

Committee Substitute for Senate Bill No. 832

An act relating to public business and financial matters; amending s. 216.011, F.S.; defining the terms “disincentive,” “incentive,” “performance-based program appropriation,” and “performance ledger” for purposes of budgeting and state fiscal affairs; amending s. 216.0166, F.S.; revising guidelines and requirements for state agencies in submitting performance-based budget requests, programs, and performance measures; amending s. 216.0172, F.S.; revising the schedule for submission of performance-based program budget legislative budget requests; amending s. 216.0235, F.S.; requiring that additional information be included in program budget instructions; amending s. 216.031, F.S.; revising information to be contained in legislative budget requests; amending s. 216.163, F.S.; prescribing additional incentives and disincentives that may be included in the Governor’s recommended budget; amending s. 216.167, F.S.; requiring that the Governor’s recommendations include a financial schedule that provides information on revenues in the Budget Stabilization Fund; amending s. 216.178, F.S.; providing a date for the final budget report; amending s. 216.292, F.S.; providing an exception to nontransferable appropriations; amending 186.022, F.S.; revising requirements for state agency strategic plans; amending s. 121.051, F.S.; conforming a cross-reference to changes made by the act; amending s. 215.32, F.S.; including the Budget Stabilization Fund in the list of funds in which state moneys are deposited; amending s. 216.221, F.S.; providing legislative intent for use of the Budget Stabilization Fund; amending s. 20.055, F.S.; requiring inspectors general to review and assess the validity of performance measures prior to submission to the Executive Office of the Governor; amending s. 252.37, F.S.; providing legislative intent regarding the order of recourse in use of state funds for emergencies; repealing s. 186.021(5), F.S., relating to state agency strategic plans; repealing s. 212.081(3), F.S., relating to legislative intent; amending s. 186.021, F.S.; providing that certain information resources management projects are not required in agency strategic plans; amending s. 216.181, F.S.; providing that certain information resource management projects are not subject to the mandatory notice and review requirements for amendments to agencies’ original approved operating budgets; amending s. 186.022, F.S.; providing that certain coordinating councils and boards are required to develop annual performance reports; amending s. 282.3063, F.S.; modifying the date for submission of the Agency Annual Information Resources Management Report; amending s. 282.310, F.S.; modifying the date by which the State Annual Report on Information Resources Management must be developed; requiring the inclusion of specified information within the report; amending s. 282.3091, F.S.; authorizing members of the State Technology Council to appoint designees to serve on their behalf; amending s. 282.322, F.S.; requiring the submission of quarterly reports for information resource projects desig-

nated for special monitoring; providing an additional recipient of project monitors' final reports; amending s. 282.404, F.S.; removing the chair of the Geographic Information Advisory Council as an ex officio member of the Geographic Information Board; requiring the chair to attend all meetings of the Geographic Information Board on behalf of the council; revising duties of the Geographic Information Board; providing that the board shall serve as coordinator for census activities; amending s. 215.96, F.S.; providing a technical correction; providing an effective date.

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

Section 1. Subsection (1) of section 216.011, Florida Statutes, is amended to read:

216.011 Definitions.—

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

(a) “Annual salary rate” means the salary estimated to be paid or actually paid a position or positions on an annualized basis. In calculating salary rate, a vacant position shall be calculated at the minimum of the pay grade for that position.

(b) “Appropriation” means a legal authorization to make expenditures for specific purposes within the amounts authorized in the appropriations act.

(c) “Appropriations act” means the authorization of the Legislature, based upon legislative budgets or based upon legislative findings of the necessity for an authorization when no legislative budget is filed, for the expenditure of amounts of money by an agency, the judicial branch, and the legislative branch for stated purposes in the performance of the functions it is authorized by law to perform.

(d) “Authorized position” means a position included in an approved budget. In counting the number of authorized positions, part-time positions shall be converted to full-time equivalents.

(e) “Budget entity” means a unit or function at the lowest level to which funds are specifically appropriated in the appropriations act.

(f) “Consultation” means to deliberate and seek advice in an open and forthright manner with the full committee, a subcommittee thereof, the chair, or the staff as deemed appropriate by the chair of the respective appropriations committee.

(g) “Continuing appropriation” means an appropriation automatically renewed without further legislative action, period after period, until altered or revoked by the Legislature.

(h) “Data processing services” means electronic data processing services provided by or to state agencies or the judicial branch, which services in-

clude, but are not limited to, systems design, software development, or time-sharing by other governmental units or budget entities.

(i) “Disbursement” means the payment of an expenditure.

(j) “Disincentive” means a sanction as described in s. 216.163.

(k)(j) “Established position” means an authorized position which has been classified in accordance with a classification and pay plan as provided by law.

(l)(k) “Expenditure” means the creation or incurring of a legal obligation to disburse money.

(m)(l) “Expense” means the usual, ordinary, and incidental expenditures by an agency or the judicial branch, including, but not limited to, such items as contractual services, commodities, and supplies of a consumable nature, current obligations, and fixed charges, and excluding expenditures classified as operating capital outlay. Payments to other funds or local, state, or federal agencies are included in this budget classification of expenditures.

(n)(m) “Fiscal year of the state” means a period of time beginning July 1 and ending on the following June 30, both dates inclusive.

(o)(n) “Fixed capital outlay” means real property (land, buildings, including appurtenances, fixtures and fixed equipment, structures, etc.), including additions, replacements, major repairs, and renovations to real property which materially extend its useful life or materially improve or change its functional use and including furniture and equipment necessary to furnish and operate a new or improved facility, when appropriated by the Legislature in the fixed capital outlay appropriation category.

(p)(o) “Full-time position” means a position authorized for the entire normally established work period, daily, weekly, monthly, or annually.

(q)(p) “Grants and aids” means contributions to units of governments or nonprofit organizations to be used for one or more specified purposes, activities, or facilities. Funds appropriated under this category may be advanced.

(r) “Incentive” means a mechanism, as described in s. 216.163, for recognizing the achievement of performance standards or for motivating performance that exceeds performance standards.

(s)(q) “Independent judgment” means an evaluation of actual needs made separately and apart from the legislative budget request of any other agency or of the judicial branch, or any assessments by the Governor. Such evaluation shall not be limited by revenue estimates of the Revenue Estimating Conference.

(t)(r) “Judicial branch” means all officers, employees, and offices of the Supreme Court, district courts of appeal, circuit courts, county courts, and the Judicial Qualifications Commission.

(u)~~(s)~~ “Legislative branch” means the various officers, committees, and other units of the legislative branch of state government.

(v)~~(t)~~ “Legislative budget” means a request to the Legislature, filed pursuant to s. 216.023, or supplemental detailed requests filed with the Legislature, for the amounts of money such agency or branch believes will be needed in the performance of the functions that it is authorized, or which it is requesting authorization by law, to perform.

(w)~~(u)~~ “Lump-sum appropriation” means funds appropriated to accomplish a specific activity or project which must be transferred to one or more appropriation categories for expenditure.

(x)~~(v)~~ “Operating capital outlay” means equipment, fixtures, and other tangible personal property of a nonconsumable and nonexpendable nature, the value or cost of which is \$500 or more and the normal expected life of which is 1 year or more, and hardback-covered bound books that are circulated to students or the general public, the value or cost of which is \$25 or more, and hardback-covered bound books, the value or cost of which is \$100 or more.

(y)~~(w)~~ “Original approved budget” means the approved plan of operation of an agency or of the judicial branch consistent with the General Appropriations Act or special appropriations acts.

