



APPROPRIATIONS COMMITTEE

Wednesday, February 3, 2016
9:30 AM – 2:00 PM
212 Knott Building

Meeting Packet

Volume II

Steve Crisafulli
Speaker

Richard Corcoran
Chair



The Florida House of Representatives

Appropriations Committee

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Speaker

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AGENDA

Wednesday, February 3, 2016
212 Knott Building
9:30 AM – 2:00 PM

I. Call to Order/Roll Call/Opening Remarks

II. **Consideration of the following proposed committee bill:**

PCB APC 16-01 -- General Appropriations Act

III. **Consideration of the following bills:**

HB 5101 Medicaid by Health Care Appropriations Subcommittee, Hudson

HB 5103 Alzheimer's Disease Research by Health Care Appropriations Subcommittee,
Hudson

IV. **Consideration of the following proposed committee bills:**

PCB APC 16-02 -- Implementing the 2016-17 General Appropriations Act

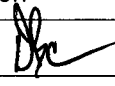

PCB APC 16-03 -- State-Administered Retirement Systems

PCB APC 16-04 -- Collective Bargaining

V. Adjournment

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 5101 PCB HCAS 16-02 Medicaid
SPONSOR(S): Health Care Appropriations Subcommittee, Hudson
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Health Care Appropriations Subcommittee	10 Y, 2 N	Clark Dobson	Pridgeon
1) Appropriations Committee		Clark 	Leznoff 

SUMMARY ANALYSIS

The bill conforms statutes to the funding decisions related to the Medicaid Program included in the House proposed General Appropriations Act (GAA) for Fiscal Year 2016-2017. The bill:

- Transfers appeals related to Medicaid programs directly administered by the Agency for Healthcare Administration (AHCA) from the Department of Children and Families (DCF) to AHCA.
- Amends 409.905, F.S., relating to the methodology of calculating payments for Medicaid hospital outpatient reimbursement through a prospective payment methodology; eliminates the requirement that the reimbursement payment system be cost based; specifies dates by which AHCA may correct hospital outpatient rate calculation errors; deletes obsolete requirements pertaining to the previous reimbursement methodology.
- Amends the definition of "Medicaid Payment" for purposes of the Statewide Medicaid Residency Program distribution formula, which pays hospitals for inpatient costs associated with Graduate Medical Education (GME).
- Repeals certain statutes related to reimbursement methods for Disproportionate Share Hospital (DSH) payments; payment methodologies will be delineated via the GAA rather than through statutory formula.
- Allows Broward County's All-Inclusive Care for the Elderly program to serve frail elders in Miami-Dade County.

The bill provides an effective date of July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Florida's Medicaid Program

Medicaid is a joint federal and state funded program that provides health care for low income Floridians. AHCA administers the program with financing from federal and state sources. Medicaid enrolls over 3.8 million Floridians and its enrollees make up over 20 percent of Florida's population.¹ Medicaid's estimated expenditure for FY 2015-16 is \$24.9 billion.² The total Medicaid budget for the current state fiscal year is over \$24.5 billion.³ Federal funds comprise 60.5% or \$14.6 billion of this amount.⁴ The state statutory authority for the Medicaid program is contained in ch. 409, F.S.

Medicare and Medicaid account for 58 percent of nationwide hospital care.⁵ Hospitals are not required to participate in Medicaid. However, non-profit hospitals must provide care for Medicare and Medicaid beneficiaries in order to receive a federal tax exemption.⁶ Each state operates its own Medicaid program under a state plan that must be approved by the federal Centers for Medicare and Medicaid Services.⁷ The state plan outlines current Medicaid eligibility standards, policies, and reimbursement methodologies, including inpatient and outpatient hospital rate charges. The State Plan may be modified via waiver, which permits specific deviations from state or federal requirements detailed in the State Plan.⁸ Florida's State Plan and its attachments provide the methodology for reimbursing hospitals for inpatient and outpatient Medicaid services.⁹

Eligibility and Benefits

Applicants for Medicaid must be United States citizens or qualified noncitizens, must be Florida residents, and must provide social security numbers for data matching. While self-attestation is permitted for a number of data elements on the application, most components are matched through the Federal Data Services Hub.¹⁰ Applicants must agree to cooperate with Child Support Enforcement during the application process.¹¹ In order to qualify for Medicaid, beneficiaries must fall into a benefit category and meet the related age, income and asset requirements. The benefit categories are:

- Aged or disabled individuals receiving social security income,
- Pregnant women
- Children on Medicaid, including their parents, caretakers and children.
- Medically needy individuals with high healthcare costs

¹ Agency for Health Care Administration, Statewide Medicaid Enrollment Report December 2015, available at http://ahca.myflorida.com/Medicaid/Finance/data_analytics/enrollment_report/index.shtml (last visited December 17, 2015). See also <http://quickfacts.census.gov/qfd/states/12000.html>

² Agency For Health Care Administration Presentation to Senate Health and Human Services Committee October 20, 2015 available at http://www.fdhc.state.fl.us/medicaid/recent_presentations/Florida_Medicaid_to_Senate_HHS_Appropriations_2015-10-20.pdf (last visited December 17, 2015)

³ Chapter 2015-532, Laws of Florida Section 3, human services, lines 220A and 230A.

⁴ *Supra* note 2, at slide 3.

⁵ American Hospital Association, Underpayment by Medicare and Medicaid Fact Sheet 2015, available at <http://www.aha.org/content/15/medicaremedicaidunderpmt.pdf> (last visited December 17, 2015).

⁶ *Id.*

⁷ Medicaid.gov, Medicaid State Plan Amendments, available at <http://www.medicaid.gov/state-resource-center/medicaid-state-plan-amendments/medicaid-state-plan-amendments.html> (last visited December 17, 2015).

⁸ Medicaid.gov, Medicaid Waivers <http://www.medicaid.gov/medicaid-chip-program-information/by-topics/waivers/waivers.html> (last visited 12/17/2015)

⁹ Agency for Health Care Administration, Medicaid State Plan Under Title XIX of the Social Security Act Medical Assistance Program, available at <http://www.fdhc.state.fl.us/Medicaid/stateplan.shtml> (last visited December 17, 2015).

¹⁰ Florida Department of Children and Families, Family-Related Medicaid Programs Fact Sheet, (January 2015), p.3, <http://www.dcf.state.fl.us/programs/access/docs/Family-RelatedMedicaidFactSheet.pdf> (last visited: December. 17, 2015).

¹¹ *Id.*

- Former foster children up to age 26¹² (Note: there is no income requirement for foster children)
- Foreigners experiencing a medical emergency

Income Requirements for Florida Medicaid Eligibility ¹³					
Children			Pregnant Women	Parents	Other Adults
Ages 0-1	Ages 1-5	Ages 6-18			
206% Federal Poverty Line (FPL)	140% FPL	133% FPL	191% FPL	30% FPL	0% FPL

Federal poverty guidelines are updated every year by the Census Bureau. The guidelines are used to adopt the threshold for eligibility for financial assistance under a number of different social and human service programs, including Medicaid and the Children's Health Insurance Program.

Federal Poverty Guidelines for 2015 Annual Income (rounded) ¹⁴				
Family Size	100%	133%	150%	200%
1	\$11,770	\$15,654	\$17,655	\$23,540
2	\$15,930	\$21,187	\$23,895	\$31,860
3	\$20,090	\$26,720	\$30,135	\$40,180
4	\$24,250	\$32,252	\$36,375	\$48,500
5	\$28,410	\$37,785	\$42,615	\$56,820
	Add \$4,160 for each person after 5.			

Federal law establishes minimum Medicaid Benefits, which all states must offer. Such minimum benefits include physician services, hospital services, home health services, and family planning.¹⁵ For children under 21, benefits must include the Early and Periodic Screening, Diagnostic and Treatment services, which correct or ameliorate defects, illnesses and conditions discovered by screening services, consistent with federal law.¹⁶ States can also offer optional benefits, pending federal approval. Florida's optional benefits include prescription drugs, adult dental services, and dialysis.¹⁷

Medicaid Hearings

Pursuant to federal law, AHCA must have a system to conduct Fair Hearings for Medicaid recipients/enrollees whose Medicaid services are denied, suspended or reduced.¹⁸ Currently, The Office of Fair Hearings within the Department of Children and Families (DCF) administers these hearings on behalf of AHCA.¹⁹ The Fair Hearing jurisdiction of DCF's Office of Appeal Hearings covers not only Medicaid services, but other areas within DCF's purview including eligibility and food stamp benefits. DCF rules govern all hearings conducted by the Department.²⁰

In 2014, AHCA began enrolling Medicaid Beneficiaries in managed care plans, pursuant to the Statewide Medicaid Managed Care program.²¹ The program, authorized by a federal Medicaid waiver, permits AHCA to

¹² <http://www.myflfamilies.com/service-programs/access-florida-food-medical-assistance-cash/medicaid>

¹³ U.S. Centers for Medicare and Medicaid Services, Medicaid.gov, Florida, <http://www.medicaid.gov/medicaid-chip-program-information/by-state/florida.html> (last visited December 21, 2015).

¹⁴ U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, Medicaid and CHIP Program Information - 2015 Federal Poverty Level Charts <http://www.medicaid.gov/medicaid-chip-programinformation/by-topics/eligibility/downloads/2015-federal-poverty-level-charts.pdf> (last visited December 21, 2015).

¹⁵ Section 409.905, F.S.

¹⁶ See Section 1905 9(r) of the Social Security Act

¹⁷ Section 409.906, F.S.

¹⁸ see 42 CFR ss. 431 and 438

¹⁹ Rule 65-2.042, F.A.C. see also 409.285, F.S.

²⁰ *Supra*, note 19.

²¹ ch. 2011-134, L.O.F

contract with Managed Care Organizations (MCOs) in 11 regions of the state. In turn, the MCOs provide comprehensive Medicaid coverage to most of the state's Medicaid enrollees.²²

Following the 2014 implementation of Statewide Medicaid Managed Care (SMMC), Medicaid hearings no longer revolve around AHCA action. Rather, hearings arise when a Medicaid recipient appeals an MCO's denial, suspension or reduction of Medicaid service.²³ Thus most, if not all, witnesses involved in SMMC Fair Hearings are employees or contractors of the MCO. Likewise, documentary evidence is created by, and in the sole possession of, the MCOs, not AHCA. Consequently, federal law requires the MCO itself (rather than AHCA) be a party to hearings that arise when Medicaid beneficiaries appeal an MCO's denial of Medicaid Services.²⁴ DCF's fair hearings rule pre-dates implementation of SMMC, and conflicts with federal law because it requires AHCA to be the sole party to all Medicaid service related fair hearings—including SMMC fair hearings.²⁵

Florida's current outpatient reimbursement model

Florida's Medicaid program reimburses hospital outpatient services using a flat-rate based on hospital specific costs. This rate is referred to as a "per diem." The state audits hospital cost-reports annually to ensure hospital costs justify the per diem paid. Currently, errors in source data or calculations must be discovered before October 31 in order to be reconciled in the same rate period. If discovered after October 31, must be reconciled in a subsequent period. Several years later, the state can retroactively adjust per-diem rates based on the audit, thereby ensuring payments match actual costs incurred.²⁶ This retroactive payment system creates significant variation in Medicaid payments because reimbursement is tied to costs at specific hospitals.²⁷

Consequently, the Florida Legislature commissioned a 2015 study to explore transitioning from the current method of retroactive outpatient payment, to an Outpatient Prospective Payer System (OPPS).²⁸ Normally, an OPPS uses algorithms to categorize the average cost of services, devices, and supplies associated with providing a specific Medicaid Service.²⁹ The algorithm uses this average cost estimate to assign a relative weight for individual Medicaid services and multiplies the relative weight by a base rate of reimbursement to arrive at a base payment.³⁰ Unlike AHCA's current system, OPPS incentivizes payers and providers to manage overall cost of care because payment does not change based on an individual hospital's cost of providing services.³¹ Instead, a provider hospital's net revenue from Medicaid Outpatient services will depend upon the hospital's costs relative to the statewide average.

Medicaid Residency Program

In 2013, the Legislature created the Statewide Medicaid Residency Program (SMRP) to fund graduate medical education (GME).³² GME is the education and training of physicians following graduation from a medical school in which physicians refine the clinical skills necessary to practice in a specific medical field (surgery, dermatology, family practice, etc.). GME or "residency" programs for allopathic and osteopathic physicians include internships, residency training, and fellowships. These residency programs vary in length from three to seven years.³³ Previously, graduate medical education was reimbursed through hospital inpatient and outpatient reimbursements.

²² See *Generally* s. 409.964, F.S.

²³ The service may be denied because a peer review physician employed by a Quality Improvement Organization under contract with the MCO found that the Medicaid service requested by the enrollee is not Medically necessary. *Supra* 12

²⁴ 42 CFR s. 438.408 (f)(2).

²⁵ See Rule 65-2.042, F.A.C. (Parties in any Section 120.569, F.S., proceedings are agencies and appellants. Party includes the Agency.)

²⁶ Outpatient Prospective Payment System Design for Medicaid, prepared for the Agency for Healthcare Administration on November 30, 2015 by Navigant Healthcare at 6, on file with Healthcare Appropriations committee staff.

²⁷ See *Id.*, at 15.

²⁸ Chapter 2014-51, Section 3, Laws of Florida.

²⁹ *Id.*

³⁰ *Id.*, at 16

³¹ *Id.*

³² See ch. 2013-48, Laws of Florida

³³ Office of Program and Policy Analysis and Governmental Accountability, Florida's Graduate Medical Education System, February 2014, at 2, available at <http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/1408rpt.pdf>.

The SMRP defines “Medicaid payment” as payments made to reimburse a hospital for direct inpatient services, as determined by the AHCA.³⁴ Consequently, AHCA must calculate an allocation fraction in accordance with statutory formula on or before September 15 of each year. A hospital’s annual allocation equals the funds appropriated for the SMRP in the GAA multiplied by its allocation fraction. Regardless of the formula, a hospital’s annual allocation may not exceed two-times the average per FTE amount for all hospitals. Any funds beyond this amount must be redistributed to participating hospitals whose annual allocation does not exceed this limit. AHCA must distribute each participating hospital’s annual allocation in four installments on the final business day of each quarter of the state fiscal year.³⁵

Disproportionate Share Hospital Programs

Federal law requires state Medicaid programs to make Disproportionate Share Hospital (DSH) payments to qualifying hospitals that serve a large number of Medicaid recipients and uninsured individuals. Accordingly, the federal government provides an annual limited DSH allotment to each state. States may appropriate these federal funds based on the amount of state dollars appropriated as matching funds for the federal DSH allotment, up to the federal limit. The Legislature distributes DSH funds to each eligible facility in accordance with statutory formula. However, the legislature can make specific allocations which deviate from this formula.³⁶ For states to receive DSH payments, federal law requires states to submit an independent certified audit and an annual report to the secretary of the federal Department of Health and Human Services, describing DSH payments made to each DSH hospital. Florida law requires the AHCA to use audited data from specified years to determine the amount of Medicaid and charity care to be used in calculating DSH payments³⁷.

