

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. 20.19,
9 F.S.; eliminating certain transfer authority of
10 district administrators in the Department of
11 Children and Family Services; amending s.
12 20.316, F.S., relating to the Department of
13 Juvenile Justice information systems;
14 correcting a reference; amending s. 45.062,
15 F.S.; limiting the ability of agencies to
16 settle lawsuits in certain circumstances;
17 requiring that certain legislative officers and
18 the Attorney General receive prior notice
19 concerning settlement negotiations and
20 presettlement agreements or orders; providing
21 certain exceptions; requiring that moneys paid
22 in settlement of a legal action be placed into
23 the General Revenue Fund or an appropriate
24 trust fund; amending s. 110.1239, F.S.;
25 correcting a cross-reference; amending s.
26 110.1245, F.S., relating to a savings sharing
27 program; correcting a reference; amending s.
28 215.32, F.S.; providing for unallocated general
29 revenue; revising a provision relating to the
30 restoration of expenditures from the Budget
31 Stabilization Fund; revising requirements and

1 uses of Working Capital Fund moneys; amending
2 s. 215.5601, F.S.; revising provisions relating
3 to appropriations to and uses of the Lawton
4 Chiles Endowment Fund; amending ss. 215.93 and
5 215.94, F.S.; revising duties of the Financial
6 Management Information Board, the functional
7 owners of information subsystems, and the
8 Auditor General relating to the Florida
9 Financial Management Information System;
10 amending s. 215.97, F.S., relating to the
11 Florida Single Audit Act; revising and
12 providing definitions; revising the uniform
13 state audit requirements for state financial
14 assistance provided by state agencies to
15 nonstate entities; requiring the Department of
16 Financial Services to adopt rules and perform
17 additional duties with respect to the provision
18 of financial assistance to carry out state
19 projects; revising duties of the Executive
20 Office of the Governor and Chief Financial
21 Officer and specifying duties of coordinating
22 agencies; exempting certain nonstate entities
23 from the requirements of the Florida Single
24 Audit Act; amending s. 216.011, F.S.; revising
25 and providing definitions; amending s. 216.013,
26 F.S.; revising requirements for the long-range
27 program plans developed by state agencies and
28 the judicial branch; providing for the
29 preparation of form, manner, and timeframe
30 instructions for such plans; revising the plan
31 submission date; revising the date by which to

1 submit adjustments to such plans; requiring the
2 plans to be posted on the Internet; providing
3 that long-range program plans are exempt from
4 ch. 120; amending s. 216.023, F.S.; providing
5 for alternate dates for agencies to submit
6 legislative budget requests; changing the
7 requirements for an annual inventory of certain
8 litigation; requiring and specifying additional
9 information in legislative budget requests;
10 revising requirements of the judicial branch's
11 legislative budget requests; revising duties of
12 the Executive Office of the Governor, the
13 Legislature, and the Chief Justice relating to
14 legislative budget requests; amending s.
15 216.031, F.S.; revising requirements for target
16 budget requests; amending s. 216.052, F.S.;
17 deleting certain requirements relating to
18 community budget requests; amending s. 216.053,
19 F.S.; deleting the requirement that the General
20 Appropriations Act contain summary information
21 concerning performance-based program budgets;
22 amending s. 216.065, F.S.; revising
23 requirements relating to fiscal impact
24 statements on actions affecting the budget;
25 amending s. 216.081, F.S.; providing data
26 requirements for the Governor's recommended
27 budget under certain circumstances; amending s.
28 216.133, F.S.; deleting references to conform;
29 amending s. 216.134, F.S.; stipulating that
30 consensus estimating conferences are within the
31 legislative branch; revising provisions

1 relating to public meetings of consensus
2 estimating conferences; amending s. 216.136,
3 F.S.; deleting provisions for the Child Welfare
4 System Estimating Conference and the Juvenile
5 Justice Estimating Conference; revising
6 provisions relating to the principals of the
7 Self-Insurance Estimating Conference and the
8 Florida Retirement System Actuarial Assumption
9 Conference; amending s. 216.162, F.S.; revising
10 the date for the Governor to submit the
11 recommended budget to the Legislature; amending
12 s. 216.163, F.S.; authorizing the Governor's
13 budget recommendation to include an alternative
14 recommendation for operating and fixed capital
15 outlay appropriations to that of the Chief
16 Justice; amending s. 216.167, F.S.; deleting
17 references to the Working Capital Fund, to
18 conform; amending s. 216.168, F.S.; deleting
19 provisions exempting the Governor from a
20 requirement to submit amended recommendations;
21 amending s. 216.177, F.S.; revising notice and
22 review requirements for actions taken under ch.
23 216, F.S., to provide for funds expended in
24 settlement of agency litigation; deleting an
25 obsolete provision; amending s. 216.181, F.S.;
26 requiring approval of certain amendments to an
27 approved operating budget by the Legislative
28 Budget Commission; revising requirements for
29 determining salary rates; authorizing the
30 Legislative Budget Commission to approve salary
31 rates; revising provisions relating to how the

1 annual salary rate is determined and
2 controlled; deleting certain notice
3 requirements; requiring that the legislative
4 appropriations committees approve certain
5 nonoperating budgets; deleting the authority to
6 advance certain contracted services funds in
7 the Department of Children and Family Service
8 and the Department of Health; amending s.
9 216.192, F.S.; deleting provisions authorizing
10 the legislative appropriations committees to
11 provide advice regarding the release of funds;
12 authorizing the Executive Office of the
13 Governor and the Chief Justice to place
14 appropriations in mandatory reserve or budget
15 reserve; amending s. 216.195, F.S.; deleting
16 certain notice and review requirements for the
17 impoundment of funds; amending s. 216.221,
18 F.S.; authorizing the Legislature to direct the
19 use of any state funds in an appropriations act
20 to offset General Revenue Fund deficits;
21 revising requirements for adjusting budgets in
22 order to avoid or eliminate a deficit; revising
23 procedures for certifying a budget deficit;
24 revising requirements for the Governor and the
25 Chief Justice in developing plans of action;
26 requiring that the Legislative Budget
27 Commission implement certain reductions in
28 appropriations; revising requirements for
29 resolving deficits; requiring that certain
30 actions to resolve a deficit be approved by the
31 Legislative Budget Commission; amending s.

1 216.231, F.S., relating to the release of
2 classified appropriations, to conform; amending
3 s. 216.235, F.S.; limiting the funding of
4 certain proposals under the Innovation
5 Investment Program; correcting references;
6 amending s. 216.241, F.S.; requiring that the
7 initiation or commencement of new programs be
8 approved by the Legislative Budget Commission;
9 deleting certain notice requirements; amending
10 s. 216.251, F.S.; correcting a reference;
11 revising requirements for establishing certain
12 salaries; amending s. 216.262, F.S.; requiring
13 the Legislative Budget Commission to approve
14 certain increases in the number of positions
15 for authorized programs; deleting provisions
16 authorizing an agency to retain salary dollars
17 under certain circumstances; amending s.
18 216.292, F.S.; revising provisions relating to
19 the transferability of appropriations; revising
20 limitations on the transferability of
21 appropriations; prohibiting spending fixed
22 capital outlay for other purposes; providing
23 notice and review requirements prior to
24 implementation of certain transfers;
25 prohibiting transferring appropriations except
26 as otherwise provided by law; providing certain
27 exceptions; amending s. 216.301, F.S.; revising
28 requirements for continuing unexpended balances
29 of 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; revising the certification forward
5 process for operating appropriations; amending
6 s. 218.60, F.S.; deleting an obsolete
7 provision; amending ss. 252.37 and 265.55,
8 F.S.; deleting certain references to the
9 Working Capital Fund, to conform; amending s.
10 288.7091, F.S.; correcting a cross-reference;
11 amending s. 320.20, F.S.; providing duties of
12 the Chief Financial Officer with respect to the
13 deposit of certain trust fund moneys; amending
14 s. 337.023, F.S.; correcting a cross-reference;
15 amending s. 339.135, F.S.; revising
16 requirements for the tentative work programs
17 submitted by the Department of Transportation;
18 specifying procedures by which unexpended
19 balances in certain appropriations may be
20 certified forward as fixed capital outlay;
21 requiring that the Legislative Budget
22 Commission approve certain extensions of
23 spending authority; revising requirements for
24 amending certain work programs; requiring
25 approval of the Legislative Budget Commission
26 for certain work program amendments; amending
27 373.6065, F.S.; correcting a cross-reference;
28 amending s. 381.0303, F.S.; authorizing the
29 Department of Health to obtain reimbursement
30 for special needs shelters from unappropriated
31 moneys in the General Revenue Fund; amending s.

1 392.69, F.S.; correcting a cross-reference;
2 amending s. 409.906, F.S.; deleting provisions
3 authorizing the Department of Children and
4 Family Services to transfer certain funds in
5 excess of the amount specified in the General
6 Appropriations Act; amending s. 409.912, F.S.,
7 relating to the transfer of certain funds from
8 the Department of Elderly Affairs to the Agency
9 for Health Care Administration, to conform;
10 amending s. 409.16745, F.S.; eliminating
11 72-hour notification for transfer of budget
12 authority for the community partnership
13 matching grant program; amending ss. 468.392
14 and 475.484, F.S.; deleting provisions
15 exempting funds in the Auctioneer Recovery Fund
16 and the Real Estate Recovery Fund from
17 limitations imposed by an appropriation act;
18 amending s. 631.141, F.S.; clarifying
19 provisions requiring the Legislative Budget
20 Commission to approve certain appropriations;
21 amending s. 921.001, F.S.; requiring the
22 Legislature to make certain determinations with
23 respect to legislation affecting the prison
24 population; amending s. 943.61, F.S.; deleting
25 a provision requiring approval by the Governor
26 and the Legislative Budget Commission for
27 appropriations to the Capitol Police; amending
28 s. 1003.03, F.S.; correcting a cross-reference;
29 amending s. 1009.536, F.S.; deleting duties of
30 the Workforce Estimating Conference with
31 respect to certain career education programs;

1 amending s. 1013.512, F.S.; requiring a
 2 recommendation by the Governor before placing
 3 certain school district funds in reserve;
 4 providing for references to the Working Capital
 5 Fund in certain legislation to be replaced with
 6 a reference to the General Revenue Fund;
 7 repealing s. 216.1825, F.S., relating to
 8 zero-based budgeting; repealing s. 216.183,
 9 F.S., relating to entities using
 10 performance-based program budgets; repealing s.
 11 288.1234, F.S., relating to the guaranty of
 12 state obligations and the Olympic Games
 13 Guaranty Account; providing effective dates.

14

15 Be It Enacted by the Legislature of the State of Florida:

16

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

19 14.2015 Office of Tourism, Trade, and Economic
 20 Development; creation; powers and duties.--

21 (8) The Office of Tourism, Trade, and Economic
 22 Development shall ensure that the contract between the Florida
 23 Commission on Tourism and the commission's direct-support
 24 organization contains a provision to provide the data on the
 25 visitor counts and visitor profiles used in revenue
 26 estimating, employing the same methodology used in fiscal year
 27 1995-1996 by the Department of Commerce. The Office of
 28 Tourism, Trade, and Economic Development and the Florida
 29 Commission on Tourism must advise and consult ~~reach agreement~~
 30 with the Consensus Estimating Conference principals before

31

1 making any changes in methodology used or information
2 gathered.

3 Section 2. Paragraph (b) of subsection (5) of section
4 20.19, Florida Statutes, is amended to read:

5 20.19 Department of Children and Family
6 Services.--There is created a Department of Children and
7 Family Services.

8 (5) SERVICE DISTRICTS.--

9 (b)~~1~~. The secretary shall appoint a district
10 administrator for each of the service districts. The district
11 administrator shall serve at the pleasure of the secretary and
12 shall perform such duties as assigned by the secretary.

13 ~~Subject to the approval of the secretary, such duties shall~~
14 ~~include transferring up to 10 percent of the total district~~
15 ~~budget, the provisions of ss. 216.292 and 216.351~~
16 ~~notwithstanding.~~

17 ~~2. For the 2003 2004 fiscal year only, the transfer~~
18 ~~authority provided in this subsection must be specifically~~
19 ~~appropriated in the 2003 2004 General Appropriations Act and~~
20 ~~shall be pursuant to the requirements of s. 216.292. This~~
21 ~~subparagraph expires July 1, 2004.~~

22 ~~3. For the 2004 2005 fiscal year only, the transfer~~
23 ~~authority provided in this subsection is available to the~~
24 ~~department without further restriction other than as contained~~
25 ~~in this subsection. This subparagraph expires July 1, 2005.~~

26 Section 3. Paragraph (d) of subsection (4) of section
27 20.316, Florida Statutes, is amended to read:

28 20.316 Department of Juvenile Justice.--There is
29 created a Department of Juvenile Justice.

30 (4) INFORMATION SYSTEMS.--

31

1 (d) The management information system shall, at a
2 minimum:

3 1. Facilitate case management of juveniles referred to
4 or placed in the department's custody.

5 2. Provide timely access to current data and computing
6 capacity to support outcome evaluation, legislative oversight,
7 ~~the Juvenile Justice Estimating Conference,~~ and other
8 research.

9 3. Provide automated support to the quality assurance
10 and program review functions.

11 4. Provide automated support to the contract
12 management process.

13 5. Provide automated support to the facility
14 operations management process.

15 6. Provide automated administrative support to
16 increase efficiency, provide the capability of tracking
17 expenditures of funds by the department or contracted service
18 providers that are eligible for federal reimbursement, and
19 reduce forms and paperwork.

20 7. Facilitate connectivity, access, and utilization of
21 information among various state agencies, and other state,
22 federal, local, and private agencies, organizations, and
23 institutions.

24 8. Provide electronic public access to juvenile
25 justice information, which is not otherwise made confidential
26 by law or exempt from the provisions of s. 119.07(1).

27 9. Provide a system for the training of information
28 system users and user groups.

29 Section 4. Effective July 1, 2006, section 45.062,
30 Florida Statutes, is amended to read:

31

1 45.062 Settlements, conditions, or orders when an
2 agency of the executive branch is a party.--

3 (1) In any civil action in which a state executive
4 branch agency or officer is a party in state or federal court,
5 the officer, agent, official, or attorney who represents or is
6 acting on behalf of such agency or officer may not settle such
7 action, consent to any condition, or agree to any order in
8 connection therewith, if the settlement, condition, or order
9 requires the expenditure of or the obligation to expend any
10 state funds or other state resources exceeding \$1 million, the
11 refund or future loss of state revenues exceeding \$10 million,
12 or the establishment of any new program, unless:

13 (a) The expenditure is provided for by an existing
14 appropriation or program established by law. ~~;~~ ~~and~~

15 **(b) At the time settlement negotiations have begun in**
16 **earnest, written notification is given to the President of the**
17 **Senate, the Speaker of the House of Representatives, the**
18 **Senate and House of Representatives minority leaders, the**
19 **chairs of the appropriations committees of the Legislature,**
20 **and the Attorney General.**

21 **(c)(b)** Prior written notification is given at least
22 within 5 business days, or as soon thereafter as practicable,
23 before ~~of~~ the date the settlement or presettlement agreement
24 or order is to be made final to the President of the Senate,
25 the Speaker of the House of Representatives, the Senate and
26 House of Representatives minority leaders, the chairs of the
27 appropriations committees of the Legislature, and the Attorney
28 General. Such notification shall specify how the agency
29 involved will address the costs in future years within the
30 limits of current appropriations.

31

1 1. The Division of Risk Management need not give the
2 notification required by this paragraph when settling any
3 claim covered by the state self-insurance program for an
4 amount less than \$250,000.

5 2. The notification specified in this paragraph is not
6 required if:

7 a. The only settlement obligation of the state
8 resulting from the claim is to pay court costs in an amount
9 less than \$10,000;

10 b. Notification would preclude the state's
11 participation in multistate litigation;

12 c. Notification is precluded by federal law or
13 regulation; d. Notification is precluded by court rule or
14 sanction;

15 e. The head of the primary state agency involved in
16 the litigation certifies to the President of the Senate and
17 the Speaker of the House of Representatives, in writing within
18 5 days after the settlement, the specific reasons prior
19 notification could not be provided;

20 f. Settlement or presettlement negotiations are being
21 conducted with fewer than all of the opposing parties; or

22 g. The President of the Senate and the Speaker of the
23 House of Representatives or the chairs of the appropriations
24 committees of the Legislature, acting in the best interest of
25 the state, waive notification.

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

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

1 (4) Any settlement that commits the state to spending
 2 in excess of current appropriations or to policy changes
 3 inconsistent with current state law shall be contingent upon
 4 and subject to legislative appropriation or statutory
 5 amendment. The state agency or officer may agree to use all
 6 efforts to procure legislative funding or statutory amendment.

7 (5) When a state agency or officer settles an action
 8 or legal claim in which the state asserted a right to recover
 9 money, all moneys paid to the state by a party in full or
 10 partial exchange for a release of the state's claim shall be
 11 placed into the General Revenue Fund or the appropriate trust
 12 fund.

13 ~~(6)(5)~~ State executive branch agencies and officers
 14 shall report to each substantive and fiscal committee of the
 15 Legislature having jurisdiction over the reporting agency on
 16 all potential settlements that may commit the state to:

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

18 (b) Make policy changes inconsistent with current
 19 state law.

20
 21 The state executive branch agency or officer shall provide
 22 periodic updates to the appropriate legislative committees on
 23 these issues during the settlement process.

24 Section 5. Subsection (1) of section 110.1239, Florida
 25 Statutes, is amended to read:

26 110.1239 State group health insurance program
 27 funding.--It is the intent of the Legislature that the state
 28 group health insurance program be managed, administered,
 29 operated, and funded in such a manner as to maximize the
 30 protection of state employee health insurance benefits.
 31 Inherent in this intent is the recognition that the health

1 insurance liabilities attributable to the benefits offered
 2 state employees should be fairly, orderly, and equitably
 3 funded. Accordingly:

4 (1) The division shall determine the level of premiums
 5 necessary to fully fund the state group health insurance
 6 program for the next fiscal year. Such determination shall be
 7 made after each Self-Insurance Estimating Conference as
 8 provided in s. 216.136(9)(11), but not later than December 1
 9 and April 1 of each fiscal year.

10 Section 6. Paragraph (b) of subsection (1) of section
 11 110.1245, Florida Statutes, is amended to read:

12 110.1245 Savings sharing program; bonus payments;
 13 other awards.--

14 (1)

15 (b) Each agency head shall recommend employees
 16 individually or by group to be awarded an amount of money,
 17 which amount shall be directly related to the cost savings
 18 realized. Each proposed award and amount of money must be
 19 approved by the Legislative Budget ~~Budgeting~~ Commission.

20 Section 7. Section 215.32, Florida Statutes, is
 21 amended to read:

22 215.32 State funds; segregation.--

23 (1) All moneys received by the state shall be
 24 deposited in the State Treasury unless specifically provided
 25 otherwise by law and shall be deposited in and accounted for
 26 by the Chief Financial Officer within the following funds,
 27 which funds are hereby created and established:

28 (a) General Revenue Fund.

29 (b) Trust funds.

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

31 (c)~~(d)~~ Budget Stabilization Fund.

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

3 (a) The General Revenue Fund shall consist of all
4 moneys received by the state from every source whatsoever,
5 except as provided in paragraphs (b) and (c). Such moneys
6 shall be expended pursuant to General Revenue Fund
7 appropriations acts, ~~or~~ transferred as provided in paragraph
8 (c), or maintained as unallocated general revenue. Unallocated
9 general revenue shall be considered the working capital
10 balance of the state and shall consist of moneys in the
11 General Revenue Fund that are in excess of the amount needed
12 to meet General Revenue Fund appropriations for the current
13 fiscal year. Annually, at least 5 percent of the estimated
14 increase in General Revenue Fund receipts for the upcoming
15 fiscal year over the current year General Revenue Fund
16 effective appropriations shall be appropriated for state level
17 capital outlay, including infrastructure improvement and
18 general renovation, maintenance, and repairs.

19 (b)1. The trust funds shall consist of moneys received
20 by the state which under law or under trust agreement are
21 segregated for a purpose authorized by law. The state agency
22 or branch of state government receiving or collecting such
23 moneys shall be responsible for their proper expenditure as
24 provided by law. Upon the request of the state agency or
25 branch of state government responsible for the administration
26 of the trust fund, the Chief Financial Officer may establish
27 accounts within the trust fund at a level considered necessary
28 for proper accountability. Once an account is established
29 within a trust fund, the Chief Financial Officer may authorize
30 payment from that account only upon determining that there is
31 sufficient cash and releases at the level of the account.

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

5 a. Operations or operating trust fund, for use as a
6 depository for funds to be used for program operations funded
7 by program revenues, with the exception of administrative
8 activities when the operations or operating trust fund is a
9 proprietary fund.

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

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

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

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

24 f. Clearing funds trust fund, for use as a depository
25 for funds to account for collections pending distribution to
26 lawful recipients.

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

30

31

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

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

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

21 b. This subparagraph does not apply to trust funds
22 required by federal programs or mandates; trust funds
23 established for bond covenants, indentures, or resolutions
24 whose revenues are legally pledged by the state or public body
25 to meet debt service or other financial requirements of any
26 debt obligations of the state or any public body; the State
27 Transportation Trust Fund; the trust fund containing the net
28 annual proceeds from the Florida Education Lotteries; the
29 Florida Retirement System Trust Fund; trust funds under the
30 management of the State Board of Education ~~Board of Regents~~,
31 where such trust funds are for auxiliary enterprises,

1 self-insurance, and contracts, grants, and donations, as those
2 terms are defined by general law; trust funds that serve as
3 clearing funds or accounts for the Chief Financial Officer or
4 state agencies; trust funds that account for assets held by
5 the state in a trustee capacity as an agent or fiduciary for
6 individuals, private organizations, or other governmental
7 units; and other trust funds authorized by the State
8 Constitution.

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

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

30 3. Unless otherwise provided in this subparagraph, an
31 expenditure from the Budget Stabilization Fund must be

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

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

13 5. The Chief Financial Officer and the Department of
14 Management Services shall transfer funds to water management
15 districts to pay eligible water management district employees
16 for all benefits due under s. 373.6065, as long as funds
17 remain available for the program described under s. 110.152
18 ~~100.152~~.

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

29 Section 8. Paragraphs (a) and (f) of subsection (5) of
30 section 215.5601, Florida Statutes, are amended to read:

31 215.5601 Lawton Chiles Endowment Fund.--

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

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

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

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

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

1 ~~appropriations made from all tobacco settlement trust funds of~~
2 ~~the state agencies for that year.~~

3 Section 9. Subsection (3) of section 215.93, Florida
4 Statutes, is amended to read:

5 215.93 Florida Financial Management Information
6 System.--

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

1 ~~be required for those data codes specified by the Auditor~~
2 ~~General under the provisions of s. 215.94(6)(c).~~

3 Section 10. Subsection (6) of section 215.94, Florida
4 Statutes, is amended to read:

5 215.94 Designation, duties, and responsibilities of
6 functional owners.--

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

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

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

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

23 3. The information subsystem is auditable.

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

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

7 Section 11. Section 215.97, Florida Statutes, is
8 amended to read:

9 215.97 Florida Single Audit Act.--

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

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

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

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

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

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

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

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

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)(l)~~ "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 that 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 that are not specific to a
 9 particular state awarding agency.

10 (b) For any findings and recommendations identified
 11 pursuant to paragraph (a):

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

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

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

19 (7)(6) As a condition of receiving state financial
 20 assistance, each nonstate entity recipient that provides state
 21 financial assistance to a subrecipient shall:

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

25 1. Identification of the state awarding agency.

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

31

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 extremely limited or no
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 this section apply to
27 the conduit nonstate entity. However, the nonstate entity that
28 is provided state financial assistance by the conduit nonstate
29 entity is subject to the requirements of this section.

30 ~~(d)(e)~~ Regardless of the amount of the state financial
31 assistance, ~~the provisions of this section does de~~ not exempt

1 a nonstate entity from compliance with provisions of law
 2 relating to maintaining records concerning state financial
 3 assistance to such nonstate entity or allowing access and
 4 examination of those records by the state awarding agency, the
 5 nonstate entity, the Department of Financial Services Chief
 6 Financial Officer, or the Auditor General.

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

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

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

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

24 ~~(i)(h)~~ If an audit conducted pursuant to this section
 25 discloses any significant audit findings relating to state
 26 financial assistance, including material noncompliance with
 27 individual state project compliance requirements or reportable
 28 conditions in internal controls of the nonstate entity, the
 29 nonstate entity shall submit as part of the financial
 30 reporting audit package to the state awarding agency or
 31 nonstate entity a plan for corrective action to eliminate such

1 audit findings or a statement describing the reasons that
2 corrective action is not necessary.

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

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

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

26 ~~(m)(l)~~ This section does not prohibit the state
27 awarding agency or nonstate entity from including terms and
28 conditions in the written agreement which require additional
29 assurances that state financial assistance meets the
30 applicable requirements of laws, regulations, and other
31 compliance rules.

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

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

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

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

19 (c) With respect to internal controls pertaining to
 20 each major state project:

21 1. Obtain an understanding of internal controls.+

22 2. Assess control risk.+

23 3. Perform tests of controls unless the controls are
 24 deemed to be ineffective.+~~and~~

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

30 (d) Determine whether each major state project
 31 complied with the provisions of laws, rules, and guidelines as

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

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

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

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

31

1 ~~(10)(9)~~ The independent auditor, when conducting a
2 state project-specific audit of a nonstate entity recipients
3 ~~or subrecipients~~, shall:

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

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

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

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

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

27 ~~(11)(10)~~ The Auditor General shall:

28 (a) Have the authority to audit state financial
29 assistance provided to any nonstate entity when determined
30 necessary by the Auditor General or when directed by the
31 Legislative Auditing Committee.

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

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

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

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

14 (f) Perform ongoing reviews of a sample of financial
15 reporting packages filed pursuant to ~~the requirements of~~ this
16 section to determine compliance with the reporting
17 requirements of this section and applicable ~~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.

21 Section 12. Paragraphs (a), (b), (gg), (hh), and (jj)
22 of subsection (1) of section 216.011, Florida Statutes, are
23 amended, paragraphs (rr) and (ss) are added to said
24 subsection, and paragraph (c) is added to subsection (3) of
25 said section, to read:

26 216.011 Definitions.--

27 (1) For the purpose of fiscal affairs of the state,
28 appropriations acts, legislative budgets, and approved
29 budgets, each of the following terms has the meaning
30 indicated:

31

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

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

10 (gg) "Mandatory reserve" means the reduction of an
11 appropriation by the Governor or the Legislative Budget
12 Commission due to an anticipated deficit in a fund, pursuant
13 to s. 216.221. Action may not be taken to restore a mandatory
14 reserve either directly or indirectly. ~~"Performance based~~
15 ~~program appropriation" means the appropriation category used~~
16 ~~to fund a specific set of activities or classification of~~
17 ~~expenditure within an approved performance based program.~~

18 (hh) "Budget reserve" means the withholding, as
19 authorized by the Legislature, of an appropriation, or portion
20 thereof. The need for a budget reserve may exist until certain
21 conditions set by the Legislature are met by the affected
22 agency, or such need may exist due to financial or program
23 changes that have occurred since, and were unforeseen at the
24 time of, passage of the General Appropriations Act.

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

27 (jj) "Program" means a set of services and activities
28 undertaken in accordance with a plan of action organized to
29 realize identifiable goals and objectives based on legislative
30 authorization.

31

1 (rr) "Activity" means a unit of work that has
 2 identifiable starting and ending points, consumes resources,
 3 and produces outputs.

4 (ss) "Qualified expenditure category" means the
 5 appropriations category used to fund specific activities and
 6 projects which must be transferred to one or more
 7 appropriation categories for expenditure upon recommendation
 8 by the Governor or Chief Justice, as appropriate, and subject
 9 to approval by the Legislative Budget Commission.

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

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

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

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

24 Section 13. Effective July 1, 2006, paragraph (n) of
 25 subsection (1) of section 216.011, Florida Statutes, is
 26 amended to read:

27 216.011 Definitions.--

28 (1) For the purpose of fiscal affairs of the state,
 29 appropriations acts, legislative budgets, and approved
 30 budgets, each of the following terms has the meaning
 31 indicated:

1 (n) "Expense" means the appropriation category used to
 2 fund the usual, ordinary, and incidental expenditures by an
 3 agency or the judicial branch, including such items as
 4 ~~contractual services,~~ commodities, ~~and~~ supplies of a
 5 consumable nature, current obligations, and fixed charges, and
 6 excluding expenditures classified as operating capital outlay.
 7 Payments to other funds or local, state, or federal agencies
 8 may be included in this category.

9 Section 14. Section 216.013, Florida Statutes, is
 10 amended to read:

11 216.013 Long-range program plan.--

12 ~~(1)~~ State agencies and the judicial branch shall
 13 develop long-range program plans to achieve state goals using
 14 an interagency planning process that includes the development
 15 of integrated agency program service outcomes. The plans shall
 16 be policy based, priority driven, accountable, and developed
 17 through careful examination and justification of all agency
 18 and judicial branch programs. The plan shall cover a period of
 19 ~~5 fiscal years and shall become effective July 1 each year.~~

20 (1) Long-range program plans shall provide the
 21 framework for the development of ~~agency~~ budget requests and
 22 shall identify or update:

23 (a) The mission of the agency or judicial branch.

24 (b) The goals established to accomplish the mission.

25 (c) The objectives developed to achieve state goals.

26 (d) The trends and conditions relevant to the mission,
 27 goals, and objectives.

28 ~~(e)(a) Identify agency programs and address how agency~~
 29 The agency or judicial branch programs that will be used to
 30 implement state policy and achieve state goals and ~~program~~
 31 ~~component~~ objectives.†

1 (f) The program outcomes and standards to measure
2 progress toward program objectives.

3 ~~(b) Identify and describe agency functions and how~~
4 ~~they will be used to achieve designated outcomes;~~

5 ~~(c) Identify demand, output, total costs, and unit~~
6 ~~costs for each function;~~

7 (g)(d) Provide Information regarding performance
8 measurement, which includes, but is not limited to, how data
9 is collected, the methodology used to measure a performance
10 indicator, the validity and reliability of a measure, the
11 appropriateness of a measure, and whether, in the case of
12 agencies, the agency inspector general has assessed the
13 reliability and validity of agency performance measures,
14 pursuant to s. 20.055(2).~~;~~

15 ~~(e) Identify and justify facility and fixed capital~~
16 ~~outlay projects and their associated costs; and~~

17 ~~(f) Identify and justify information technology~~
18 ~~infrastructure and applications and their associated costs for~~
19 ~~information technology projects or initiatives.~~

20 ~~(2) All agency functions and their costs shall be~~
21 ~~carefully evaluated and justified by the agency. The~~
22 ~~justification must clearly demonstrate the needs of agency~~
23 ~~customers and clients and why the agency is proposing~~
24 ~~functions and their associated costs to address the needs~~
25 ~~based on state priorities, the agency mission, and legislative~~
26 ~~authorization. Further, the justification must show how agency~~
27 ~~functions are integrated and contribute to the overall~~
28 ~~achievement of state goals. Facilities, fixed capital outlay~~
29 ~~and information technology infrastructure, and applications~~
30 ~~shall be evaluated pursuant to ss. 216.0158, 216.043, and~~
31 ~~216.0446, respectively.~~

1 (2) Each long-range program plan shall cover a period
2 of 5 fiscal years, be revised annually, and remain in effect
3 until replaced or revised.

4 (3) Long-range program plans or revisions shall be
5 presented by state agencies and the judicial branch in a form,
6 manner, and timeframe prescribed in written instructions
7 prepared by ~~submitted to~~ the Executive Office of the Governor
8 in consultation with ~~by August 1 of each year in a form and~~
9 ~~manner prescribed by the Executive Office of the Governor and~~
10 the chairs of the legislative appropriations committees. ~~Such~~
11 ~~long range program plans for the Judicial Branch shall be~~
12 ~~submitted by the Chief Justice of the Supreme Court to the~~
13 ~~President of the Senate and the Speaker of the House of~~
14 ~~Representatives, and a copy shall be provided to the Executive~~
15 ~~Office of the Governor.~~

16 ~~(4) The Executive Office of the Governor shall review~~
17 ~~the long range program plans for executive agencies to ensure~~
18 ~~that they are consistent with the state's goals and objectives~~
19 ~~and other requirements as specified in the written~~
20 ~~instructions and that they provide the framework and context~~
21 ~~for the agency's budget request.~~

22 ~~(5) Executive agencies shall incorporate all revisions~~
23 ~~required by the Governor within 14 working days.~~

24 ~~(6) Any differences between executive agencies~~
25 ~~regarding the programs, policies, or long range program plans~~
26 ~~of such agencies shall be mediated by the Executive Office of~~
27 ~~the Governor.~~

28 (4)(7) Each state executive agency and the judicial
29 branch shall post their long-range program plan on their
30 Internet website ~~transmit copies of its long range program~~
31 ~~plan and all written comments on its plan to the President of~~

1 ~~the Senate and the Speaker of the House of Representatives not~~
 2 ~~later than September 30th of each year, and provide written~~
 3 ~~notice to the Governor and the Legislature that the plans have~~
 4 ~~been posted 60 days prior to the next regular session of the~~
 5 ~~Legislature.~~

6 ~~(8) Long range program plans developed pursuant to~~
 7 ~~this chapter are not rules and therefore are not subject to~~
 8 ~~the provisions of chapter 120.~~

9 ~~(5)(9) Following the adoption of the annual General~~
 10 ~~Appropriations Act, the state agencies and the judicial branch~~
 11 shall make appropriate adjustments to their long-range program
 12 plans to be consistent with the appropriations and performance
 13 measures in the General Appropriations Act and legislation
 14 implementing the General Appropriations Act. Agencies and the
 15 judicial branch have until June ~~30~~ 15 to make adjustments to
 16 their plans ~~as posted on their Internet websites and submit~~
 17 ~~the adjusted plans to the Executive Office of the Governor for~~
 18 ~~review.~~

19 ~~(6) Long-range program plans developed pursuant to~~
 20 ~~this chapter are not rules and therefore are not subject to~~
 21 ~~the provisions of chapter 120.~~

22 Section 15. Section 216.023, Florida Statutes, is
 23 amended to read:

24 216.023 Legislative budget requests to be furnished to
 25 Legislature by agencies.--

26 (1) The head of each state agency, except as provided
 27 in subsection (2), shall submit a final legislative budget
 28 request to the Legislature and to the Governor, as chief
 29 budget officer of the state, in the form and manner prescribed
 30 in the budget instructions and at such time as specified by
 31 the Executive Office of the Governor, based on the agency's

1 independent judgment of its needs. However, ~~a no~~ state agency
2 ~~may not shall~~ submit its complete legislative budget request,
3 including all supporting forms and schedules required by this
4 chapter, later than ~~October~~ September 15 of each year unless
5 an alternative date is agreed to be in the best interest of
6 the state by the Governor and the chairs of the legislative
7 appropriations committees.

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

19 (3) The Executive Office of the Governor and the
20 appropriations committees of the Legislature shall jointly
21 develop legislative budget instructions for preparing the
22 exhibits and schedules that make up the agency budget from
23 which each agency and the judicial branch shall prepare their
24 budget request. The budget instructions shall be consistent
25 with s. 216.141 and shall be transmitted to each agency and to
26 the judicial branch no later than ~~July~~ June 15 of each year
27 unless an alternative date is agreed to be in the best
28 interest of the state by the Governor and the chairs of the
29 legislative appropriations committees. In the event that
30 agreement cannot be reached between the Executive Office of
31 the Governor and the appropriations committees of the

1 Legislature regarding legislative budget instructions, the
2 issue shall be resolved by the Governor, the President of the
3 Senate, and the Speaker of the House of Representatives.

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

6 1. The constitutional or statutory authority for a
7 program, a brief purpose statement, and approved program
8 components.

9 2. Information on expenditures for 3 fiscal years
10 (actual prior-year expenditures, current-year estimated
11 expenditures, and agency budget requested expenditures for the
12 next fiscal year) by appropriation category.

13 3. Details on trust funds and fees.

14 4. The total number of positions (authorized, fixed,
15 and requested).

16 5. An issue narrative describing and justifying
17 changes in amounts and positions requested for current and
18 proposed programs for the next fiscal year.

19 6. Information resource requests.

20 7. Legislatively approved output and outcome
21 performance measures and any proposed revisions to measures.

22 8. Proposed performance standards for each performance
23 measure and justification for the standards and the sources of
24 data to be used for measurement.

25 9. Prior-year performance data on approved performance
26 measures and an explanation of deviation from expected
27 performance. Performance data must be assessed for reliability
28 in accordance with s. 20.055.

29 10. Proposed performance incentives and disincentives.

30 11. Supporting information, including applicable
31 cost-benefit analyses, business case analyses, performance

1 contracting procedures, service comparisons, and impacts on
2 performance standards for any request to outsource or
3 privatize agency functions.

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

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

20 1. The final budget for the agency and the judicial
21 branch.

22 2. Total funds from the General Appropriations Act.

23 3. Adjustments to the General Appropriations Act.

24 4. The line-item listings of all activities.

25 5. The number of activity units performed or
26 accomplished.

27 6. Total expenditures for each activity, including
28 amounts paid to contractors and subordinate entities.

29 Expenditures related to administrative activities not aligned
30 with output measures must consistently be allocated to
31 activities with output measures prior to computing unit costs.

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

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

5
6 At the regular session immediately following the submission of
7 the agency unit cost summary, the Legislature shall reduce in
8 the General Appropriations Act for the ensuing fiscal year, by
9 an amount equal to at least 10 percent of the allocation for
10 the fiscal year preceding the current fiscal year, the funding
11 of each state agency that fails to submit the report required
12 under this paragraph.

13 ~~(5) At the time specified in the legislative budget~~
14 ~~instructions and in sufficient time to be included in the~~
15 ~~Governor's recommended budget, the judicial branch is required~~
16 ~~to submit a performance based program budget request. The~~
17 ~~Chief Justice of the Supreme Court shall identify and, after~~
18 ~~consultation with the Office of Program Policy Analysis and~~
19 ~~Government Accountability, submit to the President of the~~
20 ~~Senate and the Speaker of the House of Representatives a list~~
21 ~~of proposed programs and associated performance measures. The~~
22 ~~judicial branch shall provide documentation to accompany the~~
23 ~~list of proposed programs and performance measures as provided~~
24 ~~under subsection (4). The judicial branch shall submit a~~
25 ~~performance based program agency budget request using the~~
26 ~~programs and performance measures adopted by the Legislature.~~
27 ~~The Chief Justice may propose revisions to approved programs~~
28 ~~or performance measures for the judicial branch. The~~
29 ~~Legislature shall have final approval of all programs and~~
30 ~~associated performance measures and standards for the judicial~~
31 ~~branch through the General Appropriations Act or legislation~~

1 ~~implementing the General Appropriations Act. By September 15,~~
2 ~~2001, the Chief Justice of the Supreme Court shall submit to~~
3 ~~the President of the Senate and the Speaker of the House of~~
4 ~~Representatives a performance based program budget request for~~
5 ~~programs of the judicial branch approved by the Legislature~~
6 ~~and provide a copy to the Executive Office of the Governor.~~

7 ~~(5)(6)~~ Agencies must maintain a comprehensive
8 performance accountability system and provide a list of
9 performance measures maintained by the agency which are in
10 addition to the measures approved by the Legislature.

11 ~~(6)(7)~~ Annually, by June 30, executive agencies shall
12 submit to the Executive Office of the Governor adjustments to
13 their performance standards based on the amounts appropriated
14 for each program by the Legislature. When such an adjustment
15 is made, all performance standards, including any adjustments
16 made, shall be reviewed and revised as necessary by the
17 Executive Office of the Governor and, upon approval, submitted
18 to the Legislature pursuant to the review and approval process
19 provided in s. 216.177. The Senate and the House of
20 Representatives appropriations committees ~~Senate Committee on~~
21 ~~Fiscal Policy and the House of Representatives Fiscal~~
22 ~~Responsibility Council~~ shall advise Senate substantive
23 committees and House of Representatives substantive
24 committees, respectively, of all adjustments made to
25 performance standards or measures. The Executive Office of the
26 Governor shall maintain ~~both~~ the official record of
27 adjustments to the performance standards ~~as part of the~~
28 ~~agency's approved operating budget and the official~~
29 ~~performance ledger~~. As used in this section, the term
30 "official record" ~~performance ledger~~ means the official
31 compilation of information about state agency

1 performance-based programs and measures, including approved
 2 programs, approved outputs and outcomes, baseline data,
 3 approved standards for each performance measure and any
 4 approved adjustments thereto, as well as actual agency
 5 performance for each measure.

6 ~~(7)(8)~~ As a part of the legislative budget request,
 7 the head of each state agency and the Chief Justice of the
 8 Supreme Court for the judicial branch shall include an
 9 inventory of all litigation in which the agency is involved
 10 that may require additional appropriations to the agency, that
 11 may significantly affect revenues received or anticipated to
 12 be received by the state, or that may require ~~or~~ amendments to
 13 the law under which the agency operates. No later than March 1
 14 following the submission of the legislative budget request,
 15 the head of the state agency and the Chief Justice of the
 16 Supreme Court shall provide an update of any additions or
 17 changes to the inventory. Such inventory shall include
 18 information specified annually in the legislative budget
 19 instructions and, within the discretion of the head of the
 20 state agency or the Chief Justice of the Supreme Court, may
 21 contain only information found in the pleadings.

22 ~~(8)(9)~~ Annually, by June 30, the judicial branch shall
 23 make adjustments to any performance standards for approved
 24 programs based on the amount appropriated for each program,
 25 which shall be submitted to the Legislature pursuant to the
 26 notice and review process provided in s. 216.177. The Senate
 27 and the House of Representatives appropriations committees
 28 ~~Senate Committee on Fiscal Policy and the House Fiscal~~
 29 ~~Responsibility Council~~ shall advise Senate substantive
 30 committees and House substantive committees, respectively, of
 31 all adjustments made to performance standards or measures.

1 ~~(9)~~~~(10)~~ The Executive Office of the Governor shall
2 review the legislative budget request for technical compliance
3 with the budget format provided for in the budget
4 instructions. The Executive Office of the Governor shall
5 notify the agency or the judicial branch of any adjustment
6 required. The agency or judicial branch shall make the
7 appropriate corrections as requested. If the appropriate
8 technical corrections are not made as requested, the Executive
9 Office of the Governor shall adjust the budget request to
10 incorporate the appropriate technical corrections in the
11 format of the request.

12 ~~(10)~~~~(11)~~ At any time after the Governor submits his or
13 her ~~and the Chief Justice submit their~~ recommended budget
14 ~~budgets~~ to the Legislature, the head of the agency or judicial
15 branch may amend his or her request by transmitting to the
16 Governor and the Legislature an amended request in the form
17 and manner prescribed in the legislative budget instructions.

18 ~~(11)~~~~(12)~~ The legislative budget request from each
19 agency and from the judicial branch shall be reviewed by the
20 Legislature. The review may allow for the opportunity to have
21 information or testimony by the agency, the judicial branch,
22 the Auditor General, the Office of Program Policy Analysis and
23 Government Accountability, the Governor's Office of Planning
24 and Budgeting, and the public regarding the proper level of
25 funding for the agency in order to carry out its mission.

26 ~~(12)~~~~(13)~~ In order to ensure an integrated state
27 planning and budgeting process, the agency long-range plan
28 should be reviewed by the Legislature.

29 Section 16. Section 216.031, Florida Statutes, is
30 amended to read:

31

1 216.031 Target budget request.--Either chair of a
 2 legislative appropriations committee, or the Executive Office
 3 of the Governor for state agencies, may require the agency or
 4 the Chief Justice to address major issues separate from those
 5 outlined in s. 216.023, this section, and s. 216.043 for
 6 inclusion in the requests of the agency or of the judicial
 7 branch. The issues shall be submitted to the agency no later
 8 than July 30 of each year and shall be displayed in its
 9 requests as provided in the budget instructions. The Executive
 10 Office of the Governor may request an agency, or the chair of
 11 ~~an the~~ appropriations committee ~~committees~~ of the Senate or
 12 the House of Representatives may request any agency or the
 13 judicial branch, to submit ~~no later than September 30 of each~~
 14 ~~year~~ a budget plan with respect to targets established by the
 15 Governor or either chair. The target budget shall require each
 16 entity to establish an order of priorities for its budget
 17 issues and may include requests for multiple options for the
 18 budget issues. ~~The target budget may also require each entity~~
 19 ~~to submit a program budget or a performance based budget in~~
 20 ~~the format prescribed by the Executive Office of the Governor~~
 21 ~~or either chair; provided, however,~~ The target budget format
 22 shall be compatible with the planning and budgeting system
 23 requirements set out in s. 216.141. Such a request shall not
 24 influence the agencies' or judicial branch's independent
 25 judgment in making legislative budget requests, as required by
 26 law.

27 Section 17. Section 216.052, Florida Statutes, is
 28 amended to read:

29 216.052 Community budget requests; appropriations+
 30 ~~grants~~.--

31

1 (1) A local, county, or regional governmental entity,
2 private organization, or nonprofit organization may submit a
3 request for a state appropriation for a program, service, or
4 capital outlay initiative that is local or regional in scope,
5 is intended to meet a documented need, addresses a statewide
6 interest, is intended to produce measurable results, and has
7 tangible community support to members of the Legislature, a
8 state agency, or the Governor.

9 ~~(2) Each appropriation to a local government, a
10 private organization, or a nonprofit organization made
11 pursuant to a community budget request shall require that the
12 community's support be tangibly demonstrated by evidence that
13 the program or service will operate in a financially sound
14 manner. Any appropriation to a local government, a private
15 organization, or a nonprofit organization made pursuant to
16 this section should require local matching funds. The match
17 must be based on the size and scope of the project and the
18 applicant's ability to provide the match. In addition, the
19 granting of state funds shall be used to encourage the
20 establishment of community based partnerships between the
21 public sector and the private sector.~~

22 ~~(3) Each community budget request submitted pursuant
23 to this section must receive a hearing before a body of duly
24 elected public officials before being submitted for
25 consideration.~~

26 (2)(4) For requests submitted to members of the
27 Legislature, community budget requests shall be submitted in
28 the form and manner prescribed jointly by the President of the
29 Senate and the Speaker of the House of Representatives. If the
30 President of the Senate and the Speaker of the House of
31 Representatives do not agree on a form and manner of

1 submission to be used by both houses, each may prescribe a
2 form and manner of submission to be used in his or her house.

3 (3)~~(5)~~ Community budget requests shall be submitted to
4 the chairs of the legislative appropriations committees in
5 accordance with the schedule established jointly by the
6 President of the Senate and the Speaker of the House of
7 Representatives. If the President of the Senate and the
8 Speaker of the House of Representatives do not agree on a
9 schedule to be used by both houses, each may prescribe a
10 schedule to be used in his or her house.

11 (4)~~(6)~~ The Executive Office of the Governor shall
12 prescribe the form and manner of submission of requests to
13 state agencies and to the Governor.

14 (5)~~(7)~~ The retention of interest earned on state funds
15 or the amount of interest income earned shall be applied
16 against the state entity's obligation to pay the appropriated
17 amount.

18 ~~(8) Whenever possible, a loan must be made in lieu of~~
19 ~~a grant to a local government, a private organization, or a~~
20 ~~nonprofit organization. It is the intent of the Legislature~~
21 ~~that a revolving loan program shall be established so that the~~
22 ~~loan amount plus interest is paid back by the recipient to the~~
23 ~~state.~~

24 ~~(9) Any private or nonprofit organization that is to~~
25 ~~receive funds through a community budget request shall, at the~~
26 ~~time of application for such funds, provide information~~
27 ~~regarding its organization, including a copy of its current~~
28 ~~budget, a list of its board of directors, and, if available, a~~
29 ~~copy of its most recent annual audit report prepared by an~~
30 ~~independent certified public accountant licensed in this~~
31

1 ~~state, including management letters or other documents~~
 2 ~~associated with the audit report.~~

3 Section 18. Subsection (5) of section 216.053, Florida
 4 Statutes, is amended to read:

5 216.053 Summary Information in the General
 6 Appropriations Act; construction of such information.--

7 ~~(5) For programs operating under performance based~~
 8 ~~program budgets, the General Appropriations Act shall contain~~
 9 ~~summary information that covers specific appropriations and~~
 10 ~~summarizes programs and performance.~~

11 Section 19. Section 216.065, Florida Statutes, is
 12 amended to read:

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

29 Section 20. Subsection (3) is added to section
 30 216.081, Florida Statutes, to read:

31

1 216.081 Data on legislative and judicial branch
2 expenses.--

3 (3) If the Governor does not receive timely estimates
4 of the financial needs of the legislative branch, the
5 Governor's recommended budget shall include the amounts
6 appropriated and budget entity structure established in the
7 most recent General Appropriations Act.

8 Section 21. Subsection (1) of section 216.133, Florida
9 Statutes, is amended to read:

10 216.133 Definitions; ss. 216.133-216.137.--As used in
11 ss. 216.133-216.137:

12 (1) "Consensus estimating conference" includes the
13 Economic Estimating Conference, the Demographic Estimating
14 Conference, the Revenue Estimating Conference, the Education
15 Estimating Conference, the Criminal Justice Estimating
16 Conference, ~~the Juvenile Justice Estimating Conference, the~~
17 ~~Child Welfare System Estimating Conference,~~ the Occupational
18 Forecasting Conference, the Early Learning Programs Estimating
19 Conference, the Self-Insurance Estimating Conference, the
20 Florida Retirement System Actuarial Assumption Conference, and
21 the Social Services Estimating Conference.

22 Section 22. Subsections (4) and (5) of section
23 216.134, Florida Statutes, are amended to read:

24 216.134 Consensus estimating conferences; general
25 provisions.--

26 (4) Consensus estimating conferences are within the
27 legislative branch. The membership of each consensus
28 estimating conference consists of principals and participants.

29 (a) A person designated by law as a principal may
30 preside over conference sessions, convene conference sessions,
31 request information, specify topics to be included on the

1 conference agenda, agree or withhold agreement on whether
 2 information is to be official information of the conference,
 3 release official information of the conference, interpret
 4 official information of the conference, and monitor errors in
 5 official information of the conference.

6 (b) A participant is any person who is invited to
 7 participate in the consensus estimating conference by a
 8 principal. A participant shall, at the request of any
 9 principal before or during any session of the conference,
 10 develop alternative forecasts, collect and supply data,
 11 perform analyses, or provide other information needed by the
 12 conference. The conference shall consider information provided
 13 by participants in developing its official information.

14 (5) All sessions and meetings of a consensus
 15 estimating conference shall be open to the public ~~as provided~~
 16 ~~in chapter 286. The President of the Senate and the Speaker of~~
 17 ~~the House of Representatives, jointly, shall be the sole judge~~
 18 ~~for the interpretation, implementation, and enforcement of~~
 19 ~~this subsection.~~

20 Section 23. Subsections (7) through (12) of section
 21 216.136, Florida Statutes, are amended to read:

22 216.136 Consensus Estimating Conferences; duties and
 23 principals.--

24 ~~(7) CHILD WELFARE SYSTEM ESTIMATING CONFERENCE.—~~

25 ~~(a) Duties. The Child Welfare System Estimating~~
 26 ~~Conference shall develop such official information relating to~~
 27 ~~the child welfare system of the state, including forecasts of~~
 28 ~~child welfare caseloads, as the conference determines is~~
 29 ~~needed for the state planning and budgeting system. Such~~
 30 ~~official information may include, but is not limited to:~~

31

1 ~~1. Estimates and projections of the number of initial~~
2 ~~and additional reports of child abuse, abandonment, or neglect~~
3 ~~made to the central abuse hotline maintained by the Department~~
4 ~~of Children and Family Services as established in s.~~
5 ~~39.201(4). Projections may take into account other factors~~
6 ~~that may influence the number of future reports to the abuse~~
7 ~~hotline.~~

8 ~~2. Estimates and projections of the number of children~~
9 ~~who are alleged to be victims of child abuse, abandonment, or~~
10 ~~neglect and are in need of emergency shelter, foster care,~~
11 ~~residential group care, adoptive services, or other~~
12 ~~appropriate care.~~

13
14 ~~In addition, the conference shall develop other official~~
15 ~~information relating to the child welfare system of the state~~
16 ~~which the conference determines is needed for the state~~
17 ~~planning and budgeting system. The Department of Children and~~
18 ~~Family Services shall provide information on the child welfare~~
19 ~~system requested by the Child Welfare System Estimating~~
20 ~~Conference, or individual conference principals, in a timely~~
21 ~~manner.~~

22 ~~(b) Principals. The Executive Office of the Governor,~~
23 ~~the coordinator of the Office of Economic and Demographic~~
24 ~~Research, and professional staff who have forecasting~~
25 ~~expertise from the Department of Children and Family Services,~~
26 ~~the Senate, and the House of Representatives, or their~~
27 ~~designees, are the principals of the Child Welfare System~~
28 ~~Estimating Conference. The principal representing the~~
29 ~~Executive Office of the Governor shall preside over sessions~~
30 ~~of the conference.~~

31 ~~(8) JUVENILE JUSTICE ESTIMATING CONFERENCE.~~

1 ~~(a) Duties. The Juvenile Justice Estimating~~
 2 ~~Conference shall develop such official information relating to~~
 3 ~~the juvenile justice system of the state as is determined by~~
 4 ~~the conference principals to be needed for the state planning~~
 5 ~~and budgeting system. This information shall include, but is~~
 6 ~~not limited to: estimates of juvenile delinquency caseloads~~
 7 ~~and workloads; estimates for secure, nonsecure, and home~~
 8 ~~juvenile detention placements; estimates of workloads in the~~
 9 ~~juvenile sections in the offices of the state attorneys and~~
 10 ~~public defenders; estimates of mental health and substance~~
 11 ~~abuse treatment relating to juveniles; and such other~~
 12 ~~information as is determined by the conference principals to~~
 13 ~~be needed for the state planning and budgeting system.~~

14 ~~(b) Principals. The Executive Office of the Governor,~~
 15 ~~the Office of Economic and Demographic Research, and~~
 16 ~~professional staff who have forecasting expertise from the~~
 17 ~~Department of Juvenile Justice, the Department of Children and~~
 18 ~~Family Services Substance Abuse and Mental Health Program~~
 19 ~~Offices, the Department of Law Enforcement, the Senate~~
 20 ~~Appropriations Committee staff, the House of Representatives~~
 21 ~~Appropriations Committee staff, or their designees, are the~~
 22 ~~principals of the Juvenile Justice Estimating Conference. The~~
 23 ~~responsibility of presiding over sessions of the conference~~
 24 ~~shall be rotated among the principals. To facilitate policy~~
 25 ~~and legislative recommendations, the conference may call upon~~
 26 ~~the appropriate legislative staff.~~

27 ~~(7)(9) WORKFORCE ESTIMATING CONFERENCE.--~~

28 ~~(a) Duties.--~~

29 ~~1. The Workforce Estimating Conference shall develop~~
 30 ~~such official information on the workforce development system~~
 31 ~~planning process as it relates to the personnel needs of~~

1 current, new, and emerging industries as the conference
2 determines is needed by the state planning and budgeting
3 system. Such information, using quantitative and qualitative
4 research methods, must include at least: short-term and
5 long-term forecasts of employment demand for jobs by
6 occupation and industry; entry and average wage forecasts
7 among those occupations; and estimates of the supply of
8 trained and qualified individuals available or potentially
9 available for employment in those occupations, with special
10 focus upon those occupations and industries which require high
11 skills and have high entry wages and experienced wage levels.
12 In the development of workforce estimates, the conference
13 shall use, to the fullest extent possible, local occupational
14 and workforce forecasts and estimates.

15 2. The Workforce Estimating Conference shall review
16 data concerning the local and regional demands for short-term
17 and long-term employment in High-Skills/High-Wage Program
18 jobs, as well as other jobs, which data is generated through
19 surveys conducted as part of the state's Internet-based job
20 matching and labor market information system authorized under
21 s. 445.011. The conference shall consider such data in
22 developing its forecasts for statewide employment demand,
23 including reviewing the local and regional data for common
24 trends and conditions among localities or regions which may
25 warrant inclusion of a particular occupation on the statewide
26 occupational forecasting list developed by the conference.
27 Based upon its review of such survey data, the conference
28 shall also make recommendations semiannually to Workforce
29 Florida, Inc., on additions or deletions to lists of locally
30 targeted occupations approved by Workforce Florida, Inc.

31

1 3. During each legislative session, and at other times
2 if necessary, the Workforce Estimating Conference shall meet
3 as the Workforce Impact Conference for the purpose of
4 determining the effects of legislation related to the state's
5 workforce and economic development efforts introduced prior to
6 and during such legislative session. In addition to the
7 designated principals of the impact conference, nonprincipal
8 participants of the impact conference shall include a
9 representative of the Florida Chamber of Commerce and other
10 interested parties. The impact conference shall use both
11 quantitative and qualitative research methods to determine the
12 impact of introduced legislation related to workforce and
13 economic development issues.

14 4. Notwithstanding subparagraph 3., the Workforce
15 Estimating Conference, for the purposes described in
16 subparagraph 1., shall meet no less than 2 times in a calendar
17 year. The first meeting shall be held in February and the
18 second meeting shall be held in August. Other meetings may be
19 scheduled as needed.

20 (b) Principals.--The Commissioner of Education, the
21 Executive Office of the Governor, the director of the Office
22 of Tourism, Trade, and Economic Development, the director of
23 the Agency for Workforce Innovation, the executive director of
24 the Commission for Independent Education, the Chancellor of
25 the State University System, the chair of Workforce Florida,
26 Inc., the coordinator of the Office of Economic and
27 Demographic Research, or their designees, and professional
28 staff from the Senate and the House of Representatives who
29 have forecasting and substantive expertise, are the principals
30 of the Workforce Estimating Conference. In addition to the
31 designated principals of the conference, nonprincipal

1 participants of the conference shall include a representative
2 of the Florida Chamber of Commerce and other interested
3 parties. The principal representing the Executive Office of
4 the Governor shall preside over the sessions of the
5 conference.

6 (8)~~(10)~~ EARLY LEARNING PROGRAMS ESTIMATING
7 CONFERENCE.--

8 (a) Duties.--

9 1. The Early Learning Programs Estimating Conference
10 shall develop estimates and forecasts of the unduplicated
11 count of children eligible for school readiness programs in
12 accordance with the standards of eligibility established in s.
13 411.01(6), and of children eligible for the Voluntary
14 Prekindergarten Education Program in accordance with s.
15 1002.53(2), as the conference determines are needed to support
16 the state planning, budgeting, and appropriations processes.

17 2. The Agency for Workforce Innovation shall provide
18 information on needs and waiting lists for school readiness
19 programs, and information on the needs for the Voluntary
20 Prekindergarten Education Program, as requested by the Early
21 Learning Programs Estimating Conference or individual
22 conference principals in a timely manner.

23 (b) Principals.--The Executive Office of the Governor,
24 the Director of Economic and Demographic Research, and
25 professional staff who have forecasting expertise from the
26 Agency for Workforce Innovation, the Department of Children
27 and Family Services, the Department of Education, the Senate,
28 and the House of Representatives, or their designees, are the
29 principals of the Early Learning Programs Estimating
30 Conference. The principal representing the Executive Office of
31 the Governor shall preside over sessions of the conference.

1 ~~(9)(11)~~ SELF-INSURANCE ESTIMATING CONFERENCE.--

2 (a) Duties.--The Self-Insurance Estimating Conference
3 shall develop such official information on self-insurance
4 related issues as the conference determines is needed by the
5 state planning and budgeting system.

6 (b) Principals.--The Executive Office of the Governor,
7 the coordinator of the Office of Economic and Demographic
8 Research, and professional staff ~~directors of the committees~~
9 of the Senate and the House of Representatives who have
10 forecasting and substantive experience ~~which have primary~~
11 ~~responsibility for legislation dealing with taxation~~, or their
12 designees, are the principals of the Self-Insurance Estimating
13 Conference. The responsibility of presiding over sessions of
14 the conference shall be rotated among the principals.

15 ~~(10)(12)~~ FLORIDA RETIREMENT SYSTEM ACTUARIAL
16 ASSUMPTION CONFERENCE.--

17 (a) Duties.--The Florida Retirement System Actuarial
18 Assumption Conference shall develop official information with
19 respect to the economic and noneconomic assumptions and
20 funding methods of the Florida Retirement System necessary to
21 perform the system actuarial study undertaken pursuant to s.
22 121.031(3). Such information shall include: an analysis of the
23 actuarial assumptions and actuarial methods used in the study
24 and a determination of whether changes to the assumptions or
25 methods need to be made due to experience changes or revised
26 future forecasts.

27 (b) Principals.--The Executive Office of the Governor,
28 the coordinator of the Office of Economic and Demographic
29 Research, and professional staff of the Senate and House of
30 Representatives who have forecasting and substantive
31 expertise, or their designees, are the principals of the

1 Florida Retirement System Actuarial Assumption Conference. The
2 Executive Office of the Governor shall have the responsibility
3 of presiding over the sessions of the conference. The State
4 Board of Administration and the Division of Retirement shall
5 be participants in the conference.

6 Section 24. Subsection (1) of section 216.162, Florida
7 Statutes, is amended to read:

8 216.162 Governor's recommended budget to be furnished
9 Legislature; copies to members.--

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

20 Section 25. Subsection (2) and paragraph (b) of
21 subsection (4) of section 216.163, Florida Statutes, are
22 amended to read:

23 216.163 Governor's recommended budget; form and
24 content; declaration of collective bargaining impasses.--

25 (2) The Governor's recommended budget shall also
26 include:

27 (a) The Governor's recommendations for operating each
28 state agency, and those of the Chief Justice of the Supreme
29 Court for operating the judicial branch, for the next fiscal
30 year. These recommendations shall be displayed by
31 appropriation category within each budget entity and shall

1 also include the legislative budget request of the
2 corresponding agency. In order to present a balanced budget as
3 required by s. 216.162, the Governor's recommendations for
4 operating appropriations may include an alternative
5 recommendation to that of the Chief Justice.

6 (b)1. The Governor's recommendations and those of the
7 Chief Justice for fixed capital outlay appropriations for the
8 next fiscal year. These recommendations shall be displayed by
9 budget entity and shall also include the legislative budget
10 request of the corresponding agency. In order to present a
11 balanced budget as required by s. 216.162, the Governor's
12 recommendations for fixed capital outlay appropriations may
13 include an alternative recommendation to that of the Chief
14 Justice.

15 2. For each specific fixed capital outlay project or
16 group of projects or operating capital outlay requests
17 recommended to be funded from a proposed state debt or
18 obligation, he or she shall make available pursuant to s.
19 216.164(1)(a) the documents set forth in s. 216.0442(2).

20 (c) The evaluation of the fixed capital outlay request
21 of each agency and the judicial branch and alternatives to the
22 proposed projects as made by the Department of Management
23 Services pursuant to s. 216.044.

24 (d) A summary statement of the amount of
25 appropriations requested by each state agency and as
26 recommended by the Governor and by the judicial branch.

27 (e) A distinct listing of all nonrecurring
28 appropriations recommended by the Governor or the Chief
29 Justice.

30 (f) The Governor's recommendations for high-risk
31 information technology projects which should be subject to

1 monitoring under s. 282.322. These recommendations shall
2 include proviso language which specifies whether funds are
3 specifically provided to contract for project monitoring, or
4 whether the Auditor General will conduct such project
5 monitoring. When funds are recommended for contracting with a
6 project monitor, such funds may equal 1 percent to 5 percent
7 of the project's estimated total costs. These funds shall be
8 specifically appropriated and nonrecurring.

9 (g) Any additional information which the Governor or
10 Chief Justice feels is needed to justify his or her
11 recommendations.

12 (4) The Executive Office of the Governor shall review
13 the findings of the Office of Program Policy Analysis and
14 Government Accountability, to the extent they are available,
15 request any reports or additional analyses as necessary, and
16 submit a recommendation for executive agencies, which may
17 include a recommendation regarding incentives or disincentives
18 for agency performance. Incentives or disincentives may apply
19 to all or part of a state agency. The Chief Justice shall
20 review the findings of the Office of Program Policy Analysis
21 and Government Accountability regarding judicial branch
22 performance and make appropriate recommendations for the
23 judicial branch.

24 (b) Disincentives may include, but are not limited to:

25 1. Mandatory quarterly reports to the Executive Office
26 of the Governor and the Legislature on the agency's progress
27 in meeting performance standards.

28 2. Mandatory quarterly appearances before the
29 Legislature, the Governor, or the Governor and Cabinet to
30 report on the agency's progress in meeting performance
31 standards.

1 3. Elimination or restructuring of the program, which
2 may include, but not be limited to, transfer of the program or
3 outsourcing all or a portion of the program.

4 4. Reduction of total positions for a program.

5 5. Restriction on or reduction of the spending
6 authority provided in s. 216.292(2)(b).

7 6. Reduction of managerial salaries.

8 Section 26. Subsections (1) through (4) of section
9 216.167, Florida Statutes, are amended to read:

10 216.167 Governor's recommendations.--The Governor's
11 recommendations shall include a financial schedule that
12 provides:

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

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

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

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

27 Section 27. Subsection (4) of section 216.168, Florida
28 Statutes, is amended to read:

29 216.168 Governor's amended revenue or budget
30 recommendations; optional and mandatory.--

31

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

12 Section 28. Subsections (2), (3), and (4) of section
13 216.177, Florida Statutes, are amended to read:

14 216.177 Appropriations acts, statement of intent,
15 violation, notice, review and objection procedures.--

16 (2)(a) Whenever notice of action to be taken by the
17 Executive Office of the Governor or the Chief Justice of the
18 Supreme Court is required by this chapter, such notice shall
19 be given to the chair and vice chair of the Legislative Budget
20 Commission in writing, and shall be delivered at least 14 days
21 prior to the action referred to, unless a shorter period is
22 approved in writing by the chair and vice chair. If the action
23 is solely for the release of funds appropriated by the
24 Legislature, the notice shall be delivered at least 3 days
25 before the effective date of the action. Action shall not be
26 taken on any budget item for which this chapter requires
27 notice to the Legislative Budget Commission or the
28 appropriations committees without such notice having been
29 provided, even though there may be good cause for considering
30 such item.

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

21 (c) The House of Representatives and the Senate shall
22 provide by rule that any member of the House of
23 Representatives or Senate may request, in writing, of either
24 the President of the Senate or the Speaker of the House of
25 Representatives to initiate the procedures of paragraph (b).

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

31

1 ~~(4) Notwithstanding the 14 day notice requirements of~~
2 ~~this section, the Department of Children and Family Services~~
3 ~~is required to provide notice of proposed transfers submitted~~
4 ~~pursuant to s. 20.19(5)(b) to the Executive Office of the~~
5 ~~Governor and the chairs of the legislative appropriations~~
6 ~~committees at least 3 working days prior to their~~
7 ~~implementation.~~

8 Section 29. 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 procedures
24 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 department or agency; except for the
 19 Department of Education, which shall be controlled by division
 20 and for the judicial branch, which shall be controlled at the
 21 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 department ~~budget entity~~ is within the approved
4 rate limit for that department ~~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 (d) The salary rate provisions of subsections (8) and
30 (9) and this subsection do not apply to the general office
31 program of the Executive Office of the Governor.

1 (12) There is appropriated nonoperating budget for
2 refunds, payments to the United States Treasury, and payments
3 of the service charge to the General Revenue Fund, ~~and~~
4 ~~transfers of funds specifically required by law~~. Such
5 authorized budget, together with related releases, shall be
6 transmitted by the state agency or by the judicial branch to
7 the Chief Financial Officer for entry in his or her records in
8 the manner and format prescribed by the Executive Office of
9 the Governor in consultation with the Chief Financial Officer.
10 A copy of such authorized budgets shall be furnished to the
11 Executive Office of the Governor or the Chief Justice, the
12 chairs of the legislative committees responsible for
13 developing the general appropriations acts, and the Auditor
14 General. Notwithstanding the duty specified for each state
15 agency in s. 17.61(3), the Governor may withhold approval of
16 nonoperating investment authority for certain trust funds when
17 deemed in the best interest of the state. The Governor for the
18 executive branch, and the Chief Justice for the judicial
19 branch, may establish nonoperating budgets, with the approval
20 of the chairs of the Senate and the House of Representatives
21 appropriations committees, for transfers, purchase of
22 investments, special expenses, distributions, transfers of
23 funds specifically required by law, and any other nonoperating
24 budget categories they deem necessary and in the best interest
25 of the state and consistent with legislative intent and
26 policy. ~~The provisions of this subsection are subject to the~~
27 ~~notice, review, and objection procedures set forth in s.~~
28 ~~216.177.~~ For purposes of this section, the term "nonoperating
29 budgets" means nonoperating disbursement authority for
30 purchase of investments, refunds, payments to the United
31 States Treasury, transfers of funds specifically required by

1 law, distributions of assets held by the state in a trustee
2 capacity as an agent of fiduciary, special expenses, and other
3 nonoperating budget categories, as determined necessary by the
4 Executive Office of the Governor and the chairs of the Senate
5 and the House of Representatives appropriations committees,
6 not otherwise appropriated in the General Appropriations Act.
7 The establishment of nonoperating budget authority shall be
8 deemed approved by a chair of a legislative committee if
9 written notice of the objection is not provided to the
10 Governor or Chief Justice, as appropriate, within 14 days of
11 the chair receiving notice of the action pursuant to the
12 provisions of s. 216.177.

13 (16)(a) Funds provided in any specific appropriation
14 in the General Appropriations Act may be advanced if the
15 General Appropriations Act specifically so provides.

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

1 relating to a particular agency or general laws relating to
2 the expenditure or disbursement of public funds. The Chief
3 Financial Officer may, after consultation with the legislative
4 appropriations committees, advance funds beyond a 3-month
5 requirement if it is determined to be consistent with the
6 intent of the approved operating budget.

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

14 Section 30. Section 216.192, Florida Statutes, is
15 amended to read:

16 216.192 Release of appropriations; revision of
17 budgets.--

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

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

20 (2) Any department under the direct supervision of a
21 member of the Cabinet or of a board consisting of the Governor
22 and members of the Cabinet which contends that the plan for
23 releases of funds appropriated to it is contrary to the
24 approved operating budget shall have the right to have the
25 issue reviewed by the Administration Commission which shall
26 decide such issue by majority vote. ~~The appropriations~~
27 ~~committees of the Legislature may advise the Administration~~
28 ~~Commission on the issue.~~

29 (3) The Executive Office of the Governor shall make
30 releases within the amounts appropriated and as requested for
31 all appropriations to the legislative branch, and the

1 provisions of subsections (1) and (2) shall not apply to the
2 legislative branch.

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

7 ~~(4)(5)~~ The annual plans of releases authorized by this
8 section may be considered by the Revenue Estimating Conference
9 in preparation of the statement of financial outlook.

10 (5) In order to implement directives contained in the
11 General Appropriations Act or to prevent deficits pursuant to
12 s. 216.221, the Executive Office of the Governor for the
13 executive branch and the Chief Justice for the judicial branch
14 may place appropriations in budget reserve or mandatory
15 reserve.

