

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB APC 18-02 Implementing the 2018-19 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	27 Y, 0 N	Kramer	Leznoff

SUMMARY ANALYSIS

This bill provides the statutory authority necessary to implement and execute the General Appropriations Act (GAA) for Fiscal Year 2018-2019. The statutory changes are effective for only one year and either expire on July 1, 2019 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 2018-2019, 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 2018-2019.

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

Section 3 provides that funds provided for instructional materials shall be released and expended as required in the proviso language in the General Appropriations Act.

Section 4 amends s. 1008.46, F.S., to change the date for submission of the Board of Governors annual accountability report from December 31 to March 15.

Sections 5 and 6 reenact s. 1009.986, F.S., to authorize Florida ABLE, Inc., to determine whether to require residency as a condition of participation based on market research and estimated operating revenues and costs.

Section 7 provides that the calculations of the Medicaid Disproportionate Share Hospital and hospital reimbursement programs for the 2018-2019 fiscal year contained in the document titled “Medicaid Hospital Funding Programs,” dated January 25, 2018, and filed with the Clerk of the House of Representatives, are incorporated by reference for the purpose of displaying the calculations used by the Legislature, consistent with the requirements of state law, in making appropriations for the Medicaid Disproportionate Share Hospital and hospital reimbursement programs.

Section 8 authorizes the Agency for Health Care Administration (AHCA) to submit a budget amendment to realign funding between the AHCA and the Department of Health, for the Children’s Medical Services (CMS) Network for the implementation of Statewide Medicaid Managed Care, to reflect actual enrollment changes due to the transition from fee-for-service into the capitated CMS Network.

Section 9 provides requirements to the Agency for Persons with Disabilities for setting iBudget amounts for clients receiving Home and Community-Based Waiver services. It also provides parameters under which a client’s iBudget amount may be increased.

Section 10 amends s. 893.055(17), F.S., to provide that, for the 2018-2019 fiscal year only, that neither the attorney general nor the department may use funds received as part of a settlement agreement to administer the prescription drug monitoring program.

Section 11 amends s. 409.911, F.S., to provide that the AHCA must distribute moneys to hospitals providing a disproportionate share of Medicaid or charity care services as provided in the 2018-2019 General Appropriations Act.

Section 12 amends s. 409.9113, F.S., to provide that the AHCA must make disproportionate share payments to teaching hospitals, as defined in s. 408.07, F.S. as provided in the 2018-2019 General Appropriations Act.

Section 13 authorizes the AHCA to submit a budget amendment to realign funding within the Medicaid program appropriation categories to address projected surpluses and deficits within the program and to maximize the use of state trust funds.

Section 14 amends s. 409.9119 to provide that the AHCA must make disproportionate share payments to specialty children's hospitals as provided in the 2018-2019 General Appropriations Act.

Section 15 amends s. 216.262, F.S., to allow the Executive Office of the Governor (EOG) to request additional positions and appropriations from unallocated general revenue funds during the 2018-2019 fiscal year for the Department of Corrections (DOC), if the actual inmate population of the DOC exceeds certain Criminal Justice Estimating Conference forecasts. The additional positions and appropriations may be used for essential staff, fixed capital improvements, and other resources to provide classification, security, food services, health services, and other variable expenses within the institutions to accommodate the estimated increase in the inmate population, and are subject to Legislative Budget Commission review and approval.

Section 16 amends s. 215.18, F.S., to provide the Chief Justice the authority to request a trust fund loan.

Section 17 authorizes the Department of Corrections to transfer funds from categories other than fixed capital outlay into the Inmate Health Services category, subject to the notice, review, and objection procedures of s. 216.177, F.S.

Section 18 requires the Department of Juvenile Justice to ensure that counties are fulfilling their financial responsibilities and to report any deficiencies to the Department of Revenue. If the Department of Juvenile Justice determines that a county has not met its obligations, it must direct the Department of Revenue to deduct the amount owed to the Department of Juvenile Justice from shared revenue funds provided to the county under s. 218.23, F.S. The section also includes procedures to provide assurance to holders of bonds for which shared revenue fund distributions are pledged.

Section 19 prohibits the payment of reimbursement or application of credits to a nonfiscally constrained county for any previous overpayment of juvenile detention costs to offset detention share costs owed pursuant to s. 985.686, F.S., or any other law in Fiscal Year 2018-2019.

Sections 20 amends s. 27.5304, F.S., to permit the Legislature to increase the statutory compensation limits for fees paid to court-appointed attorneys in two case categories: noncapital, nonlife felonies and life felonies. These changes allow the Legislature to increase flat fees paid to attorneys in these categories in the General Appropriations Act.

Section 21 provides that the clerks of the circuit court are responsible for any costs of compensation to jurors, for meals or lodging provided to jurors, and for jury related personnel costs that exceed the funding provided in the GAA for these purposes.

Section 22 and 23 amend s. 318.18, F.S. to provide that traffic penalties that are currently deposited into the Public Defenders Revenue Trust Fund pursuant to that section will be deposited into the Indigent Criminal Defense Trust Fund.

Section 24 and 25 amend s. 817.568, F.S. to provide that criminal penalties that are currently deposited into the Public Defenders Revenue Trust Fund pursuant to that section will be deposited into the Indigent Criminal Defense Trust Fund.

Section 26 provides that all current balances remaining in and all revenues of the Public Defenders Revenue Trust Fund shall be transferred to the Indigent Criminal Defense Trust Fund.

Section 27 requires the Department of Management Services (DMS) and agencies to utilize a tenant broker to renegotiate private lease agreements, in excess of 2,000 square feet, expiring before June 30, 2021.

Section 28 provides that the online procurement system transaction fee authorized in ss. 287.042(1)(h)1 and 287.057(22)(c), F.S., will remain at 0.7 percent for the 2018-2019 fiscal year.

Section 29 prohibits an agency from transferring funds from a data processing category to any appropriations category other than another data processing category.

Section 30 provides that the EOG is authorized to transfer funds in the specific appropriation category "Data Processing Assessment - Agency for State Technology" between agencies, in order to align the budget authority granted with the Agency for State Technology estimated billing cycle and methodology.

Section 31 authorizes the EOG to transfer funds in the appropriation category "Special Categories-Risk Management Insurance" between departments in order to align the budget authority granted with the premiums paid by each department for risk management insurance.

Section 32 authorizes the EOG to transfer funds in the appropriation category "Special Categories - Transfer to DMS - Human Resources Services Purchased Per Statewide Contract" of the 2018-2019 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 DMS for human resources management services.

Section 33 defines the components of the Florida Accounting Information Resource subsystem (FLAIR) and Cash Management System (CMS) included in the Department of Financial Services Planning Accounting and Ledger Management (PALM) system. This section also provides the executive steering committee (ESC) membership and the process for ESC meetings and decisions.

Section 34 directs the executive branch agencies and judicial branch agencies to collaborate with the EOG to implement a statewide travel management system and utilize the system.

Section 35 amends s. 216.181(11)(d), F.S., to authorize the Legislative Budget Commission to increase amounts appropriated to the Fish and Wildlife Conservation Commission or the DEP for fixed capital outlay projects. The increase in fixed capital outlay budget authority is authorized for funds provided to the state from the Gulf Environmental Benefit Fund administered by the National Fish and Wildlife Foundation, the Gulf Coast Restoration Trust Fund related to the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast Act of 2012 (RESTORE Act), or from British Petroleum Corporation (BP) for natural resources damage assessment early restoration projects. Any continuing commitment for future appropriations by the Legislature must be specifically identified.

Section 36 amends s. 215.18, F.S., to authorize the Governor to temporarily transfer moneys, from one or more of the trust funds in the State Treasury, to a land acquisition trust fund (LATF) within the Department of Agriculture and Consumer Services, the DEP, the Department of State, or the Fish and Wildlife Conservation Commission, whenever there is a deficiency that would render the LATF temporarily insufficient to meet its just requirements, including the timely payment of appropriations

from that trust fund. These funds must be expended solely and exclusively in accordance with Art. X, s. 28 of the Florida Constitution. This transfer is a temporary loan and the funds must be repaid to the trust funds from which the moneys were loaned by the end of the 2018-2019 fiscal year. Any action proposed pursuant to this subsection is subject to the notice, review, and objection procedures of s. 216.177, F.S., and the Governor shall provide notice of such action at least seven days before the effective date of the transfer of trust funds.

Section 37 provides that, in order to implement specific appropriations from the land acquisition trust funds within the Department of Agriculture and Consumer Services, the DEP, the Fish and Wildlife Conservation Commission, and the Department of State, the DEP will transfer a proportionate share of revenues in the Land Acquisition Trust Fund within the DEP on a monthly basis, after subtracting required debt service payments, to each agency and retain a proportionate share within the Land Acquisition Trust Fund within the DEP. Total distributions to a land acquisition trust fund within the other agencies may not exceed the total appropriations for the fiscal year. The section further provides that DEP may advance funds from the beginning unobligated fund balance in the Land Acquisition Trust Fund to LATF within the Fish and Wildlife Conservation Commission for cash flow purposes.

Section 38 amends s. 375.041, F.S., to reduce funding from the Land Acquisition Trust Fund for restoration of Lake Apopka for the 2018-2019 fiscal year.

Sections 39 and 40 amends s. 373.470, F.S. to amend match requirements of the South Florida Water Management District for Everglades Restoration funded from the Save Our Everglades Trust Fund. This section will require the match from SFWMD for Everglades Restoration to be funded from the Land Acquisition Trust Fund.

Section 41 amends s. 216.181, F.S., to authorize the Legislative Budget Commission to increase amounts appropriated to the Department of Environmental Protection for fixed capital outlay projects. The increase is authorized for funds provided to the state from the Trustee of the Environmental Mitigation Trust administered by Wilmington Trust for violation of the Clean Air Act by Volkswagen.

Section 42 amends s. 259.105, F.S., relating to the Florida Forever Act to provide that notwithstanding the statutory distribution amounts, the amount of \$8 million shall be used by the Division of State Lands within the DEP for the Board of Trustees Florida Forever Priority List land acquisition projects.

Section 43 amends s. 420.9079, F.S., relating to the Local Government Housing Trust Fund to provide that for the 2018-2019 fiscal year, funds may be used as provided in the GAA.

Section 44 amends s. 420.0005, F.S., relating to the State Housing Trust Fund to provide that for the 2018-2019 fiscal year, funds may be used as provided in the GAA.

Section 45 creates the Hurricane Housing Recovery Program to provide funds to local governments for affordable housing recovery efforts, similar to the State Housing Initiatives Partnership Program. The Florida Housing Finance Corporation will administer the program and allocate resources to local governments according to a need-based formula that reflect housing damage estimates and population impacts resulting from the 2017 hurricanes. The section also creates the Rental Recovery Loan Program to provide funds to build additional rental housing due to the impacts to the affordable housing stock and changes to population resulting from the 2017 hurricanes.

Section 46 amends s. 321.04, F.S., to provide that for the 2018-2019 fiscal year, the Department of Highway Safety and Motor Vehicles shall assign a patrol officer to the Lieutenant Governor.

Section 47 amends s. 216.292(2)(a), F.S., to grant broader legislative review of any "five percent" budget transfers. For the 2018-2019 fiscal year, the legislative review shall ensure that transfers comply with chapter 216, maximize the use of available and appropriate trust funds and are not contrary to legislative policy and intent.

Section 48 provides that no state agency may initiate a competitive solicitation for a product or service if the completion of such competitive solicitation would require a change in law or require a change to the agency's budget other than a transfer authorized in s. 216.292(2) or (3), F.S., unless the initiation of such competitive solicitation is specifically authorized in law or in the General Appropriations Act or by the Legislative Budget Commission.

Section 49 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. This requirement applies to state employee reassignments regardless of which agency (sending or receiving) is responsible for pay and benefits of the assigned employee.

Section 50 maintains salaries of House and Senate members at the July 1, 2010, level.

Sections 51 and 52 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 2018-2019 General Appropriations Act.

Section 53 provides that funds appropriated for travel by state employees 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. The agency head is required to consider the use of teleconferencing and electronic communication to meet needs of activity before approving travel.

Section 54 provides that, notwithstanding s. 112.061, F.S., costs for lodging associated with a meeting, conference, or convention organized or sponsored in whole or in part by a state agency or the judicial branch may not exceed 150 dollars per day. A meeting does not include travel activities for conducting an audit, examination, inspection or investigation or travel activities relating to a litigation or emergency response. An employee may expend his or her own funds for any lodging expenses in excess of 150 dollars.

Section 55 provides that a state agency may not enter into a contract containing a nondisclosure clause that prohibits a contractor from disclosing to members or staff of the Legislature information relevant to the performance of the contract.

Section 56 amends section 5 of chapter 2017-88, Laws of Florida to authorize the Department of Management Services to develop and establish premiums for the State Group Insurance Program for the 2019 plan year. The premium rates for employees must be calculated to be cost neutral to employees on an overall basis. By July 1, 2018, the department must submit a proposed rate plan for the 2019 plan year to the Speaker of the House and President of the Senate. The employee premium rates are subject to the notice, review and objection provisions of s. 216.177, F.S.

Section 57 specifies that no section of the bill shall take effect if the appropriations and proviso to which it relates are vetoed.

Section 58 provides that a permanent change made by another law to any of the same statutes amended by this bill will take precedence over the provision in this bill.

Section 59 provides a severability clause.

Section 60 provides an effective date.

B. SECTION DIRECTORY:

See EFFECT OF PROPOSED CHANGES.

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 2018-2019, 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 require counties or municipalities to spend funds or take action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenue in the aggregate ; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

B. RULE-MAKING AUTHORITY:

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES