

## Committee Substitute for Senate Bill No. 662

An act relating to trust funds; exempting from termination or modifying specified trust funds administered by state general-government agencies; amending s. 11.045, F.S.; modifying purposes for which moneys in the Legislative Lobbyist Registration Trust Fund may be used; amending s. 17.41, F.S.; revising provisions relating to funding of the Department of Banking and Finance Tobacco Settlement Clearing Trust Fund and exemption of funds therein from the general revenue service charge; amending s. 413.615, F.S.; establishing the endowment fund principal of the Florida Endowment for Vocational Rehabilitation for fiscal year 2000-2001 and providing for subsequent annual increases; merging the State Property Insurance Trust Fund into the Florida Casualty Insurance Risk Management Trust Fund and renaming the merged fund as the State Risk Management Trust Fund; renaming parts I and II of chapter 284, F.S., to conform; amending ss. 258.007, 272.185, 284.01, 284.03, 284.05, 284.14, 284.30, 284.36, 284.385, 284.44, 284.50, 287.025, 287.059, 331.350, 393.075, 402.3015, 409.175, 946.509, 985.406, and 985.409, F.S., to conform; providing effective dates.

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

Section 1. The Legislature finds that the following trust funds administered by the State Board of Administration are exempt from termination pursuant to Section 19(f), Article III of the State Constitution:

- (1) The Florida Retirement Systems Trust Fund.
- (2) The Local Government Surplus Funds Trust Fund.
- (3) The Florida Hurricane Catastrophe Trust Fund.
- (4) The Institute of Food and Agricultural Sciences Supplemental Trust Fund.
- (5) The Retiree Health Insurance Subsidy Trust Fund.
- (6) The Bond Proceeds Trust Fund.
- (7) The Florida Prepaid Postsecondary Education Expense Trust Fund.
- (8) The Department of the Lottery Fund pursuant to section 24.120, Florida Statutes.
- (9) The Debt Service Trust Fund.
- (10) The Gas Tax Fund.
- (11) The Police and Firefighters' Premium Tax Trust Fund.

(12) The Lawton Chiles Endowment Fund.

(13) Funds of the Inland Protection Financing Corporation created under section 376.3075, Florida Statutes.

(14) Funds of the Investment Fraud Restoration Financing Corporation created under section 517.1204, Florida Statutes.

Section 2. Subsection (8) of section 11.045, Florida Statutes, is amended to read:

11.045 Lobbyists; registration and reporting; exemptions; penalties.—

(8) There is hereby created the Legislative Lobbyist Registration Trust Fund, to be used for the purpose of funding any office established for the administration of the registration of lobbyist lobbying the Legislature, including the payment of salaries and other expenses, and for the purpose of paying the expenses incurred by the Legislature in providing services to lobbyists. The trust fund is not subject to the service charge to general revenue provisions of chapter 215. Fees collected pursuant to rules established in accordance with subsection (2) shall be deposited into the Legislative Lobbyist Registration Trust Fund.

Section 3. Subsection (2) of section 17.41, Florida Statutes, is amended to read:

17.41 Department of Banking and Finance Tobacco Settlement Clearing Trust Fund.—

(2) Funds to be credited to the trust fund shall consist of all annual payments received by the state from settlement of State of Florida v. American Tobacco Co., No. 95-1466AH (Fla. 15th Cir. Ct. 1996). All moneys received from the settlement shall be deposited into the trust fund. Such moneys and interest thereon and are exempt from the service charges imposed under s. 215.20.

Section 4. Paragraph (c) of subsection (4) of section 413.615, Florida Statutes, is amended to read:

413.615 Florida Endowment for Vocational Rehabilitation.—

(4) REVENUE FOR THE ENDOWMENT FUND.—

(c) The State Board of Administration shall invest and reinvest moneys of the endowment fund in accordance with the provisions of ss. 215.44-215.53. Moneys in the endowment fund in excess of the endowment fund principal, or such lesser amount as may be requested in writing by the foundation, shall be annually transmitted to the foundation, based upon a fiscal year which shall run from July 1 through June 30, and shall be deposited in the foundation's operating account, for distribution as provided in subsection (10). The endowment fund principal shall be \$1 ~~\$5~~ million for the 2000-2001 ~~1995-1996~~ fiscal year and shall be increased by 5 percent in each subsequent fiscal year.

Section 5. (1) The State Property Insurance Trust Fund created pursuant to section 284.01, Florida Statutes, is merged into the Florida Casualty Insurance Risk Management Trust Fund created pursuant to section 284.30, Florida Statutes, which is renamed the “State Risk Management Trust Fund.”

(2) This section shall take effect upon this act becoming a law.

Section 6. (1) Part I of chapter 284, Florida Statutes, entitled “Florida Fire Insurance Trust Fund,” is renamed “State Property Claims”; and part II of chapter 284, Florida Statutes, entitled “Florida Casualty Insurance Risk Management Trust Fund,” is renamed “State Casualty Claims.”

(2) This section shall take effect upon this act becoming a law.

Section 7. Effective upon this act becoming a law, subsection (1) of section 258.007, Florida Statutes, is amended to read:

258.007 Powers of division.—

(1) The Division of Recreation and Parks shall have power to acquire in the name of the state any property, real or personal, by purchase, grant, devise, condemnation, donation, or otherwise, which in its judgment may be necessary or proper toward the administration of the purposes of this chapter; however, no property of any nature may be acquired by purchase, lease, grant, donation, devise, or otherwise, under conditions which shall pledge the credit of, or obligate in any manner whatsoever, the state to pay any sum of money, and the power of condemnation as herein granted is limited to the acquisition of property or property rights which may be required for state park purposes for parks under the jurisdiction of the Division of Recreation and Parks on July 1, 1980. Acquisition of such property or property rights shall not exceed an aggregate of 40 acres or 10 percent of the total acreage of the respective park as it existed on July 1, 1980, whichever is less, and shall be restricted to properties wholly surrounded by state park property at the time of acquisition. Express legislative approval is required for the acquisition by condemnation of any new area or memorial which the division may desire for the purposes set forth in this chapter, except that the division may maintain and insure with the State Risk Management Property Insurance Trust Fund buildings on property owned by the state or any of its agencies.

Section 8. Effective upon this act becoming a law, subsection (2) of section 272.185, Florida Statutes, is amended to read:

272.185 Maintenance of Governor’s Mansion by Department of Management Services.—

(2) The department shall insure the Governor’s Mansion, its contents, and all structures and appurtenances thereto with the State Risk Management Property Insurance Trust Fund as provided in s. 284.01. The department may purchase any necessary insurance either by a primary insurance contract, excess coverage insurance, or reinsurance to cover the contents of the mansion, whether title of the contents is in the state or in any other

person or entity not a resident of the mansion, notwithstanding the provision of s. 287.025.

Section 9. Effective upon this act becoming a law, subsection (1) of section 284.01, Florida Statutes, is amended to read:

284.01 ~~State Risk Management Property Insurance~~ Trust Fund; coverages to be provided.—

(1) ~~A state self-insurance fund, designated as the "State Property Insurance Trust Fund," is created to be set up by the Department of Insurance and administered with a program of risk management.~~ The State Risk Management Trust Fund shall insure those properties designated in subsection (2) which are owned by the state or its agencies, boards, or bureaus against loss from fire, lightning, sinkholes, and hazards customarily insured by extended coverage and loss from the removal of personal property from such properties when endangered by covered perils. Furthermore, the fund may also insure the State Regional Office Building located in the City of Jacksonville, Duval County, including the parking facility owned by the City of Jacksonville, since such building is jointly owned by the State of Florida and the City of Jacksonville. The City of Jacksonville shall be responsible for the payment of all premiums charged by the fund to insure property owned by the City of Jacksonville. Flood insurance shall be provided for state-owned structures and contents designated in subsection (2) to the extent necessary to meet self-insurance requirements of the National Flood Insurance Program, as prescribed in rules and regulations of the Federal Emergency Management Agency in 44 C.F.R. parts 59, 60, and 74, effective October 1, 1986.

