

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB APC 13-06 Implementing the 2013-2014 General Appropriations Act

SPONSOR(S): Appropriations Committee

TIED BILLS: **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---------------------------------------|---------------|----------------|--|
| Orig. Comm.: Appropriations Committee | | Kramer | Leznoff |

SUMMARY ANALYSIS

The bill provides the statutory authority necessary to implement and execute the General Appropriations Act (GAA) for Fiscal Year 2013-2014. The statutory changes are effective for only one year and either expire on July 1, 2014 or revert to the language as it existed before the changes made by the bill.

Because this bill implements provisions of the General Appropriations Act for Fiscal Year 2013-2014, there are no direct fiscal impacts created by this bill.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background:

Section 12 of Article III of the Florida Constitution states that “[l]aws making appropriations for salaries of public officers and other current expenses of the state shall contain provisions on no other subject”. This language has been interpreted to defeat proviso language attached to appropriations that have the effect of amending general law. For this reason, when general law changes are required to effectuate appropriations, those changes are placed in a general bill implementing the appropriations act instead of in the GAA. The statutory changes are effective for only one year and either expire on July 1 of the next fiscal year or revert to the language as it existed before the changes made by the bill.

Provisions of Bill:

Section 1 provides legislative intent that the implementing and administering provisions of this act apply to the General Appropriations Act for Fiscal Year 2013-14.

Section 2 incorporates the Florida Education Finance Program (FEFP) work papers by reference for the purpose of displaying the calculations used by the Legislature.

Section 3 provides that funds relating to instructional materials shall be released and expended as required in the proviso language attached to Specific Appropriation 87.

Section 4 provides that the document entitled “Public School Funding Accelerated Connectivity Highway School District Bandwidth,” is incorporated by reference for the purpose of displaying the calculations in making appropriations for the Accelerated Connectivity Highway. For purposes of acquiring only the additional bandwidth capacity identified in the document, each school must purchase the identified amount of bandwidth from the contract (number DMS-08-09-061) executed on January 1, 2009, by and between AT&T and the Department of Management Services for the provision of Internet Access and Telecommunications Services unless a school verifies to the Department of Education that it can purchase the identified amount of bandwidth from a service provider at a price that is less than the price indicated in the contract cited above.

Section 5 amends s. 1002.32(9), F.S. to provide that notwithstanding the formula for the distribution of capital improvement funds to lab schools, for the 2013-3014 fiscal year, such funds will be distributed equally to the lab schools.

Section 6 provides requirements to govern the completion of the Department of Health's Florida Onsite Sewage Nitrogen Strategies Study. This section provides that the department's underlying contract for the study remains in full force and effect and funding for completion of the project is through the department. The section also provides:

- The Department of Health, the Department of Health's Research Review and Advisory Committee, and the Department of Environmental Protection shall work together to provide the necessary technical oversight of the completion of the project.
- Management and oversight of the completion of the project must be consistent with the terms of the existing contract. However, the main focus and priority to be completed during Phase 3 shall be developing, testing, and recommending cost-effective passive technology design criteria for nitrogen reduction.
- The systems installed at homesites are experimental in nature and shall be installed with significant field testing and monitoring. The Department of Health is specifically authorized to allow installation of these experimental systems.

Section 7 incorporates by reference a document entitled "Medicaid Supplemental Hospital Funding Programs" for the purpose of displaying the calculations used by the legislature in making

appropriations for the Low-Income Pool, Disproportionate Share Hospital, and Hospital Reimbursement Programs.

Section 8 amends s. 216.262, F.S. to allow the Executive Office of the Governor to request additional positions and appropriations from unallocated general revenue during the 2013-2014 fiscal year for the Department of Corrections if the actual inmate population of the department exceeds the inmate population projections of the February 19, 2013 Criminal Justice Estimating Conference by 1 percent for 2 consecutive months or 2 percent for any month. The additional positions and appropriations must be approved by the Legislative Budget Commission.

Section 9 amends s. 932.7055, F.S. to extend for another year the authorization for a municipality to expend funds in a special law enforcement trust fund to reimburse the general fund of the municipality for moneys advanced from the general fund to the special law enforcement trust fund prior to October 1, 2001.

Section 10 provides limitation on the Department of Juvenile Justice's reimbursements for health care services to 110 percent of Medicare allowable rates.

Section 11 amends s. 29.008, F.S. to provide that counties are exempt from the statutory requirement to increase expenditures each year by 1.5 percent for court-related functions.

Section 12 requires Department of Management Services and agencies to utilize a tenant broker to renegotiate private lease agreements for office or storage space, in excess of 2,000 square feet, expiring between July 1, 2014 and June 30, 2016.

Section 13 provides that funds available in the Audit and Warrant Clearing Trust Fund for subsequent distribution to the General Revenue Fund will be available to the tax collection service provider who shall make the interest payment required by s. 443.131(5), F.S., to the Federal Government in the amount directed by the Governor.

Sections 14 and 15 amend s. 624.502, F.S. to provide that fees for payment of service of process on the Chief Financial Officer or the Office of Insurance Regulation will be deposited into the Administrative Trust Fund of the Department of Financial Services rather than the Insurance Regulatory Trust Fund.

Section 16 amends s. 161.143, F.S., relating to inlet management, to provide that for the 2013-2014 fiscal year, the amount allocated for inlet management funding shall be as provided in the GAA.

Section 17 amends s. 375.041, F.S. to provide that revenues in the Land Acquisition Trust Fund are authorized for transfer to support the Total Maximum Daily Loads program and the Small Community Wastewater Treatment Grant Program, as provided in the GAA.

Section 18 and 19 amend s. 373.59, F.S. to provide for the allocation of moneys from the Water Management Lands Trust Fund as follows:

- An amount necessary to pay debt service on bonds issued before February 1, 2009, by the South Water Management District and the St. Johns Water Management District;
- \$8 million to be transferred to the General Revenue Fund;
- An amount appropriated in CS/HB 7065 to be transferred to the Save Our Everglades Trust Fund for the Everglades Restoration Strategies Regional Water Quality Plan;
- \$3 million to be distributed to the Northwest Florida Water Management District for Apalachicola Bay water quality improvement projects;
- \$3 million to be distributed to the Suwanee River Water Management District for springs restoration and protection;
- \$8.3 million to be distributed to the South Florida Water Management District for J.W. Corbett Levee system improvements;

- The remaining appropriation to be equally distributed between the Northwest Florida Water Management District which may be used to establish minimum flows and levels and the Suwannee River Water Management District.

Section 20 amends s. 403.7095, F.S. to require the Department of Environmental Protection (DEP) to award \$3,000,000 of grant funds equally to counties having populations of fewer than 100,000 for waste tire, litter prevention, recycling education, and general solid waste programs.

Section 21 provides that the Department of Agriculture and Consumer Services, at its discretion, is authorized to extend, revise, and renew current contracts or agreements created or entered into, pursuant to chapter 2006-25, Laws of Florida (the 2006-2007 GAA), in order to provide consistency and continuity in agriculture promotion throughout the state.

Section 22 amends s. 259.105, F.S. to provide that the funds appropriated from the Florida Forever Trust Fund shall be distributed only to the Division of State Lands within the Department of Environmental Protection for less-than-fee interest acquisitions or for partnerships in which the state's portion of the acquisition is no more than 50 percent or for conservation lands needed for military buffering or springs or water resources protection.

Section 23 amends s. 376.30711, F.S., relating to preapproved site rehabilitation to provide that, for the 2013-2014 fiscal year, competitive bidding pursuant to the section shall be subject to the requirements of s. 287.055, F.S.

