1989

Session Law 89-051

Florida Senate & House of Representatives

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H 1718 GENERAL BILL/CS/2ND ENG by Rules & Calendar; Appropriations; Wetherell and others (Identical CS/S 1310, Compare CS/1ST ENG/H 323, CS/2ND ENG/H 1082)

State Budget/Requirements; amends provision re adjustment of agency budget requests to comply with budget format; amends provision re authority of legislative appropriations committees & Governor to require agencies to address major issues in their budget requests; requires Governor to hold public hearing on legislative budgets; amends provision re procedure by which Governor's Office determines needs of each state agency, etc. Amends Ch. 216. Effective Date: 07/01/89 except as otherwise provided.

04/13/89 HOUSE Filed; Introduced, referred to Rules & Calendar —HJ 224
04/21/89 HOUSE On Committee agenda—Rules & Calendar, 04/25/89, 1:30 pm, 413–C—Temporarily passed
04/28/89 HOUSE On Committee agenda—Rules & Calendar, 05/01/89, 10:00 am, 413–C
05/01/89 HOUSE Preliminary Committee Action by Rules & Calendar: Favorable as a CS; Comm. Report: CS by Rules & Calendar, placed on Calendar —HJ 337
05/02/89 HOUSE Placed on Special Order Calendar; CS read first time —HJ 324; Read second time; Amendment pending —HJ 324
05/03/89 HOUSE Pending amendment withdrawn —HJ 346; Amendments adopted; Read third time; CS passed as amended; YEAS 109 NAYS 1 —HJ 351; Immediately certified —HJ 351

05/03/89 SENATE In Messages
05/16/89 SENATE Received, referred to Appropriations; Rules and Calendar —SJ 367
05/18/89 SENATE Extension of time granted Committee Appropriations
05/24/89 SENATE Withdrawn from Appropriations; Rules and Calendar; Substituted for CS/SB 1310 —SJ 425; CS passed as amended; YEAS 38 NAYS 0 —SJ 430; Immediately certified —SJ 430

05/24/89 HOUSE In Messages
06/02/89 HOUSE Was taken up —HJ 1222; Concurred; CS passed as further amended; YEAS 110 NAYS 0 —HJ 1227
06/02/89 Ordered engrossed, then enrolled
06/05/89 Signed by Officers and presented to Governor
06/15/89 Approved by Governor; Chapter No. 51

NOTES: Above bill history from Division of Legislative Information's FINAL LEGISLATIVE BILL INFORMATION, 1989 SESSIONS. Staff Analyses for bills amended beyond final committee action may not be in accordance with the enacted law. Journal page numbers (HJ & SJ) refer to daily Journals and may not be the same as final bound Journals.
I. SUMMARY:

A. PRESENT SITUATION:

Chapter 216, Florida Statutes, contains the statutory law regarding the fiscal affairs of the State, appropriations acts, legislative budgets and approved budgets.

Currently several provisions of Chapter 216 require additional clarification.

B. EFFECT OF PROPOSED CHANGES:

The bill clarifies several provisions of Chapter 216 relating to agency budget requests and the submission of the Governor's recommended budget. It expands the authority of the two appropriations committee chairmen, the Speaker of the House and the President of the Senate to object to agency spending practices which are inconsistent with legislative intent. It provides that the transfer authority given the executive branch can not be used to circumvent the General Appropriations Act or statement of intent.

C. SECTION-BY-SECTION ANALYSIS:

Section 1. Adds the definition of "independent judgment" to s. 216.011, F.S. to clarify that it means an assessment of need by the agencies without regard to the Governor's opinion, other legislative budget requests or revenue constraints. It defines "approved
operating plan" as the original approved operating budget and statement of intent. It defines "impoundment" as the omission of an appropriation in the approved operating plan, failure to release funds as required by s. 216.192 or the failure of a state agency to spend funds as appropriated.

Section 2. Amends s. 216.023, F.S. to allow the Executive Office of the Governor to adjust agency legislative budget requests to incorporate technical corrections.

Section 3. Amends s. 216.031, F.S. to allow the Governor or the Chairman of either of the legislative appropriations committees to direct agencies to address major issues in their legislative budget requests.

Section 4. Amends s. 216.131, F.S. to require the Governor to hold at least one public hearing prior to submitting his budget recommendations. The hearing(s) shall cover issues contained in agency legislative budget requests and issues which may be included in the governor's budget recommendations.

Section 5. Amends s. 216.151, F.S. to allow the Executive Office of the Governor to request that agencies submit budgets which address specific initiatives and fall within targets set by the Governor. Any such requests, however, can not affect the agencies' independent assessments of needs required for their legislative budget requests.

Section 6. Amends s. 216.163, F.S. to require the Governor to electronically transmit the Exhibit B, Major Issues and D-3A work papers along with his recommended budget.

It also requires the Governor to declare an impasse on any unresolved collective bargaining negotiations by the time he presents his recommended budget. Within 14 days he is required to furnish to each of the legislative appropriations committees, documented information as to the last offer he made or recommended.

Section 7. Amends s. 216.164, F.S. to clarify that the Governor must follow the guidelines specified in s. 216.162, F.S. when submitting his recommended budget.

Section 8. Transfers s.216.181 (1), (2), F.S. and creates s. 216.177 F.S. to require that the statement of intent be submitted to the Governor at least ten days before the end of the period allowed by law for veto consideration. It further clarifies that the statement of intent that accompanies the General Appropriations Act is not law and is not subject to veto.

STANDARD FORM 1/89
It provides that when action is taken that requires notice pursuant to provisions of chapter 216, that the notice shall be in writing at least seven working days in advance. It gives either appropriations chairman or either presiding officer of the legislature the authority to contest executive spending actions or proposals. It specifies that documentation provided by both of the appropriations chairmen, the presiding officers of either house of the legislature and the Governor may be considered by the Administration Commission when resolving executive/legislative disputes over agency spending. It requires that a two-thirds majority of members present with the Governor voting in the affirmative is required to uphold the contested spending action or proposal. It provides judicial standing to the Governor or legislature to review Administration Commission decisions made pursuant to this section. These provisions constitute the notice, review and objection procedures of s. 216.177 referenced in various sections of the bill.

Section 9. Amends s. 216.181 (3) through (14) to provide that budget amendments approved by the governor are subject to the notice, review and objection procedures specified in s. 216.177 (see section 7). It provides that salary rate be calculated on salary policy, the actual salary rate in effect on June 30 and the number of authorized positions specified in the General Appropriations and special appropriations acts or as provided pursuant to s. 216.177, F.S. It provides that the notice, review and objection provisions of s. 216.177 (see section 7) shall apply if the Governor utilizes his authority to adjust the approved salary rate. It prohibits providing lump-sum salary bonuses unless specifically appropriated.

It prohibits the Governor from approving changes in the amounts appropriated from trust funds unless pursuant to federal funds provisions of s. 216.212.

Section 10. Revises language in s.216.192, F.S.

Section 11. Prohibits the Governor and agencies from impounding funds and provides judicial standing to the Governor or either house of the legislature to review actions or proposals that violate this section.

Section 12. Amends s. 216.241, F.S. to specify that the notice requirements specified in s. 216.177, F.S. (see section 7) shall be followed prior to the Administration Commission approving new programs that require expenditure of additional funds not authorized in the General Appropriations Act. It prohibits changes in existing programs by an agency.
which are inconsistent with the approved operating budget. It also gives the Speaker of the House, the President of the Senate or either Appropriations Chairmen the ability to object in such instances.

Section 13. Amends s.216.262, F.S. to specify that the notice, review and objection provisions of s. 216.177, F.S. (see section 7) apply when the Administration Commission acts on agency requests to add positions which are not authorized in the General Appropriations Act.

Section 14. Amends s.216.292 to specify that transfers made by department heads using their 5% transfer authority be consistent with the intent of the approved operating budget.

It provides that the notice, review and objection provisions of 216.177 (see section 7) apply when the Administration Commission acts on agencies' requests to transfer appropriations in excess of 5% or in instances where excess funds from fixed capital outlay projects are transferred.

Section 15. Provides an effective date of July 1, 1989, or upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring or First Year Start-Up Effects:
   Indeterminate (see fiscal comments)

2. Recurring or Annualized Continuation Effects:
   Indeterminate (see fiscal comments)

3. Long Run Effects Other Than Normal Growth:
   Indeterminate (see fiscal comments)

4. Appropriations Consequences:
   Indeterminate (see fiscal comments)

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring or First Year Start-Up Effects:
   None

2. Recurring or Annualized Continuation Effects:
   None
3. **Long Run Effects Other Than Normal Growth:**

None

C. **DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

1. **Direct Private Sector Costs:**

None

2. **Direct Private Sector Benefits:**

None

3. **Effects on Competition, Private Enterprise, and Employment Markets:**

None

D. **FISCAL COMMENTS:**

There may be some administrative costs to implement the proposed changes.

III. **LONG RANGE CONSEQUENCES:**

IV. **COMMENTS:**

The bill will serve to further the goal of achieving governmental efficiency as stated in Section 187.201(21)(a), Florida Statutes, the State Comprehensive Plan. It is consistent with Section 1 concerning government efficiency and effectiveness found in the Florida House of Representatives 1989-1990 policy statement.

V. **SIGNATURES:**

SUBSTANTIVE COMMITTEE:
Prepared by: Theresa B. Frederick

SECOND COMMITTEE OF REFERENCE:
Prepared by: Theresa B. Frederick

APPROPRIATIONS:
Prepared by: Theresa B. Frederick

Staff Director: Staff Director: Staff Director:

Theresa B. Frederick

Dr. James A. Zingale
I. SUMMARY:

A. Present Situation:

Chapter 216, Florida Statutes, contains the statutory law regarding the fiscal affairs of the State, appropriations acts, legislative budgets and approved budgets.

Currently several provisions of Chapter 216 require additional clarification.

B. Effect of Proposed Changes:

The bill clarifies several provisions of Chapter 216 relating to agency budget requests and the submission of the Governor's recommended budget. It expands the authority of the two Appropriations Committee Chairmen, the Speaker of the House and the President of the Senate to object to agency spending practices which are inconsistent with legislative intent. It provides that the transfer authority given the executive branch can not be used to circumvent the General Appropriations Act or Statement of Intent.

C. SECTION-BY-SECTION ANALYSIS:

| Section 1. | Adds the definition of "independent judgment" to s. 216.011, F.S., to clarify that it means an assessment of need by the agencies without regard to the Governor's opinion, other legislative budget requests or revenue constraints. It defines "approved operating plan" as the original approved operating budget and Statement of Intent. It defines "impoundment" as the omission of an appropriation in the approved operating plan, failure to release funds as required by s. 216.192 or the failure of a state agency to spend funds as appropriated. |
| Section 2. | Amends s. 216,023, F.S., to allow the Governor to make technical corrections to the format of agency legislative budget requests as necessary. Provides that agencies may amend their budget request after the Governor submits his budget recommendations. |
| Section 3. | Amends s. 216.031, F.S., to allow the Governor or either of the legislative Appropriations Committees to direct agencies to address major issues in their legislative budget requests. |
| Section 4. | Amends s. 216.131, F.S., to require the Governor to hold at least one public hearing prior to... |
submitting his budget recommendations. The hearing(s) shall cover issues contained in agency legislative budget requests and issues which may be included in the Governor's budget recommendations.

Section 5. Amends s. 216.151, F.S., to allow the Executive Office of the Governor to request that agencies submit budgets which address specific initiatives and fall within targets set by the Governor. Any such requests, however, cannot affect the agencies' independent assessments of needs required for their legislative budget requests.

Section 6. Amends s. 216.163, F.S., to require the Governor to electronically transmit the Exhibit B, Major Issues and D-3A work papers along with his recommended budget. It also requires the Governor to declare an impasse on any unresolved collective bargaining negotiations by the time he presents his recommended budget. Within 14 days he is required to furnish to each of the legislative Appropriations Committees, documented information as to the last offer he made or recommended.

Section 7. Amends s. 216.164, F.S., to clarify that the Governor must follow the guidelines specified in s. 216.162, F.S., when submitting his recommended budget.

Section 8. Transfers s. 216.181(1)(2), F.S., and creates s. 216.177, F.S., to require that the Statement of Intent be submitted to the Governor at least 10 days before the end of the period allowed by law for veto consideration. It further clarifies that the Statement of Intent that accompanies the General Appropriations Act is not law and is not subject to veto.

It provides that when action is taken that requires notice pursuant to provisions to Chapter 216, that the notice shall be in writing at least seven working days in advance. It gives the Appropriations Chairmen or either presiding officer of the Legislature the authority to contest executive spending actions or proposals. It specifies that documentation provided by both of the Appropriations Chairmen, the presiding officers of either house of the Legislature and the Governor may be considered by the Administration Commission when resolving executive/legislative disputes over agency spending. It requires that a two-thirds majority of members present with the Governor voting in the affirmative is required to uphold the contested spending action or proposal. It provides judicial standing to the Governor or Legislature to review Administration Commission decisions made pursuant to this section. These provisions constitute the notice, review and objection procedures, of s. 216.177 referenced in various sections of the bill.

Section 9. Amends s. 216.181(3) through (14), F.S., to provide that budget amendments approved by the Governor are subject to the notice, review and objection procedures specified in s. 216.177 (See Section 8). It provides that salary rate be calculated on salary policy, the actual salary rate in effect on June 30 and the number of
authorized positions specified in the General Appropriations and Special Appropriations Acts or as provided pursuant to s. 216.177, F.S. It provides that the notice, review and objection provisions of s. 216.177 (See Section 8) shall apply if the Governor utilizes his authority to adjust the approved salary rate. It prohibits providing lump-sum salary bonuses after July 1, 1989, unless specifically appropriated.

It prohibits the Governor from approving changes in the amounts appropriated from trust funds unless:

(1) pursuant to Federal funds provisions of s. 216.212;
(2) when grants or donations are received after June 1; or,
(3) if necessary, because of an emergency situation.

Section 10. Revises language in s. 216.192, F.S., and applies the notice, review and objection procedures of s. 216.177, F.S., (See Section 8).

Section 11. Prohibits the Governor and agencies from impounding funds and provides judicial standing to the Governor or either House of the Legislature to review actions or proposals that violate this section.

Section 12. Amends s. 216.241, F.S., to specify that the notice requirements specified in s. 216.177, F.S., (See Section 8) shall be followed prior to the Administration Commission approving new programs not authorized in the General Appropriations Act. It provides that no changes may be made to existing programs that are inconsistent with the approved operating plan. It specifies that the notice, review and objection procedures of s. 216.177 (See Section 8) apply to the section.

Section 13. Amends s. 216.262, F.S., to specify that the notice, review and objection provisions of s. 216.177, F.S., (See Section 8) apply when the Administration Commission acts on agency requests to add positions which are not authorized in the General Appropriations Act.

Section 14. Amends s. 216.292 to specify that transfers made by department heads within identical funds shall be consistent with the approved operating plan. It provides that the notice, review and objection provisions of s. 216.177 (See Section 8) apply when the Administration Commission acts on agencies' requests to transfer appropriations in excess of 5% or in instances where excess funds from fixed capital outlay projects are transferred.

Section 15. Provides an effective date of July 1, 1989, or upon becoming a law.

II. ECONOMIC IMPACT AND FISCAL NOTE:
A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:
   1. Non-recurring or First Year Start-Up Effects: Indeterminate (see fiscal comments)
   2. Recurring or Annualized Continuation Effects: Indeterminate (see fiscal comments)
   3. Long Run Effects Other Than Normal Growth: Indeterminate (see fiscal comments)
   4. Appropriations Consequences: Indeterminate (see fiscal comments)

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:
   1. Non-recurring or First Year Start-Up Effects: None
   2. Recurring or Annualized Continuation Effects: None
   3. Long Run Effects Other Than Normal Growth: None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:
   1. Direct Private Sector Costs: None
   2. Direct Private Sector Benefits: None
   3. Effects on Competition, Private Enterprise, and Employment Markets: None

D. FISCAL COMMENTS:
   There may be some administrative costs to implement the proposed changes.

III. COMMENTS:
   The bill will serve to further the goal of achieving governmental efficiency as stated in Section 187.201(21)(a), Florida Statutes, the State Comprehensive Plan. It is consistent with Section 1 concerning government efficiency and effectiveness found in the Florida House of Representatives 1989-1990 policy statement.

IV. AMENDMENTS:
   None.