

House Bill No. 2377

An act relating to the state budgetary process; revising procedures used in submitting and reviewing requests for state funds; amending s. 216.011, F.S.; revising, deleting, and adding definitions; creating s. 216.013, F.S.; requiring agencies to submit long-range program plans; amending s. 216.015, F.S.; revising legislative findings; amending s. 216.0152, F.S.; changing the date for publishing a certain report; amending s. 216.0158, F.S.; revising procedures for determination of facility needs; amending s. 216.016, F.S.; requiring additional information in the Governor's recommended budget; amending s. 216.023, F.S.; prescribing procedures for submitting agency budget requests to the Legislature; amending s. 216.031, F.S.; revising procedures relating to legislative budget requests; amending s. 216.044, F.S.; revising procedures relating to budget evaluation by the Department of Management Services; amending s. 216.0446, F.S.; revising procedures relating to review of information resources management needs; amending s. 216.052, F.S.; providing procedure for submitting community budget requests; amending s. 216.081, F.S.; revising the schedule for submission of data relating to the judicial and legislative branches; amending s. 216.131, F.S.; revising procedures relating to public hearings; amending s. 216.133, F.S.; revising, deleting, and adding definitions; amending s. 216.134, F.S.; revising procedures to be used by estimating conferences; amending s. 216.136, F.S.; revising duties of the Economic Estimating Conference; abolishing the Transportation Estimating Conference; creating the Self-Insurance Estimating Conference and the Florida Retirement System Actuarial Assumption Conference; amending s. 216.141, F.S.; revising provisions relating to the planning and budgeting system; amending s. 216.162, F.S.; revising procedures relating to furnishing legislators with copies of the Governor's recommended budget; amending s. 216.163, F.S.; revising provisions relating to form and content of the Governor's recommended budget; amending s. 216.177, F.S.; revising provisions relating to appropriation act statements of intent and to required notices of budgetary action; amending s. 216.178, F.S.; requiring additional notice before the vote on an appropriations act; revising duties of the Governor with respect to statements of costs of state debts and obligations; amending s. 216.179, F.S.; prohibiting reinstatement by a state agency of vetoed appropriations administratively; amending s. 216.181, F.S.; revising procedures relating to approved budgets for operations and fixed capital outlay; revising restrictions on increases on salary rate; prescribing procedures with respect to nonoperating budgets; deleting obsolete provisions; creating s. 216.1825, F.S.; requiring zero-based budgeting reviews; providing for use of zero-based budgeting principles; amending s. 216.183, F.S.; revising provisions relating to development of charts of accounts; amending s. 216.192, F.S.; revising procedures relating to release of appropriations; amending s. 216.195, F.S.; defining the

term “impoundment” for purposes of impoundment of funds; amending s. 216.212, F.S.; revising duties of the Executive Office of the Governor and the Office of the Comptroller with respect to budgets for federal funds; creating s. 216.216, F.S.; prescribing procedures to be used with respect to funds subject to a court settlement negotiated by the state; amending s. 212.221, F.S.; revising procedures to be used in the event of budget deficits; amending s. 216.251, F.S.; revising procedures relating to salary appropriations for certain employees; amending s. 216.262, F.S.; revising provisions relating to increases in authorized positions; defining the term “perquisites” for purposes of limiting the furnishing thereof; amending s. 216.271, F.S.; defining the term “revolving fund”; amending s. 216.292, F.S.; revising provisions relating to limits on and procedures for transfers of appropriations; creating s. 216.348, F.S.; providing conditions for receipt of certain grants and aids appropriations by certain nonprofit entities; providing definitions; providing for an affidavit of nonprofit status; providing for an agreement between the administering agency and the nonprofit entity; providing minimum requirements for the agreement; providing that the nonprofit entity continue operation of the property for the purposes set forth in the grant; providing for repayment of grant moneys received under certain conditions; providing for the adoption of an accounting system and providing for audit; providing for liability insurance and exempting the administering agency from liability; providing permissive conditions of the agreement; providing for a satisfaction of the agreement; amending s. 11.45, F.S.; prescribing duties of the Auditor General with respect to direct-support and citizen support organizations; creating s. 11.90, F.S.; creating the Legislative Budget Commission; amending s. 120.65, F.S.; deleting 21-day time limitation on action by the Executive Office of the Governor; amending s. 121.031, F.S.; deleting provisions relating to the Florida Retirement System Actuarial Assumption Conference; amending s. 186.002, F.S.; changing “state agency strategic” plan to “long-range program” plan; amending s. 186.003, F.S.; redefining the term “state agency”; amending s. 186.021, F.S.; requiring each state agency to develop a long-range program plan annually; amending s. 186.022, F.S.; requiring submission of information resource strategic plans; amending s. 186.901, F.S.; revising provisions relating to production of population estimates; amending s. 215.18, F.S.; providing authority for the Governor to approve transfers between funds to avoid deficits; amending s. 215.22, F.S.; exempting Tobacco Settlement Trust Funds from service charge to general revenue; amending s. 215.32, F.S.; authorizing the Governor to combine trust funds under certain conditions; amending ss. 215.3208, 240.209, 240.20941, 240.279, 252.37, 288.7091, 320.20, 337.023, 339.135, 376.15, 392.69, F.S., to conform terminology and references to changes made by the act; transferring, renumbering, and amending s. 216.3491, F.S.; providing for the Florida Single Audit Act; renumbering s. 216.331, F.S., relating to disbursement of state moneys; renumbering s. 216.3505, F.S., relating to refinancing of bonds; repealing s. 216.001, F.S., relating to definitions; repealing s. 216.0154, F.S., relating to assessment of trends and conditions affecting need for capital facilities;

repealing s. 216.0162, F.S., relating to monitoring and evaluation of capital facilities planning and budgeting; repealing s. 216.0166, F.S., relating to submission of performance-based budget requests, programs, and performance measures; repealing s. 216.0172, F.S., relating to the schedule for submission of performance-based program budgets; repealing s. 216.0235, F.S., relating to furnishing of performance-based legislative program budget requests; repealing s. 216.0315, F.S., relating to budgets of state agencies that have international programs; repealing s. 216.091, F.S., relating to statements by the Comptroller; repealing s. 216.111, F.S., relating to financial statements and schedules and other reports; repealing s. 216.281, F.S., relating to construction of terms; repealing s. 216.286, F.S., relating to release of funds under the Florida Employment Opportunity Act; providing applicability; providing an effective date.

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

Section 1. 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 monetary compensation authorized salary estimated to be paid or actually paid a position or positions on an annualized basis. The term does not include moneys authorized for benefits associated with the position. 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, or and the legislative branch for stated purposes in the performance of the functions it is authorized by law to perform. The categories contained in the appropriations act include, but are not limited to:

1. Data processing services.
2. Expenses.
3. Fixed capital outlay.
4. Food products.
5. Grants and aids.
6. Grants and aids to local governments and nonstate entities-fixed capital outlay.

7. Lump-sum appropriations.
8. Operating capital outlay.
9. Other personal services.
10. Salaries and benefits.
11. Special categories.

(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)(qq)~~ “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.

~~(f)(e)~~ “Budget entity” means a unit or function at the lowest level to which funds are specifically appropriated in the appropriations act. “Budget entity” and “service” have the same meaning.

(g) “Chairs of the legislative appropriations committees” means the chairs of the committees of the Senate and the House of Representatives responsible for producing the General Appropriations Act.

~~(h)(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.

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

~~(j)(h)~~ “Data processing services” means the appropriation category used to fund electronic data processing services provided by or to state agencies or the judicial branch, which services include, but are not limited to, systems design, software development, or time-sharing by other governmental units or budget entities.

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

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

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

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

~~(n)(m)~~ “Expense” means the appropriation category used to fund 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 may be are included in this category budget classification of expenditures.

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

(p)(o) “Fixed capital outlay” means the appropriation category used to fund 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.

(q) “Food products” means the appropriation category used to fund food consumed and purchased in state-run facilities that provide housing to individuals.

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

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

(s)(pp) “Grants and aids to local governments and nonstate entities-fixed Nonprofit Organizations-Fixed capital outlay” means the that appropriation category used to fund which includes:

1. Grants to local units of governments or nonstate entities ~~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 to local units of government and nonprofit organizations under this category may be advanced in part or in whole.

(t)(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.

(u)(s) “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.

(v)(t) “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.

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

(x) “Legislative budget instructions” means the annual set of instructions developed to assist agencies in submitting budget requests to the Legislature and to generate information necessary for budgetary decisionmaking. Such instructions may include program-based performance budget instructions.

(y)(v) “Legislative budget request” 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.

(z) “Long-range program plan” means a plan developed on an annual basis by each state agency that is policy based, priority driven, accountable, and developed through careful examination and justification of all programs and their associated costs. Each plan is developed by examining the needs of agency customers and clients and proposing programs and associated costs to address those needs based on state priorities as established by law, the agency mission, and legislative authorization. The plan provides the framework and context for preparing the legislative budget request and includes performance indicators for evaluating the impact of programs and agency performance.

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

(bb)(x) “Operating capital outlay” means the appropriation category used to fund equipment, fixtures, and other tangible personal property of a non-consumable and nonexpendable nature, up to the value or cost specified in s. 273.02 of which is \$1,000 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 \$250 or more.

(cc)(y) “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.

~~(dd)(z)~~ “Other personal services” means the appropriation category used to fund 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 and benefits appropriations and other-personal-services appropriations;

1. Those persons filling established positions shall be paid from salaries and benefits 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 and benefits 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.

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

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

~~(gg)(xx)~~ “Performance-based program appropriation” means the appropriation category used to fund funds appropriated for a specific set of activities or classification of expenditure within an approved performance-based program.

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

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

~~(jj)(vv)~~ “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.

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

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

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

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

~~(kk)(ff) “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.~~

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

~~(mm) “Salaries and benefits” means the appropriation category used to fund the monetary or cash-equivalent compensation for work performed by state employees for a specific period of time. Benefits shall be as provided by law.~~

~~(hh) “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) “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.~~

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

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

~~(oo)(ll) “Special category” means the appropriation category used to fund amounts appropriated for a specific need or classification of expenditures.~~

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

~~(qq)(mm) “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, but is not limited to, state attorneys, public defenders, the capital collateral regional counsels Representative, and the Justice Administrative Commission, the Florida Housing Finance Corporation, and the Florida Public Service Commission. For purposes of~~

implementing s. 19(h), Art. III of the State Constitution, “state agency” or “agency” includes the judicial branch.

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

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

(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.~~

(2) For purposes of this chapter, terms related to personnel affairs of the state shall be defined as set forth in s. 110.203.

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

(a) ~~“Approved operating budget” or “approved budget” means the plan of operations consisting of the original approved operating budget and statement of intent.~~

(b) ~~“Commission” means the Legislative Budget Administration Commission created in s. 11.90 composed of the Governor and Cabinet.~~

(c) ~~“Emergency situation” means a set of conditions that were unforeseen at the time the General Appropriations Act was adopted and that are essential to correct in order to continue the operation of government, or a set of conditions that were not considered in the General Appropriations Act and that constitute an imminent threat to public health, safety, or welfare. This definition shall not apply to the emergency provisions of chapter 252.~~

(d) ~~“Impoundment” means the omission of any appropriation or part of an appropriation in the approved operating plan prepared pursuant to the provisions of s. 216.181 or in the schedule of releases prepared pursuant to the provisions of s. 216.192 or the failure of any state agency or the judicial branch to spend an appropriation for the stated purposes authorized in the approved operating budget.~~

Section 2. Section 216.013, Florida Statutes, is created to read:

216.013 Long-range program plan.—

(1) State agencies shall develop long-range program plans to achieve state goals using an interagency planning process that includes the development of integrated agency program service outcomes. The plan shall cover a period of 5 fiscal years and shall become effective July 1 each year. Long-range program plans shall provide the framework for the development of agency budget requests and shall:

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

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

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

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

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

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

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

(3) Long-range program plans shall be submitted to the Executive Office of the Governor by August 1 of each year in a form and manner prescribed by the Executive Office of the Governor and the chairs of the legislative appropriations committees. Such long-range program plans for the Judicial Branch shall be submitted by the Chief Justice of the Supreme Court to the President of the Senate and the Speaker of the House of Representatives, and a copy shall be provided to the Executive Office of the Governor.

(4) The Executive Office of the Governor shall review the long-range program plans for executive agencies to ensure that they are consistent with the state's goals and objectives and other requirements as specified in the written instructions and that they provide the framework and context for the agency's budget request. In its review, the Executive Office of the Governor shall consider the findings of the Technology Review Workgroup as to the consistency of the information technology portion of long-range program plans with the State Annual Report on Information Resources Management and statewide policies recommended by the State Technology Council and the state's plan for facility needs pursuant to s. 216.0158. Based on the results of the review, the Executive Office of the Governor may require an agency to revise the plan.

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

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

(7) Each executive agency shall transmit copies of its long-range program plan and all written comments on its plan to the President of the Senate and the Speaker of the House of Representatives not later than 60 days prior to the next regular session of the Legislature.

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

(9) Agencies and the Judicial Branch shall make appropriate adjustments to their long-range program plans to be consistent with the appropriations and performance measures in the General Appropriations Act. Agencies and the Judicial Branch have until June 15 to make adjustments to their plans and submit the adjusted plans to the Executive Office of the Governor for review.

Section 3. Subsections (2) and (4) of section 216.015, Florida Statutes, are amended to read:

216.015 Capital facilities planning and budgeting process.—

(2) The Legislature finds that:

~~(a) The condition of the state's infrastructure, including its roads, water and sewer facilities, state office buildings, bridges, ports, airports, canals, prisons, educational facilities, park and recreational facilities, and other capital assets, are in need of repair, expansion, and replacement at a time when the fiscal resources of the state are increasingly being strained by the competing demands for state services and capital improvements.~~

~~(b) The high degree of coordination among the various branches of state government, local government, and public benefit corporations which is necessary to maximize the potential public benefits to be derived from the limited financial resources which will be dedicated to public capital improvements within this state in the future is lacking.~~

~~(c) There is a need to establish a comprehensive capital facilities planning and budgeting process that which is fully integrated with the state financial planning and debt management activities and that which incorporates the long-range plans of all state agencies and the judicial branch and major public benefit corporations to ensure that projects with the greatest potential for improving the prosperity and well-being of the people of the state receive their proper allocation of limited resources.~~

~~(d) There is currently no mechanism in place for managing the debt structure of the state by matching the capital facility needs of the state with the amounts and sources of funds which could be made available to meet those needs.~~

It is, therefore, the intent of the Legislature in enacting this legislation that a comprehensive capital facilities planning and budgeting process be estab-

lished and maintained to enable the state to better meet the demands for new and properly maintained infrastructure in a fiscally responsible manner.

(4) In order to carry out this act, the Executive Office of the Governor is designated as the agency responsible for the coordination, development, and direction, monitoring, and evaluation of the comprehensive capital facilities planning and budgeting process, including the plans revised pursuant to that process. The Executive Office of the Governor shall publish an annual report of the progress being made by the state toward meeting the state goals and objectives of the plans.

Section 4. Subsection (3) of section 216.0152, Florida Statutes, is amended to read:

216.0152 Inventory of state-owned facilities or state-occupied facilities.—

(3) The Department of Management Services shall, every 3 years, publish a complete report detailing this inventory and shall publish an annual update of the report. The department shall furnish the updated report to the Executive Office of the Governor and the Legislature no later than September 15 4 of each year.

Section 5. Subsections (2), (4), and (5) of section 216.0158, Florida Statutes, are amended to read:

216.0158 Assessment of facility needs.—

(2) On or before September 15 4 of each year, each state agency, as defined in s. 216.011, shall submit to the Executive Office of the Governor, and each district court of appeal and the Marshal of the Supreme Court shall submit to the Chief Justice of the Supreme Court, in a manner prescribed by the legislative budget instructions, a short-term plan for facility needs covering the next 5-year period. The short-term plan shall list the agency's or judicial branch's facility needs in order of priority and shall include preventive maintenance strategies, expected replacement of existing facilities, expected improvements or additions to facilities on a specific project-by-project basis, estimated cost, and other information as prescribed by the legislative budget instructions. ~~At the same time, when directed in the legislative budget instructions as provided in s. 216.023(3), each agency shall submit to the Executive Office of the Governor, and each district court of appeal and the Marshal of the Supreme Court shall submit to the Chief Justice of the Supreme Court, who shall submit copies to the legislative appropriations committees, in a format prescribed by the instructions, a long-term plan for the 5 years following the period of the short-term plan. The long-term plan shall outline forecasted agency facility needs. The Chief Justice shall certify the final approved plan for the judicial branch to the Executive Office of the Governor which shall include the plan, without modification, in the state comprehensive plan.~~

(4) ~~Each of~~ The first year 2 years of the plan referred to in subsection (2) shall comport with the requirements of s. 216.043.

(5) Each plan for years 2 ~~3~~ through 5 shall provide the following information:

(a) A full explanation of the basis for each project, including a description of the function which requires the facility; an explanation of the inability of existing facilities to meet such requirements; historical background; alternatives; and anticipated changes in both initial and continuing operating costs.

(b) An application of standards and criteria to establish the scope of each project.

(c) An application of cost factors to all elements of each project to establish an estimate of funding requirements.

(d) A request for a legislative appropriation to provide such funding in the appropriate fiscal year, including the need for advance funding of programming and design activities.

Section 6. Paragraph (a) of subsection (2) of section 216.016, Florida Statutes, is amended to read:

216.016 Evaluation of plans; determination of financing method.—

(2)(a) The Executive Office of the Governor shall develop a finance plan for meeting the state's infrastructure and fixed capital outlay needs, which shall be incorporated into the Governor's recommended budget submitted to the Legislature pursuant to s. 216.162.

Section 7. Section 216.023, Florida Statutes, is amended to read:

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

(1) The head of each state agency shall submit a final legislative budget request to the Legislature and to the Governor, as chief budget officer of the state, in the form and manner prescribed in the budget instructions and at such time as specified by the Executive Office of the Governor, based on the agency's independent judgment of its needs. However, no state agency shall submit its complete final legislative budget request, including all supporting forms and schedules required by this chapter, later than September 15 ~~1~~ of each year.

(2) The judicial branch and the Division of Administrative Hearings shall submit their complete final legislative budget requests directly to the Legislature with a copy to the Governor, as chief budget officer of the state, in the form and manner as prescribed in the budget instructions. However, the complete final legislative budget requests, including all supporting forms and schedules required by this chapter, shall be submitted no later than September 15 ~~1~~ of each year.

(3) The Executive Office of the Governor and the appropriations committees of the Legislature shall jointly develop legislative budget instructions for preparing the exhibits and schedules that make up the agency budget

from which each agency and the judicial branch, pursuant to ~~ss. 216.031 and 216.043~~, shall prepare their legislative budget request. The budget instructions shall be consistent with s. 216.141 and shall be transmitted to each agency and to the judicial branch no later than June 15 of each year. In the event that agreement cannot be reached between the Executive Office of the Governor and the appropriations committees of the Legislature regarding legislative budget instructions, the issue shall be resolved by the Governor, the President of the Senate, and the Speaker of the House of Representatives.

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

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

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

(c) Details on trust funds and fees.

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

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

(f) Information resource requests.

(g) Legislatively approved output and outcome performance measures and any proposed revisions to measures.

(h) Proposed performance standards for each performance measure and justification for the standards and the sources of data to be used for measurement.

(i) Prior-year performance data on approved performance measures and an explanation of deviation from expected performance. Performance data must be assessed for reliability in accordance with s. 20.055.

(j) Unit costs for approved output measures pursuant to s. 186.022.

(k) Proposed performance incentives and disincentives.

(5) Prior to September 15 of the fiscal year prior to which the judicial branch is required to submit a performance-based program budget request, the Chief Justice of the Supreme Court shall identify and, after consultation with the Office of Program Policy Analysis and Government Accountability, submit to the President of the Senate and the Speaker of the House of Representatives a list of proposed programs and associated performance measures. The judicial branch shall provide documentation to accompany the list of proposed programs and performance measures as provided under s. 216.023(4). The judicial branch shall submit a performance-based program agency budget request using the programs and performance measures

adopted by the Legislature. The Chief Justice may propose revisions to approved programs or performance measures for the judicial branch. The Legislature shall have final approval of all programs and associated performance measures and standards for the judicial branch through the General Appropriations Act or legislation implementing the General Appropriations Act. By September 15, 2001, the Chief Justice of the Supreme Court shall submit to the President of the Senate and the Speaker of the House of Representatives a performance-based program budget request for programs of the judicial branch approved by the Legislature and provide a copy to the Executive Office of the Governor.

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

(7) Annually, by June 30, executive agencies shall submit to the Executive Office of the Governor adjustments to their performance standards based on the amounts appropriated for each program by the Legislature. When such an adjustment is made, all performance standards, including any adjustments made, shall be 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 Senate Committee on Fiscal Policy and the House of Representatives Fiscal Responsibility Council shall advise Senate substantive committees and House of Representatives substantive committees, respectively, of all adjustments made to performance standards or measures. 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. As used in this section, "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.

~~(4) Each agency and the judicial branch shall submit for review a preliminary legislative budget request to the Executive Office of the Governor, in the form and manner prescribed in ss. 216.031 and 216.043, in accordance with the legislative budget instructions, and at such time as may be prescribed by the Executive Office of the Governor.~~

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

~~(9)(5) The Executive Office of the Governor shall review the preliminary legislative budget request for technical compliance with the budget format~~

provided for in the budget instructions. The Executive Office of the Governor shall notify the agency or the judicial branch of any adjustment required. The agency or judicial branch shall make the appropriate corrections as requested in preparing its final legislative budget request. If the appropriate technical corrections are not made as requested in the final legislative budget requests, the Executive Office of the Governor shall ~~may~~ adjust the budget request to incorporate the appropriate technical corrections in the format of the request.

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

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

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

~~(7)(a) The provisions of subsections (1) and (2) to the contrary notwithstanding, each agency subject to the provisions of this section shall submit its legislative budget request no later than September 1 of the year in which the agency is required to submit its point-by-point response pursuant to s. 216.0165(1)(d).~~

~~(b) Each agency and branch subject to the provisions of this section and s. 216.0165 shall provide as part of its budget request a point-by-point response to all funding recommendations prepared and submitted by the Director of the Office of Program Policy Analysis and Government Accountability pursuant to s. 11.513. If the recommendations of the director contain recommendations that specifically apply to an agency or branch other than the agency or branch that is the subject of the evaluation and review, the agency that is not the subject of the evaluation and review shall provide as part of its budget request a point-by-point response to any funding recommendations which apply to such agency or branch. The point-by-point response to the director's recommended funding levels shall be displayed numerically as major issues in the agency's legislative budget request. Each point-by-point response to the director's funding recommendations shall be specifically cross-referenced to the agency's responses to the director's recommendations required in s. 216.0165(1)(d).~~

~~(c) The budget instructions required pursuant to subsection (3) shall include requirements that agency or judicial branch responses, major issue summaries contained in the Governor's recommended budget, and the Letter of Intent issued with the General Appropriations Act set the point-by-point responses apart as major issues in the following manner:~~

~~1.—The director's recommendations for reduced funding shall be separately identified as the director's recommendations and treated as nonrecurring expenditures.~~

~~2.—Agency requests to restore the director's recommendations for reduced funding shall be separately identified as agency requests to restore the director's recommendations and treated as improved programs.~~

~~3.—The director's recommendations for increased funding shall be separately identified as the director's recommendations and treated as major issues for continuation of current programs.~~

~~4.—All other agency requests that would provide funding levels above the director's recommendations shall be separately identified as agency requests for funding above the director's recommendations and treated as new or improved programs.~~

~~(d)—By March 1 of the year following the submittal of an agency's budget request in accordance with the operation of this subsection and the evaluation and review of the agency pursuant to ss. 11.513 and 216.0165, the appropriate substantive committees of the Senate and the House of Representatives shall review the report of the consultant and the recommendations of the director submitted pursuant to s. 11.513 and the responses to the director's recommendations by the agencies that are the subject of the report and recommendations, and shall make recommendations for continuation, modification, or repeal of any of the agencies' programs that are affected by the consultant's report or the recommendations of the director. In developing their recommendations, such committees also shall consider the recommendations and responses made in the agencies' legislative budget requests as required by this subsection and in the Governor's recommended budget.~~

Section 8. Section 216.031, Florida Statutes, is amended to read:

~~216.031 Target budget request 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:~~

~~(1) For each budget entity, a summary exhibit showing, for each appropriation category, for each fund, 1 prior year's appropriations for general revenue, 1 prior year's actual expenditures and 1 current year's estimated expenditures, and the requested expenditures for the next fiscal year. The total number of positions for the budget entity shall be shown for each fiscal year of data for which positions are authorized, fixed, or requested. However, the agency budget request for the State University System shall be expressed in terms of the amounts for the various programs as prescribed in s. 240.271 and in terms of the specified appropriation categories, including the special units' budgets, prescribed in the prior appropriations act.~~

~~(2) For each program component within the budget entity, an exhibit showing, for each appropriation category, the summary explanation of expenditures for each detail issue describing the amounts and positions for the next fiscal year for continuation of current programs, for improved programs, and for new programs, with a summary showing totals by fund for the next fiscal year.~~

~~(3) For each trust fund within the budget entity, a schedule showing the trust funds available, providing the source of receipts, detail of nonoperating disbursements, operating expenditures, fixed capital outlay, and unencumbered cash balances, for 1 prior year's actual, the current year's estimated, and the request for the next fiscal year. In addition, for each trust fund established in connection with legislative action authorizing the collection of a fee or other charge to support a governmental service or activity being performed by the agency involved, there shall be submitted a schedule showing the full cost of such service or activity, the total fees or charges collected to fund such costs, and the amount of excess collections or any deficit. The sources and amounts of any funds used to cover a deficit shall also be shown. The service or activity being performed shall be reviewed by the appropriations committees in the Senate and House of Representatives for the express purpose of making adjustments in fees or other charges in order to make such activities as nearly self-supporting as possible.~~

~~(4) For each budget entity, a schedule showing detail of positions, providing for each class of positions within discrete organizational activities, by the collective bargaining unit and program component for the next fiscal year, the number of full-time equivalent positions, the estimated rate of salary, the amounts requested for new positions, and the number of new positions requested.~~

~~(5) Detailed information for the next fiscal year necessary for the Legislature and the Governor to evaluate:~~

~~(a) The effectiveness of current programs, including justification for those programs.~~

~~(b) The justification for increasing costs to continue the operations of current programs.~~

~~(c) The justification for proposed improvements in existing programs.~~

~~(d) The justification for proposed new programs.~~

~~(e) The projected cost of the requested program for the following fiscal year.~~

~~(f) The needs of the agency or of the judicial branch for operational expenditures, by order of priority.~~

~~(6) Additional information providing a detailed description of the request of the agency and the corresponding calculations needed to support the request.~~

~~(7) Workload and other performance indicators, as prescribed by the legislative budget instructions.~~

~~(8) An information resources management schedule showing the agency's or judicial branch's total budget request for information resources management. The schedule shall be in the format provided for in the legislative budget instructions. The budget request for information resources management shall identify, if applicable, which parts of the request are in response to any information resources management issues included in the legislative budget instructions. This subsection is applicable only to those state agencies which are under the purview of ss. 282.303-282.313 and to the judicial branch.~~

~~(9) A report separately listing the sources of receipts into each trust fund and the amounts of such receipts. In addition, the report shall identify the administrative and program costs expended from the trust fund, including salaries, other personal services, operating capital outlay, fixed capital outlay, other expenses, contractual services, and transfers to other trust funds.~~

~~(10) For those agencies or the judicial branch operating programs under a performance-based program budget, an evaluation of the agency's progress in meeting the performance standards for programs approved pursuant to s. 216.0166. Such evaluation shall be developed as prescribed by the budget instructions, and shall include any responses by the agency or the Chief Justice to the findings of the Office of Program Policy Analysis and Government Accountability pursuant to s. 11.513.~~

~~(11) For performance-based program budgets, the baseline data, outcome measures, output measures, and standards for program measures, 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 30 ~~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 9. Section 216.044, Florida Statutes, is amended to read:

216.044 Budget evaluation by Department of Management Services.—

(1) Any state agency or judicial branch entity requesting a fixed capital outlay project to be managed by the Department of Management Services shall consult with that department during the budget-development process. The Department of Management Services shall provide recommendations regarding construction requirements, cost of the project, and project alternatives to be incorporated in the agency's or entity's proposed fixed capital outlay budget request and narrative justification.

~~(2)(4)~~ Concurrently with the submission of the fixed capital outlay legislative budget request to the Executive Office of the Governor or to the Chief Justice of the Supreme Court, the agency or judicial branch shall submit a copy of the legislative budget request to the Department of Management Services for evaluation.

~~(3)(2)~~ The Department of Management Services shall advise the Executive Office of the Governor, the Chief Justice, and the Legislature regarding alternatives to the proposed fixed capital outlay project and make recommendations relating to the construction requirements and cost of the project. These recommendations shall be provided to the Legislature and Executive Office of the Governor at a time specified by the Governor, but not less than 90 days prior to the regular session of the Legislature. When evaluating alternatives, the Department of Management Services shall include information as to whether it would be more cost-efficient to lease private property or facilities, to construct facilities on property presently owned by the state, or to acquire property on which to construct the facilities. In determining the cost to the state of constructing facilities on property presently owned by the state or the cost of acquiring property on which to construct facilities, the Department of Management Services shall include the costs which would be incurred by a private person in acquiring the property and constructing the facilities, including, but not limited to, taxes and return on investment.

~~(3) The Department of Management Services shall provide assistance to any state agency, the judicial branch, and the Executive Office of the Governor in fulfilling the requirements of s. 216.0442 as developed pursuant to ss. 216.031 and 216.043.~~

Section 10. Section 216.0446, Florida Statutes, is amended to read:

216.0446 Review of information resources management needs.—

(1) There is created within the Legislature the Technology Review Workgroup. The workgroup shall Executive Office of the Governor may contract with the Legislature to provide a mechanism for review of and make recommendations with respect to the portion of agencies' long-range program

strategic plans which pertains to information resources management needs and with respect to agencies' legislative budget requests for information resources management. ~~This mechanism shall be referred to as The Technology Review Workgroup, which shall be responsible to the chairs of the legislative appropriations committees headed by a senior-level manager.~~

(2) In addition to its primary duty specified in subsection (1), the Technology Review Workgroup shall have powers and duties that include, but are not limited to, the following:

(a) To evaluate the information resource management needs identified in the agency long-range program strategic plans for consistency with the State Annual Report on Information Resources Management and statewide policies recommended by the State Technology Council, and make recommendations to the chairs of the legislative appropriations committees Executive Office of the Governor, pursuant to s. 186.022(3).

(b) To review and make recommendations to the ~~Executive Office of the Governor and the chairs of the legislative appropriations fiscal committees on proposed budget amendments and agency transfers associated with notices of proposed action for budget items with respect to information resources management initiatives or projects 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.~~

(c) ~~To make recommendations to the Executive Office of the Governor on guidelines and best practices for information resources management based on information received from the State Technology Council.~~

Section 11. Section 216.052, Florida Statutes, is amended to read:

216.052 Community Legislative budget requests; appropriations; grants.—

(1) ~~The budget request from each agency and from the judicial branch shall be reviewed by the Legislature. The review may allow for the opportunity to have information or testimony by the agency, the judicial branch, the Auditor General's Office, the Governor's Office of Planning and Budgeting, and the public regarding the proper level of funding for the agency in order to carry out its mission.~~

(2) ~~In order to ensure an integrated state planning and budgeting process, the strategic plan should be reviewed by the Legislature.~~

(1)(3) A local, county, or regional governmental entity government, private organization, or nonprofit organization may submit a request for requesting a state appropriation for a program, service, or capital outlay initiative that is local or regional in scope, is intended to meet a documented need, addresses a statewide interest, is intended to produce measurable results, and has tangible community support to members of the Legislature, a state agency, or the Governor. has not been formally recommended under procedures established by law or that has been formally recommended under such procedures but has not been recommended by an agency or by

~~the judicial branch, or that promotes only a local or regional interest, may be allowed the opportunity to provide information or testimony to the appropriate subcommittee of each appropriations committee. Each such request must include a fiscal note that shows the estimated cost of operations and capital outlay for the project. The fiscal note shall indicate the percentage of the projected costs of operations and capital outlay that is to be provided through state funds.~~

~~(2)(4) Each appropriation to a local government, a private organization, or a nonprofit organization made pursuant to a community budget request for a program, service, or capital outlay initiative that promotes a solely local or regional interest shall require that the community's support be tangibly demonstrated by evidence that the program or service will expects to operate in a financially sound manner. Any other appropriation to a local government, a private organization, or a nonprofit organization made pursuant to this section a request as provided in subsection (3) should generally require local matching funds. The match must be based on the size and scope of the project and the applicant's ability to provide the match. In addition, the granting of state funds shall be used to encourage the establishment of community-based partnerships between the public sector and the private sector.~~

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

~~(4) For requests submitted to members of the Legislature, community budget requests shall be submitted in the form and manner prescribed jointly by the President of the Senate and the Speaker of the House of Representatives. If the President of the Senate and the Speaker of the House of Representatives do not agree on a form and manner of submission to be used by both houses, each may prescribe a form and manner of submission to be used in his or her house.~~

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

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

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

~~(8)(6) Whenever possible, a loan must be made in lieu of a grant to a local government, a private organization, or a nonprofit organization. It is the intent of the Legislature that a revolving loan program shall be established so that the loan amount plus interest is paid back by the recipient to the state.~~

(9)(7) Any private or nonprofit organization that is to receive funds through a community budget request requesting funding shall, at the time of application for such funds, provide information regarding its organization, including a copy of its current budget, and a list of its board of directors, and, if available, a copy of its most recent annual audit report prepared by an independent certified public accountant licensed in this state, including management letters or other documents associated with the audit report.

~~(8) In addition to any other provision of law granting access to records and accounts, the Auditor General may, pursuant to his or her own authority hereby granted in this subsection or at the direction of the Legislative Auditing Committee, conduct audits of any direct support organization or citizen support organization authorized by law. Independent audits of direct support organizations and citizen support organizations conducted by certified public accountants shall be performed in accordance with rules promulgated by the Auditor General.~~

Section 12. Subsection (1) of section 216.081, Florida Statutes, is amended to read:

216.081 Data on legislative and judicial branch expenses.—

~~(1) On or before September 1 in each year,~~ In sufficient time to be included in the Governor's recommended budget, estimates of the financial needs of the legislative branch and the judicial branch during the ensuing fiscal year shall be furnished to the Governor pursuant to chapter 11.

Section 13. Section 216.131, Florida Statutes, is amended to read:

216.131 Public hearings on legislative budgets.—The Governor and the Chief Justice of the Supreme Court shall each provide for at least one public hearing prior to submission of budget recommendations to the Legislature on issues contained in agency legislative budget requests or in the judicial branch budget request and issues that which may be included in budget recommendations to the Legislature, which hearing shall be held at such time as the Governor or the Chief Justice may fix. The Governor may require the attendance or participation, or both, at his or her hearings of the heads or responsible representatives of all state agencies supported by any form of taxation or licenses, fees, imposts, or exactions. The Governor and the Chief Justice may provide these hearings simultaneously via electronic format, such as teleconference, Internet, etc., provided that a means for active participation and questions by the audience is accommodated.

Section 14. Section 216.133, Florida Statutes, is amended to read:

216.133 Definitions; ss. 216.133-216.137.—As used in ss. 216.133-216.137:

(1) "Consensus estimating conference" includes the Economic Estimating Conference, the Demographic Estimating Conference, the Revenue Estimating Conference, the Education Estimating Conference, the Criminal Justice Estimating Conference, the Juvenile Justice Estimating Conference, the Child Welfare System Estimating Conference, the Occupational Forecasting

Conference, the School Readiness Program Estimating Conference, the Self-Insurance Estimating Conference, the Florida Retirement System Actuarial Assumption Conference, and the Social Services Estimating Conference, and the Transportation Estimating Conference.

(2) “Official information” means the data, forecasts, estimates, analyses, studies, and other information which the principals of a consensus estimating conference unanimously adopt for purposes of the state planning and budgeting system.

(3) “Consensus” means the unanimous consent of all of the principals of a consensus estimating conference.

~~(3) “State planning and budgeting system” refers to the processes and functions prescribed in chapter 186 and this chapter and ss. 215.32, 215.93, 215.94, and 944.096.~~

Section 15. Section 216.134, Florida Statutes, is amended to read:

216.134 Consensus estimating conferences; general provisions.—

(1) Each consensus estimating conference shall develop such official information within its area of responsibility as the conference determines, by consensus, is needed for purposes of the state planning and budgeting system. Unless otherwise provided by law or decided by unanimous agreement of the principals of the conference, all official information developed by the conference shall be based on the assumption that current law and current administrative practices will remain in effect throughout the period for which the official information is to be used. The official information developed by each consensus estimating conference shall include forecasts for a period of at least 10 years, unless the principals of the conference unanimously agree otherwise.

(2) Whenever an estimating conference is convened, an official estimate does not exist until a new consensus is reached.

~~(3)~~(2) The official information developed by the Economic Estimating Conference and the official information developed by the Demographic Estimating Conference shall be used by all other consensus estimating conferences in developing their official information.

~~(4)~~(3) The membership of each consensus estimating conference consists of principals and participants.

(a) A person designated by law as a principal may preside over conference sessions, convene conference sessions, request information, specify topics to be included on the conference agenda, agree or withhold agreement on whether information is to be official information of the conference, release official information of the conference, interpret official information of the conference, and monitor errors in official information of the conference.

(b) A participant is any person who is invited to participate in the consensus estimating conference by a principal. A participant shall, at the request

of any principal before or during any session of the conference, develop alternative forecasts, collect and supply data, perform analyses, or provide other information needed by the conference. The conference shall consider information provided by participants in developing its official information.

(5)(4) All sessions and meetings of a consensus estimating conference shall be open to the public as provided in chapter 286.

Section 16. Section 216.136, Florida Statutes, is amended to read:

216.136 Consensus estimating conferences; duties and principals.—

(1) ECONOMIC ESTIMATING CONFERENCE.—

(a) Duties.—

1. The Economic Estimating Conference shall develop such official information with respect to the national and state economies as the conference determines is needed for the state planning and budgeting system. The basic, long-term forecasts which are a part of its official information shall be trend forecasts. However, the conference may include cycle forecasts as a part of its official information if the subject matter of the forecast warrants a cycle forecast and if such forecast is developed in a special impact session of the conference.

~~2.— Prior to the submission of the Governor's budget recommendations to the Legislature pursuant to s. 216.162, and again prior to each Regular Session of the Legislature, the Economic Estimating Conference shall evaluate and project the financial condition of the employee group health self-insurance plan. This analysis shall also consider any financial impact of the state's use of health maintenance organizations on the funding of the self-insurance plan. The conference shall indicate whether the current plan premium rates are sufficient to fund projected plan claims and other expenses during the fiscal year.~~

(b) Principals.—The Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff of the Senate and House of Representatives who have forecasting expertise, or their designees, are the principals of the Economic Estimating Conference. The responsibility of presiding over sessions of the conference shall be rotated among the principals.

(2) DEMOGRAPHIC ESTIMATING CONFERENCE.—

(a) Duties.—The Demographic Estimating Conference shall develop such official information with respect to the population of the nation and state by age, race, and sex as the conference determines is needed for the state planning and budgeting system. The conference shall use the official population estimates provided under s. 186.901 in developing its official information.

(b) Principals.—The Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff of

the Senate and House of Representatives who have forecasting expertise, or their designees, are the principals of the Demographic Estimating Conference. The responsibility of presiding over sessions of the conference shall be rotated among the principals.

(3) REVENUE ESTIMATING CONFERENCE.—

(a) Duties.—The Revenue Estimating Conference shall develop such official information with respect to anticipated state and local government revenues as the conference determines is needed for the state planning and budgeting system. Any principal may request the conference to review and estimate revenues for any trust fund.

(b) Principals.—The Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff of the Senate and House of Representatives who have forecasting expertise, or their designees, are the principals of the Revenue Estimating Conference. The responsibility of presiding over sessions of the conference shall be rotated among the principals.

(4) EDUCATION ESTIMATING CONFERENCE.—

(a) Duties.—The Education Estimating Conference shall develop such official information relating to the state public educational system, including forecasts of student enrollments, the number of students qualified for state financial aid programs and the appropriation required to fund the full award amounts for each program, fixed capital outlay needs, and Florida Education Finance Program formula needs, as the conference determines is needed for the state planning and budgeting system. The conference's initial projections of enrollments in public schools shall be forwarded by the conference to each school district no later than 2 months prior to the start of the regular session of the Legislature. Each school district may, in writing, request adjustments to the initial projections. Any adjustment request shall be submitted to the conference no later than 1 month prior to the start of the regular session of the Legislature and shall be considered by the principals of the conference. A school district may amend its adjustment request, in writing, during the first 3 weeks of the legislative session, and such amended adjustment request shall be considered by the principals of the conference. For any adjustment so requested, the district shall indicate and explain, using definitions adopted by the conference, the components of anticipated enrollment changes that correspond to continuation of current programs with workload changes; program improvement; program reduction or elimination; initiation of new programs; and any other information that may be needed by the Legislature. For public schools, the conference shall submit its full-time equivalent student consensus estimate to the Legislature no later than 1 month after the start of the regular session of the Legislature. No conference estimate may be changed without the agreement of the full conference.

(b) Adjustments.—No later than 2 months prior to the start of the regular session of the Legislature, the conference shall forward to each eligible postsecondary education institution its initial projections of the number of students qualified for state financial aid programs and the appropriation

required to fund those students at the full award amount. Each postsecondary education institution may request, in writing, adjustments to the initial projection. Any adjustment request must be submitted to the conference no later than 1 month prior to the start of the regular session of the Legislature and shall be considered by the principals of the conference. For any adjustment so requested, the postsecondary education institution shall indicate and explain, using definitions adopted by the conference, the components of anticipated changes that correspond to continuation of current programs with enrollment changes, program reduction or elimination, initiation of new programs, award amount increases or decreases, and any other information that is considered by the conference. The conference shall submit its consensus estimate to the Legislature no later than 1 month after the start of the regular session of the Legislature. No conference estimate may be changed without the agreement of the full conference.

(c) ~~Principals.—The Associate Deputy Commissioner of Education for Educational Management, the Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff of the Senate and House of Representatives who have forecasting expertise, or their designees, are the principals of the Education Estimating Conference. The Associate Deputy Commissioner of Education for Educational Management or his or her designee shall preside over sessions of the conference.~~

(5) CRIMINAL JUSTICE ESTIMATING CONFERENCE.—

(a) Duties.—The Criminal Justice Estimating Conference shall develop such official information relating to the criminal justice system, including forecasts of prison admissions by offense categories specified in Rule 3.701, Florida Rules of Criminal Procedure, as the conference determines is needed for the state planning and budgeting system.

(b) Principals.—The Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff, who have forecasting expertise, from the Senate, the House of Representatives, and the Supreme Court, or their designees, are the principals of the Criminal Justice Estimating Conference. The principal representing the Executive Office of the Governor shall preside over sessions of the conference.

(6) SOCIAL SERVICES ESTIMATING CONFERENCE.—

(a) Duties.—

1. The Social Services Estimating Conference shall develop such official information relating to the social services system of the state, including forecasts of social services caseloads, as the conference determines is needed for the state planning and budgeting system. Such official information shall include, but not be limited to, subsidized child care caseloads mandated by the Family Support Act of 1988.

2. In addition, the Social Services Estimating Conference shall develop estimates and forecasts of the unduplicated count of children eligible for

subsidized child care as defined in s. 402.3015(1). These estimates and forecasts shall not include children enrolled in the prekindergarten early intervention program established in s. 230.2305.

3. The Department of Children and Family Services and the Department of Education shall provide information on caseloads and waiting lists for the subsidized child care and prekindergarten early intervention programs requested by the Social Services Estimating Conference or individual conference principals, in a timely manner.

(b) Principals.—The Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff, who have forecasting expertise, from the Department of Children and Family Services, the Senate, and the House of Representatives, or their designees, are the principals of the Social Services Estimating Conference. The principal representing the Executive Office of the Governor shall preside over sessions of the conference.

~~(7) TRANSPORTATION ESTIMATING CONFERENCE.—~~

~~(a) Duties.—The Transportation Estimating Conference shall develop such official budget information relating to transportation planning and budgeting as is determined by the conference principals to be needed for the state planning and budgeting system. This information shall include estimates of transportation cost indices and other budget-related estimates. This conference shall not address estimates of transportation revenues.~~

~~(b) Principals.—The Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff with budgeting expertise from the Department of Transportation, the Senate, and the House of Representatives are the principals of the Transportation Estimating Conference. The principal representing the Executive Office of the Governor shall preside over sessions of the conference.~~

~~(7)(8) CHILD WELFARE SYSTEM ESTIMATING CONFERENCE.—~~

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

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

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

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

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

~~(8)~~(9) JUVENILE JUSTICE ESTIMATING CONFERENCE.—

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

(b) Principals.—The Executive Office of the Governor, the Office of Economic and Demographic Research, and professional staff who have forecasting expertise from the Department of Juvenile Justice, the Department of Children and Family Services Alcohol, Drug Abuse, and Mental Health Program Office, the Department of Law Enforcement, the Senate Appropriations Committee staff, the House of Representatives Appropriations Committee staff, or their designees, are the principals of the Juvenile Justice Estimating Conference. The responsibility of presiding over sessions of the conference shall be rotated among the principals. To facilitate policy and legislative recommendations, the conference may call upon professional staff of the Juvenile Justice Accountability Board and appropriate legislative staff.

~~(9)~~(10) OCCUPATIONAL FORECASTING CONFERENCE.—

(a) Duties.—The Occupational Forecasting Conference shall develop such official information on the workforce development system planning process as it relates to the personnel needs of current, new, and emerging industries as the conference determines is needed by the state planning and budgeting system. Such information must include at least: short-term and long-term forecasts of employment demand for high-skills/high-wage jobs by occupation and industry; relative wage forecasts among those occupations; and estimates of the supply of trained and qualified individuals available for employment in those occupations.

(b) Principals.—The Commissioner of Education, the Executive Office of the Governor, the director of the Office of Tourism, Trade, and Economic Development, the Secretary of Labor, and the coordinator of the Office of Economic and Demographic Research, or their designees, are the principals of the Occupational Forecasting Conference. The Commissioner of Education, or the commissioner's designee, shall preside over the sessions of the conference.

(10)(44) SCHOOL READINESS PROGRAM ESTIMATING CONFERENCE.—

(a) Duties.—

1. The School Readiness Program Estimating Conference shall develop such estimates and forecasts of the number of individuals eligible for school readiness programs in accordance with the standards of eligibility established by state or federal statute or administrative rule as the conference determines are needed to support the state planning, budgeting, and appropriations processes.

2. In addition, the School Readiness Program Estimating Conference shall estimate the unduplicated count of children who are eligible for services under the school readiness program.

3. The Florida Partnership for School Readiness shall provide information on needs and waiting lists for school readiness program services requested by the School Readiness Program Estimating Conference or individual conference principals in a timely manner.

(b) Principals.—The Executive Office of the Governor, the Director of Economic and Demographic Research, and professional staff who have forecasting expertise from the Florida Partnership for School Readiness, the Department of Children and Family Services, the Department of Education, the Senate, and the House of Representatives, or their designees, are the principals of the School Readiness Program Estimating Conference. The principal representing the Executive Office of the Governor shall preside over sessions of the conference.

(11) SELF-INSURANCE ESTIMATING CONFERENCE.—

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

(b) Principals.—The Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and staff directors of the committees of the Senate and the House of Representatives which have primary responsibility for legislation dealing with taxation, or their designees, are the principals of the Self-Insurance Estimating Conference. The responsibility of presiding over sessions of the conference shall be rotated among the principals.

(12) FLORIDA RETIREMENT SYSTEM ACTUARIAL ASSUMPTION CONFERENCE.—

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

(b) Principals.—The Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff of the Senate and House of Representatives who have forecasting expertise, or their designees, are the principals of the Florida Retirement System Actuarial Assumption Conference. The Executive Office of the Governor shall have the responsibility of presiding over the sessions of the conference. The State Board of Administration and the Division of Retirement shall be participants in the conference.

Section 17. Subsection (1) of section 216.141, Florida Statutes, is amended to read:

216.141 Budget system procedures; planning and programming by state agencies.—

(1) The Executive Office of the Governor, in consultation with the appropriations committees of the Senate and House of Representatives, and by utilizing the Florida Financial Management Information System management data and the Comptroller's chart of accounts, shall prescribe a planning and budgeting system, pursuant to s. 215.94(1), to provide for continuous planning and programming and for effective management practices for the efficient operations of all state agencies and the judicial branch. ~~However, the planning and budgeting system shall be limited to the processing of information related to ss. 216.023, 216.0235, 216.031, 216.043, 216.121, 216.181, 216.182, and 216.192 and those applications relating to part I of chapter 23 and part I of chapter 252 which are funded by the Legislature. The Legislature Executive Office of the Governor may contract with the Executive Office of the Governor Legislature to develop the planning and budgeting system and to provide services to the Legislature for the support and use of the legislative appropriations system. The contract shall include the policies and procedures for combining the legislative appropriations system with the planning and budgeting information system established pursuant to s. 215.94(1). At a minimum, the contract shall require the use of common data codes. The combined legislative appropriations and planning and budgeting information subsystem shall support the legislative appropriations and legislative oversight functions without data code conversion or modification.~~

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

216.162 Governor's recommended budget to be furnished Legislature; copies to members.—

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

Section 19. Section 216.163, Florida Statutes, is amended to read:

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

(1) The Governor's recommended budget shall be referenced to the legislative budget requests prescribed in ss. ~~216.023~~ 216.031 and 216.043 and shall be consistent with the format of the current fiscal year General Appropriations Act ~~or shall be distinctly separated into four sections. If separated into four sections, Section One of the budget shall be entitled "Operations"; Section Two shall be entitled "Revenue Sharing, Distributions and Transfers"; Section Three shall be entitled "Fixed Capital Outlay"; and Section Four shall be entitled "Debt Service."~~

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

(a) The Governor's recommendations for operating each state agency, and those of the Chief Justice of the Supreme Court for operating the judicial branch, for the next fiscal year. These recommendations shall be displayed by appropriation category within each budget entity, ~~with detail by program component within each budget entity,~~ and shall also include the legislative budget request of the corresponding agency.

(b)1. The Governor's recommendations and those of the Chief Justice for fixed capital outlay appropriations for the next fiscal year. These recommendations shall be displayed by budget entity and shall also include the legislative budget request of the corresponding agency.

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

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

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

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

~~(f) A listing of the general policies used to calculate the amounts required for salaries, other personal services, expenses, operating capital outlay, electronic data processing, and food products recommended by the Governor or the Chief Justice.~~

~~(g) Explanations and justification, expressed in terms of program-effectiveness measures, program-efficiency measures, workload, productivity adjustments, staffing standards, and any other criteria needed to evaluate the delivery of governmental services and to explain the Governor's recommendations or the Chief Justice's recommendations, and such other supporting schedules and exhibits as may be determined by the Governor or the Chief Justice.~~

~~(h) With respect to the Department of Transportation, a reconciliation of the Governor's recommendations for the funding of the agency budget and tentative work program with the budget and tentative work program submitted by the department pursuant to s. 339.135 by project, by project phase, by department district, and by appropriation category.~~

~~(f)(i) The Governor's recommendations for critical information resource management projects which should be subject to special monitoring under s. 282.322. These recommendations shall include proviso language which specifies whether funds are specifically provided to contract for project monitoring, or whether the Auditor General will conduct such project monitoring. When funds are recommended for contracting with a project monitor, such funds may equal 1 percent to 5 percent of the project's estimated total costs. These funds shall be specifically appropriated and nonrecurring.~~

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

~~(3) The Governor shall provide to the Legislature a performance-based program budget for approved programs according to the schedule provided in s. 216.0172. Information submitted to the Legislature shall be provided in a fashion that will allow comparison of the requested information with the agency request and legislative appropriation by the automated legislative appropriation planning and budgeting system.~~

~~(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 for executive agencies, 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. The Chief Justice shall review the findings of the Office of Program Policy Analysis and Government Accountability regarding judicial branch performance and make appropriate recommendations for the judicial branch.~~

(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 or, special categories, or performance-based pro-

~~gram 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 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)~~.

6. Reduction of managerial salaries.

(5) At the same time that the Governor furnishes each senator and representative with a copy of his or her recommended balanced budget under s. 216.162(1), the Executive Office of the Governor shall electronically transmit to the legislative appropriations committees the Governor's recommended budget, the Exhibit B, Major Issues, and D-3a's.

(6) At the time the Governor is required to furnish copies of his or her recommended budget to each senator and representative under s. 216.162(1), the Governor shall declare an impasse in all collective bargaining negotiations for which he or she is deemed to be the public employer and for which a collective bargaining agreement has not been executed. Within 14 days thereafter, the Governor shall furnish the legislative appropriations

committees with documentation relating to the last offer he or she made during such collective bargaining negotiations or recommended to a mediator or special master appointed to resolve the impasse.

Section 20. Subsections (1) and (2) of section 216.177, Florida Statutes, are amended to read:

216.177 Appropriations acts, statement of intent, violation, notice, review and objection procedures.—

(1) When an appropriations act is delivered to the Governor after the Legislature has adjourned sine die, as soon as practicable, but no later than the 10th day before the end of the period allowed by law for veto consideration in any year in which an appropriation is made, the chairs of the legislative appropriations committees shall jointly transmit:

~~(a) A statement of intent, including performance and workload measures as appropriate;~~

~~(a)(b)~~ The official list of General Revenue Fund appropriations determined in consultation with the Executive Office of the Governor to be nonrecurring; and

~~(b)(c)~~ The documents set forth in s. 216.0442(2)(a) and (c),

to the Executive Office of the Governor, the Comptroller, the Auditor General, the Chief Justice of the Supreme Court, and each state agency. ~~The statement of intent constitutes a manifestation of how the Legislature, in its considered opinion as a representative of the people, thinks appropriations should be spent. The statement of intent is not a law and may not allocate or appropriate any funds, or amend or correct any provision, in the General Appropriations Act, but the statement of intent may provide additional explanation to the Executive Office of the Governor, the judicial branch, the Administration Commission, and each affected state agency relative to the purpose, objectives, spending philosophy, and restrictions associated with any specific appropriation. The statement of intent shall compare the request of the agency or of the judicial branch or the recommendation of the Governor to the funds appropriated for the purpose of establishing intent in the development of the approved operating budget. A request for additional explanation and direction regarding the legislative intent of the General Appropriations Act during the fiscal year may be made only by and through the Executive Office of the Governor for state agencies, and by and through the Chief Justice of the Supreme Court for the judicial branch, as is deemed necessary. However, the Comptroller may also request further clarification of legislative intent pursuant to the Comptroller's responsibilities related to his or her preaudit function of expenditures.~~

(2)(a) Whenever notice of action to be taken by the Executive Office of the Governor ~~or~~, the Chief Justice of the Supreme Court, ~~or the commission~~ is required by this chapter, such notice shall be given to the chair of the Legislative Budget Commission and chairs of the legislative appropriations committees in writing, and shall be delivered ~~to both such chairs~~ at least 14

~~consecutive~~ days prior to the action referred to, unless a shorter period is approved in writing by ~~the chair both such chairs~~. If the action is solely for the release of funds appropriated by the Legislature, the notice shall be delivered at least 3 days before the effective date of the action. Action shall not be taken on any budget item for which this chapter requires notice to the Legislative Budget Commission and appropriations committees without such notice having been provided, even though there may be good cause for considering such item.

(b) ~~If the chair of the Legislative Budget Commission chairs of the legislative appropriations committees or the President of the Senate and the Speaker of the House of Representatives timely advise, in writing, the Executive Office of the Governor or, the Chief Justice of the Supreme Court, or the Administration Commission that an action or a proposed action, whether subject to the notice and review requirements of this chapter or not, exceeds the delegated authority of the Executive Office of the Governor for the executive branch or, the Chief Justice for the judicial branch, or the Administration Commission, respectively, or is contrary to legislative policy and intent, the Governor or, the Chief Justice of the Supreme Court, or the Administration Commission shall void such action and instruct the affected state agency or entity of the judicial branch to change immediately its spending action or spending proposal until the Legislature addresses the issue. The written documentation shall indicate the specific reasons that an action or proposed action exceeds the delegated authority or is contrary to legislative policy and intent.~~

(c) The House of Representatives and the Senate shall provide by rule that any member of the House of Representatives or Senate may request, in writing, of either the President of the Senate or the Speaker of the House of Representatives or the chair of the respective Legislative Budget Commission appropriations committee to initiate the procedures of paragraph (b).

Section 21. Section 216.178, Florida Statutes, is amended to read:

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

(1) Any information contained in a conference committee report on a general or supplemental appropriations bill, on any other bill adopted by the same conference committee to implement a general or supplemental appropriations bill and effective for the same period as such appropriations bill, or on a revenue bill during any regular or special legislative session must be made available to the members of the Legislature and to the public at least ~~72~~ 48 hours before the report may be voted on by the Senate or the House of Representatives.

(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. 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.

~~(3) The Governor shall submit to the Secretary of State, along with the signed General Appropriations Act, a statement which sets forth the estimated cost of each new proposed state debt or obligation contained in the act. Each statement shall be written in substantially the following form:~~

~~The General Appropriations Act for fiscal year ...(insert years)... authorizes the issuance of \$...(insert principal)... of debt or obligation at a forecasted interest rate of ...(insert rate of interest).... The total interest paid over the life of this debt or obligation will be \$...(insert sum of interest payments).... Additionally, it is estimated that the 5-year operational costs associated with those capital outlay projects to be funded by the incurrence of this debt or obligation will be \$...(insert costs)....~~

Section 22. Section 216.179, Florida Statutes, is amended to read:

216.179 Reinstatement of vetoed appropriations by administrative means prohibited.—After the Governor has vetoed a specific appropriation for an agency or the judicial branch, neither the Governor, ~~the Administration Commission, nor~~ the Chief Justice of the Supreme Court, nor a state agency, in their various statutory and constitutional roles, may authorize expenditures for or implementation in any manner of the programs that were authorized by the vetoed appropriation.

Section 23. Section 216.181, Florida Statutes, is amended to read:

216.181 Approved budgets for operations and fixed capital outlay.—

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

(2) Amendments to the original approved operating budgets for operational and fixed capital outlay expenditures must comply with the following guidelines in order to be approved by the Governor and the Legislative Budget Commission ~~or Administration Commission~~ as provided in this chapter for the executive branch and the Chief Justice for the judicial branch:

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

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

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

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

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

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

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

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

(3) All amendments to original approved operating budgets, regardless of funding source, are subject to the notice and review procedures set forth in s. 216.177.

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

(5)(4) An 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 must be reviewed by the Technology Review Workgroup pursuant to s. 216.0466 and approved by the Executive Office of the Governor for the executive branch or by the Chief Justice for the judicial branch, and shall be subject to the notice and review procedures set forth in s. 216.177.

~~(6)~~(5)(a) The Executive Office of the Governor or the Chief Justice of the Supreme Court may require the submission of a detailed plan from the agency or entity of the judicial branch affected, consistent with the General Appropriations Act, special appropriations acts, and the statement of intent before transferring and releasing the balance of a lump-sum appropriation. The provisions of this paragraph are subject to the notice and review procedures set forth in s. 216.177.

(b) The Executive Office of the Governor may amend, without approval of the Legislative Budget Administration Commission, state agency budgets to reflect the transferred funds based on the approved plans for lump-sum appropriations.

The Executive Office of the Governor shall transmit to each state agency and the Comptroller, and the Chief Justice shall transmit to each judicial branch component and the Comptroller, any approved amendments to the approved operating budgets.

~~(7)~~(6) The Executive Office of the Governor may, for the purpose of improved contract administration, authorize the consolidation of two or more fixed capital outlay appropriations for an agency, and the Chief Justice of the Supreme Court for the judicial branch, except for projects authorized under chapter 235, provided the original scope and purpose of each project are not changed.

~~(7) The original approved annual salary rate for the Division of Administrative Hearings shall be as set forth in the General Appropriations Act. This rate may be adjusted by the Executive Office of the Governor subject to the provisions of s. 120.65(2).~~

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

(a) Calculated based on the actual salary rate in effect on June 30, and the salary policy and the number of authorized positions as specified in the General Appropriations Act and special appropriations acts, or as provided pursuant to s. 216.177.

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

~~(c) Assigned to the number of authorized positions, which may not be transferred between budget entities unless the associated positions are also transferred pursuant to s. 216.262(1)(c).~~

(9)(a) The calculation for the annual salary rate for vacant and newly authorized positions shall be at no more than the midpoint of the range of

the pay grade for the position or as provided in the General Appropriations Act.

(b) No agency or the judicial branch may exceed its maximum approved annual salary rate for the fiscal year. However, at any time during the fiscal year, an agency or entity of the judicial branch may exceed its approved rate for all budget entities by no more than 5 percent, provided that, by June 30 of every fiscal year, the agency or entity of the judicial branch has reduced its salary rate so that the salary rate for each budget entity is within the approved rate limit for that budget entity.

(10)(a) The Executive Office of the Governor and the Chief Justice of the Supreme Court may increase or decrease the approved salary rate for positions for the purpose of implementing the General Appropriations Act, special appropriations acts, and actions pursuant to s. 216.262 ~~other adjustments if they are deemed to be necessary and in the best interest of the state~~ and consistent with legislative intent and policy. The provisions of this paragraph are subject to the notice and review procedures set forth in s. 216.177.

(b) Lump-sum salary bonuses may be provided only if specifically appropriated.

(11) The Executive Office of the Governor may approve transfers of appropriations in the General Appropriations Act within any state trust fund of an agency, and the Chief Justice of the Supreme Court may approve such transfers for the judicial branch. ~~The Governor and the Chief Justice of the Supreme Court may establish nonoperating budgets if deemed necessary and in the best interest of the state and consistent with legislative intent and policy.~~ The Executive Office of the Governor and the Chief Justice of the Supreme Court may approve changes in the amounts appropriated from state trust funds in excess of those in the approved operating budget only pursuant to the federal funds provisions of s. 216.212, when grants and donations are received after April 1, or when deemed necessary due to a set of conditions that were unforeseen at the time the General Appropriations Act was adopted and that are essential to correct in order to continue the operation of government. The provisions of this subsection are subject to the notice, review, and objection procedures set forth in s. 216.177.

(12) There is appropriated nonoperating budget for refunds, payments to the U.S. Treasury, payments of the service charge to the General Revenue Fund, and transfers of funds specifically required by law. Such authorized budget, together with related releases, 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 authorized budgets shall be furnished to the Executive Office of the Governor or the Chief Justice, the chairs of the legislative committees responsible for developing the general appropriations acts, and the Auditor General. The Governor may withhold approval of nonoperating investment authority for certain trust funds when deemed in the best interest of the state. The Governor for the executive branch, and the Chief Justice for the judicial

branch, may establish nonoperating budgets for transfers, purchase of investments, special expenses, distributions, and any other nonoperating budget categories they deem necessary and in the best interest of the state and consistent with legislative intent and policy. The provisions of this subsection are subject to the notice, review, and objection procedures set forth in s. 216.177. For purposes of this section, the term "nonoperating budgets" means nonoperating disbursement authority for purchase of investments, refunds, payments to the U.S. Treasury, transfers of funds specifically required by law, distributions of assets held by the state in a trustee capacity as an agent of fiduciary, special expenses, and other nonoperating budget categories as determined necessary by the Executive Office of the Governor, not otherwise appropriated in the General Appropriations Act.

(13)(12) Each state agency and the judicial branch shall develop the internal management procedures and budgets necessary to assure compliance with the approved operating budget.

(14)(13) The Executive Office of the Governor and the Chief Justice of the Supreme Court shall certify the amounts approved for operations and fixed capital outlay, together with any relevant supplementary materials or information, to the Comptroller; and such certification shall be the Comptroller's guide with reference to the expenditures of each state agency pursuant to s. 216.192.

(15)(14) The provisions of this section do not apply to the budgets for the legislative branch.

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

(b) Any agency, or the judicial branch, that has been authorized by the General Appropriations Act or expressly authorized by other law to make advances for program startup or advances for contracted services, in total or periodically, shall limit such disbursements to other governmental entities and not-for-profit corporations. The amount which may be advanced shall not exceed the expected cash needs of the contractor or recipient within the initial 3 months. Thereafter, disbursements shall only be made on a reimbursement basis. Any agreement that provides for advancements may contain a clause that permits the contractor or recipient to temporarily invest the proceeds, provided that any interest income shall either be returned to the agency or be applied against the agency's obligation to pay the contract amount. This paragraph does not constitute lawful authority to make any advance payment not otherwise authorized by laws relating to a particular agency or general laws relating to the expenditure or disbursement of public funds. The Comptroller may, after consultation with the legislative appropriations committees, advance funds beyond a 3-month requirement ~~waive the requirements of this paragraph which apply to advances~~ if it is determined to be consistent with the intent of the approved operating budget.

~~(c) For the 1999-2000 fiscal year only, funds appropriated to the Department of Children and Family Services in Specific Appropriations 292~~

through 425 and the Department of Health in Specific Appropriations 445 through 540 of the 1999-2000 General Appropriations Act may be advanced, unless specifically prohibited in such General Appropriations Act, for those contracted services that were approved for advancement by the Comptroller in fiscal year 1993-1994, including those services contracted on a fixed-price or unit cost basis. This paragraph is repealed on July 1, 2000.

~~(16) Notwithstanding any provision of this section to the contrary and for the 1999-2000 fiscal year only, the Department of Children and Family Services is authorized to use operating funds budgeted for Developmental Services Institutions for fixed capital outlay expenditures as needed to bring any currently unlicensed beds up to Federal Intermediate Care Facility for the Developmentally Disabled licensure standards. This subsection is repealed on July 1, 2000.~~

~~(17) Notwithstanding any other provision of this section to the contrary, and for the 1999-2000 fiscal year only, the Florida Department of Law Enforcement may transfer up to 20 positions and associated budget between budget entities, provided the same funding source is used throughout each transfer. The department may also transfer up to 10 percent of the initial approved salary rate between budget entities, provided the same funding source is used throughout each transfer. The department must provide notice to the Executive Office of the Governor, the chair of the Senate Budget Committee, and the chair of the House Committee on Criminal Justice Appropriations for all transfers of positions or salary rate. This subsection is repealed on July 1, 2000.~~

~~(18) Notwithstanding any other provision of this chapter to the contrary, the Florida Department of Transportation, in order to facilitate the transfer of personnel to the new turnpike headquarters location in Orange County, may transfer salary rate to the turnpike budget entity from other departmental budget entities. The department must provide documentation of all transfers to the Executive Office of the Governor, the Chairman of the Senate Budget Committee, and the Chairman of the House of Representatives Committee on Transportation and Economic Development Appropriations. This subsection expires July 1, 2000.~~

Section 24. Section 216.1825, Florida Statutes, is created to read:

216.1825 Zero-based budgeting.—

(1) Beginning July 1, 2000, and continuing thereafter, the Legislative Budget Commission shall apply zero-based budgeting principles in reviewing the budget of each state agency at least once every 8 years.

(2) No later than July 1 of each year, the commission shall issue instructions to the agencies whose budgets are to be reviewed prior to the next legislative session. Dates of submission for information required by the commission will be included in the instructions.

(3) The commission shall provide its reports of zero-based budgeting reviews to the President of the Senate and the Speaker of the House of Representatives on or before December 31.

(4) For fiscal year 2001-2002, budgets of the Department of Revenue and the Department of Law Enforcement shall be the subject of zero-based budgeting review by the commission. The commission shall, by February 1, 2001, provide to the President of the Senate and the Speaker of the House of Representatives, a schedule for completing zero-based budgeting reviews of all remaining state agencies prior to December 31, 2008.

Section 25. Section 216.183, Florida Statutes, is amended to read:

216.183 Entities using performance-based program budgets; chart of accounts.—State agencies and the judicial branch for which a performance-based program budget has been appropriated shall utilize the chart of accounts used by the Florida Accounting Information Resource Subsystem in the manner described in s. 215.93(3). The chart of accounts for state agencies and the judicial branch for which a performance-based program budget has been appropriated shall be developed and amended, if necessary, in consultation with the Department of Banking and Finance, ~~and the Executive Office of the Governor, and the chairs of the Legislative Budget Commission.~~

Section 26. Subsection (1) of section 216.192, Florida Statutes, is amended to read:

216.192 Release of appropriations; revision of budgets.—

(1) Unless otherwise provided in the General Appropriations Act, on July 1 of each fiscal year, up to 25 ~~20~~ percent of the original approved operating budget of each agency and of the judicial branch ~~may~~ shall be released until such time as annual plans for quarterly releases for all appropriations have been developed, approved, and furnished to the Comptroller by the Executive Office of the Governor for state agencies and by the Chief Justice of the Supreme Court for the judicial branch. The plans, including appropriate plans of releases for fixed capital outlay projects that correspond with each project schedule, shall attempt to maximize the use of trust funds and shall be transmitted to the Comptroller by August 1 of each fiscal year. Such releases shall at no time exceed the total appropriations available to a state agency or to the judicial branch, or the approved budget for such agency or the judicial branch if less. The Comptroller shall enter such releases in his or her records in accordance with the release plans prescribed by the Executive Office of the Governor and the Chief Justice, unless otherwise amended as provided by law. The Executive Office of the Governor and the Chief Justice shall transmit a copy of the approved annual releases to the head of the state agency, the chair of the Legislative Budget Commission, the chairs of the legislative appropriations committees, and the Auditor General. The Comptroller shall authorize all expenditures to be made from the appropriations on the basis of such releases and in accordance with the approved budget, and not otherwise. Expenditures shall be authorized only in accordance with legislative authorizations. Nothing herein precludes periodic reexamination and revision by the Executive Office of the Governor or by the Chief Justice of the annual plans for release of appropriations and the notifications of the parties of all such revisions.

Section 27. Section 216.195, Florida Statutes, is amended to read:

216.195 Impoundment of funds; restricted.—The Executive Office of the Governor, the Chief Justice of the Supreme Court, any member of the Cabinet, ~~the Administration Commission~~, or any state agency shall not impound any appropriation except as necessary to avoid or eliminate a deficit pursuant to the provisions of s. 216.221. As used in this section, the term “impoundment” means the omission of any appropriation or part of an appropriation in the approved operating plan prepared pursuant to s. 216.181 or in the schedule of releases prepared pursuant to s. 216.192 or the failure of any state agency or the judicial branch to spend an appropriation for the stated purposes authorized in the approved operating budget. The provisions of this section are subject to the notice and review procedures of s. 216.177. The Governor or either house of the Legislature may seek judicial review of any action or proposed action which violates the provisions of this section.

Section 28. Section 216.212, Florida Statutes, is amended to read:

216.212 Budgets for federal funds; restrictions on expenditure of federal funds.—

(1) The Executive Office of the Governor, the office of the Comptroller, and the office of the Treasurer shall develop and implement procedures for accelerating the drawdown of, and minimizing the payment of interest on, federal funds. The Executive Office of the Governor shall establish a clearinghouse for federal programs and activities. The clearinghouse shall develop the capacity to respond to federal grant opportunities and to coordinate the use of federal funds in the state.

(a) Every state agency, when making a request or preparing a budget to be submitted to the Federal Government for funds, equipment, material, or services, shall submit such request or budget to the Executive Office of the Governor for review approval before submitting it to the proper federal authority. However, the Executive Office of the Governor may specifically authorize any agency to submit specific types of grant proposals directly to the Federal Government.

(b) Every office or court of the judicial branch, when making a request or preparing a budget to be submitted to the Federal Government for funds, equipment, material, or services, shall submit such request or budget to the Chief Justice of the Supreme Court for approval before submitting it to the proper federal authority. However, the Chief Justice may specifically authorize any court to submit specific types of grant proposals directly to the Federal Government.

(2) When such federal authority has approved the request or budget, the state agency or the judicial branch shall submit to the Executive Office of the Governor such documentation showing approval as that office prescribes. ~~Beginning July 1, 1993,~~ The Executive Office of the Governor must acknowledge each approved request or budget by entering that approval into an Automated Grant Management System developed in consultation with the chairs of the House of Representatives and Senate appropriations committees.

(3) Federal money appropriated by Congress or received from court settlements to be used for state purposes, whether by itself or in conjunction with moneys appropriated by the Legislature, may not be expended unless appropriated by the Legislature. However, the Executive Office of the Governor or the Chief Justice of the Supreme Court may, after consultation with the legislative appropriations committees, approve the receipt and expenditure of funds from federal sources by state agencies or by the judicial branch. Any federal programs requiring state matching funds which funds were eliminated, or were requested and were not approved, by the Legislature may not be implemented during the interim. However, federal and other fund sources for the State University System which do not carry a continuing commitment on future appropriations are hereby appropriated for the purpose received.

~~(4) The Office of the Comptroller and the Executive Office of the Governor, in consultation with the Office of the Treasurer and the Office of the Auditor General, shall develop and maintain a means to ensure the compatibility of the Florida Accounting Information Resource Subsystem and the Federal Aid Tracking System. Any successive systems serving identical or similar functions shall preserve such compatibility.~~

Section 29. Section 216.216, Florida Statutes, is created to read:

216.216 Court settlement funds negotiated by the state.—In any court settlement in which a state agency or officer or any other counsel representing the interests of the state negotiates settlement amounts to be expended on any state operational or fixed capital issue in the judicial branch or the executive branch, such funds may not be expended unless appropriated by the Legislature to the appropriate agency responsible for the operational or fixed capital issue. When a state agency or officer settles an action in which the state will receive moneys, the funds shall be placed in the General Revenue Fund or in the trust fund that is associated with the agency's or officer's authority to pursue the legal action. The provisions of this section are subject to the notice and review procedures set forth in s. 216.177.

Section 30. Subsections (2) and (6) 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 ~~may 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.

(6) If the Revenue Estimating Conference projects a deficit in the General Revenue Fund in excess of 1.5 percent of the moneys appropriated from the General Revenue Fund \$300 million during a fiscal year or when the cumulative total of a series of projected deficits in the General Revenue Fund exceeds 1.5 percent of the moneys appropriated from the General Revenue Fund \$300 million, the deficit shall be resolved by the Legislature.

Section 31. Paragraph (a) of subsection (2) of section 216.251, Florida Statutes, is amended to read:

216.251 Salary appropriations; limitations.—

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

1. Within the classification and pay plans provided for in chapter 110.
2. Within the classification and pay plans established by the Board of Trustees for the Florida School for the Deaf and the Blind of the Department of Education and approved by the State Board of Education for academic and academic administrative personnel.
3. Within the classification and pay plan approved and administered by the Board of Regents for those positions in the State University System.
4. Within the classification and pay plan approved by the President of the Senate and the Speaker of the House of Representatives, ~~or by the Legislative Auditing Committee~~, as the case may be, for employees of the Legislature.
5. Within the approved classification and pay plan for the judicial branch.
6. The salary of all positions not specifically included in this subsection shall be set by the commission or by the Chief Justice for the judicial branch.

Section 32. Paragraphs (a), (b), and (f) of subsection (1) of section 216.262, Florida Statutes, are amended to read:

216.262 Authorized positions.—

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

1. To implement or provide for continuing federal grants or changes in grants not previously anticipated;
2. To meet emergencies pursuant to s. 252.36;
3. To satisfy new federal regulations or changes therein;
4. To take advantage of opportunities to reduce operating expenditures or to increase the revenues of the state or local government; and

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

The provisions of this paragraph are subject to the notice and review procedures set forth in s. 216.177. A copy of the application, the certification, and the final authorization shall be filed with the Legislative Budget Commission, the appropriations committees and with the Auditor General.

(b) The Governor ~~Administration Commission~~ and the Chief Justice may, after a public hearing, delete supervisory or managerial positions within a department and establish direct service delivery positions in excess of the number of supervisory or managerial positions deleted. The salary rate for all positions authorized under this paragraph may not exceed the salary rate for all positions deleted under this paragraph. Positions affected by changes made under this paragraph may be funded only from identical funding sources.

(f) Perquisites may not be furnished by a state agency or by the judicial branch unless approved by the Department of Management Services, or otherwise delegated to the agency head, or by the Chief Justice, respectively, during each fiscal year. Whenever a state agency or the judicial branch is to furnish perquisites, the Department of Management Services or the agency head to which the approval has been delegated or the Chief Justice, respectively, must approve the kind and monetary value of such perquisites before they may be furnished. Perquisites may be furnished only when in the best interest of the state due to the exceptional or unique requirements of the position. The value of a perquisite may not be used to compute an employee's base rate of pay or regular rate of pay unless required by the Fair Labor Standards Act. Permissible perquisites include, but are not limited to, moving expenses, clothing, use of vehicles and other transportation, domestic services, groundskeeping services, telephone services, medical services, housing, utilities, and meals. The Department of Management Services may adopt uniform rules applicable to the executive branch agencies to implement its responsibilities under this paragraph, which rules may specify additional perquisites, establish additional criteria for each kind of perquisite, provide the procedure to be used by executive agencies in applying for approvals, and establish the required justification. As used in this section, the term "perquisites" means those things, or the use thereof, or services of a kind that confer on the officers or employees receiving them some benefit that is in the nature of additional compensation, or that reduce to some extent the normal personal expenses of the officer or employee receiving them. The term includes, but is not limited to, such things as quarters, subsistence, utilities, laundry services, medical service, use of state-owned vehicles for other than state purposes, and servants paid by the state.

Section 33. Subsection (1) of section 216.271, Florida Statutes, is amended to read:

216.271 Revolving funds.—

(1) No revolving fund may be established or increased in amount pursuant to s. 18.101(2), unless approved by the Comptroller. The purpose and

uses of a revolving fund may not be changed without the prior approval of the Comptroller. As used in this section, the term "revolving fund" means a cash fund maintained within or outside the State Treasury and established from an appropriation, to be used by an agency or the judicial branch in making authorized expenditures.

Section 34. 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 1998-1999 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, 1999.~~

(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(6)(b) ~~s. 216.181(5)(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 chair of the Legislative Budget Commission, 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. 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.~~

(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 ~~\$150,000~~ ~~\$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 ~~\$150,000~~ ~~\$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 chair of the Legislative Budget Commission, the chairs of the legislative committees, and the Auditor General.

(4)(a) The head of each department or the Chief Justice of the Supreme Court may transfer funds within programs identified in the General Appropriations Act from identical funding sources between the following appropriation categories without limitation so long as such a transfer does not result in an increase to the total recurring general revenue or trust fund cost of the agency or entity of the judicial branch in the subsequent fiscal year: other personal services, expenses, operating capital outlay, performance-based program budgeting lump sums, acquisition of motor vehicles, data processing services, operating and maintenance of patrol vehicles, overtime payments, salary incentive payments, compensation to retired judges, law libraries, and juror and witness payments. Such transfers must be consistent with legislative policy and intent and must not adversely affect achievement of approved performance outcomes or outputs in any program. Notice of proposed transfers under this authority shall be provided to the Executive Office of the Governor and the chairs of the legislative appropriations committees at least 5 working days prior to their implementation.

(b) The head of each department or the Chief Justice of the Supreme Court may transfer funds from identical funding sources between salaries and benefits appropriation categories within programs identified in the General Appropriations Act. Such transfers must be consistent with legislative policy and intent and must not adversely affect achievement of approved performance outcomes or outputs in any program. Notice of proposed transfers under this authority shall be provided to the Executive Office of the

Governor and the chairs of the legislative appropriations committees at least 5 working days prior to their implementation.

~~(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)(a) Transfers of appropriations for operations from the General Revenue Fund in excess of those provided in subsections (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.

(c) Federal funds for fixed capital outlay projects for the Department of Military Affairs which do not carry a continuing commitment on future appropriations by the Legislature may be approved by the Executive Office of the Governor for the purpose received. The provisions of this paragraph are subject to the notice, review, and objection procedures set forth in s. 216.177.

(6) 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) 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)(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) Moneys appropriated in the General Appropriations Act for the purpose of paying for services provided by the state communications system in 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) The Comptroller shall report all such transfers and the reasons for such transfers to the legislative appropriations committees and the Executive Office of the Governor.

(11) 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 Legislative Budget 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 35. Section 216.348, Florida Statutes, is created to read:

216.348 Fixed capital outlay grants and aids appropriations to certain nonprofit entities.—If a bill appropriating a fixed capital outlay grants and aids appropriation requires compliance with this section, the following conditions shall apply, except to the extent that such bill modifies these conditions:

(1) As used in this section, the term:

(a) “Administering agency” means the governmental agency or entity which is charged by the bill appropriating the fixed capital outlay grants and aids appropriation to a grantee with administering that appropriation.

(b) “Grant” means a fixed capital outlay grants and aids appropriation to a nonprofit entity other than a governmental entity.

(c) “Grantee” means a nonprofit entity, other than a governmental entity, to which the Legislature has appropriated over \$50,000 pursuant to a fixed capital outlay grants and aids appropriation.

(2) Prior to the receipt of any grant money from the administering agency, a grantee must provide the administering agency with an affidavit by an officer or director of the grantee certifying under oath that the grantee is a nonprofit entity and must execute a written agreement with the administering agency, in a form approved by the administering agency, pursuant to subsection (3).

(3)(a) If the grantee is acquiring real property with the grant, or if the grantee owns the real property upon which an improvement is being constructed, renovated, altered, modified, or maintained with the grant, the grantee must execute, deliver, and record in the county in which the subject property is located an agreement that:

1. States a correct legal description of the real property.

2. Sets forth with specificity the buildings, appurtenances, fixtures, fixed equipment, structures, improvements, renovations, and personalty to be purchased pursuant to the grant.

3. During the term of the agreement, prohibits the grantee from selling, transferring, mortgaging, or assigning the grantee’s interest in the real property, unless the administering agency approves the sale, transfer, mortgage, or assignment; and, in the case of sale, transfer, or assignment, the purchaser, transferor, or assignee must fully assume, in writing, all of the terms and conditions of the agreement required by this subsection. The administering agency may not agree to subordinate a mortgage.

(b) If the grantee is not acquiring real property, or does not own the real property being improved, the agreement shall:

1. Specify the leasehold or other real property interest the grantee has in the real property.

2. State the name of the owner of the real property.

3. Describe the relationship between the owner of the real property and the grantee.

4. Set forth with specificity the improvements, renovations, and personalty to be purchased pursuant to the grant.

5. During the term of the agreement, prohibit the grantee from selling, transferring, mortgaging, or assigning the grantee’s interest in the lease-

hold, improvements, renovations, or personalty, unless the administering agency approves the sale, transfer, mortgage, or assignment; and, in the case of sale, transfer, or assignment, the purchaser, transferor, or assignee must fully assume, in writing, all of the terms and conditions of the agreement required by this subsection. Additionally, the grantee shall execute and deliver a security instrument, financing statement, or other appropriate document securing the interest of the administering agency in the improvements, renovations, and personalty associated with the grant. The administering agency may not subordinate or modify a security interest.

(c) All agreements required by this subsection shall:

1. Require the grantee to continue the operation, maintenance, repair, and administration of the property in accordance with the purposes for which the funds were originally appropriated and for the period of time expressly specified by the bill appropriating the grant. If the bill appropriating the grant does not specify a time period, the administering agency shall determine a reasonable period of time.

2. Provide that if the grantee fails, during the term of the agreement, to operate, maintain, repair, and administer the property in accordance with the purposes for which the funds were originally granted, the grantee shall return to the administering agency, no later than upon demand by the administering agency, an amount calculated as follows:

a. If the bill appropriating the grant states a specific repayment formula, that formula shall be used;

b. If the bill appropriating the grant states a specific period of time but does not specify a repayment formula, the amount to be returned shall be calculated on a pro rata basis for that period of time; or

c. If the bill appropriating the grant does not state a specific period of time or formula, the amount to be returned shall be specified by the administering agency, which shall be no less than the full amount of the grant less \$100,000 or 10 percent of the grant, whichever is more, for each full year for which the property was used for such purposes.

The administering agency shall deposit all funds returned by the grantee into the state fund from which the grant was originally made.

3. Require that the grantee adopt an accounting system, in compliance with generally accepted accounting principles, which shall provide for a complete record of the use of the grant money. In addition, the provisions of s. 216.3491 shall apply.

4. Provide that the grantee shall indemnify, defend, and hold the administering agency harmless from and against any and all claims or demands for damages resulting from personal injury, including death or damage to property, arising out of or relating to the subject property or the use of the grant money. The agreement shall require the grantee to purchase and maintain insurance on behalf of directors, officers, and employees of the grantee against any personal liability or accountability by reason of actions

taken while acting within the scope of their authority. The administering agency shall be immune from civil or criminal liability resulting from acts or omissions of the grantee and the grantee's agents, employees, or assigns.

5. Require the grantee to return any portion of the grant money received that is not necessary to the purchase of the land, or to the cost of the improvements, renovations, and personalty, for which the grant was awarded.

(d) The administering agency may:

1. Require that, during any term or period of construction, or until such time as the grant money is fully and properly spent according to the bill appropriating the grant, the grantee obtain a blanket fidelity bond, in the amount of the grant, issued by a company authorized and licensed to do business in this state, which will reimburse the administering agency in the event that anyone handling the grant moneys either misappropriates or absconds with the grant moneys. All employees handling the grant moneys must be covered by the bond.

2. Include any other term or condition the administering agency deems reasonable and necessary for the effective and efficient administration of the grant.

3. Modify any condition required by this subsection, provided the administering agency deems that such modification is necessary in order to best effectuate the purpose of the grant and provided the bill appropriating the grant, or applicable law, does not otherwise require.

(e) The agreement must provide that the administering agency shall execute a satisfaction of the agreement in recordable form upon full compliance by the grantee with the terms of the agreement.

Section 36. Subsection (11) is added to section 11.45, Florida Statutes, to read:

11.45 Definitions; duties; audits; reports.—

(11) In addition to any other provision of law granting access to records and accounts, the Auditor General may, pursuant to his or her own authority granted in this subsection or at the direction of the Legislative Auditing Committee, conduct audits of any direct-support organization or citizen-support organization authorized by law. Independent audits of direct-support organizations and citizen-support organizations conducted by certified public accountants shall be performed in accordance with rules adopted by the Auditor General.

Section 37. Section 11.90, Florida Statutes, is created to read:

11.90 Legislative Budgeting Commission.—

(1) There is created a standing joint committee of the Legislature designated the Legislative Budgeting Commission, composed of 14 members as follows: 7 members of the Senate appointed by the President of the Senate,

to include the Chairman of the Senate Budget Committee or its successor, and 7 members of the House of Representatives appointed by the Speaker of the House of Representatives, to include the Chairman of the Fiscal Responsibility Council or its successor. The terms of members shall be for 2 years and shall run from the organization of one Legislature to the organization of the next Legislature. Vacancies occurring during the interim period shall be filled in the same manner as the original appointment. The members of the committee shall elect a chair and vice chair. During the 2-year term, a member of each house shall serve as chair for 1 year.

(2) The Legislative Budget Commission shall be governed by joint rules of the Senate and the House of Representatives which shall remain in effect until repealed or amended by concurrent resolution.

(3) The commission shall meet at least quarterly and more frequently at the direction of the presiding officers or upon call of the chairman. A quorum shall consist of a majority of members from each house, plus one additional member from either house. Action by the commission requires a majority vote of the members present of each house.

(4) The commission may conduct its meetings through teleconferences or other similar means.

(5) The commission will be jointly staffed by the appropriations committees of the House of Representatives and the Senate. During even-numbered years, the Senate will serve as lead staff, and during odd-numbered years, the House of Representatives will serve as lead staff.

Section 38. Subsection (2) of section 120.65, Florida Statutes, is amended to read:

120.65 Administrative law judges.—

(2) The director has the right to appeal actions by the Executive Office of the Governor that affect amendments to the division's approved operating budget or any personnel actions pursuant to chapter 216 to the Administration Commission, which shall decide such issue by majority vote. The appropriations committees may advise the Administration Commission on the issue. If the President of the Senate and the Speaker of the House of Representatives object in writing to the effects of the appeal, the appeal may be affirmed by the affirmative vote of two-thirds of the commission members present. ~~The failure of the Executive Office of the Governor to act on a request for action by the director within 21 days after receiving a written request constitutes approval of the request.~~

Section 39. Subsection (3) of section 121.031, Florida Statutes, is amended to read:

121.031 Administration of system; appropriation; oaths; actuarial studies; public records.—

(3) The administrator shall cause an actuarial study of the system to be made at least once every 2 years and shall report the results of such study to the Legislature by February 1 prior to the next legislative session.

(a) The study shall, at a minimum, conform to the requirements of s. 112.63, with the following exceptions and additions:

(a)1. The valuation of plan assets shall be based on a 5-year averaging methodology such as that specified in the United States Department of Treasury Regulations, 26 C.F.R. s. 1.412(c)(2)-1, or a similar accepted approach designed to attenuate fluctuations in asset values.

(b)2. The study shall include a narrative explaining the changes in the covered group over the period between actuarial valuations and the impact of those changes on actuarial results.

(c)3. When substantial changes in actuarial assumptions have been made, the study shall reflect the results of an actuarial assumption as of the current date based on the assumptions utilized in the prior actuarial report.

(d)4. The study shall include an analysis of the changes in actuarial valuation results by the factors generating those changes. Such analysis shall reconcile the current actuarial valuation results with those results from the prior valuation.

(e)5. The study shall include measures of funding status and funding progress designed to facilitate the assessment of trends over several actuarial valuations with respect to the overall solvency of the system. Such measures shall be adopted by the division and shall be used consistently in all actuarial valuations performed on the system.

~~(b) The Florida Retirement System Actuarial Assumption Conference which is hereby created shall by consensus develop official information with respect to the economic and noneconomic assumptions and funding methods of the Florida Retirement System necessary to perform the study. Such information shall include: an analysis of the actuarial assumptions and actuarial methods and a determination of whether changes to the assumptions or methods need to be made due to experience changes or revised future forecasts. The members of the conference shall include the Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff of the Senate and House of Representatives who have forecasting expertise, or their designees. The Executive Office of the Governor shall have the responsibility of presiding over the sessions of the conference. The State Board of Administration and the Division of Retirement shall be participants, as defined in s. 216.134, in the conference.~~

Section 40. Subsection (2) of section 186.002, Florida Statutes, is amended to read:

186.002 Findings and intent.—

(2) It is the intent of the Legislature that:

(a) The state planning process provide direction for the delivery of governmental services, a means for defining and achieving the specific goals and objectives of the state, and a method for evaluating the accomplishment of those goals and objectives.

(b) The state comprehensive plan shall provide basic policy direction to all levels of government regarding the orderly social, economic, and physical growth of the state.

(c) Long-range program ~~State agency strategic plans~~ shall be effectively coordinated to ensure the establishment of appropriate agency priorities and facilitate the orderly, positive management of agency activities consistent with the public interest. It is also intended that the implementation of state and regional plans enhance the quality of life of the citizens of the state.

(d) The state planning process shall be informed and guided by the experience of public officials at all levels of government. In preparing any plans or proposed revisions or amendments required by this chapter, the Governor shall consider the experience of and information provided by local governments in their evaluation and appraisal reports pursuant to s. 163.3191.

(e) All agencies and levels of government involved in the integrated planning process shall provide sufficient opportunities for meaningful public participation in the preparation, implementation, evaluation, and revision of all plans and programs.

Section 41. Section 186.003, Florida Statutes, is amended to read:

186.003 Definitions.—As used in ss. 186.001-186.031 and 186.801-186.901, the term:

(1) “Executive Office of the Governor” means the Office of Planning and Budgeting of the Executive Office of the Governor.

(2) “Goal” means the long-term end toward which programs and activities are ultimately directed.

(3) “Objective” means a specific, measurable, intermediate end that is achievable and marks progress toward a goal.

(4) “Policy” means the way in which programs and activities are conducted to achieve an identified goal.

(5) “Regional planning agency” means the regional planning council created pursuant to ss. 186.501-186.515 to exercise responsibilities under ss. 186.001-186.031 and 186.801-186.901 in a particular region of the state.

(6) “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, “state agency” or “agency” includes state attorneys, public defenders, the Capital Collateral Regional Councils, the Justice Administrative Commission, and the Public Service Commission. ~~each executive department, the Fish and Wildlife Conservation Commission, the Parole Commission, and the Department of Military Affairs.~~

(7) ~~“State agency strategic plan” means the statement of priority directions that an agency will take to carry out its mission within the context of the state comprehensive plan and within the context of any other statutory~~

mandates and authorizations given to the agency, pursuant to ss. 186.021-186.022.

(7)(8) “State comprehensive plan” means the state planning document required in s. 19, Art. III of the State Constitution and published as ss. 187.101 and 187.201.

Section 42. Section 186.021, Florida Statutes, is amended to read:

186.021 Long-range program State agency strategic plans.—Pursuant to s. 216.013, each state agency shall develop a long-range program plan on an annual basis. The plan shall provide the framework and context for designing and interpreting the agency budget request. The plan will be developed through careful examination and justification of agency functions and their associated costs. It shall be used by the agency to implement the state’s goals and objectives. Indicators shall be developed to measure service and activity performance.

~~(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.~~

~~(2) A state agency strategic plan shall be developed with a 5-year outlook and shall provide the strategic framework within which an agency’s legislative budget request is developed. An agency’s budget shall be designed to further the agency’s strategic plan.~~

~~(3) All amendments, revisions, or updates to a state agency strategic plan shall be prepared in the same manner as the original and shall be prepared as needed because of changes in the state comprehensive plan or changes in the statutory authority and responsibility of the agency.~~

~~(4) The Department of Environmental Protection, with regard to the plan required by s. 373.036, and the state land planning agency, with regard to the plan defined in s. 380.031(17), shall prepare revisions to such plans no later than 6 months after the adoption of revisions to the growth management portion of the state comprehensive plan or by June 1 of each even-numbered year, whichever is later.~~

~~(5) Notwithstanding the provisions of this section and ss. 186.009 and 186.022, the short-range component of the Florida Transportation Plan and~~

annual performance report developed pursuant to s. 339.155 shall serve as the state agency strategic plan and annual performance report for the Department of Transportation.

Section 43. Section 186.022, Florida Statutes, is amended to read:

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

~~(1) Beginning in 1992, 3 months prior to the annual submission of its final agency legislative budget request pursuant to s. 216.023(1), each state agency shall prepare and submit its agency strategic plan to the Executive Office of the Governor. Prior to the submission of its agency strategic plan to the Governor, each agency shall hold public workshops on the proposed agency strategic plan, and shall allow at least a 21-day period for public comment. At a minimum, adequate public notice must be assured by publication of notice of the hearing and comment period in the Florida Administrative Weekly. Public participation must be further encouraged through procedures and instructions.~~

~~(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.~~

~~(3) The Executive Office of the Governor shall review the state agency strategic plans to ensure that they are consistent with the state comprehensive plan and other requirements as specified in the written instructions. In its review, the Executive Office of the Governor shall consider all comments received in formulating required revisions. This shall include:~~

~~(a) The findings of the Technology Review Workgroup as to the consistency of the information resources management portion of agency strategic plans with the State Annual Report on Information Resources Management and statewide policies recommended by the State Technology Council; and~~

~~(b) The findings and recommendations of the Criminal and Juvenile Justice Information Systems Council's review with respect to public safety system strategic information resources management issues.~~

Within 60 days, reviewed plans shall be returned to the agency, together with any required revisions. However, any required revisions relating to information resources management needs identified in the agency strategic plans are subject to the notice and review procedures set forth in s. 216.177 and must be approved by the Administration Commission for the executive branch and the Chief Justice for the judicial branch.

~~(4) The state agency shall, within 30 days of the return of its state agency strategic plan, incorporate all revisions required by the Governor, or shall petition the Administration Commission to resolve any disputes regarding the consistency of the state agency strategic plan or the revisions recommended by the Governor with the state comprehensive plan or the written instructions. The Administration Commission shall resolve any disputes within 60 days of the petition.~~

~~(5) Any differences between state agencies regarding the programs, policies, or strategic plans of such agencies shall be mediated by the Executive Office of the Governor.~~

~~(6) Each agency shall transmit copies of its strategic plan and all written comments on its plan to the President of the Senate and the Speaker of the House of Representatives not later than 30 days prior to the next regular session of the Legislature.~~

~~(7) Agency strategic plans developed pursuant to this chapter are not rules and therefore are not subject to the provisions of chapter 120.~~

~~(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, the Auditor General, and the Office of Program Policy Analysis and Government Accountability. The purpose of this report is to evaluate the attainment of the agency objectives in the agency strategic plan and the performance measures approved by the Legislature pursuant to s. 216.0166(3) and established in the General Appropriations Act or implementing legislation for the General Appropriations Act for the previous fiscal year. In addition, each state agency must include a one-page summary of all moneys that were expended or encumbered by the agency, or for which the agency was otherwise responsible, during the preceding fiscal year and an estimate of such moneys projected by the agency for the current fiscal year. All such expenditures and estimates of such expenditures must be divided by program and expressed in line items by unit costs for each output measure approved pursuant to s. 216.0166(3) for those agencies and programs operating under performance-based program budgeting and for major services and products for those agencies and programs operating under traditional line-item budgeting. Unit cost totals must equal the total amount of moneys that were expended or projected to be expended by each agency and must include expenditures or projected expenditures of state funds by subordinate governmental entities and contractors, as applicable. Moneys that agencies receive but are not responsible for, such as reversions or pass-throughs to entities over which the agency has no authority or responsibility, shall be shown in separate line items and expressed in total amounts only. At the~~

regular session immediately following the submission of the agency performance report, the Legislature shall reduce in the General Appropriations Act for the ensuing fiscal year, by an amount equal to at least 10 percent of the allocation for the fiscal year preceding the current fiscal year, the funding of each state agency that fails to submit the report required by this subsection. All reports must be submitted in the form and manner prescribed by the instructions prepared pursuant to subsection (2) and s. 216.0235(3).

(9) ~~By June 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 and submit an information resource a strategic plan to the Executive Office of the Governor in a form and manner prescribed in written instructions prepared by the Executive Office of the Governor in consultation with the legislative appropriation committees. The Executive Office of the Governor shall review the strategic plan and may provide comments within 30 days. In its review, the Executive Office of the Governor shall consider all comments and findings of the Technology Review Workgroup as to whether the plan is consistent with the State Annual Report on Information Resources Management and statewide policies recommended by the State Technology Council. If revisions are required, boards and councils have 30 days to incorporate those revisions and return the plan to the Executive Office of the Governor. 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), 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 44. Subsection (1) of section 186.901, Florida Statutes, is amended to read:

186.901 Population census determination.—

(1) The Office of Economic and Demographic Research shall annually provide to the Executive Office of the Governor, either through its own resources or by contract, shall produce population estimates of local governmental units as of April 1 of each year, utilizing accepted statistical practices. The population of local governments provided by the Office of Economic and Demographic Research, as determined by the Executive Office of the Governor, shall apply to any revenue-sharing formula with local governments under the provisions of ss. 218.20-218.26, part II of chapter 218. The Office of Economic and Demographic Research shall additionally provide the

Executive Office of the Governor population estimates for municipal annexations or consolidations occurring during the period April 1 through February 28, and the Executive Office of the Governor shall determine the population count of the annexed areas as of April 1 and include these estimates such in its certification to the Department of Revenue for the annual revenue-sharing calculation.

Section 45. Section 215.18, Florida Statutes, is amended to read:

215.18 Transfers between funds; limitation.—Whenever there exists in any fund provided for by s. 215.32 a deficiency which would render such fund insufficient to meet its just requirements, and there shall exist in the other funds in the State Treasury moneys which are for the time being or otherwise in excess of the amounts necessary to meet the just requirements of such last-mentioned funds, ~~the Administration Commission, with the concurrence of the Governor,~~ may order a temporary transfer of moneys from one fund to another in order to meet temporary deficiencies in a particular fund without resorting to the necessity of borrowing money and paying interest thereon. The fund from which any money is temporarily transferred shall be repaid the amount transferred from it not later than the end of the fiscal year in which such transfer is made, the date of repayment to be specified in the order of the Governor Administration Commission.

Section 46. Subsection (1) of section 215.22, Florida Statutes, is amended to read:

215.22 Certain income and certain trust funds exempt.—

(1) The following income of a revenue nature or the following trust funds shall be exempt from the deduction required by s. 215.20(1):

- (a) Student financial aid or prepaid tuition receipts.
- (b) Trust funds administered by the Department of the Lottery.
- (c) Departmental administrative assessments for administrative divisions.
- (d) Funds charged by a state agency for services provided to another state agency, by a state agency for services provided to the judicial branch, or by the judicial branch for services provided to a state agency.
- (e) State, agency, or political subdivision investments by the Treasurer.
- (f) Retirement or employee benefit funds.
- (g) Self-insurance programs administered by the Treasurer.
- (h) Funds held for the payment of citrus canker eradication and compensation.
- (i) Medicaid, Medicare, or third-party receipts for client custodial care.
- (j) Bond proceeds or revenues dedicated for bond repayment, except for the Documentary Stamp Clearing Trust Fund administered by the Department of Revenue.

- (k) Trust funds administered by the Department of Education.
- (l) Trust funds administered by the Department of Transportation.
- (m) Trust funds administered by the Department of Agriculture and Consumer Services.
- (n) The Motor Vehicle License Clearing Trust Fund.
- (o) The Solid Waste Management Trust Fund.
- (p) The Coconut Grove Playhouse Trust Fund.
- (q) The Communications Working Capital Trust Fund of the Department of Management Services.
- (r) The Camp Blanding Management Trust Fund.
- (s) The Indigent Criminal Defense Trust Fund.
- (t) That portion of the Highway Safety Operating Trust Fund funded by the motorcycle safety education fee collected pursuant to s. 320.08(1)(d).
- (u) The Save the Manatee Trust Fund.
- (v) Tobacco Settlement Trust Funds administered by any agency.

Section 47. Paragraph (b) of subsection (2) of section 215.32, Florida Statutes, is amended to read:

215.32 State funds; segregation.—

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

(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 necessary for proper accountability. Once an account is established within a trust fund, the Comptroller may 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 Governor ~~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 Fund and Working Capital Fund in the General Appropriations Act.

b. This subparagraph does 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.

Section 48. Section 215.3208, Florida Statutes, is amended to read:

215.3208 Trust funds; ~~schedule for termination~~; legislative review.—

~~(1) Except for those trust funds exempt from automatic termination pursuant to the provisions of s. 19(f)(3), Art. III of the State Constitution, trust funds administered by the following entities shall be reviewed and may be terminated or re-created by the Legislature, as appropriate, during the regular session of the Legislature in the year indicated:~~

~~(a) In 1994:~~

- ~~1. Department of Corrections.~~
- ~~2. Department of Highway Safety and Motor Vehicles.~~
- ~~3. Department of Law Enforcement.~~
- ~~4. Department of Legal Affairs.~~
- ~~5. Department of the Lottery.~~
- ~~6. Department of Management Services.~~
- ~~7. Department of Military Affairs.~~
- ~~8. Department of Transportation.~~

~~9.— Game and Fresh Water Fish Commission.~~

~~10.— Judicial branch.~~

~~11.— Justice Administrative Commission.~~

~~12.— Parole Commission.~~

~~(b) In 1995:~~

~~1.— Department of Agriculture and Consumer Services.~~

~~2.— Department of Banking and Finance.~~

~~3.— Department of Citrus.~~

~~4.— Department of Education.~~

~~5.— Department of Environmental Protection.~~

~~6.— Department of Revenue.~~

~~7.— Executive Office of the Governor.~~

~~8.— Florida Public Service Commission.~~

~~(c) In 1996:~~

~~1.— Agency for Health Care Administration.~~

~~2.— Commission on Ethics.~~

~~3.— Department of Business and Professional Regulation.~~

~~4.— Department of Children and Family Services.~~

~~5.— Department of Commerce.~~

~~6.— Department of Community Affairs.~~

~~7.— Department of Elderly Affairs.~~

~~8.— Department of Health.~~

~~9.— Department of Insurance.~~

~~10.— Department of Juvenile Justice.~~

~~11.— Department of Labor and Employment Security.~~

~~12.— Department of State.~~

~~13.— Department of Veterans' Affairs.~~

~~14.— Legislative branch.~~

~~(2) All other trust funds not administered by the entities listed in subsection (1) and not exempt from automatic termination pursuant to the provisions of s. 19(f)(3), Art. III of the State Constitution shall be reviewed and may be terminated or re-created by the Legislature, as appropriate, during the 1996 Regular Session of the Legislature.~~

(1)(3) In order to implement s. 19(f), Art. III of the State Constitution For the purposes of this section, the Legislature shall review all state trust funds at least once every 4 years. The schedule for such review may be included in the legislative budget instructions developed pursuant to the requirements of s. 216.023. The Legislature shall review the trust funds as they are identified by a unique 6-digit code in the Florida Accounting Information Resource Subsystem at a level composed of the 2-digit organization level 1, the 1-digit state fund type 2, and the first three digits of the fund identifier. When a statutorily created trust fund that was in existence on November 4, 1992, has more than one 6-digit code, the Legislature may treat it as a single trust fund for the purposes of this section. The Legislature may also conduct its review concerning accounts within such trust funds.

(2)(4)(a) When the Legislature terminates a trust fund, the agency or branch of state government that administers the trust fund shall pay any outstanding debts or obligations of the trust fund as soon as practicable, and the Comptroller shall close out and remove the trust fund from the various state accounting systems, using generally accepted accounting principles concerning assets, liabilities, and warrants outstanding.

(b) If the Legislature determines to terminate a trust fund, it may provide for the distribution of moneys in that trust fund. If such a distribution is not provided, the moneys remaining after all outstanding obligations of the trust fund are met shall be deposited in the General Revenue Fund.

Section 49. Paragraph (f) of subsection (3) of section 240.209, Florida Statutes, is amended to read:

240.209 Board of Regents; powers and duties.—

(3) The board shall:

(f) Establish and maintain systemwide personnel programs for all State University System employees, including a systemwide personnel classification and pay plan, notwithstanding provisions of law that grant authority to the Department of Management Services over such programs for state employees. The board shall consult with the legislative appropriations committees regarding any major policy changes related to classification and pay which are in conflict with those policies in effect for career service employees with similar job classifications and responsibilities. The board may adopt rules delegating its authority to the Chancellor or the universities. The board shall submit, in a manner prescribed by law, any reports concerning State University System personnel programs as shall be required of the Department of Management Services for other state employees. The Department of Management Services shall retain authority over State University System employees for programs established in ss. 110.116, 110.123, 110.1232, 110.1234, 110.1235, and 110.1238 and in chapters 121, 122, and

238. The board shall adopt only those rules necessary to provide for a coordinated, efficient systemwide program and shall delegate to the universities all authority necessary for implementation of the program consistent with these coordinating rules so adopted and applicable collective bargaining agreements. ~~Notwithstanding the provisions of s. 216.181(7),~~ The salary rate controls for positions in budgets under the Board of Regents shall separately delineate the general faculty and all other categories.

Section 50. Section 240.20941, Florida Statutes, is amended to read:

240.20941 Vacant faculty positions.—~~Notwithstanding the provisions of s. 216.181(8) and (9) s. 216.181(7), (8), and (9), and pursuant to the provisions of s. 216.351, actions to reduce positions, rate, or salaries and benefits, excluding salary lapse calculations, taken by the Legislature or, by the Executive Office of the Governor, or by the Administration Commission~~ which relate specifically to vacant positions, and which are applied on a uniform basis to all state employee positions, may affect the positions within the faculty pay plan approved and administered by the Board of Regents only to the extent that they do so by express reference to this section.

Section 51. Subsection (1) of section 240.279, Florida Statutes, is amended to read:

240.279 Working capital trust funds established.—

(1) ~~The Board of Regents, with the approval of the Legislative Budget Administration Commission,~~ is hereby authorized to establish in the State Treasury a working capital trust fund for each of the individual institutions in the university system for the purpose of providing central financing and cost controls for certain general services necessary to the operation of all departments of the respective universities, including the auxiliary enterprises.

Section 52. Subsection (2) of section 252.37, Florida Statutes, is amended to read:

252.37 Financing.—

(2) It is the legislative intent that the first recourse 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 declared by the Governor as a state of emergency are unreasonably great, she or he may make funds available by transferring and expending moneys appropriated for other purposes, by transferring and expending moneys out of any unappropriated surplus funds, or from the Budget Stabilization Fund or Working Capital Fund. Following the expiration or termination of the state of emergency, the Governor may process a budget amendment under the notice and review procedures set forth in s. 216.177 to transfer moneys to satisfy the budget authority granted for such emergency.

Section 53. Section 288.7091, Florida Statutes, is amended to read:

288.7091 Duties of the Florida Black Business Investment Board.—The Florida Black Business Investment Board shall:

(1) Establish certification criteria for black business investment corporations. Certification criteria shall include administrative capacity, fiduciary controls, and, in the case of existing black business investment corporations, solvency and soundness of prior loan decisions;

(2) Develop a memorandum of understanding with Enterprise Florida, Inc., that outlines a strategy for collaboration with the programs and boards of Enterprise Florida, Inc.;

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

(4) Establish, in communities that are not currently served by an existing black business investment corporation, memoranda of understanding with local financial institutions that will provide loan guarantees for loans to black business enterprises;

(5) Develop memoranda of understanding with the Departments of Labor and Employment Security, Education, Transportation, and Management Services, as well as the State Board of Regents, detailing efforts of common interest and collaborations to expand black business development;

(6) Intensify efforts to increase the number of the black business enterprises in construction and construction-related projects, focusing on federal, state, and local government financed construction projects; and

(7) Annually, prepare a report detailing the performance of each black business investment corporation, addressing the number of jobs created and/or retained, success and failure rates among loan recipients, and the amount of funds leveraged from other sources.

Section 54. Paragraph (b) of subsection (5) of section 320.20, Florida Statutes, is amended to read:

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

(5)

(b) The State Comptroller each month shall deposit in the State Transportation Trust Fund an amount, drawn from other funds in the State Treasury which are not immediately needed or are otherwise in excess of the amount necessary to meet the requirements of the State Treasury, which when added to such remaining revenues each month will equal one-twelfth of the amount of the anticipated annual revenues to be deposited in the State Transportation Trust Fund under paragraph (a) as estimated by the most recent revenue estimating conference held pursuant to s. 216.136(3). The transfers required hereunder may be suspended by action of the Legislative Budget Administration ~~Commission~~ Commission in the event of a significant shortfall of state revenues.

Section 55. Section 337.023, Florida Statutes, is amended to read:

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

Section 56. Paragraph (a) of subsection (2) of section 339.135, Florida Statutes, is amended to read:

339.135 Work program; legislative budget request; definitions; preparation, adoption, execution, and amendment.—

(2) **SUBMISSION OF LEGISLATIVE BUDGET REQUEST AND REQUEST FOR LIST OF ADDITIONAL TRANSPORTATION PROJECTS.**—

(a) The department shall file the legislative budget request in the manner required by chapter 216, setting forth the department's proposed revenues and expenditures for operational and fixed capital outlay needs to accomplish the objectives of the department in the ensuing fiscal year. The right-of-way, construction, preliminary engineering, maintenance, and all grants and aids programs of the department shall be set forth only in program totals. The legislative budget request must include a balanced 36-month forecast of cash and expenditures and a 5-year finance plan. The legislative budget request shall be amended to conform to the tentative work program. The department may amend its legislative budget request and the tentative work program based on the most recent ~~revenue estimate by the Transportation estimating conference~~ estimate of revenues and the most recent federal aid apportionments.

Section 57. Subsection (3) of section 392.69, Florida Statutes, is amended to read:

392.69 Appropriation, sinking, and maintenance trust funds; additional powers of the department.—

(3) In the execution of its public health program functions, notwithstanding ~~s. 216.292(4)(b) s. 216.292(5)(b)~~, the department is hereby authorized to use any sums of money which it may heretofore have saved or which it may hereafter save from its regular operating appropriation, or use any sums of money acquired by gift or grant, or any sums of money it may acquire by the issuance of revenue certificates of the hospital to match or supplement any state or federal funds, or any moneys received by said department by gift or otherwise, for the construction or maintenance of additional facilities or improvement to existing facilities, as the department deems necessary.

Section 58. Section 216.3491, Florida Statutes, is transferred, renumbered as section 215.97, Florida Statutes, and amended to read:

215.97 ~~216.3491~~ Florida Single Audit Act.—

(1) The purposes of the section are to:

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

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

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

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

(e) Promote improved coordination and cooperation within and between affected state agencies ~~providing making~~ state financial assistance awards and nonstate entities receiving state assistance awards.

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

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

(a) “Audit threshold” means the amount to use in determining when a state single audit of a nonstate entity shall be conducted in accordance with this section. Each nonstate entity that expends a total amount of state financial assistance awards equal to or in excess of \$300,000 in any fiscal year of such nonstate entity shall be required to have a state single audit for such fiscal year in accordance with the requirements of this section. Every 2 years the Auditor General, after consulting with the Executive Office of the Governor, the Comptroller, and all state agencies that provide state financial assistance to nonstate entities, shall review the amount for requiring audits under this section and may adjust such dollar amount consistent with the purpose of this section.

(b) “Auditing standards” means the auditing standards as stated in the rules of the Auditor General as applicable to for-profit organizations, non-profit organizations, or local governmental entities.

(c) “Catalog of State Financial Assistance” means a comprehensive listing of ~~all major state projects and other~~ state projects. The Catalog of State Financial Assistance shall be issued by the Executive Office of the Governor after conferring with the Comptroller and all state agencies that provide state financial assistance to nonstate entities. The Catalog of State Financial Assistance shall include for each listed state project: the responsible state agency; standard state project number identifier; official title; legal

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

(d) “Financial reporting package” means the nonstate entities’ financial statements, Schedule of State Financial Assistance, auditor’s reports, management letter, auditee’s written responses or corrective action plan, correspondence on followup of prior years’ corrective actions taken, and such other information determined by the Auditor General to be necessary and consistent with the purposes of this section.

(e) “Federal financial assistance” means financial assistance from federal sources passed through the state and provided to nonstate entities to carry out a federal program. “Federal financial assistance” includes all types of federal assistance as defined in applicable United States Office of Management and Budget circulars.

(f) “For-profit organization” means any organization or sole proprietor individual that received a state award but is not a local governmental entity or a nonprofit organization.

(g) “Independent auditor” means an external state or local government auditor or a certified public accountant who meets the independence standards.

(h) “Internal control over state projects” means a process, effected by an entity’s management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

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

(i) “Local governmental entity” means a county agency, municipality, or special district or any other entity (other than a district school board or community college), however styled, which independently exercises any type of governmental function.

(j) “Major state project” means any state project meeting the criteria as stated in the rules of the Executive Office of the Governor. Such criteria shall be established after consultation with the Comptroller and appropriate state agencies that provide make state financial assistance awards and shall consider the amount of state project expenditures or expenses or inherent risks. Each major state project shall be audited in accordance with the requirements of this section.

(k) “Nonprofit organization” means any corporation, trust, association, cooperative, or other organization that:

1. Is operated primarily for scientific, educational service, charitable, or similar purpose in the public interest;

2. Is not organized primarily for profit;
3. Uses net proceeds to maintain, improve, or expand the operations of the organization; and
4. Has no part of its income or profit distributable to its members, directors, or officers.

(l) “Nonstate entity” means a local governmental entity, nonprofit organization, or for-profit organization that receives a state resources award.

(m) “Recipient” means a nonstate entity that receives a state financial assistance award directly from a state awarding agency.

(n) “Schedule of State Financial Assistance” means a document prepared in accordance with the rules of the Comptroller and included in each financial reporting package required by this section.

~~(o) “State award” means state financial assistance provided to a nonstate entity to carry out a state project.~~

~~(o)(p)~~ “State awarding agency” means the state agency that provided state financial assistance to the nonstate entity ~~for purposes of carrying out a state project.~~

~~(p)(q)~~ “State financial assistance” means financial assistance from state resources, not including federal financial assistance and state matching, provided to nonstate entities to carry out a state project. “State financial assistance” includes all types of state assistance as stated in the rules of the Executive Office of the Governor established in consultation with the Comptroller and appropriate state agencies that provide state financial assistance ~~make state awards~~. It includes state financial assistance provided awards ~~made~~ directly by state awarding agencies or indirectly by recipients of state awards or subrecipients. It does not include procurement contracts, ~~under state awards~~, used to buy goods or services from vendors. Audits of such procurement contracts with vendors are outside of the scope of this section. Also, audits of contracts to operate state-government-owned and contractor-operated facilities are excluded from the audit requirements of this section.

~~(q)(r)~~ “State matching” means state resources awards provided to nonstate entities to be used to meet federal financial participation matching requirements of federal programs.

~~(r)(s)~~ “State project” means all state financial assistance awards to a nonstate entity assigned a single state project number identifier in the Catalog of State Financial Assistance.

~~(s)(t)~~ “State Projects Compliance Supplement” means a document issued by the Executive Office of the Governor, in consultation with the Comptroller and all state agencies that provide state financial assistance ~~make state awards~~. The State Projects Compliance Supplement shall identify ~~each major state project and other~~ state projects, the significant compliance requirements, eligibility requirements, matching requirements, suggested audit procedures, and other relevant information determined necessary.

~~(t)(u)~~ “State project-specific audit” means an audit of one state project performed in accordance with the requirements of subsection (9) ~~this section~~.

~~(u)(v)~~ “State single audit” means an audit of a nonstate entity’s financial statements and state financial assistance awards. Such audits shall be conducted in accordance with the auditing standards as stated in the rules of the Auditor General.

~~(v)(w)~~ “Subrecipient” means a nonstate entity that receives a state financial assistance award through another nonstate entity, ~~but does not include an individual who receives state financial assistance through such state awards~~.

~~(w)(x)~~ “Vendor” means a dealer, distributor, merchant, or other seller providing goods or services that are required for the conduct of a state project. These goods or services may be for an organization’s own use or for the use of beneficiaries of the state project.

(3) The Executive Office of the Governor shall:

(a) Upon conferring with the Comptroller and all state awarding agencies ~~that make state awards~~, adopt rules necessary to provide appropriate guidance to state awarding agencies, recipients and subrecipients, and independent auditors of state financial assistance relating to the requirements of this section, including:

1. The types or classes of financial assistance considered to be state financial assistance which would be subject to the requirements of this section. This would include guidance to assist in identifying when the state agency or recipient has contracted with a vendor rather than with a recipient or subrecipient.

2. The criteria for identifying a major state project.

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

(b) Be responsible for coordinating the initial preparation and subsequent revisions of the Catalog of State Financial Assistance after consultation with the Comptroller and all state awarding agencies ~~that award state financial assistance to nonstate entities~~.

(c) Be responsible for coordinating the initial preparation and subsequent revisions of the State Projects Compliance Supplement, after consultation with the Comptroller and all state awarding agencies ~~that award state financial assistance to nonstate entities~~.

(4) The Comptroller shall:

(a) Make enhancements to the state’s accounting system to provide for the:

1. Recording of state financial assistance and federal financial assistance appropriations and expenditures as ~~separate categories~~ within the state awarding agencies' operating funds.

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

3. Establishment and recording of an identification code for each financial transaction, including state agencies' disbursements awards of state financial assistance and federal financial assistance, as to the corresponding type or organization that is party to the transaction (e.g., other governmental agencies, nonprofit organizations, and for-profit organizations), and disbursements of federal financial assistance, as to whether the party to the transaction is or is not a recipient or subrecipient.

(b) Upon conferring with the Executive Office of the Governor and all state awarding agencies that make state awards, adopt rules necessary to provide appropriate guidance to state awarding agencies, recipients and subrecipients, and independent auditors of state financial assistance relating to the format for the Schedule of State Financial Assistance.

(c) Perform any inspections, reviews, investigations, or audits of state financial assistance considered necessary in carrying out the Comptroller's legal responsibilities for state financial assistance or to comply with the requirements of this section.

(5) Each state awarding agency that makes state awards shall:

(a) Provide ~~for each state award~~ to a recipient information needed by the recipient to comply with the requirements of this section, including:

1. The audit and accountability requirements for state projects as stated in this section and applicable rules of the Executive Office of the Governor, rules of the Comptroller, and rules of the Auditor General.

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

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

(b) Require the recipient, as a condition of receiving state financial assistance, to allow the state awarding agency, the Comptroller, and the Auditor General access to the recipient's records and the recipient's independent auditor's working papers as necessary for complying with the requirements of this section.

(c) Notify the recipient that this section does not limit the authority of the state awarding agency to conduct or arrange for the conduct of additional

audits or evaluations of state financial assistance or limit the authority of any state agency inspector general, the Auditor General, or any other state official.

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

(e) Review the recipient financial reporting package, including the management letters and corrective action plans, to the extent necessary to determine whether timely and appropriate corrective action has been taken with respect to audit findings and recommendations pertaining to state financial assistance provided ~~awards made~~ by the state agency.

(6) As a condition of receiving state financial assistance, each recipient that provides state financial assistance to a subrecipient shall:

(a) Provide ~~for each state award~~ to a subrecipient information needed by the subrecipient to comply with the requirements of this section, including:

1. Identification of the state awarding agency.

2. The audit and accountability requirements for state projects as stated in this section and applicable rules of the Executive Office of the Governor, rules of the Comptroller, and rules of the Auditor General.

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

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

(b) Review the subrecipient audit reports, including the management letters, to the extent necessary to determine whether timely and appropriate corrective action has been taken with respect to audit findings and recommendations pertaining to state financial assistance provided ~~awards made~~ by the state agency.

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

(d) Require subrecipients, as a condition of receiving state financial assistance, to permit the independent auditor of the recipient, the state awarding agency, the Comptroller, and the Auditor General access to the subrecipient's records and the subrecipient's independent auditor's working papers as necessary to comply with the requirements of this section.

(7) Each recipient or subrecipient of state financial assistance shall comply ~~obtain an audit that complies~~ with the following:

(a) Each nonstate entity that receives state financial assistance awards and meets audit threshold requirements, in any fiscal year of the nonstate entity, as stated in the rules of the Auditor General, shall have a state single audit conducted for such fiscal year in accordance with the requirements of this act and with additional requirements established in rules of the Executive Office of the Governor, rules of the Comptroller, and rules of the Auditor General. If only one state project is involved in a nonstate entity's fiscal year, the nonstate entity may elect to have ~~require~~ only a state project-specific ~~compliance~~ audit of the state project for that fiscal year.

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

(c) Regardless of the amount of the state financial assistance award, the provisions of this section do not exempt a nonstate entity from compliance with provisions of law relating to maintaining records concerning state financial assistance awards to such nonstate entity or allowing access and examination of those records by the state awarding agency, the Comptroller, or the Auditor General.

(d) Audits conducted pursuant to this section shall be performed annually.

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

(f) Upon completion of the audit as required by this section, a copy of the recipient's financial reporting package shall be filed with the state awarding agency and the Auditor General. Upon completion of the audit as required by this section, a copy of the subrecipient's financial reporting package shall be filed with the recipient that provided the state financial assistance. The financial reporting package shall be filed in accordance with the rules of the Auditor General.

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

(h) If an audit conducted pursuant to this section discloses any significant audit findings relating to state financial assistance, including material noncompliance with individual ~~major~~ state project compliance requirements or reportable conditions in internal controls of the nonstate entity, the nonstate entity shall submit as part of the audit package to the state awarding agency a plan for corrective action to eliminate such audit findings or a statement describing the reasons that corrective action is not necessary.

(i) An audit conducted in accordance with this section is in addition to any audit of federal awards required by the federal Single Audit Act and

other federal laws and regulations. To the extent that such federally required audits provide the state awarding agency with information it requires to carry out its responsibilities under state law or other guidance, a state agency shall rely upon and use that information.

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

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

~~(l)(j)~~ This section does not prohibit the state awarding agency from including terms and conditions in the written agreement which require additional assurances that state financial assistance meets awards ~~meet~~ the applicable requirements of laws, regulations, and other compliance rules.

~~(m)(k)~~ A state awarding agency that provides state financial assistance awards to nonstate entities and conducts or arranges for audits of state financial assistance awards that are in addition to the audits conducted under this act shall, consistent with other applicable law, arrange for funding the full cost of such additional audits.

(8) The independent auditor when conducting a state single audit of recipients or subrecipients shall:

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

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

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

1. Obtain an understanding of internal controls;
2. Assess control risk;
3. Perform tests of controls unless the controls are deemed to be ineffective; and

4. Determine whether the nonstate entity has internal controls in place to provide reasonable assurance of compliance with the provisions of laws,

regulations, and ~~other~~ rules pertaining to state financial assistance awards that have a material effect on each major state project.

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

(e) Report on the results of any audit conducted pursuant to this section in accordance with the rules of the Executive Office of the Governor, rules of the Comptroller, and rules of the Auditor General. Audit reports shall include summaries of the auditor's results regarding the nonstate entity's financial statements; Schedule of State Financial Assistance; internal controls; and compliance with laws, rules, and guidelines ~~other compliance guidance~~.

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

(g) Upon notification by the nonstate entity, make available the working papers relating to the audit conducted pursuant to the requirements of this section to the state awarding agency, the Comptroller, or the Auditor General for review or copying.

(9) The independent auditor, when conducting a state project-specific audit of recipients or subrecipients, shall:

(a) Determine whether the nonstate entity's schedule of state financial assistance is presented fairly in all material respects in conformity with stated accounting policies.

(b) Obtain an understanding of internal control and perform tests of internal control over the state project consistent with the requirements of a major state project.

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

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

(e) Upon notification by the nonstate entity, make available the working papers relating to the audit conducted pursuant to the requirements of this

section to the state awarding agency, the Comptroller, or the Auditor General for review or copying.

~~(10)~~(9) The Auditor General shall:

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

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

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

(d) Provide technical advice upon request of the Comptroller, Executive Office of the Governor, and state agencies relating to financial reporting and audit responsibilities contained in this section.

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

(f) Perform ongoing reviews of a sample of financial reporting packages filed pursuant to the requirements of this section to determine compliance with the reporting requirements of this section and applicable rules of the Executive Office of the Governor, rules of the Comptroller, and rules of the Auditor General.

Section 59. Section 216.331, Florida Statutes, is transferred and renumbered as section 215.965, Florida Statutes.

Section 60. Section 216.3505, Florida Statutes, is transferred and renumbered as section 215.966, Florida Statutes.

Section 61. Sections 27.38, 27.60, 216.001, 216.0154, 216.0162, 216.0166, 216.0172, 216.0235, 216.0315, 216.091, 216.111, 216.281, and 216.286, Florida Statutes, are repealed.

Section 62. This act shall take effect July 1, 2000, and shall apply to preparation of the state budget beginning with fiscal year 2001-2002.

Approved by the Governor June 26, 2000.

Filed in Office Secretary of State June 26, 2000.