Program of All-Inclusive Care for the Elderly (PACE)

The Florida PACE project provides alternative, long-term care options for elders who qualify for Medicare and the state Medicaid program. The PACE project was initially authorized in ch. 98-327, L.O.F., and is codified in s. 430.707(2), F.S. The PACE model targets individuals who would otherwise qualify for Medicaid nursing home placement and provides them with a comprehensive array of home and community based services at a cost less than the cost of nursing home care. The PACE project is administered by the Department of Elder Affairs in consultation with the AHCA. In addition to receiving the necessary legislative authority, developing a new PACE organization or expanding an existing program is a lengthy process that includes: identifying a service area, acquiring and renovating a PACE facility and processing the PACE application through the state and the federal review systems. The PACE program for Southeast Florida is located in Broward County, and has 150 slots for serving frail elders who live in Broward.³⁸

Effect of Proposed Changes

Medicaid Hearings

This legislation amends s. 409.285, F.S., giving AHCA statutory authority to hear and render final administrative decisions on appeals relating to Medicaid programs directly administered by the agency, including SMMC appeals. Appeals relating to the Medicaid Program administered by the Agency for Persons with Disabilities and DCF’s own Medicaid eligibility decisions would remain under the jurisdiction of the existing Medicaid Fair Hearings program within DCF. Finally, the bill obligates AHCA to seek federal approval as necessary. Such approval includes seeking amendments to the State Plan and applicable federal waivers.³⁹

Outpatient Reimbursement

The bill amends s. 409.905, F.S., replacing AHCA’s existing per diem and retroactive adjustment fee methodology for Medicaid outpatient care, with a prospective payment system. Under the new system, AHCA

³⁴ *Id.*

³⁵ *Id.*

³⁶ 409.911, F.S. “**Disproportionate share program.**—Subject to specific allocations established within the General Appropriations Act and any limitations established pursuant to chapter 216, the agency shall distribute, pursuant to this section, moneys to hospitals providing a disproportionate share of Medicaid or charity care services by making quarterly Medicaid payments as required.”

³⁷ s. 409.911, F.S.

³⁸ Chapter 2012-33, Laws of Florida.

³⁹ *Supra* note 11, at 2

will calculate reimbursement rates annually; the new rates will go into effect on October 1 during the first year of implementation and on July 1 every year thereafter. The new methodology must function like an OPPS by categorizing the amount and type of services used in outpatient visits, and group together procedures that share similar characteristics and costs. The bill also amends deadlines for discovering errors in cost data to reflect the new implementation schedule, and updates the term "Medicaid payments" to include outpatient services.

Medicaid Residency Program

This legislation amends s. 409.909 to modify the definition of "Medicaid payments" under the SMRP to include outpatient services. This change is necessitated by the proposed transition to a prospective outpatient payment system. This is similar to transition that occurred when Florida moved to inpatient Diagnosis Related Groups.

Disproportionate Share Hospital Program

This bill repeals ss. 409.911, 409.9113, 409.9118, and 409.9119, F.S., which relate to the DSH program and AHCA's obligation to issue DSH payments to different types of hospitals. The parameters for future DSH payments will be prescribed by the GAA, instead of statutory formula. The bill amends ss. 409.915 and 409.9116 to conform with issuance of DSH payments through the GAA instead of the existing statutory framework.

Program of All-Inclusive Care for the Elderly (PACE)

The bill amends Chapter 2012-33, Laws of Florida, and allows the existing PACE organization in Broward County to serve frail elders residing in Miami-Dade County using existing slots.

B. SECTION DIRECTORY:

- Section 1:** Amends 409.285 relating to Medicaid hearings and appeals.
- Section 2:** Amends 409.905 relating to Medicaid payment methodology.
- Section 3:** Amends 409.909 relating to Calculating Medicaid payments.
- Section 4:** Amends 409.9115 relating to the Disproportionate Share Program for mental health hospitals.
- Section 5:** Amends 409.9116 relating the Disproportionate Share and Financial Assistance Program for rural hospitals.
- Section 6:** Amends Section 18 of chapter 2012-33, 2012 Laws of Florida, relating to PACE.
- Section 7:** Repeals 409.911, 409.9113, 409.9118, and 409.9119 relating to the Disproportionate Share Programs.
- Section 8:** Amends 409.908 relating to Reimbursement of Medicaid providers.
- Section 9:** Amends 1009.66 relating to Nursing Student Loan Forgiveness Program.
- Section 10:** Amends 1009.67 relating to Nursing Scholarship Program.
- Section 11:** Provides effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

\$472,950,551 in federal Medicaid funds will be generated through the implementation of the Hospital Outpatient Prospective Payment System, the GME program, and the DSH programs:

- Hospital Outpatient Services = \$133,680,384
- Graduate Medical Education = \$120,372,730
- Disproportionate Share Hospital Program = \$218,897,437

2. Expenditures:

The House proposed GAA will provide a transfer of 2 full-time equivalent (FTE) positions with associated rate and resources from DCF to AHCA to address the increased workload at AHCA resulting from the transfer of Medicaid related hearings from DCF.

Additionally, the House proposed GAA will contain the following appropriations:

	FY 2016-17
HOSPITAL OUTPATIENT SERVICES	
General Revenue	\$ 54,136,186
Grants and Donations Trust Fund	\$ 10,617,692
Medical Care Trust Fund	\$ 133,680,384
Public Medical Assistance Trust Fund	\$ 20,768,022
Refugee Assistance Trust Fund	\$ 603,783
Total	\$ 219,806,067
GRADUATE MEDICAL EDUCATION	
General Revenue	\$ 37,937,270
Grants and Donations Trust Fund	\$ 38,990,000
Medical Care Trust Fund	\$ 120,372,730
Total	\$ 197,300,000
REGULAR DISPROPORTIONATE SHARE (DSH)	
General Revenue	\$ 750,000
Grants and Donations Trust Fund	\$ 87,562,687
Medical Care Trust Fund	\$ 138,712,215
Total	\$ 227,024,902
RURAL HOSPITAL FINANCIAL ASSISTANCE (RURAL DSH)	
General Revenue	\$ 1,220,185
Grants and Donations Trust Fund	\$ 3,534,825
Medical Care Trust Fund	\$ 5,505,183
Total	\$ 10,260,193
MENTAL HEALTH HOSPITAL DSH	
Medical Care Trust Fund	\$ 72,236,154
Total	\$ 72,236,154
TUBERCULOSIS DSH	
Medical Care Trust Fund	\$ 2,443,885
Total	\$ 2,443,885
DISPRPORTIONATE SHARE HOSPITAL (DSH) SUBTOTAL	
General Revenue	\$ 1,970,185
Grants and Donations Trust Fund	\$ 91,097,512
Medical Care Trust Fund	\$ 218,897,437
SUBTOTAL	\$ 311,965,134
TOTAL BUDGETARY IMPACT	
General Revenue	\$ 94,043,641
Grants and Donations Trust Fund	\$ 140,705,204
Medical Care Trust Fund	\$ 472,950,551
Public Medical Assistance Trust Fund	\$ 20,768,022
Refugee Assistance Trust Fund	\$ 603,783
Total	\$ 729,071,201

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

In order to earn matching federal dollars for the GME and DSH programs, local governments and other local political subdivisions would be required to provide \$130,087,512 in contributions.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Some private hospitals may see adjustments to the rate of Medicaid reimbursement for outpatient care. The amount and impact of these adjustments will depend on whether hospital costs are above or below the statewide average as calculated by AHCA. Hospitals may decide to purchase software licenses for use with outpatient EAPG. Costs would range from \$4,500 to \$30,000 annually based on hospital size. Additionally, hospitals providing a disproportionate share of Medicaid or charity care services will receive additional reimbursement toward the cost of providing care to uninsured and underinsured individuals. Hospitals eligible for the Statewide Medicaid Residency Program and the Graduate Medical Education Startup Bonus Program will receive additional reimbursement under the parameters of the programs.

D. FISCAL COMMENTS:

The AHCA will distribute a total of \$311,965,134 through the federal Disproportionate Share Program to hospitals providing a disproportionate share of Medicaid or charity care services. Additionally, the AHCA will distribute \$197,300,000 to hospitals eligible for the Statewide Medicaid Residency Program and the Graduate Medical Education Startup Bonus Program.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

This bill authorizes AHCA to adopt rules as necessary in order to conduct hearings on the SMMC program and related federal waivers. The bill also authorizes AHCA to implement a prospective payment methodology and removes the agency's authority relating to the prior, cost-based reimbursement methodology.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

27 | made by the act; providing an effective date.

28 |

29 | Be It Enacted by the Legislature of the State of Florida:

30 |

31 | Section 1. Section 409.285, Florida Statutes, is amended
32 | to read:

33 | 409.285 Opportunity for hearing and appeal.—

34 | (1) If an application for public assistance is not acted
35 | upon within a reasonable time after the filing of the
36 | application, or is denied in whole or in part, or if an
37 | assistance payment is modified or canceled, the applicant or
38 | recipient may appeal the decision to the Department of Children
39 | and Families in the manner and form prescribed by the
40 | department.

41 | (a) Appeals related to Medicaid programs directly
42 | administered by the Agency for Health Care Administration,
43 | including appeals related to the Statewide Medicaid Managed Care
44 | program and associated federal waivers, shall be appealed to the
45 | Agency for Health Care Administration in the manner and form
46 | prescribed by the agency.

47 | (b) Medicaid eligibility decisions made by the department
48 | shall be appealed to the department.

49 | (c) Appeals related to Medicaid programs administered by
50 | the Agency for Persons with Disabilities are subject to s.
51 | 393.125.

52 | (2) The hearing authority for appeals heard by the

53 department may be the Secretary of Children and Families, a
 54 panel of department officials, or a hearing officer appointed
 55 for that purpose. The hearing authority is responsible for a
 56 final administrative decision in the name of the department on
 57 all issues that have been the subject of a hearing. With regard
 58 to the department, the decision of the hearing authority is
 59 final and binding. The department is responsible for seeing that
 60 the decision is carried out promptly. The hearing authority for
 61 appeals heard by the Agency for Health Care Administration may
 62 be the Secretary of Health Care Administration, a panel of
 63 agency officials, or a hearing officer appointed for that
 64 purpose. The hearing authority is responsible for a final
 65 administrative decision in the name of the agency on all issues
 66 that have been the subject of a hearing. With regard to the
 67 agency, the decision of the hearing authority is final and
 68 binding. The agency is responsible for seeing that the decision
 69 is carried out promptly.

70 (3) The department may adopt rules to administer this
 71 section. Rules for the Temporary Assistance for Needy Families
 72 block grant programs must be similar to the federal requirements
 73 for Medicaid programs. The Agency for Health Care Administration
 74 shall seek all federal approvals necessary to implement this
 75 section. The agency may adopt rules to administer this section
 76 and, notwithstanding s. 120.54(1)(b), has 180 days after final
 77 federal approval to provide notice of the proposed rules
 78 pursuant to s. 120.54(3).

79 (4) Notwithstanding ss. 120.569 and 120.57, fair hearings
 80 conducted by the Agency for Health Care Administration relating
 81 to the Medicaid program are exempt from the uniform rules of
 82 procedure and need not be conducted by an administrative law
 83 judge assigned by the Division of Administrative Hearings.

84 Section 2. Paragraph (b) of subsection (6) of section
 85 409.905, Florida Statutes, is amended to read:

86 409.905 Mandatory Medicaid services.—The agency may make
 87 payments for the following services, which are required of the
 88 state by Title XIX of the Social Security Act, furnished by
 89 Medicaid providers to recipients who are determined to be
 90 eligible on the dates on which the services were provided. Any
 91 service under this section shall be provided only when medically
 92 necessary and in accordance with state and federal law.

93 Mandatory services rendered by providers in mobile units to
 94 Medicaid recipients may be restricted by the agency. Nothing in
 95 this section shall be construed to prevent or limit the agency
 96 from adjusting fees, reimbursement rates, lengths of stay,
 97 number of visits, number of services, or any other adjustments
 98 necessary to comply with the availability of moneys and any
 99 limitations or directions provided for in the General
 100 Appropriations Act or chapter 216.

101 (6) HOSPITAL OUTPATIENT SERVICES.—

102 (b) The agency shall implement a prospective payment
 103 methodology for establishing ~~base~~ reimbursement rates for
 104 outpatient hospital services ~~for each hospital based on~~

105 ~~allowable costs, as defined by the agency.~~ Rates shall be
 106 calculated annually and take effect October 1, 2016, and July 1
 107 of each year thereafter. The methodology shall categorize the
 108 amount and type of services used in various ambulatory visits
 109 which group together procedures and medical visits that share
 110 similar characteristics and resource utilization ~~based on the~~
 111 ~~most recent complete and accurate cost report submitted by each~~
 112 ~~hospital.~~

113 1. Adjustments may not be made to the rates after October
 114 31, 2016, or after July 31 of each ~~the~~ state fiscal year
 115 thereafter in which the rates are in ~~take~~ effect, ~~except for~~
 116 ~~eases of insufficient collections of intergovernmental transfers~~
 117 ~~authorized under s. 409.908(1) or the General Appropriations~~
 118 ~~Act. In such cases, the agency shall submit a budget amendment~~
 119 ~~or amendments under chapter 216 requesting approval of rate~~
 120 ~~reductions by amounts necessary for the aggregate reduction to~~
 121 ~~equal the dollar amount of intergovernmental transfers not~~
 122 ~~collected and the corresponding federal match. Notwithstanding~~
 123 ~~the \$1 million limitation on increases to an approved operating~~
 124 ~~budget under ss. 216.181(11) and 216.292(3), a budget amendment~~
 125 ~~exceeding that dollar amount is subject to notice and objection~~
 126 ~~procedures set forth in s. 216.177.~~

127 2. Errors in source data or calculations discovered after
 128 October 31, 2016, or after July 31 of each state fiscal year
 129 thereafter must be reconciled in a subsequent rate period.
 130 However, the agency may not make any adjustment to a hospital's

131 reimbursement more than 5 years after a hospital is notified of
 132 an audited rate established by the agency. The prohibition
 133 against adjustments more than 5 years after notification is
 134 remedial and applies to actions by providers involving Medicaid
 135 claims for hospital services. Hospital reimbursement is subject
 136 to such limits or ceilings as may be established in law or
 137 described in the agency's hospital reimbursement plan. Specific
 138 exemptions to the limits or ceilings may be provided in the
 139 General Appropriations Act.

140 Section 3. Paragraph (b) of subsection (2) of section
 141 409.909, Florida Statutes, is amended to read:

142 409.909 Statewide Medicaid Residency Program.—

143 (2) On or before September 15 of each year, the agency
 144 shall calculate an allocation fraction to be used for
 145 distributing funds to participating hospitals. On or before the
 146 final business day of each quarter of a state fiscal year, the
 147 agency shall distribute to each participating hospital one-
 148 fourth of that hospital's annual allocation calculated under
 149 subsection (4). The allocation fraction for each participating
 150 hospital is based on the hospital's number of full-time
 151 equivalent residents and the amount of its Medicaid payments. As
 152 used in this section, the term:

153 (b) "Medicaid payments" means the estimated total payments
 154 for reimbursing a hospital for direct inpatient and outpatient
 155 services for the fiscal year in which the allocation fraction is
 156 calculated based on the hospital inpatient appropriation and

157 outpatient appropriation and the parameters for the inpatient
 158 diagnosis-related group base rate, including applicable
 159 intergovernmental transfers, specified in the General
 160 Appropriations Act, as determined by the agency.

161 Section 4. Section 409.9115, Florida Statutes, is amended
 162 to read:

163 409.9115 Disproportionate share program for mental health
 164 hospitals.—The Agency for Health Care Administration shall
 165 design and implement a system of making mental health
 166 disproportionate share payments to hospitals that qualify for
 167 disproportionate share payments ~~under s. 409.911~~. This system of
 168 payments shall conform with federal requirements and shall
 169 distribute funds in each fiscal year for which an appropriation
 170 is made by making quarterly Medicaid payments. Notwithstanding
 171 s. 409.915, counties are exempt from contributing toward the
 172 cost of this special reimbursement for patients.

173 (1) The following formula shall be used by the agency to
 174 calculate the total amount earned for hospitals that participate
 175 in the mental health disproportionate share program:

$$TAP = (DSH/TDSH) \times TA$$

177 Where:

178 TAP = total additional payment for a mental health
 179 hospital.

180 DSH = total amount earned by a mental health hospital under
 181 the General Appropriations Act s. 409.911.

182 TDSH = sum of total amount earned by each hospital that

183 participates in the mental health hospital disproportionate
 184 share program.

185 TA = total appropriation for the mental health hospital
 186 disproportionate share program.

187 (2) In order to receive payments under this section, a
 188 hospital must participate in the Florida Title XIX program and
 189 must:

190 (a) Agree to serve all individuals referred by the agency
 191 who require inpatient psychiatric services, regardless of
 192 ability to pay.

193 (b) Be certified or certifiable to be a provider of Title
 194 XVIII services.

195 (c) Receive all of its inpatient clients from admissions
 196 governed by the Baker Act as specified in chapter 394.

197 Section 5. Section 409.9116, Florida Statutes, is amended
 198 to read:

199 409.9116 Disproportionate share/financial assistance
 200 program for rural hospitals. ~~In addition to the payments made~~
 201 ~~under s. 409.911,~~ The Agency for Health Care Administration
 202 shall administer a federally matched disproportionate share
 203 program and a state-funded financial assistance program for
 204 statutory rural hospitals. The agency shall make
 205 disproportionate share payments to statutory rural hospitals
 206 that qualify for such payments and financial assistance payments
 207 to statutory rural hospitals that do not qualify for
 208 disproportionate share payments. The disproportionate share

209 program payments shall be limited by and conform with federal
 210 requirements. Funds shall be distributed quarterly in each
 211 fiscal year for which an appropriation is made. Notwithstanding
 212 the provisions of s. 409.915, counties are exempt from
 213 contributing toward the cost of this special reimbursement for
 214 hospitals serving a disproportionate share of low-income
 215 patients.

216 (1) The following formula shall be used by the agency to
 217 calculate the total amount earned for hospitals that participate
 218 in the rural hospital disproportionate share program or the
 219 financial assistance program:

$$220 \quad \text{TAERH} = (\text{CCD} + \text{MDD}) / \text{TPD}$$

221 Where:

222 CCD = total charity care-other, plus charity care-Hill-
 223 Burton, minus 50 percent of unrestricted tax revenue from local
 224 governments, and restricted funds for indigent care, divided by
 225 gross revenue per adjusted patient day; however, if CCD is less
 226 than zero, then zero shall be used for CCD.

227 MDD = Medicaid inpatient days plus Medicaid HMO inpatient
 228 days.

229 TPD = total inpatient days.

230 TAERH = total amount earned by each rural hospital.

231 In computing the total amount earned by each rural hospital, the
 232 agency must use the average of the 3 most recent years of actual
 233 data reported in accordance with s. 408.061(4). The agency shall
 234 provide a preliminary estimate of the payments under the rural

235 | disproportionate share and financial assistance programs to the
 236 | rural hospitals by August 31 of each state fiscal year for
 237 | review. Each rural hospital shall have 30 days to review the
 238 | preliminary estimates of payments and report any errors to the
 239 | agency. The agency shall make any corrections deemed necessary
 240 | and compute the rural disproportionate share and financial
 241 | assistance program payments.

242 | (2) The agency shall use the following formula for
 243 | distribution of funds for the disproportionate share/financial
 244 | assistance program for rural hospitals.

245 | (a) The agency shall first determine a preliminary payment
 246 | amount for each rural hospital by allocating all available state
 247 | funds using the following formula:

248 |
$$\text{PDAER} = (\text{TAERH} \times \text{TARH}) / \text{STAERH}$$

249 | Where:

250 | PDAER = preliminary distribution amount for each rural
 251 | hospital.

252 | TAERH = total amount earned by each rural hospital.

253 | TARH = total amount appropriated or distributed under this
 254 | section.

255 | STAERH = sum of total amount earned by each rural hospital.

256 | (b) Federal matching funds for the disproportionate share
 257 | program shall then be calculated for those hospitals that
 258 | qualify for disproportionate share in paragraph (a).

259 | (c) The state-funds-only payment amount shall then be
 260 | calculated for each hospital using the formula:

261 SFOER = Maximum value of (1) SFOL - PDAER or (2) 0

262 Where:

263 SFOER = state-funds-only payment amount for each rural
264 hospital.

265 SFOL = state-funds-only payment level, which is set at 4
266 percent of TARH.

267 In calculating the SFOER, PDAER includes federal matching funds
268 from paragraph (b).

269 (d) The adjusted total amount allocated to the rural
270 disproportionate share program shall then be calculated using
271 the following formula:

$$272 \text{ ATARH} = (\text{TARH} - \text{SSFOER})$$

273 Where:

274 ATARH = adjusted total amount appropriated or distributed
275 under this section.

276 SSFOER = sum of the state-funds-only payment amount
277 calculated under paragraph (c) for all rural hospitals.

278 (e) The distribution of the adjusted total amount of rural
279 disproportionate share hospital funds shall then be calculated
280 using the following formula:

$$281 \text{ DAERH} = [(\text{TAERH} \times \text{ATARH}) / \text{STAERH}]$$

282 Where:

283 DAERH = distribution amount for each rural hospital.

284 (f) Federal matching funds for the disproportionate share
285 program shall then be calculated for those hospitals that
286 qualify for disproportionate share in paragraph (e).

287 (g) State-funds-only payment amounts calculated under
 288 paragraph (c) and corresponding federal matching funds are then
 289 added to the results of paragraph (f) to determine the total
 290 distribution amount for each rural hospital.

291 (3) The Agency for Health Care Administration may
 292 recommend to the Legislature a formula to be used in subsequent
 293 fiscal years to distribute funds appropriated for this section
 294 that includes charity care, uncompensated care to medically
 295 indigent patients, and Medicaid inpatient days.

296 (4) In the event that federal matching funds for the rural
 297 hospital disproportionate share program are not available, state
 298 matching funds appropriated for the program may be utilized for
 299 the Rural Hospital Financial Assistance Program and shall be
 300 allocated to rural hospitals based on the formulas in
 301 subsections (1) and (2).

302 (5) In order to receive payments under this section, a
 303 hospital must be a rural hospital as defined in s. 395.602 and
 304 must meet the following additional requirements:

305 (a) Agree to conform to all agency requirements to ensure
 306 high quality in the provision of services, including criteria
 307 adopted by agency rule concerning staffing ratios, medical
 308 records, standards of care, equipment, space, and such other
 309 standards and criteria as the agency deems appropriate as
 310 specified by rule.

311 (b) Agree to accept all patients, regardless of ability to
 312 pay, on a functional space-available basis.

313 (c) Agree to provide backup and referral services to the
 314 county public health departments and other low-income providers
 315 within the hospital's service area, including the development of
 316 written agreements between these organizations and the hospital.

317 (d) For any hospital owned by a county government which is
 318 leased to a management company, agree to submit on a quarterly
 319 basis a report to the agency, in a format specified by the
 320 agency, which provides a specific accounting of how all funds
 321 dispersed under this act are spent.

322 (6) This section applies only to hospitals that were
 323 defined as statutory rural hospitals, or their successor-in-
 324 interest hospital, prior to January 1, 2001. Any additional
 325 hospital that is defined as a statutory rural hospital, or its
 326 successor-in-interest hospital, on or after January 1, 2001, is
 327 not eligible for programs under this section unless additional
 328 funds are appropriated each fiscal year specifically to the
 329 rural hospital disproportionate share and financial assistance
 330 programs in an amount necessary to prevent any hospital, or its
 331 successor-in-interest hospital, eligible for the programs prior
 332 to January 1, 2001, from incurring a reduction in payments
 333 because of the eligibility of an additional hospital to
 334 participate in the programs. A hospital, or its successor-in-
 335 interest hospital, which received funds pursuant to this section
 336 before January 1, 2001, and which qualifies under s.
 337 395.602(2)(e), shall be included in the programs under this
 338 section and is not required to seek additional appropriations

339 | under this subsection.

340 | Section 6. Section 18 of chapter 2012-33, Laws of Florida,
341 | is amended to read:

342 | Section 18. Notwithstanding s. 430.707, Florida Statutes,
343 | and subject to federal approval of an additional site for the
344 | Program of All-Inclusive Care for the Elderly (PACE), the Agency
345 | for Health Care Administration shall contract with a current
346 | PACE organization authorized to provide PACE services in
347 | Southeast Florida to develop and operate a PACE program in
348 | Broward County to serve frail elders who reside in Broward
349 | County or Miami-Dade County. The organization shall be exempt
350 | from chapter 641, Florida Statutes. The agency, in consultation
351 | with the Department of Elderly Affairs and subject to an
352 | appropriation, shall approve up to 150 initial enrollee slots in
353 | the Broward program established by the organization.

354 | Section 7. Sections 409.911, 409.9113, 409.9118, and
355 | 409.9119, Florida Statutes, are repealed.

356 | Section 8. Paragraph (d) of subsection (1) of section
357 | 409.908, Florida Statutes, is amended to read:

358 | 409.908 Reimbursement of Medicaid providers.—Subject to
359 | specific appropriations, the agency shall reimburse Medicaid
360 | providers, in accordance with state and federal law, according
361 | to methodologies set forth in the rules of the agency and in
362 | policy manuals and handbooks incorporated by reference therein.
363 | These methodologies may include fee schedules, reimbursement
364 | methods based on cost reporting, negotiated fees, competitive

365 bidding pursuant to s. 287.057, and other mechanisms the agency
 366 considers efficient and effective for purchasing services or
 367 goods on behalf of recipients. If a provider is reimbursed based
 368 on cost reporting and submits a cost report late and that cost
 369 report would have been used to set a lower reimbursement rate
 370 for a rate semester, then the provider's rate for that semester
 371 shall be retroactively calculated using the new cost report, and
 372 full payment at the recalculated rate shall be effected
 373 retroactively. Medicare-granted extensions for filing cost
 374 reports, if applicable, shall also apply to Medicaid cost
 375 reports. Payment for Medicaid compensable services made on
 376 behalf of Medicaid eligible persons is subject to the
 377 availability of moneys and any limitations or directions
 378 provided for in the General Appropriations Act or chapter 216.
 379 Further, nothing in this section shall be construed to prevent
 380 or limit the agency from adjusting fees, reimbursement rates,
 381 lengths of stay, number of visits, or number of services, or
 382 making any other adjustments necessary to comply with the
 383 availability of moneys and any limitations or directions
 384 provided for in the General Appropriations Act, provided the
 385 adjustment is consistent with legislative intent.

386 (1) Reimbursement to hospitals licensed under part I of
 387 chapter 395 must be made prospectively or on the basis of
 388 negotiation.

389 ~~(d) Hospitals that provide services to a disproportionate~~
 390 ~~share of low-income Medicaid recipients, or that participate in~~

391 ~~the regional perinatal intensive care center program under~~
 392 ~~chapter 383, or that participate in the statutory teaching~~
 393 ~~hospital disproportionate share program may receive additional~~
 394 ~~reimbursement. The total amount of payment for disproportionate~~
 395 ~~share hospitals shall be fixed by the General Appropriations~~
 396 ~~Act. The computation of these payments must be made in~~
 397 ~~compliance with all federal regulations and the methodologies~~
 398 ~~described in ss. 409.911 and 409.9113.~~

399 Section 9. Subsection (7) of section 1009.66, Florida
 400 Statutes, is amended to read:

401 1009.66 Nursing Student Loan Forgiveness Program.—

402 (7) Funds contained in the Nursing Student Loan
 403 Forgiveness Trust Fund which are to be used for loan forgiveness
 404 for those nurses employed by hospitals, birth centers, and
 405 nursing homes must be matched on a dollar-for-dollar basis by
 406 contributions from the employing institutions, except that this
 407 provision shall not apply to state-operated medical and health
 408 care facilities, public schools, county health departments,
 409 federally sponsored community health centers, teaching hospitals
 410 as defined in s. 408.07, or family practice teaching hospitals
 411 as defined in s. 395.805, ~~or specialty hospitals for children as~~
 412 ~~used in s. 409.9119.~~ An estimate of the annual trust fund
 413 dollars shall be made at the beginning of the fiscal year based
 414 on historic expenditures from the trust fund. Applicant requests
 415 shall be reviewed on a quarterly basis, and applicant awards
 416 shall be based on the following priority of employer until all

417 such estimated trust funds are awarded: state-operated medical
 418 and health care facilities; public schools; county health
 419 departments; federally sponsored community health centers;
 420 teaching hospitals as defined in s. 408.07; family practice
 421 teaching hospitals as defined in s. 395.805; ~~specialty hospitals~~
 422 ~~for children as used in s. 409.9119~~; and other hospitals, birth
 423 centers, and nursing homes.