Section 10. Effective upon this act becoming a law, section 284.03, Florida Statutes, is amended to read:

284.03 Deficits in fund supplied from General Revenue Fund; repayment.—Should a loss occur upon property insured in the ~~State Risk Management Property Insurance~~ Trust Fund that would require more funds, to pay the amount of any loss covered by insurance in said fund, than are at that time available in said fund, in that event there is appropriated out of any funds in the General Revenue Fund not otherwise appropriated a sum which, added to the sum then available in ~~the said State Risk Management Property Insurance~~ Trust Fund, shall be sufficient to pay the amount of the covered loss. In the event any funds shall be paid out of the General Revenue Fund under this provision, such amounts so paid out of the General Revenue Fund shall be returned to it out of the first available assets of the State Risk Management said Insurance Trust Fund after paying any necessary expenses as provided in s. 284.02(2) and (3).

Section 11. Effective upon this act becoming a law, section 284.05, Florida Statutes, is amended to read:

284.05 Inspection of insured state property.—The Department of Insurance shall inspect all permanent buildings insured by the ~~State Risk Management Property Insurance~~ Trust Fund, and whenever conditions are found to exist which, in the opinion of the Department of Insurance, are

hazardous from the standpoint of destruction by fire or other loss, the Department of Insurance may order the same repaired or remedied, and the agency, board, or person in charge of such property is required to have such dangerous conditions immediately repaired or remedied upon written notice from the Department of Insurance of such hazardous conditions. Such amounts as may be necessary to comply with such notice or notices shall be paid by the Department of Management Services or by the agency, board, or person in charge of such property out of any moneys appropriated for the maintenance of the respective agency or for the repairs or permanent improvement of such properties or from any incidental or contingent funds they may have on hand. In the event of a disagreement between the Department of Insurance and the agency, board, or person having charge of such property as to the necessity of the repairs or remedies ordered, the matter in disagreement shall be determined by the Department of Management Services.

Section 12. Effective upon this act becoming a law, section 284.14, Florida Statutes, is amended to read:

284.14 ~~State Risk Management Property Insurance Trust Fund~~; leasehold interest.—In the event the state or any department or agency thereof has acquired or hereafter acquires a leasehold interest in any improved real property and by the terms and provisions of said lease it is obligated to insure such premises against loss by fire or other hazard to such premises, it shall insure such premises in the State Risk Management Property Insurance Trust Fund as required by the terms of said lease or as required by the provisions of this chapter. No state agency shall enter into or acquire any such leasehold interest until the coverages required to be maintained by the provisions of the lease are approved in writing by the Department of Insurance.

Section 13. Effective upon this act becoming a law, section 284.30, Florida Statutes, is amended to read:

284.30 ~~State Florida Casualty Insurance Risk Management Trust Fund~~; coverages to be provided.—A state self-insurance fund, designated as the “State Florida Casualty Insurance Risk Management Trust Fund,” is created to be set up by the Department of Insurance and administered with a program of risk management, which fund is to provide insurance, as authorized by s. 284.33, for workers’ compensation, general liability, fleet automotive liability, federal civil rights actions under 42 U.S.C. s. 1983 or similar federal statutes, and court-awarded attorney’s fees in other proceedings against the state except for such awards in eminent domain or for inverse condemnation or for awards by the Public Employees Relations Commission. A party to a suit in any court, to be entitled to have his or her attorney’s fees paid by the state or any of its agencies, must serve a copy of the pleading claiming the fees on the Department of Insurance; and thereafter the department shall be entitled to participate with the agency in the defense of the suit and any appeal thereof with respect to such fees.

Section 14. Effective upon this act becoming a law, section 284.36, Florida Statutes, is amended to read:

284.36 Appropriation deposits; premium payment.—Premiums for coverage by the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund as calculated on all coverages shall be billed and charged to each state agency according to coverages obtained by the fund for their benefit, and such obligations shall be paid promptly by each agency from its operating budget upon presentation of a bill therefor. After the first year of operation, premiums to be charged to all departments of the state are to be computed on a retrospective rating arrangement based upon actual losses accruing to the fund, taking into account reasonable expectations, the maintenance and stability of the fund, and the cost of insurance.

Section 15. Effective upon this act becoming a law, section 284.385, Florida Statutes, is amended to read:

284.385 Reporting and handling of claims.—All departments covered by the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund under this part shall immediately report all known or potential claims to the Department of Insurance for handling, except employment complaints which have not been filed with the Florida Human Relations Commission, Equal Employment Opportunity Commission, or any similar agency. When deemed necessary, the Department of Insurance shall assign or reassign the claim to counsel. The assigned counsel shall report regularly to the Department of Insurance on the status of any such claims or litigation as required by the Department of Insurance. No such claim shall be compromised or settled for monetary compensation without the prior approval of the Department of Insurance. All departments shall cooperate with the Department of Insurance in its handling of claims. The Department of Insurance, the Department of Management Services, and the Department of Banking and Finance, with the cooperation of the state attorneys and the clerks of the courts, shall develop a system to coordinate the exchange of information concerning claims for and against the state, its agencies, and its subdivisions, to assist in collection of amounts due to them. The covered department shall have the responsibility for the settlement of any claim for injunctive or affirmative relief under 42 U.S.C. s. 1983 or similar federal or state statutes. The payment of a settlement or judgment for any claim covered and reported under this part shall be made only from the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund.

Section 16. Effective upon this act becoming a law, subsections (3), (5), (6), and (7) of section 284.44, Florida Statutes, are amended to read:

284.44 Salary indemnification costs of state agencies.—

(3) For the purposes of this section, “salary indemnification costs” means the payments made to employees for temporary total disability benefits. After an employee has been eligible for disability benefits for 10 weeks, salary indemnification costs shall be funded from the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund in accordance with the provisions of this part for those agencies insured by the fund.

(5) If a state agency demonstrates to the Executive Office of the Governor and the chairs of the legislative appropriations committees that no funds are available to pay initial salary indemnification costs for a specific claim

pursuant to this section without adversely impacting its ability to perform statutory responsibilities, the Executive Office of the Governor may direct the Division of Risk Management to fund all salary indemnification costs for that specific claim from the ~~State Florida Casualty Insurance Risk Management Trust Fund~~ and waive the state agency reimbursement requirement.

(6) The Division of Risk Management shall prepare quarterly reports to the Executive Office of the Governor and the chairs of the legislative appropriations committees indicating for each state agency the total amount of salary indemnification benefits paid to claimants and the total amount of reimbursements from state agencies to the ~~State Florida Casualty Insurance Risk Management Trust Fund~~ for initial costs for the previous quarter. These reports shall also include information for each state agency indicating the number of cases and amounts of initial salary indemnification costs for which reimbursement requirements were waived by the Executive Office of the Governor pursuant to this section.

(7) If a state agency fails to pay casualty increase premiums or salary indemnification reimbursements within 30 days after being billed, the Division of Risk Management shall advise the Comptroller. After verifying the accuracy of the billing, the Comptroller shall transfer the appropriate amount from any available funds of the delinquent state agency to the ~~State Florida Casualty Insurance Risk Management Trust Fund~~.

Section 17. Effective upon this act becoming a law, subsection (2) of section 284.50, Florida Statutes, is amended to read:

284.50 Loss prevention program; safety coordinators; Interagency Advisory Council on Loss Prevention; employee recognition program.—

(2) There shall be an Interagency Advisory Council on Loss Prevention composed of the safety coordinators from each department and representatives designated by the Division of State Fire Marshal and the Division of Risk Management. The chair of the council shall be the Director of the Division of Risk Management or his or her designee. The council shall meet at least quarterly to discuss safety problems within state government, to attempt to find solutions for these problems, and, when possible, to assist in the implementation of the solutions. If the safety coordinator of a department or office is unable to attend a council meeting, an alternate, selected by the department head or his or her designee, shall attend the meeting to represent and provide input for that department or office on the council. The council is further authorized to provide for the recognition of employees, agents, and volunteers who make exceptional contributions to the reduction and control of employment-related accidents. The necessary expenses for the administration of this program of recognition shall be considered an authorized administrative expense payable from the ~~State Florida Casualty Insurance Risk Management Trust Fund~~.

Section 18. Effective upon this act becoming a law, subsection (3) of section 287.025, Florida Statutes, is amended to read:

287.025 Prohibition against certain insurance coverage on specified state property or insurable subjects.—

(3) Any items, property, or insurable subjects titled in the name of the state or its departments, divisions, bureaus, commissions, or agencies which are not included or insured by the State ~~Risk Management Property Insurance~~ Trust Fund under chapter 284 or specifically designated not to be insured by this section shall be eligible subjects for insurance coverage through commercial insurance carriers as otherwise provided by law.

Section 19. Effective upon this act becoming a law, paragraph (c) of subsection (2) of section 287.059, Florida Statutes, is amended to read:

287.059 Private attorney services.—

(2) No agency shall contract for private attorney services without the prior written approval of the Attorney General, except that such written approval is not required for private attorney services:

(c) Necessary to represent the state in litigation involving the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund pursuant to part II of chapter 284.

Section 20. Effective upon this act becoming a law, subsections (1) and (2) of section 331.350, Florida Statutes, are amended to read:

331.350 Insurance coverage of the authority; safety program.—

(1) Notwithstanding any other provision of law, the State ~~Risk Management Property Insurance~~ Trust Fund established under s. ~~284.30~~ 284.01 shall not insure buildings and property owned or leased by the authority.

(2) Notwithstanding any other provision of law, the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund established under s. 284.30 shall not insure against any liability of the authority.

Section 21. Effective upon this act becoming a law, subsection (2) of section 393.075, Florida Statutes, is amended to read:

393.075 General liability coverage.—

(2) The Division of Risk Management of the Department of Insurance shall provide coverage through the Department of Children and Family Services to any person who owns or operates a foster care facility or group home facility solely for the Department of Children and Family Services, who cares for children placed by developmental services staff of the department, and who is licensed pursuant to s. 393.067 to provide such supervision and care in his or her place of residence. The coverage shall be provided from the general liability account of the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund. The coverage is limited to general liability claims arising from the provision of supervision and care of children in a foster care facility or group home facility pursuant to an agreement with the department and pursuant to guidelines established through policy, rule, or statute. Coverage shall be subject to the limits provided in ss. 284.38 and 284.385, and the exclusions set forth therein, together with other exclusions as may be set forth in the certificate of coverage issued by the trust fund. A person



covered under the general liability account pursuant to this subsection shall immediately notify the Division of Risk Management of the Department of Insurance of any potential or actual claim.

Section 22. Effective upon this act becoming a law, paragraph (f) of subsection (6) of section 402.3015, Florida Statutes, is amended to read:

402.3015 Subsidized child care program; purpose; fees; contracts.—

(6)

(f) The Division of Risk Management of the Department of Insurance shall provide coverage through the department to the community child care coordinating agencies for the subsidized child care program. The coverage shall be provided from the general liability account of the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund, and the coverage shall be primary. The coverage is limited to general liability claims arising from the management of the subsidized child care program under a contract with the department and under guidelines established through policy, rule, or law. Coverage shall be limited as provided in ss. 284.38 and 284.385, and the exclusions set forth therein, together with other exclusions that are set forth in the certificate of coverage issued by the trust fund, shall apply. A community child care coordinating agency covered under the general liability account pursuant to this paragraph shall immediately notify the Division of Risk Management of the Department of Insurance of any potential or actual claim.

Section 23. Effective upon this act becoming a law, paragraph (a) of subsection (14) of section 409.175, Florida Statutes, is amended to read:

409.175 Licensure of family foster homes, residential child-caring agencies, and child-placing agencies.—

(14)(a) The Division of Risk Management of the Department of Insurance shall provide coverage through the Department of Children and Family Services to any person who owns or operates a family foster home solely for the Department of Children and Family Services and who is licensed to provide family foster home care in her or his place of residence. The coverage shall be provided from the general liability account of the ~~State Florida Casualty Insurance~~ Risk Management Trust Fund, and the coverage shall be primary. The coverage is limited to general liability claims arising from the provision of family foster home care pursuant to an agreement with the department and pursuant to guidelines established through policy, rule, or statute. Coverage shall be limited as provided in ss. 284.38 and 284.385, and the exclusions set forth therein, together with other exclusions as may be set forth in the certificate of coverage issued by the trust fund, shall apply. A person covered under the general liability account pursuant to this subsection shall immediately notify the Division of Risk Management of the Department of Insurance of any potential or actual claim.

Section 24. Effective upon this act becoming a law, section 946.509, Florida Statutes, is amended to read:

946.509 Insurance of property leased or acquired by the corporation.—

(1) The State Risk Management Property Insurance Trust Fund created under s. ~~284.30~~ ~~284.01~~ shall insure all property eligible for coverage under part I of chapter 284 which is leased by the department to the corporation or which is subsequently acquired and owned by the corporation and subject to the reversionary ownership interest of the state established in s. 946.505.

(2) Coverage under the State Risk Management Property Insurance Trust Fund of property leased to or otherwise acquired by the corporation shall be secured and maintained through the existing policy and account of the Department of Corrections with the Division of Risk Management of the Department of Insurance. All matters, including premium calculations, assessments and payments, retrospective premium adjustments, reporting requirements, and other requirements, concerning coverage of such property under the State Risk Management Property Insurance Trust Fund shall be conducted as if all such property were owned solely by the department. Except as required by chapter 284, if the corporation finds that it is more economical to do so, the corporation may secure private insurance coverage on all or a portion of the activities of or properties used by the corporation. If coverage through the State Risk Management Property Insurance Trust Fund is not secured, the corporation must present documentation of insurance coverage to the Division of Risk Management equal to the coverage that could otherwise be provided by the State Risk Management Property Insurance Trust Fund.

Section 25. Effective upon this act becoming a law, subsection (8) of section 985.406, Florida Statutes, is amended to read:

985.406 Juvenile justice training academies established; Juvenile Justice Standards and Training Commission created; Juvenile Justice Training Trust Fund created.—

(8) PARTICIPATION OF CERTAIN PROGRAMS IN THE STATE FLORIDA CASUALTY INSURANCE RISK MANAGEMENT TRUST FUND.—Pursuant to s. 284.30, the Division of Risk Management of the Department of Insurance is authorized to insure a private agency, individual, or corporation operating a state-owned training school under a contract to carry out the purposes and responsibilities of any program of the department. The coverage authorized herein shall be under the same general terms and conditions as the department is insured for its responsibilities under chapter 284.

Section 26. Effective upon this act becoming a law, section 985.409, Florida Statutes, is amended to read:

985.409 Participation of certain programs in the State Florida Casualty Insurance Risk Management Trust Fund.—Pursuant to s. 284.30, the Division of Risk Management of the Department of Insurance is authorized to insure a private agency, individual, or corporation operating a state-owned training school under a contract to carry out the purposes and responsibilities of any program of the department. The coverage authorized herein shall

be under the same general terms and conditions as the department is insured for its responsibilities under chapter 284.

Section 27. Except as otherwise provided herein, this act shall take effect July 1, 2000.

Approved by the Governor April 20, 2000.

Filed in Office Secretary of State April 20, 2000.