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

19 Section 31. Section 216.195, Florida Statutes, is
20 amended to read:

21 216.195 Impoundment of funds; restricted.--The
22 Executive Office of the Governor, the Chief Justice of the
23 Supreme Court, any member of the Cabinet, or any state agency
24 shall not impound any appropriation except as necessary to
25 avoid or eliminate a deficit pursuant to the provisions of s.
26 216.221. As used in this section, the term "impoundment" means
27 the omission of any appropriation or part of an appropriation
28 in the approved operating plan prepared pursuant to s. 216.181
29 or in the schedule of releases prepared pursuant to s. 216.192
30 or the failure of any state agency or the judicial branch to
31 spend an appropriation for the stated purposes authorized in

1 the approved operating budget. ~~The provisions of this section~~
2 ~~are subject to the notice and review procedures of s. 216.177.~~

3 The Governor or either house of the Legislature may seek
4 judicial review of any action or proposed action which
5 violates ~~the provisions of~~ this section.

6 Section 32. Subsections (2), (3), (5), (7), (9), and
7 (10) of section 216.221, Florida Statutes, are amended to
8 read:

9 216.221 Appropriations as maximum appropriations;
10 adjustment of budgets to avoid or eliminate deficits.--

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

15 (3) For purposes of preventing a deficit in the
16 General Revenue Fund, all branches and agencies of government
17 ~~that receive General Revenue Fund appropriations~~ shall
18 participate in deficit reduction efforts. Absent specific
19 legislative ~~direction in the General Appropriations Act~~, when
20 budget reductions are required in order to prevent a deficit
21 under the provisions of subsection (7), each branch shall
22 reduce its General Revenue Fund appropriations by a
23 proportional amount.

24 (5)(a) If, in the opinion of the Governor, after
25 consultation with the Revenue Estimating Conference, a deficit
26 will occur in the General Revenue Fund, he or she shall so
27 certify to the commission and to the Chief Justice of the
28 Supreme Court. No more than 30 days after certifying that a
29 deficit will occur in the General Revenue Fund, the Governor
30 shall develop for the executive branch, and the Chief Justice
31 of the Supreme Court shall develop for the judicial branch,

1 and provide to the commission and to the Legislature plans of
2 action to eliminate the deficit.

3 (b) If, in the opinion of the President of the Senate
4 and the Speaker of the House of Representatives, after
5 consultation with the Revenue Estimating Conference, a deficit
6 will occur in the General Revenue Fund and the Governor has
7 not certified the deficit, the President of the Senate and the
8 Speaker of the House of Representatives shall so certify.
9 Within 30 days after such certification, the Governor shall
10 develop for the executive branch and the Chief Justice of the
11 Supreme Court shall develop for the judicial branch and
12 provide to the commission and to the Legislature plans of
13 action to eliminate the deficit.

14 ~~(c)(b)~~ In developing a plan of action to prevent
15 deficits in accordance with subsection (7), the Governor and
16 Chief Justice shall, to the extent possible, preserve
17 legislative policy and intent, and, absent any specific
18 direction to the contrary in the General Appropriations Act,
19 the Governor and Chief Justice shall comply with the following
20 guidelines for reductions in the approved operating budgets of
21 the executive branch and the judicial branch:

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

24 ~~1.2.~~ Education budgets should not be reduced more than
25 provided for in s. 215.16(2).

26 ~~2.3.~~ The use of nonrecurring funds to solve recurring
27 deficits should be minimized.

28 ~~3.4.~~ Newly created programs that are not fully
29 implemented and programs with critical audits, evaluations,
30 and reviews should receive first consideration for reductions.

31

1 ~~4.5.~~ No agencies or branches of government receiving
2 appropriations should be exempt from reductions.

3 ~~5.6.~~ When reductions in positions are required, the
4 focus should be initially on vacant positions.

5 ~~7.~~ ~~Any reductions applied to all agencies and branches~~
6 ~~should be uniformly applied.~~

7 ~~6.8.~~ Reductions that would cause substantial losses of
8 federal funds should be minimized.

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

11 ~~7.10.~~ Reductions to statewide programs should occur
12 only after review of programs that provide only local
13 benefits.

14 ~~8.11.~~ Reductions in administrative and support
15 functions should be considered before reductions in
16 direct-support services.

17 ~~9.12.~~ Maximum reductions should be considered in
18 budgets for expenses including travel and in budgets for
19 equipment replacement, outside consultants, and contracts.

20 ~~10.13.~~ Reductions in salaries for elected state
21 officials should be considered.

22 ~~11.14.~~ Reductions that adversely affect the public
23 health, safety, and welfare should be minimized.

24 ~~12.15.~~ The Budget Stabilization Fund should not be
25 reduced to a level that would impair the financial stability
26 of this state.

27 ~~13.16.~~ Reductions in programs that are traditionally
28 funded by the private sector and that may be assumed by
29 private enterprise should be considered.

30

31

1 ~~14.17-~~ Reductions in programs that are duplicated
2 among state agencies or branches of government should be
3 considered.

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

23 (9) If, in the opinion of the Chief Financial Officer,
24 after consultation with the Revenue Estimating Conference, a
25 deficit will occur, he or she shall report his or her opinion
26 to the Governor, the President of the Senate, and the Speaker
27 of the House of Representatives in writing. In the event the
28 Governor does not certify a deficit, or the President of the
29 Senate and the Speaker of the House of Representatives do not
30 certify a deficit within 10 days after the Chief Financial
31 Officer's report, the Chief Financial Officer shall report his

1 or her findings and opinion to the commission and the Chief
2 Justice of the Supreme Court.

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

21 Section 33. Subsection (2) of section 216.231, Florida
22 Statutes, is amended to read:

23 216.231 Release of certain classified
24 appropriations.--

25 (2) The release of appropriated funds classified as
26 "deficiency" shall be approved only when a General Revenue
27 Fund appropriation for operations of a state agency or of the
28 judicial branch is inadequate because the workload or cost of
29 the operation exceeds that anticipated by the Legislature and
30 a determination has been made by the Governor ~~commission~~ that
31 the deficiency will result in an impairment of the activities

1 of an agency or of the judicial branch to the extent that the
 2 agency is unable to carry out its program as provided by the
 3 Legislature in the general appropriations acts. These funds
 4 may not be used for creation of any new agency or program, for
 5 increases of salary, or for the construction or equipping of
 6 additional buildings.

7 Section 34. Subsections (3), (6), and (11) of section
 8 216.235, Florida Statutes, are amended to read:

9 216.235 Innovation Investment Program.--

10 (3) For purposes of this section:

11 (a) "Agency" means an official, officer, commission,
 12 authority, council, committee, department, division, bureau,
 13 board, section, or other unit or entity of the executive
 14 branch.

15 ~~(b) "Commission" means the Information Resource~~
 16 ~~Commission.~~

17 ~~(b)(c)~~ "Committee" means the State Innovation
 18 Committee.

19 ~~(c)(d)~~ "Office" means the Office of Tourism, Trade,
 20 and Economic Development within the Executive Office of the
 21 Governor.

22 ~~(d)(e)~~ "Review board" means a nonpartisan board
 23 composed of private citizens and public employees who evaluate
 24 the projects and make funding recommendations to the
 25 committee.

26 (6) Any agency developing an innovative investment
 27 project proposal that involves information technology
 28 resources may consult with and seek technical assistance from
 29 the State Technology Office ~~commission~~. The office shall
 30 consult with the State Technology Office ~~commission~~ for any
 31 project proposal that involves information resource

1 technology. The State Technology Office ~~commission~~ is
2 responsible for evaluating these projects and for advising the
3 committee and review board of the technical feasibility and
4 any transferable benefits of the proposed technology. In
5 addition to the requirements of subsection (5), the agencies
6 shall provide to the State Technology Office ~~commission~~ any
7 information requested by the State Technology Office
8 ~~commission~~ to aid in determining that the proposed technology
9 is appropriate for the project's success.

10 (11) Funds appropriated for the Innovation Investment
11 Program shall be distributed by the Executive Office of the
12 Governor subject to notice, review, and objection procedures
13 set forth in s. 216.177. The office may transfer funds from
14 the annual appropriation as necessary to administer the
15 program. Proposals considered but not funded by the
16 Legislature as part of an agency legislative budget request or
17 the Governor's budget recommendation are not eligible to
18 receive funding under the Innovation Investment Program.

19 Section 35. Section 216.241, Florida Statutes, is
20 amended to read:

21 216.241 Initiation or commencement of new programs;
22 approval; expenditure of certain revenues.--

23 (1) A state agency or the judicial branch may not
24 initiate or commence any new program, including any new
25 federal program or initiative, or make changes in its current
26 programs, as provided for in the appropriations act, that
27 require additional financing unless funds have been
28 specifically appropriated by the Legislature or unless the
29 Legislative Budget Commission ~~or the Chief Justice of the~~
30 ~~Supreme Court~~ expressly approves such new program or changes.
31 ~~The commission and the Chief Justice shall give notice as~~

1 ~~provided in s. 216.177 prior to approving such new program or~~
 2 ~~changes.~~

3 (2) ~~No~~ Changes that ~~which~~ are inconsistent with the
 4 approved ~~operating~~ budget may not shall be made to existing
 5 programs unless such changes are recommended to the
 6 Legislative Budget Commission by the Governor or the Chief
 7 Justice and the Legislative Budget Commission expressly
 8 approves such program changes. ~~The provisions of This~~
 9 subsection is ~~are~~ subject to the notice, review, and objection
 10 procedures set forth in s. 216.177.

11 (3) Any revenues generated by any tax or fee imposed
 12 by amendment to the State Constitution after October 1, 1999,
 13 shall not be expended by any agency, as defined in s.
 14 120.52(1), except pursuant to appropriation by the
 15 Legislature.

16 Section 36. 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 and the Board of

31

1 Governors Board of Regents for those positions in the State
2 University System.

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

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

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

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

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

19 2. When the Division of Risk Management of the
20 Department of Financial Services has determined that an
21 employee is entitled to receive a temporary partial disability
22 benefit or a temporary total disability benefit pursuant to
23 the provisions of s. 440.15 and there is medical certification
24 that the employee cannot perform the duties of the employee's
25 regular position, but the employee can perform some type of
26 work beneficial to the agency, the agency may return the
27 employee to the payroll, at his or her regular rate of pay, to
28 perform such duties as the employee is capable of performing,
29 even if there is not an established position in which the
30 employee can be placed. Nothing in this subparagraph shall
31 abrogate an employee's rights under chapter 440 or chapter

1 447, nor shall it adversely affect the retirement credit of a
 2 member of the Florida Retirement System in the membership
 3 class he or she was in at the time of, and during, the
 4 member's disability.

5 Section 37. Paragraphs (a) and (c) of subsection (1)
 6 of section 216.262, Florida Statutes, are amended to read:

7 216.262 Authorized positions.--

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

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

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

25 3. To satisfy new federal regulations or changes
 26 therein. ;

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

30

1 5. To authorize positions ~~that~~ which were not fixed by
2 the Legislature through error in drafting the appropriations
3 acts.

4
5 Actions recommended pursuant to ~~The provisions of this~~
6 paragraph are subject to approval by the Legislative Budget
7 Commission. ~~the notice and review procedures set forth in s.~~
8 ~~216.177. A copy of the application,~~ The certification, and the
9 final authorization shall be provided to ~~filed with~~ the
10 Legislative Budget Commission, the appropriations committees,
11 and ~~with~~ the Auditor General.

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

26 2. The Chief Justice of the Supreme Court shall have
27 the authority to establish procedures for the judicial branch
28 to add and delete authorized positions or transfer authorized
29 positions from one budget entity to another budget entity, and
30 to add and delete authorized positions within the same budget
31 entity, when such changes are consistent with legislative

1 policy and intent and do not conflict with spending policies
2 specified in the General Appropriations Act.

3 ~~3.a. A state agency may be eligible to retain salary~~
4 ~~dollars for authorized positions eliminated after July 1,~~
5 ~~2001. The agency must certify the eliminated positions to the~~
6 ~~Legislative Budgeting Commission.~~

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

12 Section 38. Section 216.292, Florida Statutes, is
13 amended to read:

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

16 216.292 Appropriations nontransferable; exceptions.--

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

27 (b)1. Authorized revisions of the original approved
28 operating budget, together with related changes in the plan
29 for release of appropriations, if any, shall be transmitted by
30 the state agency or by the judicial branch to the Executive
31 Office of the Governor or the Chief Justice, respectively, the

1 chairs of the Senate and the House of Representatives
2 appropriations committees, the Office of Program Policy
3 Analysis and Government Accountability, and the Auditor
4 General. Such authorized revisions shall be consistent with
5 the intent of the approved operating budget, shall be
6 consistent with legislative policy and intent, and may not
7 conflict with specific spending policies specified in the
8 General Appropriations Act.

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

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

22 (2) The following transfers are authorized to be made
23 by the head of each department or the Chief Justice of the
24 Supreme Court whenever it is deemed necessary by reason of
25 changed conditions:

26 (a) The transfer of appropriations funded from
27 identical funding sources, except appropriations for fixed
28 capital outlay, and the transfer of amounts included within
29 the total original approved budget and plans of releases of
30 appropriations as furnished pursuant to ss. 216.181 and
31 216.192, as follows:

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

6 2. Between budget entities within identical categories
7 of appropriations, if no category of appropriation is
8 increased or decreased by more than 5 percent of the original
9 approved budget or \$250,000, whichever is greater, by all
10 action taken under this subsection.

11 3. Any agency exceeding salary rate established
12 pursuant to s. 216.181(8) on June 30th of any fiscal year
13 shall not be authorized to make transfers pursuant to
14 subparagraphs 1. and 2. in the subsequent fiscal year.

15 4. Notice of proposed transfers under subparagraphs 1.
16 and 2. shall be provided to the Executive Office of the
17 Governor and the chairs of the legislative appropriations
18 committees at least 3 days prior to agency implementation in
19 order to provide an opportunity for review. The review shall
20 be limited to ensuring that the transfer is in compliance with
21 the requirements of this paragraph.