424 Section 10. Paragraph (b) of subsection (4) of section
 425 1009.67, Florida Statutes, is amended to read:

426 1009.67 Nursing scholarship program.—



427 (4) Credit for repayment of a scholarship shall be as
 428 follows:

429 (b) Eligible health care facilities include nursing homes
 430 and hospitals in this state, state-operated medical or health
 431 care facilities, public schools, county health departments,
 432 federally sponsored community health centers, colleges of
 433 nursing in universities in this state, and Florida College
 434 System institution nursing programs in this state, or family
 435 practice teaching hospitals as defined in s. 395.805, ~~or~~
 436 ~~specialty children's hospitals as described in s. 409.9119~~. The
 437 recipient shall be encouraged to complete the service obligation
 438 at a single employment site. If continuous employment at the
 439 same site is not feasible, the recipient may apply to the
 440 department for a transfer to another approved health care
 441 facility.

442 Section 11. This act shall take effect July 1, 2016.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 5103 PCB HCAS 16-03 Alzheimer's Disease Research
SPONSOR(S): Health Care Appropriations Subcommittee, Hudson
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Health Care Appropriations Subcommittee	12 Y, 0 N	Garner	Pridgeon
1) Appropriations Committee		Garner 	Leznoff 

SUMMARY ANALYSIS

The bill conforms statutes to the funding decisions included in the proposed General Appropriations Act (GAA) for Fiscal Year 2016-2017.

The bill amends s. 381.82, F.S., allowing the Ed and Ethel Moore Alzheimer's Disease Research Program to carry forward general revenue appropriations up to 5 years after an appropriation's effective date if obligated by June 30 of the year the funds were appropriated.

The House Proposed General Appropriations Act provides a \$5,000,000 recurring general revenue appropriation for the program.

The effective date of the bill is July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

The Florida Legislature created the Ed and Ethel Moore Alzheimer's Disease Research Program in 2014 (program). The program is housed in the Department of Health (DOH) and is administered by an 11 member board known as the Alzheimer's Disease Research Grant Advisory Board (board). The program's purpose is to fund research leading to prevention of, or a cure for, Alzheimer's disease.

The board must consist of 11 members appointed by the State Surgeon General and must include two gerontologists, two geriatric psychiatrists, two geriatricians, two neuroscientists, and three neurologists, who serve 4-year staggered terms. The board must elect a chairperson from the membership of the board who will serve a term of two years, establish operating procedures, follow rigorous guidelines for ethical conduct, and adhere to a strict policy with regard to conflicts of interest. DOH staff assists the board in carrying out its duties. Board members do not receive compensation, or reimbursement for per diem or travel. Board activities are exempt from public records requirements.

The board must submit recommendations for funding of research proposals to the State Surgeon General by December 15 of each year. Upon receiving consultation from the board, the State Surgeon General is authorized to award grants on the basis of scientific merit. Applications for research funding may be submitted by any university or established research institute in the state, and all qualified investigators in the state must have equal access and opportunity to compete for research funding. The implementation of the program is subject to legislative appropriation. Statute specifies certain types of applications to be considered for funding, including:

- Investigatory-initiated research grants;
- Institutional research grants;
- Pre-doctoral and post-doctoral research fellowships; and
- Collaborative research grants, including those that advance the finding of cures through basic or applied research.

The board is required to annually submit a fiscal-year progress report on the research program to the Governor, President of the Senate, Speaker of the House of Representatives, and the State Surgeon General by February 15. The report must include:

- A list of research projects supported by grants or fellowships awarded under the program;
- A list of recipients of program grants or fellowships;
- A list of publications in peer-reviewed journals involving research supported by grants or fellowships awarded under the program;
- The state ranking and total amount of Alzheimer's disease research funding currently flowing into the state from the National Institute of Health;
- New grants for Alzheimer's disease research which were funded based on research supported by grants or fellowships awarded under the program;
- Progress toward programmatic goals, particularly in the prevention, diagnosis, treatment, and cure of Alzheimer's disease; and
- Recommendations to further the mission of the program.

In the Alzheimer's Disease Research Grant Advisory Board Annual Report 2014-15 the recommendations to further the mission of the program identified difficulties for researchers to complete the necessary research within the limited time frame of one year that a general revenue appropriation allows. The board recommended future appropriations made to the Ed and Ethel Moore Alzheimer's

Disease Research Program be funded from the Biomedical Research Trust Fund to allow research projects to span multiple years.¹

In 2014, the Legislature appropriated \$3,000,000 in general revenue funds to the Ed and Ethel Moore Alzheimer's Disease Research Program. The program awarded eleven grants ranging from \$112,500 to \$500,000 each fully encumbering the \$3,000,000 appropriation for fiscal year 2014 - 2015.² By default, general revenue appropriations that remain unspent at the end of a fiscal year revert to the state.³ However, the legislature may supersede this provision by passing a law that specifically authorizes the appropriation to be carried forward.⁴ In 2015, the Legislature appropriated \$3,000,000 in general revenue funds to the Ed and Ethel Moore Alzheimer's Disease Research Program in Specific Appropriation 454B and carried forward the unexpended balance of funds from the prior year in Section 50 of chapter 2015-232, Laws of Florida.

Grant Recipients	Research Projects	Institution	Award Amount
Ertekin-Taner, Nilufer	Florida Consortium for African-American Alzheimer's Disease Studies (FCA3DS)	Mayo Clinic Florida	\$ 500,000.00
Loewenstein, David	A Consortium to Study Novel Markers of Early Alzheimer's Disease	University of Miami Miller School of Medicine	\$ 500,000.00
Rademakers, Rosa	Identification of novel AD genes and disease associated pathways through FPAADS: a Florida Presenile Alzheimer's Disease Subjects registry	Mayo Clinic Florida	\$ 500,000.00
Lewis, Jada	Developing biotherapies for Alzheimer's Disease	University of Florida	\$ 250,000.00
Dore, Sylvain	Therapeutic potential of PGE2 EP1 receptor selective antagonist	University of Florida	\$ 225,000.00
Bu, Guojun	ApoE and gender effects on Alzheimer's disease and cerebral amyloid angiopathy	Mayo Clinic Florida	\$ 200,000.00
Kang, David	Targeting the Slingshot-Cofilin Pathway in AD	University of South Florida	\$ 200,000.00
Moraes, Carlos T.	The Role of Mitochondrial Oxidative Phosphorylation Dysfunction in Alzheimer's Pathology	University of Miami, Miller School of Medicine	\$ 200,000.00
Wahlestedt, Claes	Epigenetic approach for the treatment of Alzheimer's disease	University of Miami Miller School of Medicine	\$ 200,000.00
Lee, Daniel C.	Modulation of Arginine Metabolism and Polyamines to Mitigate Alzheimer's disease Pathology	University of South Florida	\$ 112,500.00
Tan, Jun	Flavonoid-diosmin, a novel gamma-secretase modulator, for the treatment of Alzheimer's disease	University of South Florida	\$ 112,500.00

¹ See Alzheimer's Disease Research Grant Advisory Board, Annual Report 2014-15 p. 6.

² See Alzheimer's Disease Research Grant Advisory Board, Annual Report 2014-15 p.4.

³ s. 216.301, F.S.

⁴ s.216.351, F.S.

Effect of Proposed Changes

The bill implements the board's recommendation to allow the Ed and Ethel Moore Alzheimer's Disease Research Program to carry forward unspent general revenue appropriations up to five years after an appropriation's effective date if obligated by June 30 of the year the funds were appropriated thus allowing research projects to span multiple years. In the past, DOH has indicated that such a change allows them to offer longer grant periods, thus enabling researchers to conduct clinical trials that are more likely to result in a marketable product.⁵ Five years is consistent with grant timeframes seen in other research programs such as the National Institutes of Health.⁶

B. SECTION DIRECTORY:

Section 1. Amends s. 381.82, F.S., allowing the Ed and Ethel Moore Alzheimer's Disease Research Program to carry forward unspent general appropriations funds for a period of five years.