(z)~~(x)~~ “Other personal services” means the compensation for services rendered by a person who is not a regular or full-time employee filling an established position. This definition includes, but is not limited to, services of temporary employees, student or graduate assistants, persons on fellowships, part-time academic employees, board members, and consultants and other services specifically budgeted by each agency, or by the judicial branch, in this category.

1. In distinguishing between payments to be made from salaries appropriations and other-personal-services appropriations, those persons filling established positions shall be paid from salaries appropriations and those persons performing services for a state agency or for the judicial branch, but who are not filling established positions, shall be paid from other-personal-services appropriations.

2. It is further intended that those persons paid from salaries appropriations shall be state officers or employees and shall be eligible for membership in a state retirement system and those paid from other-personal-services appropriations shall not be eligible for such membership.

(aa)~~(y)~~ “Part-time position” means a position authorized for less than the entire normally established work period, daily, weekly, monthly, or annually.

(bb)~~(z)~~ “Pay plan” means a document which formally describes the philosophy, methods, procedures, and salary schedule for compensating employees for work performed.

(cc)~~(aa)~~ “Perquisites” means those things, or the use thereof, or services of a kind which confer on the officers or employees receiving same some benefit that is in the nature of additional compensation, or which reduces to some extent the normal personal expenses of the officer or employee receiving the same, and shall include, but not be limited to, such things as quarters, subsistence, utilities, laundry services, medical service, use of state-owned vehicles for other than state purposes, servants paid by the state, and other similar things.

(dd)~~(bb)~~ “Position” means the work, consisting of duties and responsibilities, assigned to be performed by an officer or employee.

(ee)~~(cc)~~ “Position number” means the identification number assigned to an established position.

(ff)~~(dd)~~ “Program component” means an aggregation of generally related objectives which, because of their special character, related workload, and interrelated output, can logically be considered an entity for purposes of organization, management, accounting, reporting, and budgeting.

(gg)~~(ee)~~ “Proviso” means language that qualifies or restricts a specific appropriation and which can be logically and directly related to the specific appropriation.

(hh)~~(ff)~~ “Reclassification” means changing an established position in one class in a series to the next higher or lower class in the same series or to a class in a different series which is the result of a natural change in the duties and responsibilities of the position.

(ii)~~(gg)~~ “Revolving fund” means a cash fund maintained within or outside of the State Treasury and established from an appropriation, to be used by an agency or the judicial branch in making authorized expenditures.

(jj)~~(hh)~~ “Salary” means the cash compensation for services rendered for a specific period of time.

(kk)~~(ii)~~ “Salary schedule” means an official document which contains a complete list of classes and their assigned salary ranges.

(ll)~~(jj)~~ “Special category” means amounts appropriated for a specific need or classification of expenditures.

(mm)~~(kk)~~ “State agency” or “agency” means any official, officer, commission, board, authority, council, committee, or department of the executive branch of state government. For purposes of this chapter and chapter 215, “state agency” or “agency” includes state attorneys, public defenders, the Capital Collateral Representative, and the Justice Administrative Commission.

(nn)~~(ll)~~ “State revenue sharing” means statutory or constitutional distributions to local units of government.

(oo)~~(mm)~~ “Title of position,” or “class of positions” means the official name assigned to a position or class of positions.

~~(pp)(nn)~~ “Grants and Aids to Local Governments and Nonprofit Organizations-Fixed Capital Outlay” means that appropriation category which includes:

1. Grants to local units of governments and nonprofit organizations for the acquisition of real property (land, buildings, including appurtenances, fixtures and fixed equipment, structures, etc.); additions, replacements, major repairs, and renovations to real property which materially extend its useful life or materially improve or change its functional use; and operating capital outlay necessary to furnish and operate a new or improved facility; and

2. Grants to local units of government for their respective infrastructure and growth management needs related to local government comprehensive plans.

Funds appropriated under this category may be advanced in part or in whole.

~~(qq)(oo)~~ “Baseline data” means indicators of a state agency’s current performance level, pursuant to guidelines established by the Executive Office of the Governor, in consultation with legislative appropriations and appropriate substantive committees.

~~(rr)(pp)~~ “Outcome” means an indicator of the actual impact or public benefit of a program.

~~(ss)(qq)~~ “Output” means the actual service or product delivered by a state agency.

~~(tt)(rr)~~ “Performance-based program budget” means a budget that incorporates approved programs and performance measures.

~~(uu)(ss)~~ “Performance measure” means a quantitative or qualitative indicator used to assess state agency performance.

~~(vv)(tt)~~ “Program” means a set of activities undertaken in accordance with a plan of action organized to realize identifiable goals and objectives based on legislative authorization.

~~(ww)(uu)~~ “Standard” means the level of performance of an outcome or output.

(xx) “Performance-based program appropriation” means funds appropriated for a specific set of activities or classification of expenditure within an approved performance-based program.

(yy) “Performance ledger” means the official compilation of information about state agency performance-based programs and measures, including approved programs, approved outputs and outcomes, baseline data, approved standards for each performance measure and any approved adjustments thereto, as well as actual agency performance for each measure.

Section 2. Section 216.0166, Florida Statutes, is amended to read:

216.0166 Submission by state agencies of performance-based budget requests, programs, and performance measures.—

(1) Prior to ~~September 1~~ October 15 of the fiscal year prior to in which a state agency is required to submit a performance-based program budget request pursuant to s. 216.0172, such state agency shall identify and submit to the Executive Office of the Governor a list of proposed state agency programs and performance measures. The agency may also provide a list of statutes or rules affecting its performance which may be addressed as incentives or disincentives for the performance-based program budget. The list should be accompanied by recommended legislation to implement the requested changes for potential incentives. Such identification shall be conducted after discussion with legislative appropriations and appropriate substantive committees and shall be approved by the Executive Office of the Governor. ~~State agencies selected by the Governor pursuant to s. 216.0172(1) shall submit such lists prior to May 15, 1994.~~ The Executive Office of the Governor, after discussion with legislative appropriations and appropriate substantive committees and the Office of Program Policy Analysis and Government Accountability, shall review the list of programs and performance measures, may make any changes or require the agency to resubmit the list, and shall make a final recommendation of programs and associated performance measures to the Legislature approve or disapprove a list within ~~60~~ 30 days after of receipt, to be used in the preparation and submission of the state agency's final legislative budget request pursuant to s. 216.023(5). The Executive Office of the Governor may also recommend legislation to implement any or all of the proposed incentives. Agencies continuing under performance-based program budgeting may provide as part of their legislative budget request a list of statutes or rules affecting their program performance which may be addressed as incentives or disincentives for the performance-based program budget. The Executive Office of the Governor shall provide the approved program list to the Legislature.

(2) The following documentation shall accompany the list of proposed programs and measures submitted by the state agency:

(a) The constitutional or statutory direction and authority for each program.

(b) Identification of the customers, clients, and users of each program.

(c) The purpose of each program or the benefit derived by the customers, clients, and users of the program.

(d) Direct and indirect costs of each program.

~~(e) Information on fees collected and the adequacy of those fees in funding each program for which the fees are collected.~~

~~(e)(f)~~ (f) An assessment of whether each program is conducive to performance-based program budgeting.

(f)(g) An assessment of the time needed to develop meaningful performance measures for each program.

(g) Any proposed legislation necessary to implement the incentives or disincentives requested pursuant to this subsection.

(h) A comparison of the agency's existing budget structure to the proposed budget structure.

(i) A description of the use of performance measures in agency decision-making, agency actions to allocate funds and manage programs, and the agency strategic plan.