Section 24 provides that no state agency may initiate a competitive solicitation for a product or service if the completion of such competitive solicitation would:

- (1) Require a change in law; or
- (2) Require a change to the agency's budget other than a transfer authorized in s. 216.292(2) or (3), Florida Statutes, unless the initiation of such competitive solicitation is specifically authorized in law or in the General Appropriations Act.

This section does not apply to a competitive solicitation for which the agency head certifies that a valid emergency exists.

Section 25 authorizes the Executive Office of the Governor to transfer funds between departments in order to align the budget authority granted to pay each department's risk management insurance.

Section 26 authorizes the Executive Office of the Governor to transfer funds in the appropriation category "Special Categories-Transfer to Department of Management Services-Human Resources Services Purchased Per Statewide Contract" of the 2013-2014 General Appropriations Act between departments in order to align the budget authority granted with the assessments that must be paid by each agency to the Department of Management Services for human resources management services.

Section 27 amends s. 110.123, F.S. to set the state's monthly contribution for health savings accounts at the current levels for the fiscal year.

Section 28 amends s. 112.24, F.S. to provide that the reassignment of an employee of a state agency may be made if recommended by the Governor or Chief Justice, as appropriate, and approved by the chairs of the Senate and House budget committees. Such actions shall be deemed approved if neither chair provides written notice of objection within 14 days after receiving notice of the action pursuant to s. 216.177, F.S.

Sections 29 and 30 amend s. 215.32(2)(b), F.S., in order to implement the transfer of moneys to the General Revenue Fund from trust funds in the 2013-2014 General Appropriations Act.

Section 31 provides that, in order to implement the issuance of new debt authorized in the 2013-2014 General Appropriations Act, and pursuant to the requirements of s. 215.98, F.S., the Legislature determines that the authorization and issuance of debt for the 2013-2014 fiscal year should be

implemented and is in the best interest of the state and necessary to address a critical state emergency.

The Debt Affordability Report issued in December 2012, indicates that the projected debt ratio for the 2013-2014 fiscal year is estimated to be 5.89 percent which is less than the benchmark debt ration set forth in s. 215.98, F.S. The 2013-2014 GAA authorizes additional debt. The resulting debt ratio has not yet been calculated.

Section 32 provides that funds appropriated for travel by state employees shall be limited to travel for activities that are critical to each state agency's mission. The section prohibits funds from being used to travel to foreign countries, other states, conferences, staff-training or other administrative functions unless the agency head approves in writing that the activities are critical to the agency's mission. The section requires the agency head to consider use of teleconferencing and electronic communication to meet the needs of an activity before approving travel.

Section 33 provides that an agency may transfer funds from the data processing appropriation categories to another appropriation category based on changes to the data center consolidation schedule.

Section 34 provides that the Governor is authorized to transfer funds appropriated in any appropriation category used to pay for data processing in the General Appropriations Act between agencies in order to align the budget authority granted with the utilization rate of each department.

Section 35 provides that except as authorized in sections 33 or 34 of this act and notwithstanding s. 216.292(2)(a), F.S., no agency may transfer funds from a data processing category to any category other than another data processing category.

Section 36 provides that the Governor is authorized to transfer funds appropriated in the appropriations category "expenses" between agencies in order to allocate a reduction relating to SUNCOM Services.

Section 37 and 38 amend s. 110.12315, F.S., to modify copayments consistent with decisions that have been made in the GAA. The sections authorize the Department of Management Services to implement a 90-day supply limit program for certain maintenance drugs as determined by the department at retail pharmacies participating in the program if the department determines it to be in the best financial interest of the state.

Section 39 specifies that no section will take effect if the appropriations or proviso to which it relates are vetoed.

Section 40 provides that a permanent change made by another law to any of the same statutes amended by this bill takes precedence over the provision in this bill.

Section 41 provides a severability clause.

Section 42 provides an effective date.

B. SECTION DIRECTORY:

See Effect of Proposed Changes section.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

Because this bill implements provisions of the General Appropriations Act for Fiscal Year 2013-2014, there are no direct fiscal impacts created by this bill.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal government.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES