

By Senator Hays

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A bill to be entitled
An act relating to repealing budget provisions;
amending s. 216.023, F.S.; deleting certain budget
summary requirements; repealing s. 339.1371, F.S.,
relating to Mobility 2000 funding; amending ss.
216.013 and 489.145, F.S.; conforming cross-
references; providing an effective date.

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

Section 1. Subsection (4) of section 216.023, Florida
Statutes, is amended to read:

216.023 Legislative budget requests to be furnished to
Legislature by agencies.—

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

(a)1. The constitutional or statutory authority for a
program, a brief purpose statement, and approved program
components.

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

(c)3. Details on trust funds and fees.

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

(e)5. An issue narrative describing and justifying changes
in amounts and positions requested for current and proposed
programs for the next fiscal year.

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30 (f)~~6~~. Information resource requests.

31 (g)~~7~~. Supporting information, including applicable cost-
32 benefit analyses, business case analyses, performance
33 contracting procedures, service comparisons, and impacts on
34 performance standards for any request to outsource or privatize
35 agency functions. The cost-benefit and business case analyses
36 must include an assessment of the impact on each affected
37 activity ~~from those identified in accordance with paragraph (b)~~.
38 Performance standards must include standards for each affected
39 activity and be expressed in terms of the associated unit of
40 activity.

41 (h)~~8~~. An evaluation of any major outsourcing and
42 privatization initiatives undertaken during the last 5 fiscal
43 years having aggregate expenditures exceeding \$10 million during
44 the term of the contract. The evaluation shall include an
45 assessment of contractor performance, a comparison of
46 anticipated service levels to actual service levels, and a
47 comparison of estimated savings to actual savings achieved.
48 Consolidated reports issued by the Department of Management
49 Services may be used to satisfy this requirement.

50 (i)~~9~~. Supporting information for any proposed consolidated
51 financing of deferred-payment commodity contracts including
52 guaranteed energy performance savings contracts. Supporting
53 information must also include narrative describing and
54 justifying the need, baseline for current costs, estimated cost
55 savings, projected equipment purchases, estimated contract
56 costs, and return on investment calculation.

57 (j)~~10~~. For projects that exceed \$10 million in total cost,
58 the statutory reference of the existing policy or the proposed

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59 substantive policy that establishes and defines the project's
60 governance structure, planned scope, main business objectives
61 that must be achieved, and estimated completion timeframes.
62 Information technology budget requests for the continuance of
63 existing hardware and software maintenance agreements, renewal
64 of existing software licensing agreements, or the replacement of
65 desktop units with new technology that is similar to the
66 technology currently in use are exempt from this requirement.

67 ~~(b) It is the intent of the Legislature that total~~
68 ~~accountability measures, including unit cost data, serve not~~
69 ~~only as a budgeting tool but also as a policymaking tool and an~~
70 ~~accountability tool. Therefore, each state agency and the~~
71 ~~judicial branch must submit a summary of information for the~~
72 ~~preceding year in accordance with the legislative budget~~
73 ~~instructions. Each summary must provide a one-page overview and~~
74 ~~must contain:~~

- 75 1. ~~The final budget for the agency and the judicial branch.~~
- 76 2. ~~Total funds from the General Appropriations Act.~~
- 77 3. ~~Adjustments to the General Appropriations Act.~~
- 78 4. ~~The line-item listings of all activities.~~
- 79 5. ~~The number of activity units performed or accomplished.~~
- 80 6. ~~Total expenditures for each activity, including amounts~~
81 ~~paid to contractors and subordinate entities. Expenditures~~
82 ~~related to administrative activities not aligned with output~~
83 ~~measures must consistently be allocated to activities with~~
84 ~~output measures prior to computing unit costs.~~
- 85 7. ~~The cost per unit for each activity, including the costs~~
86 ~~allocated to contractors and subordinate entities.~~
- 87 8. ~~The total amount of reversions and pass-through~~

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88 ~~expenditures omitted from unit cost calculations.~~

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90 ~~At the regular session immediately following the submission of~~
91 ~~the agency unit cost summary, the Legislature shall reduce in~~
92 ~~the General Appropriations Act for the ensuing fiscal year, by~~
93 ~~an amount equal to at least 10 percent of the allocation for the~~
94 ~~fiscal year preceding the current fiscal year, the funding of~~
95 ~~each state agency that fails to submit the report required under~~
96 ~~this paragraph.~~

97 Section 2. Section 339.1371, Florida Statutes, is repealed.

98 Section 3. Paragraph (h) of subsection (1) of section
99 216.013, Florida Statutes, is amended to read:

100 216.013 Long-range program plan.—State agencies and the
101 judicial branch shall develop long-range program plans to
102 achieve state goals using an interagency planning process that
103 includes the development of integrated agency program service
104 outcomes. The plans shall be policy based, priority driven,
105 accountable, and developed through careful examination and
106 justification of all agency and judicial branch programs.

107 (1) Long-range program plans shall provide the framework
108 for the development of budget requests and shall identify or
109 update:

110 (h) Legislatively approved output and outcome performance
111 measures. ~~Each performance measure must identify the associated~~
112 ~~activity contributing to the measure from those identified in~~
113 ~~accordance with s. 216.023(4)(b).~~

114 Section 4. Paragraph (a) of subsection (6) of section
115 489.145, Florida Statutes, is amended to read:

116 489.145 Guaranteed energy, water, and wastewater

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117 performance savings contracting.—

118 (6) PROGRAM ADMINISTRATION AND CONTRACT REVIEW.—The
119 Department of Management Services, with the assistance of the
120 Office of the Chief Financial Officer, shall, within available
121 resources, provide technical content assistance to state
122 agencies contracting for energy, water, and wastewater
123 efficiency and conservation measures and engage in other
124 activities considered appropriate by the department for
125 promoting and facilitating guaranteed energy, water, and
126 wastewater performance contracting by state agencies. The
127 Department of Management Services shall review the investment-
128 grade audit for each proposed project and certify that the cost
129 savings are appropriate and sufficient for the term of the
130 contract. The Office of the Chief Financial Officer, with the
131 assistance of the Department of Management Services, shall,
132 within available resources, develop model contractual and
133 related documents for use by state agencies. Prior to entering
134 into a guaranteed energy, water, and wastewater performance
135 savings contract, any contract or lease for third-party
136 financing, or any combination of such contracts, a state agency
137 shall submit such proposed contract or lease to the Office of
138 the Chief Financial Officer for review and approval. A proposed
139 contract or lease shall include:

140 (a) Supporting information required by s. 216.023(4)(i) ~~s.~~
141 ~~216.023(4)(a)9.~~ in ss. 287.063(5) and 287.064(11). For contracts
142 approved under this section, the criteria may, at a minimum,
143 include the specification of a benchmark cost of capital and
144 minimum real rate of return on energy, water, or wastewater
145 savings against which proposals shall be evaluated.

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147 The Office of the Chief Financial Officer shall not approve any
148 contract submitted under this section from a state agency that
149 does not meet the requirements of this section.

150 Section 5. This act shall take effect July 1, 2011.