~~(3) The Executive Office of the Governor, after discussion with legislative appropriations committees, appropriate substantive committees, and the Legislative Auditing Committee, shall jointly develop instructions for the development of performance measures for each program on the list approved pursuant to this section and shall submit such instructions to the state agencies prior to December 1 of the fiscal year preceding the year in which a state agency is required to submit a performance-based program budget request pursuant to s. 216.0172.~~

~~(4) Prior to June 1, each state agency is required to submit to the executive Office of the Governor performance measures for each program on the approved list required pursuant to subsection (1). State agencies shall also identify~~

~~(j) The outputs produced by each proposed approved program, the outcomes resulting from each proposed approved program, and baseline data associated with each performance measure. Agencies must submit documentation for each output and outcome measure which explains the validity, reliability, and appropriateness of each performance measure. Such documentation must be prepared by the agency in consultation with its inspector general. Performance measures shall be reviewed, after discussion with legislative appropriations and appropriate substantive committees and the Office of Program Policy Analysis and Government Accountability, revised as necessary, and approved or disapproved by the Executive Office of the Governor within 30 days of receipt. For those state agencies selected by the Governor pursuant to s. 216.0172(1), performance measures, outputs, outcomes, and baseline data shall be submitted prior to July 1, 1994.~~

~~(3)(5) The agency shall submit a performance-based program legislative budget request pursuant to s. 216.0172, using the programs and performance measures adopted by the Legislature, or, if none are adopted, those recommended by the Executive Office of the Governor. Notwithstanding the programs, performance measures, and standards requested in each state agency's final legislative budget request or the Governor's budget recommendations, the Legislature shall have final approval of all programs, performance measures, and standards through the General Appropriations Act or legislation implementing the General Appropriations Act.~~

~~(6) Each state agency shall submit documentation to the Executive Office of the Governor regarding the validity, reliability, and appropriateness of~~

~~each performance measure. In addition, each state agency shall indicate how the performance measure relates to its strategic plan and how it is used in management decisionmaking and other agency processes.~~

(4)(7) Annually, no later than 45 days after the General Appropriations Act becomes law, state agencies may submit to the Executive Office of the Governor any adjustments to their performance standards based on the amounts appropriated for each program by the Legislature. When such adjustment is made, all performance standards, including any adjustments made, shall be submitted to and reviewed and revised as necessary by the Executive Office of the Governor, and, upon approval, submitted to the Legislature pursuant to the review and approval process provided in s. 216.177. The Executive Office of the Governor shall maintain both the official record of adjustments to the performance standards as part of the agency's approved operating budget and the official performance ledger.

(5)(8) A state agency operating under a performance-based program budget pursuant to s. 216.0172 shall not have the authority to amend ~~ap~~proved ~~or establish~~ programs or performance measures. However, a state agency may propose revisions ~~a revision to the list of approved programs or performance measures used in its legislative budget request.~~ Such revisions ~~are~~ revision is subject to review and approval by the Executive Office of the Governor and the Legislature and shall be submitted to the Executive Office of the Governor prior to February 1 ~~April 15~~ of the year in which the state agency proposes ~~intends~~ to incorporate these changes into its legislative budget request. The submission must include the documentation required by s. 216.0166(2), where applicable. The Executive Office of the Governor shall ~~have 30 days to review act on~~ the proposed revisions and make a recommendation to the Legislature. All approved revisions must ~~Revised performance measures, standards, and baseline data shall be submitted along with the~~ agency's preliminary legislative budget request. Any new programs or performance measures proposed by the agency must be submitted pursuant to s. 216.0166(1) and must include the documentation required by s. 216.0166(2), where applicable.

Section 3. Section 216.0172, Florida Statutes, is amended to read:

216.0172 Schedule for submission of performance-based program budgets.—In order to implement the provisions of chapter 94-249, Laws of Florida, state agencies shall submit performance-based program budget ~~legislative budget requests~~ budgets for programs approved pursuant to s. 216.0166 to the Executive Office of the Governor and the Legislature based on the following schedule:

(1) By September 1, 1994, for the 1995-1996 fiscal year, two state agencies selected by the Governor, subject to the review and approval process pursuant to s. 216.177.

(2) By September 1, 1995, for the 1996-1997 fiscal year:

(a) Department of Education (Community Colleges).

- (b) Department of Health and Rehabilitative Services (Alcohol, Drug Abuse, Mental Health).
- (c) Department of Labor and Employment Security.
- (d) Department of Law Enforcement.
- (e) Department of Management Services.
- (f) Division of Retirement.
- (3) By September 1, 1996, for the 1997-1998 fiscal year, by the following:
- (a) Agency for Health Care Administration.
- (b) Department of Education (State University System).
- (c) Game and Fresh Water Fish Commission.
- (d) Department of Highway Safety and Motor Vehicles.
- (e) Department of Revenue.
- (f) Department of State.
- (g) Department of Transportation.
- (4) By September 1, 1997, for the 1998-1999 fiscal year, by the following:
- (a) Department of Banking and Finance.
- (b) Department of Corrections.
- (c) Department of Education (Public Schools).
- (d) Department of Environmental Protection.
- (e) Executive Office of the Governor.
- (f) Department of Children and Family Health and Rehabilitative Services.
- (g) Department of Legal Affairs.
- (h) Department of Juvenile Justice.
- (5) By September 1, 1998, for the 1999-2000 fiscal year, by the following:
- (a) Department of Agriculture and Consumer Services.
- ~~(b) Department of Commerce.~~
- ~~(b)~~(e) Department of Elderly Affairs.
- ~~(c)~~(d) Department of the Lottery.

~~(d)~~(e) Department of Military Affairs.

(6) By September 1, 1999, for the 2000-2001 fiscal year, by the following:

(a) Division of Administrative Hearings.

(b) Department of Business and Professional Regulation.

(c) Parole and Probation Commission.

(d) Public Service Commission.

(e) Department of Health.

(f) Department of Education (all remaining programs).

(7) By September 1, 2000, for the 2001-2002 fiscal year, by the following:

(a) Department of Citrus.

(b) Department of Community Affairs.

(c) Department of Insurance.

(d) Department of Veterans' Affairs.

(e) State attorneys.

(f) Public defenders.

(g) Justice Administrative Commission and capital collateral counsel.

(8) Any new agency or portion thereof created after September 1, 2000, shall submit a performance-based program budget request for programs approved pursuant to s. 216.0166 to the Executive Office of the Governor and the Legislature by September 1 of the year following the creation of the agency or portion thereof.

~~(9)~~(8) The schedule set forth in subsections (2) through (7) may be amended by the Legislative Auditing Committee, the General Appropriations Act, or upon the recommendation of the Governor, which recommendation is subject to the review and approval process provided in s. 216.177.

(10) Beginning in fiscal year 1998-1999, the Executive Office of the Governor shall, for any agency that fails to meet the requirements set forth in s. 216.0166 according to the schedule set forth in s. 216.0172 or within three years thereafter, recommend programs and performance measures to the Legislature on behalf of that agency.

Section 4. Subsection (3) of section 216.0235, Florida Statutes, is amended to read:

216.0235 Performance-based legislative program budget requests to be furnished by agencies.—

(3) The Executive Office of the Governor and the legislative appropriations committees shall jointly develop legislative program budget instructions from which each agency that has an approved program and the judicial branch, pursuant to ss. 216.0166 and 216.043, shall prepare its legislative program budget request. The program budget instructions must be consistent with s. 216.141 and must be transmitted to each agency and to the judicial branch no later than June 15 of each year. The budget instructions must also include instructions for agencies in submitting performance measures and standards as required by s. 216.0166. In the event that agreement cannot be reached between the Executive Office of the Governor and the legislative appropriations committees regarding legislative program budget instructions, the issue shall be resolved by the Governor, the President of the Senate, and the Speaker of the House of Representatives.

Section 5. Subsection (11) of section 216.031, Florida Statutes, is amended and subsection (12) is added to that section to read:

216.031 Budgets for operational expenditures.—A legislative budget request, reflecting the independent judgment of the head of the state agency, and of the Chief Justice of the Supreme Court, with respect to the needs of the agency and the judicial branch for operational expenditures during the next fiscal year, shall be submitted by each head of a state agency and by the Chief Justice of the Supreme Court and shall contain the following:

(11) For performance-based program budgets, the baseline data, outcome measures ~~outcomes~~, output performance measures, and standards for program measures ~~current programs~~, including justification for those programs in the format required by the legislative budget instructions.

(12) A prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls, as provided for in s. 216.221. Such list shall be in the format provided in the planning and budgeting instructions.

Either chair of a legislative appropriations committee, or the Executive Office of the Governor for state agencies, may require the agency or the Chief Justice to address major issues separate from those outlined in s. 216.023, this section, and s. 216.043 for inclusion in the requests of the agency or of the judicial branch. The issues shall be submitted to the agency no later than July 30 of each year and shall be displayed in its requests as provided in the budget instructions. The Executive Office of the Governor may request an agency, or the chair of the appropriations committees of the Senate or House of Representatives may request any agency or the judicial branch, to submit no later than September 15 of each year a budget plan with respect to targets established by the Governor or either chair. The target budget shall require each entity to establish an order of priorities for its budget issues and may include requests for multiple options for the budget issues. The target budget may also require each entity to submit a program budget or a performance-based budget in the format prescribed by the Executive Office of the Governor or either chair; provided, however, the target budget format shall be compatible with the planning and budgeting system requirements set out in s. 216.141. Such a request shall not influence the agencies' or

judicial branch's independent judgment in making legislative budget requests, as required by law.

Section 6. Subsection (4) of section 216.163, Florida Statutes, is amended to read:

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

(4) The Executive Office of the Governor shall review the evaluation report required by s. 216.031(10) and the findings of the Office of Program Policy Analysis and Government Accountability, to the extent they are available, request any reports or additional analyses as necessary, and submit a recommendation, ~~pursuant to paragraph (2)(g)~~ which may include a recommendation regarding incentives or disincentives for agency performance. Incentives or disincentives may apply to all or part of a state agency.

(a) Incentives may include, but are not limited to:

1. Additional flexibility in budget management, such as, but not limited to, the use of lump sums, special categories, or performance-based program appropriation; consolidation of budget entities or program components; consolidation of appropriation categories; and increased agency transfer authority between appropriation categories or budget entities.

2. Additional flexibility in salary rate and position management.

3. Retention of up to 50 percent of all unexpended and unencumbered balances of appropriations as of June 30, or undisbursed balances as of December 31, excluding special categories and grants and aids, which may be used for nonrecurring purposes including, but not limited to, lump-sum bonuses, employee training, or productivity enhancements, including technology and other improvements.

4. Additional funds to be used for, but not limited to, lump-sum bonuses, employee training, or productivity enhancements, including technology and other improvements.

5. Additional funds provided pursuant to law to be released to an agency quarterly or incrementally contingent upon the accomplishment of units of output or outcome specified in the General Appropriations Act.

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

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

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

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

4. Reduction of total positions for a program.
5. Restriction on or reduction of the spending authority provided in s. 216.292(2) and (4) ~~s. 216.292(2)(c)~~.
6. Reduction of managerial salaries.

Section 7. Section 216.167, Florida Statutes, is amended to read:

216.167 Governor's recommendations.—The Governor's recommendations shall include a financial schedule that provides ~~which shall provide~~:

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

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

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

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

(5)(a) For any recommendation to be funded by a proposed state debt or obligation as defined in s. 216.0442, the documents set forth in s. 216.0442(2) and a 5-year estimate of the program operational costs associated with any proposed fixed capital outlay project to be funded by the proposed state debt or obligation.

(b) The Governor's estimates of the debt service and reserve requirements for any recommended new bond issues or reissues and his or her recommended debt service appropriations for all outstanding fixed capital outlay bond issues.

Section 8. Subsection (2) of section 216.178, Florida Statutes, is amended to read:

216.178 General Appropriations Act; format; procedure; cost statement for new debt or obligation.—

(2) Effective June 30, 1993, the Office of Planning and Budgeting shall develop a final budget report that reflects the net appropriations for each budget item. The report shall reflect actual expenditures for each of the 2 preceding fiscal years and the estimated expenditures for the current fiscal year. In addition, the report must contain the actual revenues and cash balances for the preceding 2 fiscal years and the estimated revenues and cash balances for the current fiscal year. The report may also contain expenditure data, program objectives, and program measures for each state

agency program. The report must be produced by October 15 each year within 90 days after the beginning of the fiscal year. A copy of the report must be made available to each member of the Legislature, to the head of each state agency, to the Auditor General, and to the public.

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

216.292 Appropriations nontransferable; exceptions.—

(1)(a) Funds provided in the General Appropriations Act or as otherwise expressly provided by law shall be expended only for the purpose for which appropriated, except that if deemed necessary such moneys may be transferred as provided in subsections (3), and (4), and (5) when it is determined to be in the best interest of the state. Appropriations for fixed capital outlay may not be expended for any other purpose, and appropriations may not be transferred between state agencies, or between a state agency and the judicial branch, unless specifically authorized by law.

(b) For the 1997-1998 fiscal year only, the Department of Children and Family Services and the Agency for Health Care Administration may transfer general revenue funds as necessary to comply with any provision of the General Appropriations Act that requires or specifically authorizes the transfer of general revenue funds between these two agencies. This paragraph is repealed on July 1, 1998.

(2) A lump sum appropriated for a performance-based program must be distributed by the Governor for state agencies or the Chief Justice for the judicial branch into the traditional expenditure categories in accordance with ~~s. 216.181(5)(b)~~ ~~s. 216.181(4)(b)~~. At any time during the year, the agency head or Chief Justice may transfer funds between those categories with no limit on the amount of the transfer. Authorized revisions of the original approved operating budget, together with related changes, if any, must be transmitted by the state agency or by the judicial branch to the Executive Office of the Governor or the Chief Justice, the chairs of the legislative appropriations committees, the Office of Program Policy Analysis and Government Accountability, and the Auditor General. Such authorized revisions shall be consistent with the intent of the approved operating budget, shall be consistent with legislative policy and intent, and shall not conflict with specific spending policies specified in the General Appropriations Act. The Executive Office of the Governor shall forward a copy of the revisions within 7 working days to the Comptroller for entry in his or her records in the manner and format prescribed by the Executive Office of the Governor in consultation with the Comptroller. Authorized revisions of the original approved operating budget, together with related changes, if any, must be transmitted by the state agency or by the judicial branch to the Comptroller for entry in his or her records in the manner and format prescribed by the Executive Office of the Governor in consultation with the Comptroller. A copy of such revisions shall be furnished, within 7 working days, to the Executive Office of the Governor or the Chief Justice, the chairs of the legislative appropriations committees, the Office of Program Policy Analysis and Government Accountability, and the Auditor General. Such authorized revisions shall be consistent with the intent of the approved

operating budget, shall be consistent with legislative policy and intent, and shall not conflict with specific spending policies specified in the General Appropriations Act. Additionally, subsection (3) shall not apply to programs operating under performance-based program budgeting where a lump sum was appropriated ~~program-performance-based budgets~~.

(3) The head of each department or the Chief Justice of the Supreme Court, whenever it is deemed necessary by reason of changed conditions, may transfer appropriations funded from identical funding sources, except appropriations for fixed capital outlay, and transfer the amounts included within the total original approved budget and releases as furnished pursuant to ss. 216.181 and 216.192, as follows:

(a) Between categories of appropriations within a budget entity, if no category of appropriation is increased or decreased by more than 5 percent of the original approved budget or \$25,000, whichever is greater, by all action taken under this subsection.

(b) Additionally, between budget entities within identical categories of appropriations, if no category of appropriation is increased or decreased by more than 5 percent of the original approved budget or \$25,000, whichever is greater, by all action taken under this subsection.

(c) Such authorized revisions must be consistent with the intent of the approved operating budget, must be consistent with legislative policy and intent, and must not conflict with specific spending policies specified in the General Appropriations Act.

Such authorized revisions, together with related changes, if any, in the plan for release of appropriations, shall be transmitted by the state agency or by the judicial branch to the Comptroller for entry in the Comptroller's records in the manner and format prescribed by the Executive Office of the Governor in consultation with the Comptroller. A copy of such revision shall be furnished to the Executive Office of the Governor or the Chief Justice, the chairs of the legislative committees, and the Auditor General.

(4) The head of each department or the Chief Justice of the Supreme Court, whenever it is deemed necessary by reason of changed conditions, may transfer funds, positions, and salary rate within and between program budget entities with performance-based program appropriations as defined in s. 216.011(1)(xx). Such transfers may include appropriations from any operating category, except appropriations for fixed capital outlay. However, the total program funds, positions, and salary rate shall not be increased or decreased by more than 5 percent by all action taken under this section. Authorized revisions of the original approved operating budget, together with related changes, if any, must be transmitted by the state agency or by the judicial branch to the Executive Office of the Governor or the Chief Justice, the chairs of the legislative appropriations committees, the Office of Program Policy Analysis and Government Accountability, and the Auditor General. Such authorized revisions shall be consistent with legislative policy and intent, and shall not conflict with specific spending policies specified in the General Appropriations Act. The Executive Office of the Governor shall

forward a copy of the revisions within 7 working days to the Comptroller for entry in his or her records in the manner and format prescribed by the Executive Office of the Governor in consultation with the Comptroller.

(5)(4)(a) Transfers of appropriations for operations from the General Revenue Fund in excess of those provided in subsections ~~subsection~~ (3) and (4) but within a state agency or within the judicial branch may be authorized by the commission for the executive branch and the Chief Justice for the judicial branch, pursuant to the request of the agency filed with the Executive Office of the Governor, or pursuant to the request of an entity of the judicial branch filed with the Chief Justice of the Supreme Court, if deemed necessary and in the best interest of the state and consistent with legislative policy and intent. The provisions of this paragraph are subject to the notice, review, and objection procedures set forth in s. 216.177.

(b) When an appropriation for a named fixed capital outlay project is found to be in excess of that needed to complete that project, at the request of the Executive Office of the Governor for state agencies or the Chief Justice of the Supreme Court for the judicial branch the excess may be transferred, with the approval of the commission or the Chief Justice, to another project for which there has been an appropriation in the same fiscal year from the same fund and within the same department where a deficiency is found to exist. Further, a fixed capital outlay project may not be initiated without a specific legislative appropriation, nor may the scope of a fixed capital outlay project be changed by the transfer of funds. The provisions of this paragraph are subject to the notice, review, and objection procedures set forth in s. 216.177.

(6)(5) Upon request of a department to, and approval by, the Comptroller, funds appropriated may be transferred to accounts established for disbursement purposes upon release of such appropriation. Such transfer may only be made to the same appropriation category and the same funding source from which the funds are transferred.

(7)(6) Any transfers from the Working Capital Fund to the General Revenue Fund may be approved provided such transfers were identified or contemplated by the Legislature in the original approved budget.

(8)(7)(a) Should any state agency or the judicial branch become more than 90 days delinquent on reimbursements due to the Unemployment Compensation Trust Fund, the Department of Labor and Employment Security shall certify to the Comptroller the amount due; and the Comptroller shall transfer the amount due to the Unemployment Compensation Trust Fund from any funds of the agency available.

(b) Should any state agency or the judicial branch become more than 90 days delinquent in paying the Division of Risk Management of the Department of Insurance for insurance coverage, the Department of Insurance may certify to the Comptroller the amount due; and the Comptroller shall transfer the amount due to the Division of Risk Management from any funds of the agency or the judicial branch available.

(9)(8) Moneys appropriated in the General Appropriations Act for the purpose of paying for services provided by the state communications system in the Division of Communications of the Department of Management Services shall be paid by the user agencies, or the judicial branch, within 45 days after the billing date. Billed amounts not paid by the user agencies, or by the judicial branch, shall be transferred by the Comptroller from the user agencies to the Communications Working Capital Trust Fund.

(10)(9) The Comptroller shall report all such transfers and the reasons for such transfers to the legislative appropriations committees.

(11)(40) Where any reorganization has been authorized by the Legislature and the necessary adjustments of appropriations and positions have not been provided in the General Appropriations Act, the Administration Commission may approve, consistent with legislative policy and intent, the necessary transfers to accomplish the purposes of such reorganization within state agencies. The Chief Justice of the Supreme Court may approve such transfers for the judicial branch.

Section 10. Subsection (2) of section 186.022, Florida Statutes, is amended to read:

186.022 State agency strategic plans; preparation, form, and review.—

(2) Each agency strategic plan must be in a form and manner prescribed in written instructions prepared by the Executive Office of the Governor after consultation with the President of the Senate and the Speaker of the House of Representatives. Each agency strategic plan must identify the specific legislative authority necessary to implement the provisions of the plan. An agency may only implement those portions of its strategic plan that are consistent with existing statutory or constitutional authority and for which funding, if needed, is available consistent with the provisions of chapter 216. An agency's budget request prescribed in s. 216.023(1) shall identify the financial resources necessary to further the provisions of the agency's strategic plan. Performance measures, as defined in s. 216.011 and proposed by the agency pursuant to s. 216.0166(1), must be consistent with the objectives in the draft agency strategic plan and shall represent 1-year implementation efforts necessary to meet the 5-year agency strategic plan objectives. State agency strategic plans shall be amended by the agency, as necessary, to ensure consistency with the legislative actions prior to the effective date of the agency strategic plan.

Section 11. Subsection (8) of section 121.051, Florida Statutes, is amended to read:

121.051 Participation in the system.—

(8) DIVISION OF REHABILITATION AND LIQUIDATION EMPLOYEES MEMBERSHIP.—Effective July 1, 1994, the regular receivership employees of the Division of Rehabilitation and Liquidation who are assigned to established positions and are subject to established rules and regulations regarding discipline, pay, classification, and time and attendance are hereby declared to be state employees within the meaning of this chapter and shall

be compulsory members in compliance with this chapter, the provisions of s. 216.011(1)(z)2. ~~s. 216.011(1)(x)2.~~, notwithstanding. Employment performed before July 1, 1994, as such a receivership employee may be claimed as creditable retirement service upon payment by the employee or employer of contributions required in s. 121.081(1), as applicable for the period claimed.

Section 12. Section 215.32, Florida Statutes, is amended to read:

215.32 State funds; segregation.—

(1) All moneys received by the state shall be deposited in the State Treasury unless specifically provided otherwise by law and shall be deposited in and accounted for by the Treasurer and the Department of Banking and Finance within the following funds, which funds are hereby created and established:

- (a) General Revenue Fund.
- (b) Trust funds.
- (c) Working Capital Fund.
- (d) Budget Stabilization Fund.

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

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

(b)1. The trust funds shall consist of moneys received by the state which under law or under trust agreement are segregated for a purpose authorized by law. The state agency or branch of state government receiving or collecting such moneys shall be responsible for their proper expenditure as provided by law. Upon the request of the state agency or branch of state government responsible for the administration of the trust fund, the Comptroller may establish accounts within the trust fund at a level considered ~~deemed~~ necessary for proper accountability. Once an account is established within a trust fund, the Comptroller may ~~shall~~ authorize payment from that account only upon determining that there is sufficient cash and releases at the level of the account.

2. In order to maintain a minimum number of trust funds in the State Treasury, each state agency or the judicial branch may consolidate, if permitted under the terms and conditions of their receipt, the trust funds administered by it; provided, however, the agency or judicial branch employs

effectively a uniform system of accounts sufficient to preserve the integrity of such trust funds; and provided, further, that consolidation of trust funds is approved by the Administration Commission or the Chief Justice.

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

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

b. ~~The provisions of This subparagraph~~ does shall not apply to trust funds required by federal programs or mandates; trust funds established for bond covenants, indentures, or resolutions whose revenues are legally pledged by the state or public body to meet debt service or other financial requirements of any debt obligations of the state or any public body; the State Transportation Trust Fund; the trust fund containing the net annual proceeds from the Florida Education Lotteries; the Florida Retirement Trust Fund; trust funds under the management of the Board of Regents, where such trust funds are for auxiliary enterprises, self-insurance, and contracts, grants, and donations, as those terms are defined by general law; trust funds that serve as clearing funds or accounts for the Comptroller or state agencies; trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units; and other trust funds authorized by the State Constitution.

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

2. By September 15 of each year, the Governor shall authorize the Comptroller to transfer, and the Comptroller shall transfer pursuant to appropriations made by law, to the Budget Stabilization Fund the amount of money needed for the balance of that fund to equal the amount specified in subparagraph 1., less any amounts expended and not restored. The moneys needed for this transfer may be appropriated by the Legislature from any funds.

3. Unless otherwise provided in this subparagraph, an expenditure from the Budget Stabilization Fund must be restored pursuant to a restoration schedule that provides for making five equal annual transfers from the General Revenue Fund, beginning in the fiscal year following that in which

the expenditure was made. For any Budget Stabilization Fund expenditure, the Legislature may establish by law a different restoration schedule and such change may be made at any time during the restoration period. Moneys are hereby appropriated for transfers pursuant to this subparagraph.

4. The Budget Stabilization Fund and the Working Capital Fund may be used as revolving funds for transfers as provided in s. 18.125; however, any interest earned must be deposited in the General Revenue Fund.

(d) The Working Capital Fund shall consist of moneys in the General Revenue Fund which are in excess of the amount needed to meet General Revenue Fund appropriations for the current fiscal year. Each year, no later than the publishing date of the annual financial statements for the state by the Comptroller under s. 216.102, funds shall be transferred between the Working Capital Fund and the General Revenue Fund to establish the balance of the Working Capital Fund for that fiscal year at the amount determined pursuant to this paragraph.

1. The amount of moneys in the General Revenue Fund shall be determined at the beginning of the fiscal year based on the Revenue Estimating Conference's estimate of funds available. This amount shall be adjusted upon determination of the previous year's appropriations which remain unspent after certifications are completed pursuant to s. 216.301.

2. The Working Capital Fund shall consist of an amount, not more than 10 percent of the amount of net revenue of the General Revenue Fund for the preceding fiscal year, which accrues from moneys in the General Revenue Fund which are in excess of the amount needed to meet the General Revenue Fund appropriations acts. The Legislature shall have as a goal that the Working Capital Fund for fiscal year 1994-1995 have not less than 2 percent of the amount of net revenue of the General Revenue Fund for the preceding fiscal year, that the Working Capital Fund for fiscal year 1995-1996 have not less than 3 percent of the amount of net revenue of the General Revenue Fund for the preceding fiscal year, that the Working Capital Fund for fiscal year 1996-1997 have not less than 4 percent of the amount of net revenue of the General Revenue Fund for the preceding fiscal year, and that the Working Capital Fund for fiscal year 1997-1998 and each fiscal year thereafter have not less than 5 percent of the amount of net revenue of the General Revenue Fund for the preceding fiscal year. By September 15 of each year, the Executive Office of the Governor shall transfer the excess funds that are in the General Revenue Fund to the Working Capital Fund. Whenever the Governor determines that revenue collections in the General Revenue Fund will be insufficient to meet General Revenue Fund appropriations, he or she shall certify the amount of the deficit and transfer up to the amount specified in the General Appropriations Act from the Working Capital Fund to the General Revenue Fund pursuant to s. 216.221. When not required to meet General Revenue Fund appropriations, such moneys shall be used as a revolving fund for transfers as provided by s. 215.18; and when the Comptroller determines that such moneys are not needed for either type of transfer, they may be temporarily invested as provided in s. 18.125.

3. The provisions of subparagraph 1. notwithstanding, the Comptroller shall pay from the Working Capital Fund such claims as are authorized pursuant to s. 265.55.

Section 13. Subsections (2), (5), and (7) of section 216.221, Florida Statutes, are amended to read:

216.221 Appropriations as maximum appropriations; adjustment of budgets to avoid or eliminate deficits.—

(2) The Legislature shall annually provide direction in the General Appropriations Act regarding use of the Budget Stabilization Fund and Working Capital Fund to offset General Revenue Fund deficits.

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

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

1. Entire statewide programs previously established by the Legislature should not be eliminated.
2. Education budgets should not be reduced more than provided for in s. 215.16(2).
3. The use of nonrecurring funds to solve recurring deficits should be minimized.
4. Newly created programs that are not fully implemented and programs with critical audits should receive first consideration for reductions.
5. No agencies or branches of government receiving appropriations should be exempt from reductions.
6. When reductions in positions are required, the focus should be initially on vacant positions.
7. Any reductions applied to all agencies and branches should be uniformly applied.
8. Reductions that would cause substantial losses of federal funds should be minimized.
9. To the greatest extent possible, across-the-board, prorated reductions should be considered.
10. Reductions to statewide programs should occur only after review of programs that provide only local benefits.

11. Reductions in administrative and support functions should be considered before reductions in direct-support services.
12. Maximum reductions should be considered in budgets for expenses including travel and in budgets for equipment replacement, outside consultants, and contracts.
13. Reductions in salaries for elected state officials should be considered.
14. Reductions that adversely affect the public health, safety, and welfare should be minimized.
15. The Budget Stabilization Fund ~~Working Capital Fund~~ should not be reduced to a level that would impair the financial stability of this state.
16. Reductions in programs that are traditionally funded by the private sector and that may be assumed by private enterprise should be considered.
17. Reductions in programs that are duplicated among state agencies or branches of government should be considered.

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

Section 14. Subsections (1) and (2) of section 252.37, Florida Statutes, are amended to read:

252.37 Financing.—

(1) ~~It is the intent of The Legislature~~ intends and declares it declared to be the policy of the state that funds to ~~be prepared for and~~ meet emergencies shall always be available.

