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**DATE:** March 13, 2002

# HOUSE OF REPRESENTATIVES COUNCIL FOR SMARTER GOVERNMENT ANALYSIS

**BILL #:** HB 2015 (PCB SGC 02-02

**RELATING TO:** Cabinet Reorganization

**SPONSOR(S):** Council for Smarter Government and Representative(s) Cantens

TIED BILL(S):

## ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

(1) COUNCIL FOR SMARTER GOVERNMENT YEAS 12 NAYS 0

(2)

(3)

(4)

### I. SUMMARY:

In November 1998, voters approved Constitutional Revision 8 that restructures the Cabinet. The revision establishes a new Cabinet post of Chief Financial Officer and abolishes the offices of Treasurer and Comptroller. It also altered the composition of the State Board of Administration to include the Governor as Chair, the Chief Financial Officer, and the Attorney General. The Trustees of the Internal Improvement Trust Fund and the Land Acquisition Trust Fund are also altered; they will now include the Governor, as chair, the chief financial officer, the attorney general, and the commissioner of agriculture. The changes apply to the November 2002 General Election and take effect January 7, 2003.

The Committee on Banking has authored HB 577, which is purely technical in nature and makes changes which conform Treasurer and Comptroller to Chief Financial Officer. Certain other changes required were not viewed by the Committee staff as strictly technical in nature, and the Banking Committee has requested that these sections be reviewed by the Council for Smarter Government.

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## II. SUBSTANTIVE ANALYSIS:

## A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

| 1. | Less Government         | Yes [X] | No [] | N/A []  |
|----|-------------------------|---------|-------|---------|
| 2. | Lower Taxes             | Yes []  | No [] | N/A [X] |
| 3. | Individual Freedom      | Yes []  | No [] | N/A [X] |
| 4. | Personal Responsibility | Yes []  | No [] | N/A [X] |
| 5. | Family Empowerment      | Yes []  | No [] | N/A [X] |

For any principle that received a "no" above, please explain:

#### B. PRESENT SITUATION:

The executive branch of the government of the State of Florida is currently vested in seven separate constitutional officers: the Governor, the Secretary of State, the Attorney General, a Comptroller, a Treasurer, a Commissioner of Agriculture and a Commissioner of Education. The Governor and full cabinet sit as the Administration Commission, the Trustees of the Internal Improvement Trust Fund and Land Acquisition Trust Fund, as well as other boards created in Statute. The Governor, The Comptroller, and the Treasurer currently sit as the State Board of Administration and other boards created by statute.

#### C. EFFECT OF PROPOSED CHANGES:

A number of boards are created in statute which identified all the members of the cabinet as members of the board. The change in the composition of the cabinet from six members to three, and the change from Comptroller and Treasurer to Chief Financial Officer, results in changes in the number and composition of these boards. Please see the section-by-section analysis for detailed information.

#### D. SECTION-BY-SECTION ANALYSIS:

Section 1 amends the composition of the Governor's Committee on Interstate Cooperation by deleting the Comptroller, Treasurer, and Commissioner of Education. In their place, the Chief Financial Officer is added. (Section 13.05, F.S.)

Section 2 amends the individuals who may call a meeting of the Administration Commission from the Governor and Comptroller to the Governor and Chief Financial Officer. (Section 14.202)

Section 3 amends the number of appointments to the Florida Commission on the Status of Women (Section 14.24) from 22 to 16 members and changes who may appoint. Provision is made to maintain the staggered nature of the appointments.

Section 4 amends 112.215 (8)(a) 4b and 4d to provide for an appointment by the Chief Financial Officer in lieu of the Treasurer and an appointment by the Attorney General in lieu of the Comptroller.

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Section 5 conforms 114.03 to require the new cabinet not to absent itself from the state.

Section 6 lists the Governor, the Chief Financial Officer, and the Attorney General as the Board of Trustees of the State Board of Administration in section 121.0312.

Section 7 conforms the members of the State Board of Administration in s. 121.055 (1)(e).

Section 8 removes the appointments in section 121.4501 to the Public Employee Optional Retirement Advisory Committee for the Treasurer and the Comptroller; substituted in their stead are the Chief Financial Officer and the Attorney General.

Section 9 conforms the reference in 215.44 to the State Board of Administration to the new constitutional requirement.

Section 10 changes the Governing Board of the State Board of Administration Division of Bond Finance from the Governor, Comptroller, and Treasurer to the Governor, Chief Financial Officer, and the Attorney General. (Section 215.62).

Section 11 amends the definition of the Financial Management Information Board found in section 215.95 so that it is composed of the Governor, Chief Financial Officer, and the Attorney General.

Section 12 changes section 253.02 to reduce the Trustees of the Internal Improvement Trust Fund from the governor and 6 cabinet members to the governor and three cabinet members.

Section 13 provides an effective date of January 7, 2003.

# III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

| ۸  | FICCAL | IMPACT   | ONICTATE |                   | ۲. |
|----|--------|----------|----------|-------------------|----|
| Α. | LIOCAL | IIVIPACI | ONSIALE  | <b>GOVERNMENT</b> |    |

| 1. | Revenues: |
|----|-----------|
|    |           |

N/A

## 2. Expenditures:

Consolidating several constitutional offices should result in some elimination of duplicate positions.

## B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

N/A

1. Revenues:

N/A

#### 2. Expenditures:

N/A

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|--|---|--|-----------------------------------|--|
| C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:             |   |  |                                   |  |
|  |   | N/A  |                                   |  |
|  | D.  | FISCAL COMMENTS:   |                                   |  |
|  |   | N/A  |                                   |  |
| IV.  | COI   | NSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION: |                                   |  |
| A. APPLICABILITY OF THE MANDATES PROVISION:              |   |  |                                   |  |
|  |   | N/A  |                                   |  |
|  | B.  | REDUCTION OF REVENUE RAISING AUTHORITY                             | :                                 |  |
|  |   | N/A  |                                   |  |
|  | C.  | REDUCTION OF STATE TAX SHARED WITH COU                             | NTIES AND MUNICIPALITIES:         |  |
|  |   | N/A  |                                   |  |
| V. <u>COMMENTS</u> :                                     |   |  |                                   |  |
|  | A.  | CONSTITUTIONAL ISSUES:   |                                   |  |
|  |   | N/A  |                                   |  |
|  | B.  | RULE-MAKING AUTHORITY:   |                                   |  |
|  |   | N/A  |                                   |  |
|  | C.  | OTHER COMMENTS:  |                                   |  |
|  |   | N/A  |                                   |  |
| VI.  | AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:                           |  |                                   |  |
|  | The Council adopted a strike-all amendment, which has become HB 2015. |  |                                   |  |
| VII.   | SIG   | SIGNATURES:  |                                   |  |
|  | COUNCIL FOR SMARTER GOVERNMENT:                                       |  |                                   |  |
|  |   | ·  | Council Director:<br>Don Rubottom |  |
|  | Jo Ann Levin  |  |                                   |  |
|  |   |  |                                   |  |

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|--|--------------------------------|
| AS REVISED BY THE COUNCIL FOR SMARTER G                        | OVERNMENT:                     |
| Prepared by:   | Council Director: Don Rubottom |
| _ Jo Ann Levin   |                                |
| AS REVISED BY THE COUNCIL FOR SMARTER G                        | OVERNMENT:                     |
| Prepared by:   | Council Director:              |

Jo Ann Levin

Don Rubottom