22 (b) After providing notice at least 5 working days
23 prior to implementation:

24 1. The transfer of funds within programs identified in
25 the General Appropriations Act from identical funding sources
26 between the following appropriation categories without
27 limitation so long as such a transfer does not result in an
28 increase, to the total recurring general revenue or trust fund
29 cost of the agency or entity of the judicial branch in the
30 subsequent fiscal year: other personal services, expenses,
31 operating capital outlay, food products, state attorney and

1 public defender operations, data processing services,
2 operating and maintenance of patrol vehicles, overtime
3 payments, salary incentive payments, compensation to retired
4 judges, law libraries, and juror and witness payments.

5 2. The transfer of funds and positions from identical
6 funding sources between salaries and benefits appropriation
7 categories within programs identified in the General
8 Appropriations Act. Such transfers must be consistent with
9 legislative policy and intent and may not adversely affect
10 achievement of approved performance outcomes or outputs in any
11 program.

12 (c) The transfer of funds appropriated to accounts
13 established for disbursement purposes upon release of such
14 appropriation upon request of a department and approval by the
15 Chief Financial Officer. Such transfer may only be made to the
16 same appropriation category and the same funding source from
17 which the funds are transferred.

18 (d) The transfer of funds by the Executive Office of
19 the Governor from appropriations for public school operations
20 to a fixed capital outlay appropriation for class size
21 reduction based on recommendations of the Florida Education
22 Finance Program Appropriation Allocation Conference or the
23 Legislative Budget Commission pursuant to s. 1003.03(4)(a).
24 Actions by the Governor under this subsection are subject to
25 the notice and review provisions of s. 216.177.

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 that
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 39. 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 for the executive branch and the Chief Justice for the
9 judicial branch shall review and approve or disapprove,
10 consistent with criteria jointly developed by the Executive
11 Office of the Governor and the legislative appropriations
12 committees, the continuation of such unexpended balances. The
13 Executive Office of the Governor shall, no later than February
14 20 of each year, furnish the Chief Financial Officer, the
15 legislative appropriations committees, and the Auditor General
16 a report listing in detail the items and amounts reverting
17 under the authority of this subsection, including the fund to
18 which reverted and the agency affected.

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

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

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

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

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

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

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

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

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

5 Section 40. Effective July 1, 2006, subsection (1) of
6 section 216.301, Florida Statutes, as amended by this act, 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 September 30 ~~December 31~~ of the same
30 calendar year in which such certification was made shall
31 revert to the fund from which appropriated, except as provided

1 in subsection (3), and shall be available for reappropriation
2 by the Legislature. In the event such certification is not
3 made and an obligation is proven to be legal, due, and unpaid,
4 then the obligation shall be paid and charged to the
5 appropriation for the current fiscal year of the state agency
6 or the legislative or judicial 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 Section 41. Subsection (3) of section 218.60, Florida
29 Statutes, is amended to read:

30 218.60 Definitions.--
31

1 ~~(3) All estimates of moneys provided pursuant to this~~
2 ~~part utilized by participating units of local government in~~
3 ~~the first year of participation shall be equal to 95 percent~~
4 ~~of those projections made by the revenue estimating conference~~
5 ~~and provided to local governments by the Office of Economic~~
6 ~~and Demographic Research, in consultation with the Department~~
7 ~~of Revenue.~~

8 Section 42. Subsection (2) of section 252.37, Florida
9 Statutes, is amended to read:

10 252.37 Financing.--

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

25 Section 43. Subsection (3) of section 265.55, Florida
26 Statutes, is amended to read:

27 265.55 Claims.--

28 (3) The authorization for payment delineated in
29 subsection (2) shall be forwarded to the Chief Financial
30 Officer. The Chief Financial Officer shall take appropriate
31 action to execute authorized payment of the claim from

1 unobligated, unappropriated moneys in the General Revenue
 2 ~~Working Capital~~ Fund, as defined in s. 215.32.

3 Section 44. Subsection (5) of section 288.7091,
 4 Florida Statutes, is amended to read:

5 288.7091 Duties of the Florida Black Business
 6 Investment Board, Inc.--The Florida Black Business Investment
 7 Board, Inc., shall:

8 (5) Include in the criteria for loan decisions,
 9 occupational forecasting results set forth in s. 216.136(7)
 10 ~~(9)~~ which target high growth jobs;

11 Section 45. Subsection (5) of section 320.20, Florida
 12 Statutes, is amended to read:

13 320.20 Disposition of license tax moneys.--The revenue
 14 derived from the registration of motor vehicles, including any
 15 delinquent fees and excluding those revenues collected and
 16 distributed under the provisions of s. 320.081, must be
 17 distributed monthly, as collected, as follows:

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

21 (b) The Chief Financial Officer each month shall
 22 deposit in the State Transportation Trust Fund an amount,
 23 drawn from other funds in the State Treasury which are not
 24 immediately needed or are otherwise in excess of the amount
 25 necessary to meet the requirements of the State Treasury,
 26 which when added to such remaining revenues each month will
 27 equal one-twelfth of the amount of the anticipated annual
 28 revenues to be deposited in the State Transportation Trust
 29 Fund under paragraph (a) as determined by the Chief Financial
 30 Officer after consultation with the ~~estimated by the most~~
 31 ~~recent~~ revenue estimating conference held pursuant to s.

1 216.136(3). The transfers required hereunder may be suspended
2 by action of the Legislative Budget Commission in the event of
3 a significant shortfall of state revenues.

4 (c) In any month in which the remaining revenues
5 derived from the registration of motor vehicles exceed
6 one-twelfth of those anticipated annual remaining revenues as
7 determined by the Chief Financial Officer after consultation
8 with the revenue estimating conference, the excess shall be
9 credited to those state funds in the State Treasury from which
10 the amount was originally drawn, up to the amount which was
11 deposited in the State Transportation Trust Fund under
12 paragraph (b). A final adjustment must be made in the last
13 months of a fiscal year so that the total revenue deposited in
14 the State Transportation Trust Fund each year equals the
15 amount derived from the registration of motor vehicles, less
16 the amount distributed under subsection (1). For the purposes
17 of this paragraph and paragraph (b), the term "remaining
18 revenues" means all revenues deposited into the State
19 Transportation Trust Fund under paragraph (a) and subsections
20 (2) and (3). In order that interest earnings continue to
21 accrue to the General Revenue Fund, the Department of
22 Transportation may not invest an amount equal to the
23 cumulative amount of funds deposited in the State
24 Transportation Trust Fund under paragraph (b) less funds
25 credited under this paragraph as computed on a monthly basis.
26 The amounts to be credited under this and the preceding
27 paragraph must be calculated and certified to the Chief
28 Financial Officer by the Executive Office of the Governor.

29 Section 46. Section 337.023, Florida Statutes, is
30 amended to read:
31

1 337.023 Sale of building; acceptance of replacement
2 building.--Notwithstanding the provisions of s.
3 216.292(2)(b)2.~~(4)(b)~~, if the department sells a building,
4 the department may accept the construction of a replacement
5 building, in response to a request for proposals, totally or
6 partially in lieu of cash, and may do so without a specific
7 legislative appropriation. Such action is subject to the
8 approval of the Executive Office of the Governor, and is
9 subject to the notice, review, and objection procedures under
10 s. 216.177. The replacement building shall be consistent with
11 the current and projected needs of the department as agreed
12 upon by the department and the Department of Management
13 Services.

14 Section 47. Paragraph (a) of subsection (2),
15 paragraphs (c) and (f) of subsection (6), and subsection (7)
16 of section 339.135, Florida Statutes, 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. Prior to the submission of the
3 tentative work program pursuant to s. 339.135(4)(f), the
4 department may amend its legislative budget request and the
5 tentative work program for ~~based on~~ the most recent estimating
6 conference estimate of revenues and the most recent federal
7 aid apportionments.

8 (6) EXECUTION OF THE BUDGET.--

9 (c) Notwithstanding the provisions of ss.
10 216.301~~(2)~~~~(3)~~ and 216.351, any unexpended balance remaining at
11 the end of the fiscal year in the appropriations to the
12 department for special categories; aid to local governments;
13 lump sums for project phases which are part of the adopted
14 work program, and for which contracts have been executed or
15 bids have been let; and for right-of-way land acquisition and
16 relocation assistance for parcels from project phases in the
17 adopted work program for which appraisals have been completed
18 and approved, may be certified forward as fixed capital outlay
19 at the end of each fiscal year, to be certified by the head of
20 the state agency on or before August 1 of each year to the
21 Executive Office of the Governor, showing in detail the
22 commitment or to whom obligated and the amount of such
23 commitment or obligation. On or before September 1 of each
24 year, the Executive Office of the Governor shall review and
25 approve or disapprove, consistent with legislative policy and
26 intent, any or all of the items and amounts certified by the
27 head of the state agency and shall furnish the Chief Financial
28 Officer, the legislative appropriations committees, and the
29 Auditor General a detailed listing of the items and amounts
30 approved as legal encumbrances against the undisbursed
31 balances of such appropriations. In the event such

1 certification is not made and the balance of the appropriation
2 has reverted and the obligation is proven to be legal, due,
3 and unpaid, then the same shall be presented to the
4 Legislature for its consideration. Such certification as
5 herein required shall be in the form and on the date approved
6 by the Executive Office of the Governor ~~under the provisions~~
7 ~~of s. 216.301(2)(a).~~ Any project phases in the adopted work
8 program not certified forward ~~under the provisions of s.~~
9 ~~216.301(2)(a)~~ shall be available for roll forward for the next
10 fiscal year of the adopted work program. Spending authority
11 associated with such project phases may be rolled forward to
12 the next fiscal year upon approval by the Legislative Budget
13 Commission pursuant to paragraph (f). Increases in spending
14 authority shall be limited to amounts of unexpended balances
15 by appropriation category. Any project phase certified forward
16 for which bids have been let but subsequently rejected shall
17 be available for roll forward in the adopted work program for
18 the next fiscal year. Spending authority associated with such
19 project phases may be rolled forward into the current year
20 from funds certified forward ~~pursuant to paragraph (f).~~ The
21 amount certified forward may include contingency allowances
22 for right-of-way acquisition and relocation, asphalt and
23 petroleum product escalation clauses, and contract overages,
24 which allowances shall be separately identified in the
25 certification detail. Right-of-way acquisition and relocation
26 and contract overages contingency allowances shall be based on
27 documented historical patterns. These contingency amounts
28 shall be incorporated in the certification for each specific
29 category, but when a category has an excess and another
30 category has a deficiency, the Executive Office of the
31

1 Governor is authorized to transfer the excess to the deficient
2 account.

3 ~~(f) Notwithstanding the provisions of ss. 216.181(1),~~
4 ~~216.292, and 216.351, the Executive Office of the Governor may~~
5 ~~amend that portion of the department's original approved fixed~~
6 ~~capital outlay budget which comprises the work program~~
7 ~~pursuant to subsection (7). Increase in spending authority in~~
8 ~~paragraph (c) shall be limited to amounts of unexpended~~
9 ~~balances by appropriation category.~~

10 (7) AMENDMENT OF THE ADOPTED WORK PROGRAM.--

11 (a) Notwithstanding the provisions of ss. ~~216.181(1),~~
12 ~~216.292,~~ and 216.351, the adopted work program may be amended
13 only pursuant to the provisions of this subsection.

14 (b) The department may not transfer any funds for any
15 project or project phase between department districts.
16 However, a district secretary may agree to a loan of funds to
17 another district, if:

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

20 2. The loan agreement is executed in writing and is
21 signed by the district secretaries of the respective
22 districts;

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

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

28
29 The loan constitutes an amendment to the adopted work program
30 and is subject to the procedures specified in paragraph (b)

31 ~~(c)~~ .

1 (c) The department may amend the adopted work program
2 to transfer fixed capital outlay appropriations for projects
3 within the same appropriations category or between
4 appropriations categories, including ~~department, except that~~
5 the following amendments which shall be subject to the
6 procedures in paragraph (d):

7 1. Any amendment which deletes any project or project
8 phase;

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

11 3. Any amendment which advances or defers to another
12 fiscal year, a right-of-way phase, a construction phase, or a
13 public transportation project phase estimated to cost over
14 \$500,000 in funds appropriated by the Legislature, except an
15 amendment advancing or deferring a phase for a period of 90
16 days or less; or

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

22 (d)1. Whenever the department proposes any amendment
23 to the adopted work program, which amendment is defined in
24 subparagraph (c)1., subparagraph (c)2., subparagraph (c)3., or
25 subparagraph (c)4., it shall submit the proposed amendment to
26 the Governor for approval and shall immediately notify the
27 chairs of the legislative appropriations committees, the
28 chairs of the legislative transportation committees, each
29 member of the Legislature who represents a district affected
30 by the proposed amendment, each metropolitan planning
31 organization affected by the proposed amendment, and each unit

1 of local government affected by the proposed amendment. Such
2 proposed amendment shall provide a complete justification of
3 the need for the proposed amendment.

4 2. The Governor shall not approve a proposed amendment
5 until 14 days following the notification required in
6 subparagraph 1.

7 3. If either of the chairs of the legislative
8 appropriations committees or the President of the Senate or
9 the Speaker of the House of Representatives objects in writing
10 to a proposed amendment within 14 days following notification
11 and specifies the reasons for such objection, the Governor
12 shall disapprove the proposed amendment ~~or shall submit the~~
13 ~~proposed amendment to the Administration Commission. The~~
14 ~~proposed amendment may be approved by the Administration~~
15 ~~Commission by a two thirds vote of the members present with~~
16 ~~the Governor voting in the affirmative. In the absence of~~
17 ~~approval by the commission, the proposed amendment shall be~~
18 ~~automatically disapproved.~~

19 (e) Notwithstanding the requirements in paragraphs
20 ~~paragraph~~ (d) and (g) and ss. 216.177(2) and 216.351, the
21 secretary may request the Executive Office of the Governor to
22 amend the adopted work program when an emergency exists, as
23 defined in s. 252.34(3), and the emergency relates to the
24 repair or rehabilitation of any state transportation facility.
25 The Executive Office of the Governor may approve the amendment
26 to the adopted work program and amend that portion of the
27 department's approved budget in the event that the delay
28 incident to the notification requirements in paragraph (d)
29 would be detrimental to the interests of the state. However,
30 the department shall immediately notify the parties specified
31 in paragraph (d) and shall provide such parties written

1 justification for the emergency action within 7 days of the
2 approval by the Executive Office of the Governor of the
3 amendment to the adopted work program and the department's
4 budget. In no event may the adopted work program be amended
5 under the provisions of this subsection without the
6 certification by the comptroller of the department that there
7 are sufficient funds available pursuant to the 36-month cash
8 forecast and applicable statutes.

9 (f) The department may authorize the investment of the
10 earnings accrued and collected upon the investment of the
11 minimum balance of funds required to be maintained in the
12 State Transportation Trust Fund pursuant to paragraph (b).
13 Such investment shall be limited as provided in s.
14 288.9607(7).

15 (g) Any work program amendment which also requires the
16 transfer of fixed capital outlay appropriations between
17 categories within the department or the increase of an
18 appropriation category is subject to the approval of the
19 Legislative Budget Commission. If a meeting of the Legislative
20 Budget Commission cannot be held within 30 days of the
21 department submitting an amendment to the Legislative Budget
22 Commission, then the chair and vice chair of the Legislative
23 Budget Commission may authorize such amendment to be approved
24 pursuant to the provisions of s. 216.177.

25 Section 48. Subsection (2) of section 373.6065,
26 Florida Statutes, is amended to read:

27 373.6065 Adoption benefits for water management
28 district employees.--

29 (2) The Chief Financial Officer and the Department of
30 Management Services shall transfer funds to water management
31 districts to pay eligible water management district employees

1 for these child adoption monetary benefits in accordance with
2 s. 215.32(2)(c)5.~~(1)(c)5.~~, as long as funds remain available
3 for the program described under s. 110.152.

4 Section 49. 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 50. Subsection (3) of section 392.69, Florida
4 Statutes, is amended to read:

5 392.69 Appropriation, sinking, and maintenance trust
6 funds; additional powers of the department.--

7 (3) In the execution of its public health program
8 functions, notwithstanding s. 216.292(2)(b)2.(4)(b), the
9 department is hereby authorized to use any sums of money which
10 it may heretofore have saved or which it may hereafter save
11 from its regular operating appropriation, or use any sums of
12 money acquired by gift or grant, or any sums of money it may
13 acquire by the issuance of revenue certificates of the
14 hospital to match or supplement any state or federal funds, or
15 any moneys received by said department by gift or otherwise,
16 for the construction or maintenance of additional facilities
17 or improvement to existing facilities, as the department deems
18 necessary.

19 Section 51. Subsection (5) of section 409.906, Florida
20 Statutes, is amended to read:

21 409.906 Optional Medicaid services.--Subject to
22 specific appropriations, the agency may make payments for
23 services which are optional to the state under Title XIX of
24 the Social Security Act and are furnished by Medicaid
25 providers to recipients who are determined to be eligible on
26 the dates on which the services were provided. Any optional
27 service that is provided shall be provided only when medically
28 necessary and in accordance with state and federal law.
29 Optional services rendered by providers in mobile units to
30 Medicaid recipients may be restricted or prohibited by the
31 agency. Nothing in this section shall be construed to prevent

1 or limit the agency from adjusting fees, reimbursement rates,
2 lengths of stay, number of visits, or number of services, or
3 making any other adjustments necessary to comply with the
4 availability of moneys and any limitations or directions
5 provided for in the General Appropriations Act or chapter 216.
6 If necessary to safeguard the state's systems of providing
7 services to elderly and disabled persons and subject to the
8 notice and review provisions of s. 216.177, the Governor may
9 direct the Agency for Health Care Administration to amend the
10 Medicaid state plan to delete the optional Medicaid service
11 known as "Intermediate Care Facilities for the Developmentally
12 Disabled." Optional services may include:

13 (5) CASE MANAGEMENT SERVICES.--The agency may pay for
14 primary care case management services rendered to a recipient
15 pursuant to a federally approved waiver, and targeted case
16 management services for specific groups of targeted
17 recipients, for which funding has been provided and which are
18 rendered pursuant to federal guidelines. The agency is
19 authorized to limit reimbursement for targeted case management
20 services in order to comply with any limitations or directions
21 provided for in the General Appropriations Act.

22 ~~Notwithstanding s. 216.292, the Department of Children and~~
23 ~~Family Services may transfer general funds to the Agency for~~
24 ~~Health Care Administration to fund state match requirements~~
25 ~~exceeding the amount specified in the General Appropriations~~
26 ~~Act for targeted case management services.~~

27 Section 52. Subsection (11) of section 409.912,
28 Florida Statutes, is amended to read:

29 409.912 Cost-effective purchasing of health care.--The
30 agency shall purchase goods and services for Medicaid
31 recipients in the most cost-effective manner consistent with

1 the delivery of quality medical care. To ensure that medical
2 services are effectively utilized, the agency may, in any
3 case, require a confirmation or second physician's opinion of
4 the correct diagnosis for purposes of authorizing future
5 services under the Medicaid program. This section does not
6 restrict access to emergency services or poststabilization
7 care services as defined in 42 C.F.R. part 438.114. Such
8 confirmation or second opinion shall be rendered in a manner
9 approved by the agency. The agency shall maximize the use of
10 prepaid per capita and prepaid aggregate fixed-sum basis
11 services when appropriate and other alternative service
12 delivery and reimbursement methodologies, including
13 competitive bidding pursuant to s. 287.057, designed to
14 facilitate the cost-effective purchase of a case-managed
15 continuum of care. The agency shall also require providers to
16 minimize the exposure of recipients to the need for acute
17 inpatient, custodial, and other institutional care and the
18 inappropriate or unnecessary use of high-cost services. The
19 agency may mandate prior authorization, drug therapy
20 management, or disease management participation for certain
21 populations of Medicaid beneficiaries, certain drug classes,
22 or particular drugs to prevent fraud, abuse, overuse, and
23 possible dangerous drug interactions. The Pharmaceutical and
24 Therapeutics Committee shall make recommendations to the
25 agency on drugs for which prior authorization is required. The
26 agency shall inform the Pharmaceutical and Therapeutics
27 Committee of its decisions regarding drugs subject to prior
28 authorization. The agency is authorized to limit the entities
29 it contracts with or enrolls as Medicaid providers by
30 developing a provider network through provider credentialing.
31 The agency may limit its network based on the assessment of

1 beneficiary access to care, provider availability, provider
2 quality standards, time and distance standards for access to
3 care, the cultural competence of the provider network,
4 demographic characteristics of Medicaid beneficiaries,
5 practice and provider-to-beneficiary standards, appointment
6 wait times, beneficiary use of services, provider turnover,
7 provider profiling, provider licensure history, previous
8 program integrity investigations and findings, peer review,
9 provider Medicaid policy and billing compliance records,
10 clinical and medical record audits, and other factors.
11 Providers shall not be entitled to enrollment in the Medicaid
12 provider network. The agency is authorized to seek federal
13 waivers necessary to implement this policy.

14 (11) The agency, after notifying the Legislature, may
15 apply for waivers of applicable federal laws and regulations
16 as necessary to implement more appropriate systems of health
17 care for Medicaid recipients and reduce the cost of the
18 Medicaid program to the state and federal governments and
19 shall implement such programs, after legislative approval,
20 within a reasonable period of time after federal approval.
21 These programs must be designed primarily to reduce the need
22 for inpatient care, custodial care and other long-term or
23 institutional care, and other high-cost services.

24 ~~(a)~~ Prior to seeking legislative approval of such a
25 waiver as authorized by this subsection, the agency shall
26 provide notice and an opportunity for public comment. Notice
27 shall be provided to all persons who have made requests of the
28 agency for advance notice and shall be published in the
29 Florida Administrative Weekly not less than 28 days prior to
30 the intended action.

31

1 ~~(b) Notwithstanding s. 216.292, funds that are~~
2 ~~appropriated to the Department of Elderly Affairs for the~~
3 ~~Assisted Living for the Elderly Medicaid waiver and are not~~
4 ~~expended shall be transferred to the agency to fund~~
5 ~~Medicaid reimbursed nursing home care.~~

6 Section 53. Section 409.16745, Florida Statutes, is
7 amended to read:

8 409.16745 Community partnership matching grant
9 program.--It is the intent of the Legislature to improve
10 services and local participation in community-based care
11 initiatives by fostering community support and providing
12 enhanced prevention and in-home services, thereby reducing the
13 risk otherwise faced by lead agencies. There is established a
14 community partnership matching grant program to be operated by
15 the Department of Children and Family Services for the purpose
16 of encouraging local participation in community-based care for
17 child welfare. Any children's services council or other local
18 government entity that makes a financial commitment to a
19 community-based care lead agency is eligible for a grant upon
20 proof that the children's services council or local government
21 entity has provided the selected lead agency at least \$250,000
22 from any local resources otherwise available to it. The total
23 amount of local contribution may be matched on a two-for-one
24 basis up to a maximum amount of \$2 million per council or
25 local government entity. Awarded matching grant funds may be
26 used for any prevention or in-home services provided by the
27 children's services council or other local government entity
28 that meets temporary-assistance-for-needy-families'
29 eligibility requirements and can be reasonably expected to
30 reduce the number of children entering the child welfare
31 system. ~~To ensure necessary flexibility for the development,~~

1 ~~start up, and ongoing operation of community based care~~
2 ~~initiatives, the notice period required for any budget action~~
3 ~~authorized by the provisions of s. 20.19(5)(b), is waived for~~
4 ~~the family safety program; however, the Department of Children~~
5 ~~and Family Services must provide copies of all such actions to~~
6 ~~the Executive Office of the Governor and Legislature within 72~~
7 ~~hours of their occurrence.~~ Funding available for the matching
8 grant program is subject to legislative appropriation of
9 nonrecurring funds provided for the purpose.

10 Section 54. Subsection (2) of section 468.392, Florida
11 Statutes, is amended to read:

12 468.392 Auctioneer Recovery Fund.--There is created
13 the Auctioneer Recovery Fund as a separate account in the
14 Professional Regulation Trust Fund. The fund shall be
15 administered by the Florida Board of Auctioneers.

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

23 Section 55. Subsection (6) of section 475.484, Florida
24 Statutes, is amended to read:

25 475.484 Payment from the fund.--

26 (6) All payments and disbursements from the Real
27 Estate Recovery Fund shall be made by the Chief Financial
28 Officer upon a voucher signed by the secretary of the
29 department. ~~Amounts transferred to the Real Estate Recovery~~
30 ~~Fund shall not be subject to any limitation imposed by an~~
31 ~~appropriation act of the Legislature.~~

1 Section 56. Paragraph (b) of subsection (7) of section
2 631.141, Florida Statutes, is amended to read:

3 631.141 Conduct of delinquency proceeding; domestic
4 and alien insurers.--

5 (7)

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

19 Section 57. Paragraph (b) of subsection (9) of section
20 921.001, Florida Statutes, is amended to read:

21 921.001 Sentencing Commission and sentencing
22 guidelines generally.--

23 (9)

24 (b) On or after January 1, 1994, any legislation
25 which:

- 26 1. Creates a felony offense;
- 27 2. Enhances a misdemeanor offense to a felony offense;
- 28 3. Moves a felony offense from a lesser offense
29 severity level to a higher offense severity level in the
30 offense severity ranking chart in s. 921.0012; or

31

1 4. Reclassifies an existing felony offense to a
2 greater felony classification
3
4 must provide that such a change result in a net zero sum
5 impact in the overall prison population, as determined by the
6 Legislature, considering the most recent estimates of the
7 Criminal Justice Estimating Conference, unless the legislation
8 contains a funding source sufficient in its base or rate to
9 accommodate such change or a provision which specifically
10 abrogates the application of this paragraph.

11 Section 58. Subsection (3) of section 943.61, Florida
12 Statutes, is amended to read:

13 943.61 Powers and duties of the Capitol Police.--

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

23 Section 59. Paragraph (a) of subsection (4) of section
24 1003.03, Florida Statutes, is amended to read:

25 1003.03 Maximum class size.--

26 (4) ACCOUNTABILITY.--

27 (a) Beginning in the 2003-2004 fiscal year, if the
28 department determines for any year that a school district has
29 not reduced average class size as required in subsection (2)
30 at the time of the third FEFP calculation, the department
31 shall calculate an amount from the class size reduction

1 operating categorical which is proportionate to the amount of
2 class size reduction not accomplished. Upon verification of
3 the department's calculation by the Florida Education Finance
4 Program Appropriation Allocation Conference, the Executive
5 Office of the Governor shall transfer undistributed funds
6 equivalent to the calculated amount from the district's class
7 size reduction operating categorical to an approved fixed
8 capital outlay appropriation for class size reduction in the
9 affected district pursuant to s. 216.292(2)(d)~~(13)~~. The amount
10 of funds transferred shall be the lesser of the amount
11 verified by the Florida Education Finance Program
12 Appropriation Allocation Conference or the undistributed
13 balance of the district's class size reduction operating
14 categorical. However, based upon a recommendation by the
15 Commissioner of Education that the State Board of Education
16 has reviewed evidence indicating that a district has been
17 unable to meet class size reduction requirements despite
18 appropriate effort to do so, the Legislative Budget Commission
19 may approve an alternative amount of funds to be transferred
20 from the district's class size reduction operating categorical
21 to its approved fixed capital outlay account for class size
22 reduction.

23 Section 60. Paragraph (a) of subsection (1) of section
24 1009.536, Florida Statutes, is amended to read:

25 1009.536 Florida Gold Seal Vocational Scholars
26 award.--The Florida Gold Seal Vocational Scholars award is
27 created within the Florida Bright Futures Scholarship Program
28 to recognize and reward academic achievement and career
29 preparation by high school students who wish to continue their
30 education.

31

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

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

17 Section 61. Subsection (2) of section 1013.512,
18 Florida Statutes, is amended to read:

19 1013.512 Land Acquisition and Facilities Advisory
20 Board.--

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

1 school district ~~funds will be placed~~ in reserve until the
2 deficiencies are corrected.

3 Section 62. Any undisbursed appropriations made from
4 the Working Capital Fund, previously created in section
5 215.32, Florida Statutes, are reappropriated from unallocated
6 moneys in the General Revenue Fund; any appropriations made to
7 the Working Capital Fund are reappropriated to the General
8 Revenue Fund; and any references to the Working Capital Fund
9 in SB 2600 or SB 2602, or similar legislation, shall be
10 replaced with "the General Revenue Fund." It is the intent of
11 the Legislature that the provisions of this section control in
12 the event SB 2600 or SB 2602, or other similar legislation,
13 are enacted subsequently during the 2005 Regular Session. This
14 section expires July 1, 2006.

15 Section 63. Sections 216.1825, 216.183, and 288.1234,
16 Florida Statutes, are repealed.

17 Section 64. Except as otherwise provided herein, this
18 act shall take effect July 1, 2005.

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