(2) It is the legislative intent that the first recourse ~~shall be made~~ to funds regularly appropriated to state and local agencies. If the Governor finds that the demands placed upon these funds in coping with a particular disaster are unreasonably great, she or he may make funds available by transferring and expending moneys appropriated for other purposes, by transferring and expending moneys ~~or~~ out of any unappropriated surplus funds, or from the Budget Stabilization Fund or Working Capital Fund.

Section 15. Paragraph (b) of subsection (2) of section 20.055, Florida Statutes, is amended to read:

20.055 Agency inspectors general.—

(2) The Office of Inspector General is hereby established in each state agency to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in government. It shall be the duty and responsibility of each inspector general, with respect to the state agency in which the office is established, to:

(b) Assess the reliability and validity of the information provided by the state agency on performance measures and standards, and make recommendations for improvement, if necessary, prior to submission of those measures and standards to the Executive Office of the Governor pursuant to s. 216.0166(1).

Section 16. Subsection (3) of section 212.081, Florida Statutes, and subsection (5) of section 186.021, Florida Statutes, are repealed.

Section 17. Subsection (1) of section 186.021, Florida Statutes, is amended to read:

186.021 State agency strategic plans.—

(1) A state agency strategic plan shall be a statement of the priority directions an agency will take to carry out its mission within the context of the state comprehensive plan and any other statutory mandates and authorizations given to the agency. Each state agency strategic plan must identify infrastructure needs, capital improvement needs, and information resources management projects or initiatives that involve more than one agency, that have an outcome that impacts another agency, or that exceed \$500,000 in total cost over a 1-year period, except for those projects that are a continuation of hardware or software maintenance or software licensing agreements, or that are for desktop replacement that is similar to the technology currently in use. Each agency strategic plan shall specify those objectives against which will be judged the agency's achievement of its goals and the goals of the state comprehensive plan. The state agency strategic plan shall be consistent with and shall further the goals of the state comprehensive plan.

Section 18. Subsection (4) of section 216.181, Florida Statutes, is amended to read:

216.181 Approved budgets for operations and fixed capital outlay.—

(4) All amendments to the original approved operating budgets, regardless of funding source, are subject to the notice and review procedures set forth in s. 216.177 and must be approved by the Governor and Administration Commission as provided in this chapter for the executive branch and the Chief Justice for the judicial branch if the amendment is for an information resources management project or initiative that involves more than one agency, has an outcome that impacts another agency, or exceeds \$500,000

in total cost over a 1-year period, except for those projects that are a continuation of hardware or software maintenance or software licensing agreements, or that are for desktop replacement that is similar to the technology currently in use.

Section 19. Subsection (9) of section 186.022, Florida Statutes, is amended to read:

186.022 State agency strategic plans; preparation, form, and review.—

(8) Each agency shall submit by September 1 of each year an annual performance report to the Executive Office of the Governor, with copies to the President of the Senate, the Speaker of the House of Representatives, and the Auditor General. The purpose of this report is to evaluate the attainment of the agency objectives in the agency strategic plan.

(9) By March 1 of each year, the Geographic Information Board, the Financial Management Information Board, the Criminal and Juvenile Justice Information Systems Council, and the Health Information Systems Council shall each develop a strategic plan following the general statutory requirements that are applicable to agencies pursuant to s. 186.021(1), (2), and (3). The strategic plan shall be subject to the requirements, and the review and approval processes, set forth in subsections (2) through (8) (7), with the following exceptions:

(a) The Executive Office of the Governor, after consultation with the President of the Senate and the Speaker of the House of Representatives, may prescribe a specific format and content for the strategic plans of coordinating boards and councils.

(b) The time periods for review and return of any required strategic plan revisions, incorporation of such revisions by the boards or councils, and resolution of disputes shall be established by the Executive Office of the Governor, after consultation with the President of the Senate and the Speaker of the House of Representatives.

Section 20. Subsection (1) of section 282.3063, Florida Statutes, is amended to read:

282.3063 Agency Annual Information Resources Management Report.—

(1) By September 1 ~~November 1~~ of each year, and for the State University System within 90 days after completion of the expenditure analysis developed pursuant to s. 240.271(4), each Chief Information Officer shall prepare and submit to the State Technology Office an Agency Annual Information Resources Management Report. Following consultation with the State Technology Council and the Chief Information Officers Council, the Executive Office of the Governor and the fiscal committees of the Legislature shall jointly develop and issue instructions for the format and contents of the report.

Section 21. Subsections (1) and (2) of section 282.310, Florida Statutes, are amended to read:

282.310 State Annual Report on Information Resources Management.—

(1) By ~~January 15~~ March 1 of each year, the State Technology Office shall develop a State Annual Report on Information Resources Management.

(2) The State Annual Report on Information Resources Management shall contain, at a minimum, the following:

(a) The state vision for information resources management.

(b) A forecast of the state information resources management priorities and initiatives for the ensuing 2 years.

(c) A summary of major statewide policies recommended by the State Technology Council for information resources management.

(d) A summary of memoranda issued by the Executive Office of the Governor.

(e) An assessment of the overall progress on state information resources management initiatives and priorities for the past fiscal year.

(f) A summary of major statewide issues related to improving information resources management by the state.

(g) An inventory list, by major categories, of state information technology resources.

(h) A summary of the total expenditures for information resources management by each state agency.

(i) A summary of the opportunities for government agencies or entities to share information resources management projects or initiatives with other governmental or private sector entities.

(j) A list of the information resources management issues that have been identified as statewide or critical issues for which the State Technology Council could provide leadership or assistance.

The state annual report shall also include information resources management information from the annual reports prepared by the Board of Regents for the State University System, from the State Board of Community Colleges for the State Community College System, from the Supreme Court for the judicial branch, and from the Justice Administrative Commission on behalf of the each state attorneys attorney and public defenders defender. Expenditure information shall be taken from each agency's annual report as well as the annual reports of the Board of Regents, the State Board of Community Colleges, the Supreme Court, and the Justice Administrative Commission ~~the state attorneys, and the public defenders~~.

Section 22. Subsection (3) of section 282.3091, Florida Statutes, is amended to read:

282.3091 State Technology Council; creation.—

(3) The council shall be composed of nine members as follows:

(a) The director of the Governor's Office of Planning and Budgeting, who shall serve as chair of the council.

(b) The Comptroller.

(c) The Commissioner of Education.

(d) The Secretary of State.

(e) The secretary of the Department of Management Services.

(f) Two state agency heads appointed by the Governor.

(g) Two private sector representatives, one appointed by the Speaker of the House of Representatives and one appointed by the President of the Senate, who are not current members of the Legislature. Private sector representatives shall, at a minimum, have a general knowledge of or experience in managing information technology resources. However, representatives of information technology resource vendors or any of their subsidiaries that sell products or services to the state shall not be appointed to serve as a private sector representative.

Members may appoint designees to serve on their behalf; however, such designees must be in a position that reports directly to the member.

Section 23. Section 282.322, Florida Statutes, is amended to read:

282.322 Special monitoring process for designated information resources management projects.—For each information resources management project which is designated for special monitoring in the General Appropriations Act, with a proviso requiring a contract with a project monitor, the Technology Review Workgroup established pursuant to s. 216.0446, in consultation with each affected agency, shall be responsible for contracting with the project monitor. Upon contract award, funds equal to the contract amount shall be transferred to the Technology Review Workgroup upon request and subsequent approval of a budget amendment pursuant to s. 216.292. With the concurrence of the Legislative Auditing Committee, the office of the Auditor General shall be the project monitor for other projects designated for special monitoring. However, nothing in this section precludes the Auditor General from conducting such monitoring on any project designated for special monitoring. In addition to monitoring and reporting on significant communications between a contracting agency and the appropriate federal authorities, the project monitoring process shall consist of evaluating each major stage of the designated project to determine whether the deliverables have been satisfied and to assess the level of risks associated with proceeding to the next stage of the project. The major stages of each designated project shall be determined based on the agency's information systems development methodology. At the end of each quarter and within 20 days after an agency has completed a major stage of its designated project, the project

monitor shall issue a written report, including the findings and recommendations for correcting deficiencies, to the agency head, for review and comment. Within 20 days after receipt of the project monitor's report, the agency head shall submit a written statement of explanation or rebuttal concerning the findings and recommendations of the project monitor, including any corrective action to be taken by the agency. The project monitor shall include the agency's statement in its final report, which shall be forwarded, within 7 days after receipt of the agency's statement, to the agency head, the inspector general's office of the agency, the Executive Office of the Governor, the appropriations committees of the Legislature, the Joint Legislative Auditing Committee, the Technology Review Workgroup, the President of the Senate, the Speaker of the House of Representatives, and the Office of Program Policy Analysis and Government Accountability Legislative Information Technology Resource Committee. The Auditor General shall also receive a copy of the project monitor's report for those projects in which the Auditor General is not the project monitor.

Section 24. Subsections (3), (5), (7), and (8) of section 282.404, Florida Statutes, are amended to read:

282.404 Geographic information board; definition; membership; creation; duties; advisory council; membership; duties.—

(3) The board consists of the Director of Planning and Budgeting within the Executive Office of the Governor, the executive director of the Game and Fresh Water Fish Commission, the executive director of the Department of Revenue, and the State Cadastral Surveyor, as defined in s. 177.503, or their designees, and the heads of the following agencies, or their designees: the Department of Agriculture and Consumer Services, the Department of Community Affairs, the Department of Environmental Protection, the Department of Transportation, and the Board of Professional Surveyors and Mappers. The Governor shall appoint to the board one member each to represent the counties, municipalities, regional planning councils, water management districts, and county property appraisers. The Governor shall initially appoint two members to serve 2-year terms and three members to serve 4-year terms. Thereafter, the terms of all appointed members must be 4 years and the terms must be staggered. Members may be appointed to successive terms and incumbent members may continue to serve the board until a new appointment is made. ~~The chair of the Geographic Information Advisory Council shall serve without voting rights as an ex officio member on the board.~~

(5) The board shall:

(a) ~~Promote the sharing of geographic information between the public sector and the private sector;~~

(b) Conduct a periodic assessments ~~assessment~~ of geographic information and geographic information systems in this state to identify geographic information management activities and available resources ~~in this state;~~

(c) Increase efficiency and reduce costs ~~redundancy~~ of data acquisition by promoting the coordination of geographic information activities, including,

but not limited to, development and maintenance of a data directory in which geographic information is cataloged ~~data collection;~~

(d) Promote consistency of data elements by establishing standard data definitions and formats;

(e) Promote the adoption and use of standards that have broad application to the public and private sectors;

~~(f) Develop criteria, policies, and procedures for the prescribed and pre-planned electronic transmission of geographic information, including, but not limited to, transmissions between a local planning agency, as defined in s. 163.3164, and the state land planning agency;~~

~~(f)(g)~~ (g) By March 1 of each year, develop and approve a strategic plan pursuant to the requirements set forth in s. 186.022(9). Copies of the plan shall be transmitted electronically or in writing to the Executive Office of the Governor, the Speaker of the House of Representatives, the President of the Senate, and the members of the Geographic Information Advisory Council as provided in subsection (7);

~~(h) Promote the use and coordination of geographic information from sources such as universities, government organizations, nonprofit organizations, and the private sector;~~

~~(i) Promote the development and maintenance of a data directory in which geographic information is cataloged;~~

~~(g)(j)~~ (j) Serve as liaison between local, regional, and this state government and the Federal Government to promote the sharing of geographic information;

~~(h)(k)~~ (k) Establish technical advisory committees to assist the board; and

(i) Serve as the coordinator for census activities and facilitate the availability and usability of the data collected by the United States Census Bureau.

~~(l) Promote regional coordination of geographic information.~~

(7) The Geographic Information Advisory Council consists of one member each from the Office of Planning and Budgeting within the Executive Office of the Governor, the Game and Fresh Water Fish Commission, the Department of Revenue, the Department of Agriculture and Consumer Services, the Department of Community Affairs, the Department of Environmental Protection, the Department of Transportation, the State Cadastral Surveyor, ~~the State Geologist~~, the Board of Professional Surveyors and Mappers, counties, municipalities, regional planning councils, water management districts, and property appraisers, as appointed by the corresponding member of the board, ~~and the State Geologist~~. The Governor shall appoint to the council one member each, as recommended by the respective organization, to represent ~~the Department of Commerce~~, the Department of Children and Family Services, the Department of Health, the Florida Survey and

Mapping Society, Florida Region of the American Society of Photogrammetry and Remote Sensing, Florida Association of Cadastral Mappers, ~~the~~ The Florida Association of Professional Geologists, Florida Engineering Society, Florida Chapter of the Urban and Regional Information Systems Association, the forestry industry, the State University System survey and mapping academic research programs, and State University System geographic information systems academic research programs; and two members representing utilities, one from a regional utility, and one from a local or municipal utility. These persons must have technical expertise in geographic information issues. The Governor shall initially appoint six members to serve 2-year terms and six members to serve 4-year terms. Thereafter, the terms of all appointed members must be 4 years and must be staggered. Members may be appointed to successive terms and incumbent members may continue to serve the council until a successor is appointed. Representatives of the Federal Government may serve as ex officio members without voting rights.

(8) A majority of the membership constitutes a quorum for the conduct of business and shall elect the chair of the advisory council biennially. The council shall meet at least twice a year, and the chair may call meetings as often as necessary to transact business or as directed by the board. The chair, or his or her designee, shall attend all board meetings on behalf of the council. Administrative and clerical support shall be provided by the Department of Management Services.

Section 25. Subsection (2) of section 215.96, Florida Statutes, is amended to read:

215.96 Coordinating council and design and coordination staff.—

(2) The coordinating council shall consist of the Comptroller; the Treasurer; the secretary of the Department of Management Services; and the Director of Planning and Budgeting, Executive Office of the Governor, or their designees. The Comptroller, or his or her designee, shall be chair of the coordinating council, and the design and coordination staff shall provide administrative and clerical support to the council and the board. The design and coordination staff shall maintain the minutes of each meeting and shall make such minutes available to any interested person. The Auditor General, the State Courts Administrator, an executive officer of the Florida Association of State Agency Administrative Services Directors, and an executive officer of the Florida Association of State Budget Officers, or their designees, shall serve without voting rights as ex officio members on the coordinating council. The chair may call meetings of the coordinating council as often as necessary to transact business; however, the coordinating council shall meet at least once a year. Action of the coordinating council shall be by motion, duly made, seconded and passed by a majority of the coordinating council voting in the affirmative for approval of items that are to be recommended for approval to the Financial Management Information Board.

Section 26. This act shall take effect upon becoming a law.

Approved by the Governor May 21, 1998.

Filed in Office Secretary of State May 21, 1998.