

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB APC 17-07 Implementing the 2017-18 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	16 Y, 8 N	Kramer	Leznoff

SUMMARY ANALYSIS

This bill provides the statutory authority necessary to implement and execute the General Appropriations Act – PCB APC 17-06 for Fiscal Year 2017-2018. The statutory changes are effective for only one year and either expire on July 1, 2017 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 2017-2018, there are no direct fiscal impacts created by this bill.

This bill takes effect on July 1, 2017.

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 2017-2018.

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 amends s. 1012.731, F.S. relating to the Florida Best and Brightest Teacher Scholarship Program to award highly effective teachers who have demonstrated a high level of academic achievement based on their SAT score.

Section 4 amends s. 1011.62, F.S. relating to the Florida Education Finance Program (FEFP) to modify the sparsity supplement calculation to compute the sparsity supplement for larger eligible districts with a full-time equivalent (FTE) student membership of between 20,000 and 24,000, by dividing the total number of full-time equivalent students in all programs by the number of permanent senior high school centers in the district, not in excess of four.

Sections 5 and 6 extend the date by which Florida Polytechnic University must meet statutory deadlines relating to accreditation until December 31, 2017.

Section 7 provides that the calculations of the Medicaid Low-Income Pool, Disproportionate Share Hospital, and hospital reimbursement programs for the 2017-2018 fiscal year contained in the document titled “Medicaid Hospital Funding Programs,” dated April 24, 2017, 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 Low-Income Pool, Disproportionate Share Hospital, and Hospital Reimbursement programs.

Section 8 authorizes AHCA & DOH to submit a budget amendment to realign funding within and between agencies based on the implementation of the Statewide Medicaid Managed Care Medical Assistance Program for Children’s Medical Services within the Department of Health. The funding realignment must reflect the actual enrollment changes due to the transfer of beneficiaries from fee-for-service to the capitated Children’s Medical Services Network. The section also authorizes AHCA to submit a request for non-operating budget authority to transfer the federal funds to the Department of Health, pursuant to s. 216.181(12), Florida Statutes.

Section 9 provides that if the Agency for Persons with Disabilities ceases to have an algorithm and allocation methodology adopted by valid rule, each client’s iBudget amounts will remain unchanged until a new allocation algorithm is prescribed by Rule. The section also provides a method of

determining the iBudget for each client newly enrolled in the home and community based services waiver program.

Section 10 amends s. 893.055, F.S. to authorize the Department of Health to use state funds to administer the prescription drug monitoring program and prohibiting the Attorney General from using settlement funds to administer the program.

Section 11 amends s. 296.37(3), F.S., for the 2017-2018 fiscal year, to maintain the personal needs allowance for residents of state veterans' nursing homes at \$105 per month. Without this reenactment, the amount would fall to \$35 per month on July 1, 2017.

Section 12 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 2017-2018 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 13 amends s. 215.18, F.S., to provide the Chief Justice the authority to request a trust fund loan.

Section 14 authorizes the DOC 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 15 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 16 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. 985.6865, F.S., or any other law in Fiscal Year 2017-2018.

Sections 17 amends s. 27.5304, F.S., to increase the statutory compensation limits for fees paid to court-appointed attorneys in two case categories: the maximum compensation for representation for a noncapital, nonlife felony at the trial level is increased from \$6,000 to \$15,000 and for a life felony from \$9,000 to \$15,000.

Section 18 requires the Justice Administrative Commission to provide funds to compensate the clerks of court for juror compensation, juror lodging and meals and jury-related personnel costs.

Section 19 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, 2020.

Section 20 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 2017-2018 fiscal year only.

Section 21 provides that the EOG 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 22 notwithstanding s. 216.292(2)(a), F.S., which authorizes agency budget transfers of up to 5 percent of approved budget between categories. Except for transfers approved pursuant to section 21 of the Implementing Bill, agencies are prohibited from transferring funds from a data center appropriation category to a category other than a data center appropriation category.

Section 23 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 24 authorizes the EOG to transfer funds in the appropriation category "Special Categories-Transfer to DMS-Human Resources Services Purchased Per Statewide Contract" of the 2017-2018 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 25 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 26 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 (FWC) or the Department of Environmental Protection (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 27 amends s. 215.18(3), 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 (DACs), the DEP, the Department of State, or the FWC, 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 2017-2018 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 28 provides that, in order to implement specific appropriations from the land acquisition trust funds within the DACs, the DEP, the FWC, 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 also provides that DEP department shall transfer from the Land Acquisition Trust Fund to land acquisition trust funds within DACs, DOS and FWC amounts equal to the difference between the amounts appropriated in the 2016-2017 GAA (chapter 2016-66, Laws of Florida), to the department's Land

Acquisition Trust Fund and the other land acquisition trust funds, and the amounts actually transferred between those trust funds during the 2016-2017 fiscal year.

Sections 29 and 30 amends 373.470(6)(a), F.S. relating to match requirements of the South Florida Water Management District (SFWMD) for Everglades Restoration funded from the Save Our Everglades Trust Fund. This section will require the match from SFWMD for Everglades Restoration funded from the Land Acquisition Trust Fund.

Section 31 amends s. 259.105, F.S., to provide the following distribution from the Florida Forever Trust Fund:

1. \$15.2 million distributed to Florida Forever Priority List land acquisition projects
2. \$5.4 million for grants to local governments and eligible non-profit organizations to acquire lands for parks, open space and greenways.

Section 32 provides that the Legislative Budget Commission may increase the amounts appropriated to the Department of Environmental Protection for fixed capital outlay projects using funds provided to the state from the U.S. Environmental Protection Agency, as a result of the Safe Drinking Water Act and the Clean Water Act. Funds can be used for low-interest loans for investments in water and sanitation infrastructure such as sewage treatment, stormwater management facilities and drinking water treatment, as well as for the implementation of nonpoint source pollution control and estuary protection projects.

Sections 33 and 34 amends s. 339.135(7)(e), F.S., by making an exception to the work program amendment approval process for certain projects when an emergency exists.

Sections 35 and 36 reenact amendments to s. 216.292(2)(a), F.S., that remove language limiting scope of legislative review of "five percent" budget transfers. The Legislature would continue to be able to object that a proposed action exceeds delegated authority or is contrary to legislative policy and intent.

Section 37 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 38 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 assigned employee.

Section 39 maintains legislative salaries at the July 1, 2010, level.

Sections 40 and 41 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 2017-2018 General Appropriations Act.

Section 42 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 43 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. The section provides that a meeting does not include travel activities for conducting an audit, examination, inspection or investigation or travel activities related to litigation or emergency response. An employee may expend his or her own funds for any lodging expenses in excess of 150 dollars per day.

Section 44 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.

Sections 45 and 46 reenact amendments to s. 110.12315, F.S., that: modify copayments associated with the state employees' group health insurance program consistent with decisions that have been made in the General Appropriations Act; authorize the Department of Management Services, for the state employees' prescription drug program, to negotiate the pharmacy dispensing fee, to implement a 90-day supply limit program for certain maintenance drugs at retail pharmacies for state employees under certain circumstances, and to maintain a list of maintenance drugs and preferred brand name drugs; and provide that copayments for state employees for a 90-day supply of prescription drugs at a retail pharmacy will be the same as a 90-day supply through mail order.

Section 47 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 48 specifies that no section of the bill shall take effect if the appropriations and proviso to which it relates are vetoed.

Section 49 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 50 provides a severability clause.

Section 51 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 PCB APC 17-06, the General Appropriations Act for Fiscal Year 2017-2018, 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:

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES