 31 of the same calendar year
30 in which such certification was made shall revert to the fund
31 from which appropriated, except as provided in subsection (3).

1 and shall be available for reappropriation by the Legislature.
2 In the event such certification is not made and an obligation
3 is proven to be legal, due, and unpaid, then the obligation
4 shall be paid and charged to the appropriation for the current
5 fiscal year of the state agency or the legislative or judicial
6 branch affected.

7 (b) Any balance of any appropriation, except an
8 appropriation for fixed capital outlay, for any given fiscal
9 year remaining after charging against it any lawful
10 expenditure shall revert to the fund from which appropriated
11 and shall be available for reappropriation by the Legislature.

12 (c) Each department and the judicial branch shall
13 maintain the integrity of the General Revenue Fund.
14 Appropriations from the General Revenue Fund contained in the
15 original approved budget may be transferred to the proper
16 trust fund for disbursement. Any reversion of appropriation
17 balances from programs which receive funding from the General
18 Revenue Fund and trust funds shall be transferred to the
19 General Revenue Fund within 15 days after such reversion,
20 unless otherwise provided by federal or state law, including
21 the General Appropriations Act. The Executive Office of the
22 Governor or the Chief Justice of the Supreme Court shall
23 determine the state agency or judicial branch programs which
24 are subject to this paragraph. This determination shall be
25 subject to the legislative consultation and objection process
26 in this chapter. The Education Enhancement Trust Fund shall
27 not be subject to the provisions of this section.

28 (2)(a) The balance of any appropriation for fixed
29 capital outlay which is not disbursed but expended,
30 contracted, or committed to be expended prior to February 1 of
31 the second fiscal year of the appropriation, or the third

1 fiscal year if it is for an educational facility as defined in
2 chapter 1013 or for a construction project of a state
3 university, shall be certified by the head of the affected
4 state agency or the legislative or judicial branch on February
5 1 to the Executive Office of the Governor, showing in detail
6 the commitment or to whom obligated and the amount of the
7 commitment or obligation. The Executive Office of the Governor
8 shall review and approve or disapprove, consistent with
9 criteria jointly developed by the Executive Office of the
10 Governor and the legislative appropriations committees, the
11 continuation of such unexpended balances. The Executive Office
12 of the Governor shall, not later than February 20 of each
13 year, furnish the Chief Financial Officer, the legislative
14 appropriations committees, and the Auditor General a report
15 listing in detail the items and amounts reverting under the
16 authority of this subsection, including the fund to which
17 reverted and the agency affected.

18 (b) The certification required in this subsection must
19 be in the form and on the date approved by the Executive
20 Office of the Governor. Any balance that is not certified
21 shall revert to the fund from which it was appropriated and be
22 available for reappropriation.

23 (c) The balance of any appropriation for fixed capital
24 outlay certified forward under paragraph (a) which is not
25 disbursed but expended, contracted, or committed to be
26 expended prior to the end of the second fiscal year of the
27 appropriation, or the third fiscal year if it is for an
28 educational facility as defined in chapter 1013 or for a
29 construction project of a state university, and any subsequent
30 fiscal year, shall be certified by the head of the affected
31 state agency or the legislative or judicial branch on or

1 before August 1 of each year to the Executive Office of the
2 Governor, showing in detail the commitment or to whom
3 obligated and the amount of such commitment or obligation. On
4 or before September 1 of each year, the Executive Office of
5 the Governor shall review and approve or disapprove,
6 consistent with legislative policy and intent, any or all of
7 the items and amounts certified by the head of the affected
8 state agency and shall approve all items and amounts certified
9 by the Chief Justice of the Supreme Court and by the
10 legislative branch and shall furnish the Chief Financial
11 Officer, the legislative appropriations committees, and the
12 Auditor General a detailed listing of the items and amounts
13 approved as legal encumbrances against the undisbursed
14 balances of such appropriations. If such certification is not
15 made and the balance of the appropriation has reverted and the
16 obligation is proven to be legal, due, and unpaid, the
17 obligation shall be presented to the Legislature for its
18 consideration.

19 (3) The President of the Senate and the Speaker of the
20 House of Representatives may notify the Executive Office of
21 the Governor to retain certified-forward balances from
22 legislative budget entities until June 30 of the following
23 fiscal year.

24 ~~(2)(a) Any balance of any appropriation for fixed~~
25 ~~capital outlay not disbursed but expended or contracted or~~
26 ~~committed to be expended shall, at the end of each fiscal~~
27 ~~year, be certified by the head of the affected state agency or~~
28 ~~the legislative or judicial branch, on or before August 1 of~~
29 ~~each year, to the Executive Office of the Governor, showing in~~
30 ~~detail the commitment or to whom obligated and the amount of~~
31 ~~such commitment or obligation. On or before September 1 of~~

1 ~~each year, the Executive Office of the Governor shall review~~
2 ~~and approve or disapprove, consistent with legislative policy~~
3 ~~and intent, any or all of the items and amounts certified by~~
4 ~~the head of the affected state agency and shall approve all~~
5 ~~items and amounts certified by the Chief Justice of the~~
6 ~~Supreme Court and by the legislative branch and shall furnish~~
7 ~~the Chief Financial Officer, the legislative appropriations~~
8 ~~committees, and the Auditor General a detailed listing of the~~
9 ~~items and amounts approved as legal encumbrances against the~~
10 ~~undisbursed balances of such appropriations. In the event such~~
11 ~~certification is not made and the balance of the appropriation~~
12 ~~has reverted and the obligation is proven to be legal, due,~~
13 ~~and unpaid, then the same shall be presented to the~~
14 ~~Legislature for its consideration.~~

15 ~~(b) Such certification as herein required shall be in~~
16 ~~the form and on the date approved by the Executive Office of~~
17 ~~the Governor. Any balance not so certified shall revert to the~~
18 ~~fund from which appropriated and shall be available for~~
19 ~~reappropriation.~~

20 ~~(3) Notwithstanding the provisions of subsection (2),~~
21 ~~the unexpended balance of any appropriation for fixed capital~~
22 ~~outlay subject to but not under the terms of a binding~~
23 ~~contract or a general construction contract prior to February~~
24 ~~1 of the second fiscal year, or the third fiscal year if it is~~
25 ~~for an educational facility as defined in chapter 1013 or a~~
26 ~~construction project of a state university, of the~~
27 ~~appropriation shall revert on February 1 of such year to the~~
28 ~~fund from which appropriated and shall be available for~~
29 ~~reappropriation. The Executive Office of the Governor shall,~~
30 ~~not later than February 20 of each year, furnish the Chief~~
31 ~~Financial Officer, the legislative appropriations committees,~~

1 ~~and the Auditor General a report listing in detail the items~~
2 ~~and amounts reverting under the authority of this subsection,~~
3 ~~including the fund to which reverted and the agency affected.~~

4 Section 34. Effective July 1, 2006, subsection (1) of
5 section 216.301, Florida Statutes, as amended by this act, is
6 amended to read:

7 216.301 Appropriations; undisbursed balances.--

8 (1)(a) Any balance of any appropriation, except an
9 appropriation for fixed capital outlay, which is not disbursed
10 but which is expended ~~or contracted to be expended~~ shall, at
11 the end of each fiscal year, be certified by the head of the
12 affected state agency or the judicial or legislative branches,
13 on or before August 1 of each year, to the Executive Office of
14 the Governor, showing in detail the obligees to whom obligated
15 and the amounts of such obligations. ~~On or before September 1~~
16 ~~of each year, the Executive Office of the Governor shall~~
17 ~~review and approve or disapprove, consistent with legislative~~
18 ~~policy and intent, any or all of the items and amounts~~
19 ~~certified by the head of the affected state agency and shall~~
20 ~~approve all items and amounts certified by the Chief Justice~~
21 ~~of the Supreme Court for the judicial branch and by the~~
22 ~~legislative branch and shall furnish the Chief Financial~~
23 ~~Officer, the legislative appropriations committees, and the~~
24 ~~Auditor General a detailed listing of the items and amounts~~
25 ~~approved as legal encumbrances against the undisbursed balance~~
26 ~~of such appropriation. The review shall assure that trust~~
27 ~~funds have been fully maximized.~~ Any such encumbered balance
28 remaining undisbursed on September 30 ~~December 31~~ of the same
29 calendar year in which such certification was made shall
30 revert to the fund from which appropriated, except as provided
31 in subsection (3), and shall be available for reappropriation

1 | by the Legislature. In the event such certification is not
2 | made and an obligation is proven to be legal, due, and unpaid,
3 | then the obligation shall be paid and charged to the
4 | appropriation for the current fiscal year of the state agency
5 | or the legislative or judicial branch affected.

6 | (b) Any balance of any appropriation, except an
7 | appropriation for fixed capital outlay, for any given fiscal
8 | year remaining after charging against it any lawful
9 | expenditure shall revert to the fund from which appropriated
10 | and shall be available for reappropriation by the Legislature.

11 | (c) Each department and the judicial branch shall
12 | maintain the integrity of the General Revenue Fund.
13 | Appropriations from the General Revenue Fund contained in the
14 | original approved budget may be transferred to the proper
15 | trust fund for disbursement. Any reversion of appropriation
16 | balances from programs which receive funding from the General
17 | Revenue Fund and trust funds shall be transferred to the
18 | General Revenue Fund within 15 days after such reversion,
19 | unless otherwise provided by federal or state law, including
20 | the General Appropriations Act. The Executive Office of the
21 | Governor or the Chief Justice of the Supreme Court shall
22 | determine the state agency or judicial branch programs which
23 | are subject to this paragraph. This determination shall be
24 | subject to the legislative consultation and objection process
25 | in this chapter. The Education Enhancement Trust Fund shall
26 | not be subject to the provisions of this section.

27 | Section 35. Subsection (3) of section 218.60, Florida
28 | Statutes, is repealed.

29 | Section 36. Subsection (2) of section 252.37, Florida
30 | Statutes, is amended to read:

31 | 252.37 Financing.--

1 (2) It is the legislative intent that the first
2 recourse be made to funds regularly appropriated to state and
3 local agencies. If the Governor finds that the demands placed
4 upon these funds in coping with a particular disaster declared
5 by the Governor as a state of emergency are unreasonably
6 great, she or he may make funds available by transferring and
7 expending moneys appropriated for other purposes, by
8 transferring and expending moneys out of any unappropriated
9 surplus funds, or from the Budget Stabilization Fund ~~or~~
10 ~~Working Capital Fund~~. Following the expiration or termination
11 of the state of emergency, the Governor may process a budget
12 amendment under the notice and review procedures set forth in
13 s. 216.177 to transfer moneys to satisfy the budget authority
14 granted for such emergency.

15 Section 37. Subsection (3) of section 265.55, Florida
16 Statutes, is amended to read:

17 265.55 Claims.--

18 (3) The authorization for payment delineated in
19 subsection (2) shall be forwarded to the Chief Financial
20 Officer. The Chief Financial Officer shall take appropriate
21 action to execute authorized payment of the claim from
22 unobligated, unappropriated moneys in the General Revenue
23 ~~Working Capital~~ Fund, as defined in s. 215.32.

24 Section 38. Section 288.1234, Florida Statutes, is
25 repealed.

26 Section 39. Subsection (5) of section 320.20, Florida
27 Statutes, is amended to read:

28 320.20 Disposition of license tax moneys.--The revenue
29 derived from the registration of motor vehicles, including any
30 delinquent fees and excluding those revenues collected and
31

1 distributed under the provisions of s. 320.081, must be
2 distributed monthly, as collected, as follows:

3 (5)(a) Except as provided in paragraph (c), the
4 remainder of such revenues must be deposited in the State
5 Transportation Trust Fund.

6 (b) The Chief Financial Officer each month shall
7 deposit in the State Transportation Trust Fund an amount,
8 drawn from other funds in the State Treasury which are not
9 immediately needed or are otherwise in excess of the amount
10 necessary to meet the requirements of the State Treasury,
11 which when added to such remaining revenues each month will
12 equal one-twelfth of the amount of the anticipated annual
13 revenues to be deposited in the State Transportation Trust
14 Fund under paragraph (a) as determined by the Chief Financial
15 Officer after consultation with the ~~estimated by the most~~
16 ~~recent~~ Revenue Estimating Conference held pursuant to s.
17 216.136(3). The transfers required hereunder may be suspended
18 by action of the Legislative Budget Commission in the event of
19 a significant shortfall of state revenues.

20 (c) In any month in which the remaining revenues
21 derived from the registration of motor vehicles exceed
22 one-twelfth of those anticipated annual remaining revenues as
23 determined by the Chief Financial Officer after consultation
24 with the Revenue Estimating Conference, the excess shall be
25 credited to those state funds in the State Treasury from which
26 the amount was originally drawn, up to the amount which was
27 deposited in the State Transportation Trust Fund under
28 paragraph (b). A final adjustment must be made in the last
29 months of a fiscal year so that the total revenue deposited in
30 the State Transportation Trust Fund each year equals the
31 amount derived from the registration of motor vehicles, less

1 | the amount distributed under subsection (1). For the purposes
2 | of this paragraph and paragraph (b), the term "remaining
3 | revenues" means all revenues deposited into the State
4 | Transportation Trust Fund under paragraph (a) and subsections
5 | (2) and (3). In order that interest earnings continue to
6 | accrue to the General Revenue Fund, the Department of
7 | Transportation may not invest an amount equal to the
8 | cumulative amount of funds deposited in the State
9 | Transportation Trust Fund under paragraph (b) less funds
10 | credited under this paragraph as computed on a monthly basis.
11 | The amounts to be credited under this and the preceding
12 | paragraph must be calculated and certified to the Chief
13 | Financial Officer by the Executive Office of the Governor.

14 | Section 40. Paragraph (a) of subsection (2) and
15 | subsections (6) and (7) of section 339.135, Florida Statutes,
16 | are amended to read:

17 | 339.135 Work program; legislative budget request;
18 | definitions; preparation, adoption, execution, and
19 | amendment.--

20 | (2) SUBMISSION OF LEGISLATIVE BUDGET REQUEST AND
21 | REQUEST FOR LIST OF ADDITIONAL TRANSPORTATION PROJECTS.--

22 | (a) The department shall file the legislative budget
23 | request in the manner required by chapter 216, setting forth
24 | the department's proposed revenues and expenditures for
25 | operational and fixed capital outlay needs to accomplish the
26 | objectives of the department in the ensuing fiscal year. The
27 | right-of-way, construction, preliminary engineering,
28 | maintenance, and all grants and aids programs of the
29 | department shall be set forth only in program totals. The
30 | legislative budget request must include a balanced 36-month
31 | forecast of cash and expenditures and a 5-year finance plan.

1 The legislative budget request shall be amended to conform to
2 the tentative work program. The department may not amend ~~its~~
3 ~~legislative budget request and~~ the tentative work program to
4 include increased revenues based on the most recent estimating
5 conference estimate of revenues and the most recent federal
6 aid apportionments until such increased amounts are
7 appropriated by the Legislature.

8 (6) EXECUTION OF THE BUDGET.--

9 (a) The department, during any fiscal year, shall not
10 expend money, incur any liability, or enter into any contract
11 which, by its terms, involves the expenditure of money in
12 excess of the amounts budgeted as available for expenditure
13 during such fiscal year. Any contract, verbal or written,
14 made in violation of this subsection is null and void, and no
15 money may be paid on such contract. The department shall
16 require a statement from the comptroller of the department
17 that funds are available prior to entering into any such
18 contract or other binding commitment of funds. Nothing herein
19 contained shall prevent the making of contracts for periods
20 exceeding 1 year, but any contract so made shall be executory
21 only for the value of the services to be rendered or agreed to
22 be paid for in succeeding fiscal years; and this paragraph
23 shall be incorporated verbatim in all contracts of the
24 department which are for an amount in excess of \$25,000 and
25 which have a term for a period of more than 1 year.

26 (b) In the operation of the State Transportation Trust
27 Fund, the department shall have on hand at the close of
28 business, which closing shall not be later than the 10th
29 calendar day of the month following the end of each quarter of
30 the fiscal year, an available cash balance (which shall
31 include cash on deposit with the treasury and short-term

1 | investments of the department) equivalent to not less than \$50
2 | million, or 5 percent of the unpaid balance of all State
3 | Transportation Trust Fund obligations at the close of such
4 | quarter, whichever amount is less. In the event that this
5 | cash position is not maintained, no further contracts or other
6 | fund commitments shall be approved, entered into, awarded, or
7 | executed until the cash balance, as defined above, has been
8 | regained.

9 | (c) Notwithstanding the provisions of ss. 216.301(3)
10 | and 216.351, any unexpended balance remaining at the end of
11 | the fiscal year in the appropriations to the department for
12 | special categories; aid to local governments; lump sums for
13 | project phases which are part of the adopted work program, and
14 | for which contracts have been executed or bids have been let;
15 | and for right-of-way land acquisition and relocation
16 | assistance for parcels from project phases in the adopted work
17 | program for which appraisals have been completed and approved,
18 | may be certified forward as fixed capital outlay under the
19 | provisions of s. 216.301(2)(a). Any project phases in the
20 | adopted work program not certified forward under the
21 | provisions of s. 216.301(2)(a) shall be available for roll
22 | forward for the next fiscal year of the adopted work program.
23 | Spending authority associated with such project phases may be
24 | rolled forward to the next fiscal year upon approval by the
25 | Legislative Budget Commission pursuant to paragraph (f).
26 | Increases in spending authority shall be limited to amounts of
27 | unexpended balances by appropriation category. Any project
28 | phase certified forward for which bids have been let but
29 | subsequently rejected shall be available for roll forward in
30 | the adopted work program for the next fiscal year. Spending
31 | authority associated with such project phases may be rolled

1 forward into the current year from funds certified forward
2 pursuant to paragraph (f). The amount certified forward may
3 include contingency allowances for right-of-way acquisition
4 and relocation, asphalt and petroleum product escalation
5 clauses, and contract overages, which allowances shall be
6 separately identified in the certification detail.
7 Right-of-way acquisition and relocation and contract overages
8 contingency allowances shall be based on documented historical
9 patterns. These contingency amounts shall be incorporated in
10 the certification for each specific category, but when a
11 category has an excess and another category has a deficiency,
12 the Executive Office of the Governor is authorized to transfer
13 the excess to the deficient account.

14 (d) The department shall allocate resources provided
15 in the General Appropriations Act to the districts prior to
16 July 31 of each year. The allocation shall be promptly
17 reported to the Executive Office of the Governor and the
18 legislative appropriations committees, and all subsequent
19 amendments shall be reported promptly to the secretary of the
20 department.

21 (e) This subsection does not apply to any bonds issued
22 on behalf of the department pursuant to the State Bond Act.

23 ~~(f) Notwithstanding the provisions of ss. 216.181(1),~~
24 ~~216.292, and 216.351, the Executive Office of the Governor may~~
25 ~~amend that portion of the department's original approved fixed~~
26 ~~capital outlay budget which comprises the work program~~
27 ~~pursuant to subsection (7). Increase in spending authority in~~
28 ~~paragraph (c) shall be limited to amounts of unexpended~~
29 ~~balances by appropriation category.~~

30 (7) AMENDMENT OF THE ADOPTED WORK PROGRAM.--
31

1 ~~(a) Notwithstanding the provisions of ss. 216.181(1),~~
2 ~~216.292, and 216.351, the adopted work program may be amended~~
3 ~~only pursuant to the provisions of this subsection.~~

4 (a)(b) The department may not transfer any funds for
5 any project or project phase between department districts.
6 However, a district secretary may agree to a loan of funds to
7 another district, if:

8 1. The funds are used solely to maximize the use or
9 amount of funds available to the state;

10 2. The loan agreement is executed in writing and is
11 signed by the district secretaries of the respective
12 districts;

13 3. Repayment of the loan is to be made within 3 years
14 after the date on which the agreement was entered into; and

15 4. The adopted work program of the district loaning
16 the funds would not be substantially impaired if the loan were
17 made, according to the district secretary.

18
19 The loan constitutes an amendment to the adopted work program
20 and is subject to the procedures specified in paragraph (b)
21 ~~(c)~~.

22 (b)(c) The department may amend the adopted work
23 program to transfer appropriations within the department,
24 except that the following amendments shall be subject to the
25 procedures in paragraph (c) ~~(d)~~:

26 1. Any amendment which deletes any project or project
27 phase;

28 2. Any amendment which adds a project estimated to
29 cost over \$150,000 in funds appropriated by the Legislature;

30 3. Any amendment which advances or defers to another
31 fiscal year, a right-of-way phase, a construction phase, or a

1 public transportation project phase estimated to cost over
2 \$500,000 in funds appropriated by the Legislature, except an
3 amendment advancing or deferring a phase for a period of 90
4 days or less; or

5 4. Any amendment which advances or defers to another
6 fiscal year, any preliminary engineering phase or design phase
7 estimated to cost over \$150,000 in funds appropriated by the
8 Legislature, except an amendment advancing or deferring a
9 phase for a period of 90 days or less.

10 ~~(c)(d)~~1. Whenever the department proposes any
11 amendment to the adopted work program, which amendment is
12 defined in subparagraph (b)1.(c)1., subparagraph (b)2.(c)2.,
13 subparagraph (b)3.(c)3., or subparagraph (b)4.(c)4., it
14 shall submit the proposed amendment to the Governor for
15 approval and shall immediately notify the chairs of the
16 legislative appropriations committees, the chairs of the
17 legislative transportation committees, each member of the
18 Legislature who represents a district affected by the proposed
19 amendment, each metropolitan planning organization affected by
20 the proposed amendment, and each unit of local government
21 affected by the proposed amendment. Such proposed amendment
22 shall provide a complete justification of the need for the
23 proposed amendment.

24 2. The Governor shall not approve a proposed amendment
25 until 14 days following the notification required in
26 subparagraph 1.

27 3. If either of the chairs of the legislative
28 appropriations committees or the President of the Senate or
29 the Speaker of the House of Representatives objects in writing
30 to a proposed amendment within 14 days following notification
31 and specifies the reasons for such objection, the Governor

1 shall disapprove the proposed amendment ~~or shall submit the~~
2 ~~proposed amendment to the Administration Commission. The~~
3 ~~proposed amendment may be approved by the Administration~~
4 ~~Commission by a two thirds vote of the members present with~~
5 ~~the Governor voting in the affirmative. In the absence of~~
6 ~~approval by the commission, the proposed amendment shall be~~
7 ~~automatically disapproved.~~

8 ~~(d)(e)~~ Notwithstanding the requirements in paragraph
9 ~~(c)(d)~~ and ss. 216.177(2) and 216.351, the secretary may
10 request the Executive Office of the Governor to amend the
11 adopted work program when an emergency exists, as defined in
12 s. 252.34(3), and the emergency relates to the repair or
13 rehabilitation of any state transportation facility. The
14 Executive Office of the Governor may approve the amendment to
15 the adopted work program and amend that portion of the
16 department's approved budget in the event that the delay
17 incident to the notification requirements in paragraph~~(c)(d)~~
18 would be detrimental to the interests of the state. However,
19 the department shall immediately notify the parties specified
20 in paragraph~~(c)(d)~~ and shall provide such parties written
21 justification for the emergency action within 7 days of the
22 approval by the Executive Office of the Governor of the
23 amendment to the adopted work program and the department's
24 budget. In no event may the adopted work program be amended
25 under the provisions of this subsection without the
26 certification by the comptroller of the department that there
27 are sufficient funds available pursuant to the 36-month cash
28 forecast and applicable statutes.

29 ~~(e)(f)~~ The department may authorize the investment of
30 the earnings accrued and collected upon the investment of the
31 minimum balance of funds required to be maintained in the

1 State Transportation Trust Fund pursuant to paragraph ~~(a)(b)~~.
2 Such investment shall be limited as provided in s.
3 288.9607(7).

4 Section 41. Subsection (3) of section 381.0303,
5 Florida Statutes, is amended to read:

6 381.0303 Health practitioner recruitment for special
7 needs shelters.--

8 (3) REIMBURSEMENT TO HEALTH CARE PRACTITIONERS.--The
9 Department of Health shall reimburse, subject to the
10 availability of funds for this purpose, health care
11 practitioners, as defined in s. 456.001, provided the
12 practitioner is not providing care to a patient under an
13 existing contract, and emergency medical technicians and
14 paramedics licensed pursuant to chapter 401 for medical care
15 provided at the request of the department in special needs
16 shelters or at other locations during times of emergency or
17 major disaster. Reimbursement for health care practitioners,
18 except for physicians licensed pursuant to chapter 458 or
19 chapter 459, shall be based on the average hourly rate that
20 such practitioners were paid according to the most recent
21 survey of Florida hospitals conducted by the Florida Hospital
22 Association. Reimbursement shall be requested on forms
23 prepared by the Department of Health. If a Presidential
24 Disaster Declaration has been made, and the Federal Government
25 makes funds available, the department shall use such funds for
26 reimbursement of eligible expenditures. In other situations,
27 or if federal funds do not fully compensate the department for
28 reimbursement made pursuant to this section, the department
29 shall process ~~submit to the Cabinet or Legislature, as~~
30 ~~appropriate,~~ a budget amendment to obtain reimbursement from
31 unobligated, unappropriated moneys in the General Revenue

1 ~~working capital~~ Fund. Travel expense and per diem costs shall
2 be reimbursed pursuant to s. 112.061.

3 Section 42. Subsection (5) of section 409.906, Florida
4 Statutes, is amended to read:

5 409.906 Optional Medicaid services.--Subject to
6 specific appropriations, the agency may make payments for
7 services which are optional to the state under Title XIX of
8 the Social Security Act and are furnished by Medicaid
9 providers to recipients who are determined to be eligible on
10 the dates on which the services were provided. Any optional
11 service that is provided shall be provided only when medically
12 necessary and in accordance with state and federal law.

13 Optional services rendered by providers in mobile units to
14 Medicaid recipients may be restricted or prohibited by the
15 agency. Nothing in this section shall be construed to prevent
16 or limit the agency from adjusting fees, reimbursement rates,
17 lengths of stay, number of visits, or number of services, or
18 making any other adjustments necessary to comply with the
19 availability of moneys and any limitations or directions
20 provided for in the General Appropriations Act or chapter 216.
21 If necessary to safeguard the state's systems of providing
22 services to elderly and disabled persons and subject to the
23 notice and review provisions of s. 216.177, the Governor may
24 direct the Agency for Health Care Administration to amend the
25 Medicaid state plan to delete the optional Medicaid service
26 known as "Intermediate Care Facilities for the Developmentally
27 Disabled." Optional services may include:

28 (5) CASE MANAGEMENT SERVICES.--The agency may pay for
29 primary care case management services rendered to a recipient
30 pursuant to a federally approved waiver, and targeted case
31 management services for specific groups of targeted

1 recipients, for which funding has been provided and which are
2 rendered pursuant to federal guidelines. The agency is
3 authorized to limit reimbursement for targeted case management
4 services in order to comply with any limitations or directions
5 provided for in the General Appropriations Act.

6 ~~Notwithstanding s. 216.292, the Department of Children and~~
7 ~~Family Services may transfer general funds to the Agency for~~
8 ~~Health Care Administration to fund state match requirements~~
9 ~~exceeding the amount specified in the General Appropriations~~
10 ~~Act for targeted case management services.~~

11 Section 43. Paragraph (b) of subsection (11) of
12 section 409.912, Florida Statutes, is repealed.

13 Section 44. Subsection (2) of section 468.392, Florida
14 Statutes, is amended to read:

15 468.392 Auctioneer Recovery Fund.--There is created
16 the Auctioneer Recovery Fund as a separate account in the
17 Professional Regulation Trust Fund. The fund shall be
18 administered by the Florida Board of Auctioneers.

19 (2) All payments and disbursements from the Auctioneer
20 Recovery Fund shall be made by the Chief Financial Officer
21 upon a voucher signed by the Secretary of Business and
22 Professional Regulation or the secretary's designee. ~~Amounts~~
23 ~~transferred to the Auctioneer Recovery Fund shall not be~~
24 ~~subject to any limitation imposed by an appropriation act of~~
25 ~~the Legislature.~~

26 Section 45. Subsection (6) of section 475.484, Florida
27 Statutes, is amended to read:

28 475.484 Payment from the fund.--

29 (6) All payments and disbursements from the Real
30 Estate Recovery Fund shall be made by the Chief Financial
31 Officer upon a voucher signed by the secretary of the

1 | department. ~~Amounts transferred to the Real Estate Recovery~~
2 | ~~Fund shall not be subject to any limitation imposed by an~~
3 | ~~appropriation act of the Legislature.~~

4 | Section 46. Paragraph (b) of subsection (7) of section
5 | 631.141, Florida Statutes, is amended to read:

6 | 631.141 Conduct of delinquency proceeding; domestic
7 | and alien insurers.--

8 | (7)

9 | (b) In the event that initiation of delinquency
10 | proceedings does not result in appointment of the department
11 | as receiver, or in the event that the funds or assets of an
12 | insurer for which the department is appointed as receiver are
13 | insufficient to cover the cost of compensation to special
14 | agents, counsel, clerks, or assistants and all expenses of
15 | taking, or attempting to take, possession of the insurer, and
16 | of conducting the proceeding, there is appropriated, upon
17 | approval of the Chief Financial Officer and of the Legislative
18 | Budget Commission pursuant to chapter 216, from the Insurance
19 | Regulation Trust Fund to the Division of Rehabilitation and
20 | Liquidation a sum that is sufficient to cover the unreimbursed
21 | costs.

22 | Section 47. Paragraph (b) of subsection (9) of section
23 | 921.001, Florida Statutes, is amended to read:

24 | 921.001 Sentencing Commission and sentencing
25 | guidelines generally.--

26 | (9)

27 | (b) On or after January 1, 1994, any legislation
28 | which:

- 29 | 1. Creates a felony offense;
- 30 | 2. Enhances a misdemeanor offense to a felony offense;

1 3. Moves a felony offense from a lesser offense
2 severity level to a higher offense severity level in the
3 offense severity ranking chart in s. 921.0012; or

4 4. Reclassifies an existing felony offense to a
5 greater felony classification

6
7 must provide that such a change result in a net zero sum
8 impact in the overall prison population, as determined by the
9 Legislature, considering the most recent estimates of the
10 Criminal Justice Estimating Conference, unless the legislation
11 contains a funding source sufficient in its base or rate to
12 accommodate such change or a provision which specifically
13 abrogates the application of this paragraph.

14 Section 48. Subsection (3) of section 943.61, Florida
15 Statutes, is amended to read:

16 943.61 Powers and duties of the Capitol Police.--

17 (3) ~~Notwithstanding the provisions of chapter 216, no~~
18 ~~assets, personnel, or resources shall be taken from the~~
19 ~~Capitol Police, and no appropriation to the Capitol Police~~
20 ~~shall be reduced without the express approval of the Governor~~
21 ~~and the Legislative Budget Commission.~~ Nothing herein limits
22 the ability of the Capitol Police to provide mutual aid to
23 other law enforcement agencies as authorized by law unless
24 such a limitation is expressly included in the operational
25 security plans provided for herein.

26 Section 49. Paragraph (a) of subsection (1) of section
27 1009.536, Florida Statutes, is amended to read:

28 1009.536 Florida Gold Seal Vocational Scholars
29 award.--The Florida Gold Seal Vocational Scholars award is
30 created within the Florida Bright Futures Scholarship Program
31 to recognize and reward academic achievement and career

1 preparation by high school students who wish to continue their
2 education.

3 (1) A student is eligible for a Florida Gold Seal
4 Vocational Scholars award if the student meets the general
5 eligibility requirements for the Florida Bright Futures
6 Scholarship Program and the student:

7 (a) Completes the secondary school portion of a
8 sequential program of studies that requires at least three
9 secondary school career credits taken over at least 2 academic
10 years, and is continued in a planned, related postsecondary
11 education program. If the student's school does not offer such
12 a two-plus-two or tech-prep program, the student must complete
13 a job-preparatory career education program selected by ~~the~~
14 ~~Workforce Estimating Conference or~~ Workforce Florida, Inc.,
15 for its ability to provide high-wage employment in an
16 occupation with high potential for employment opportunities.
17 On-the-job training may not be substituted for any of the
18 three required career credits.

19 Section 50. Subsection (2) of section 1013.512,
20 Florida Statutes, is amended to read:

21 1013.512 Land Acquisition and Facilities Advisory
22 Board.--

23 (2) If the director of the Office of Program Policy
24 Analysis and Government Accountability (OPPAGA) or the Auditor
25 General determines in a review or examination that significant
26 deficiencies exist in a school district's land acquisition and
27 facilities operational processes, he or she shall certify to
28 the President of the Senate, the Speaker of the House of
29 Representatives, the Legislative Budget Commission, and the
30 Governor that the deficiency exists. If recommended by the
31 Governor, the Legislative Budget Commission shall approve or

1 ~~disapprove the placement of determine whether funds for the~~
2 school district funds ~~will be placed~~ in reserve until the
3 deficiencies are corrected.

4 Section 51. Any undisbursed appropriations made from
5 the Working Capital Fund, previously created in section
6 215.32, Florida Statutes, are reappropriated from unallocated
7 moneys in the General Revenue Fund; any appropriations made to
8 the Working Capital Fund are reappropriated to the General
9 Revenue Fund; and any references to the Working Capital Fund
10 in proviso language or in Senate Bill 2502, or similar
11 legislation, shall be replaced with "the General Revenue
12 Fund." This section expires July 1, 2006.

13 Section 52. Except as otherwise expressly provided in
14 this act, this act shall take effect upon becoming a law.

15
16 *****

17 SENATE SUMMARY

18 Revises varied provisions relating to the state budgetary
19 process, including information to be submitted with
20 proposed budgets, notice of financial information and
21 budget modifications, audits, and approval of changes in
22 budgets. (See bill for details.)
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