Section 2. Provides an effective date of July 1, 2016.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The House Proposed General Appropriations Act provides a \$5,000,000 recurring general revenue appropriation for Ed and Ethel Moore Alzheimer's Disease Research Program.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Researchers will be able to perform multiyear projects and will benefit from having access to allocated grant funds over the course of a five year period.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

⁵ See generally Health and Human Services Committee Bill Analysis of 2012, House Bill 655 p. 4 (3/26/12).

⁶ National Institutes of Health, http://grants.nih.gov/grants/funding/funding_program.htm (last visited 3/5/2015).

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to Alzheimer's disease research;
 3 amending s. 381.82, F.S.; providing for the
 4 carryforward of any unexpended balance of an
 5 appropriation for the Ed and Ethel Moore Alzheimer's
 6 Disease Research Program; providing an effective date.

7
 8 Be It Enacted by the Legislature of the State of Florida:
 9

10 Section 1. Subsection (8) is added to section 381.82,
 11 Florida Statutes, to read:

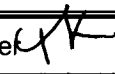
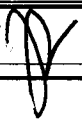
12 381.82 Ed and Ethel Moore Alzheimer's Disease Research
 13 Program.—

14 (8) Notwithstanding s. 216.301 and pursuant to s. 216.351,
 15 the balance of any appropriation from the General Revenue Fund
 16 for the Ed and Ethel Moore Alzheimer's Disease Research Program
 17 which is not disbursed but which is obligated pursuant to
 18 contract or committed to be expended by June 30 of the fiscal
 19 year in which the funds are appropriated may be carried forward
 20 for up to 5 years after the effective date of the original
 21 appropriation.

22 Section 2. This act shall take effect July 1, 2016.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB APC 16-02 Implementing the 2016-17 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		Kramek 	Leznoff 

SUMMARY ANALYSIS

This bill provides the statutory authority necessary to implement and execute the General Appropriations Act (GAA) for Fiscal Year 2016-2017. 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 2016-2017, 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 2016-2017.

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 provided for instructional materials shall be released and expended as required in the proviso language associated with Specific Appropriation 94.

Section 4 provides that any district school board that generates less than \$2 million dollars in revenue from one mill of ad valorem tax shall contribute 0.75 mill, rather than 1.5 mills, for Fiscal Year 2016-2017 to the cost of funded special facilities projects.

Section 5 amends s. 11.45, F.S. to require the auditor general to conduct annual financial audits of the Florida School for the Deaf and Blind.

Section 6 creates s. 1001.66, F.S. to provide that the Florida College System Performance Based Incentive shall be awarded to institutions using performance-based metrics adopted by the State Board of Education. The section specifies the types of metrics that must be included. The bill provides that funding shall consist of state's investment in performance funding as well as base funds and that institutional funds will be restored for institutions that meet minimum performance thresholds.

Section 7 amends s. 1001.7065, F.S. relating to the Preeminent State Research Universities Program to require the Board of Governors to designate each state university that meets at least 6 of the 12 academic and research excellence standards identified in law as an “emerging preeminent state research university.” The bill also modifies the academic and research excellence standards of the preeminent state research universities program and establishes funding parameters for universities designated as “preeminent” or “emerging preeminent.”

Section 8 amends s. 1001.92, F.S. to provide that the State University System Performance Based Incentive shall be based on indicators of institutional attainment of performance metrics adopted by the State Board of Governors. The bill specifies types of metrics that must be considered, provides that funding shall consist of state's investment in performance funding as well as base funds and provides that institutional funds will be restored for institutions that meet minimum performance thresholds.

Section 9 amends s. 1002.39, F.S. and section 19 amends s. 1011.61, F.S. to exempt McKay scholarship payments from the 1.0 FTE proration when a McKay scholarship program participant takes Florida Virtual School courses.

Sections 10 modifies the deadline for the submission of the Board of Governors annual accountability report pursuant to s. 1008.46, F.S.

Section 11 and section 12 amend sections 1009.23 and 1009.24, F.S. to cap the distance learning fee that state universities and Florida colleges can charge students taking distance learning courses to \$15 per credit hour.

Sections 13 through 17 amend sections 1009.40, 1009.50, 1009.505, 1009.51 and 1009.52, F.S. to maximize the current allocation of need-based financial aid by adding a prioritization of award to eligible students. These provisions require college and university financial aid offices to complete an analysis of need for each eligible student to include all sources of funds available to student. The bill requires a prioritization of awarding Florida student assistance grants to students with the highest unmet need and aligns credit attainment and GPA requirements for probationary award time-frame.

Section 18 amends s. 1009.701, F.S. to increase the state matching funds for the First Generation Matching Grant Program from 1:1 to 2:1

Section 20 amends s. 1011.62(12), F.S. to provide for the use of funds in the digital classrooms allocation of the FEFP.

Section 21 amends s. 1011.62(13), F.S. to provide for federally connected student supplement in FEFP.

Section 22 amends s. 1011.62(15), F.S. to remove the requirement for an adjustment to be made to a district's funding in the FEFP based on an FTE reporting error that is not corrected by the district within the FTE reporting amendment periods.

Sections 23 and 25 amend sections 1012.39 and 1012.75, F.S. to extend the authorization for the Florida educator professional liability insurance program. DOE will be required to notify all instructional personnel and district school boards will be required to notify a student performing clinical field experience of the availability of educator liability insurance.

Section 24 creates s. 1012.731, F.S. to codify the Best and Brightest Scholarship Program to award classroom teachers who have demonstrated a high level of academic achievement.

Section 26 amends s. 1013.64, F.S. to adjust the Capital Outlay Full-Time Equivalent Student Calculations to be consistent with FEFP FTE calculations relative to facilities space needs and COFTE determination procedures.

Section 27 provides that amendments made by the bill in sections that do not have specific expiration language will expire July 1, 2017 and the text of those sections will revert to that in existence on June 30, 2016.

Section 28 provides that the calculations for the Medicaid Low-Income Pool, Disproportionate Share Hospital, and Hospital Reimbursement programs, for the 2016-2017 fiscal year contained in the document titled "Medicaid Supplemental Hospital Funding Programs," 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 29 amends s. 296.37(3), F.S., for the 2016-2017 fiscal year, to maintain the personal needs allowance for residents of state veterans' nursing homes at \$105 per month. Absent this provision, the amount would fall to \$35 per month on July 1, 2016.

Section 30 authorizes the Agency for Health Care Administration to submit a budget amendment to realign funding based on the implementation of the Managed Medical Assistance component of the Statewide Medicaid Managed Care program in order to reflect the actual enrollment changes due to the transfer of beneficiaries from fee-for-service to capitated managed care plans for medical assistance services.

Section 31 provides that notwithstanding s. 409.991, F.S., funds provided from the Department of Children and Families to community-based care lead agencies for personnel training purposes will be allocated based on a training needs assessment conducted by the department.

Section 32 creates s. 893.055(17), F.S., to provide that, for the 2016-2017 fiscal year only, the Department of Health may use state funds appropriated in the 2016-2017 General Appropriations Act to administer the prescription drug monitoring program. Also provides that neither the attorney general nor the department may use funds received as part of a settlement agreement to administer the program.

Section 33 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 during the 2016-2017 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 34 authorizes the Department of Legal Affairs to expend appropriated funds in those specific appropriations on the same programs that were funded by the department pursuant to specific appropriations made in general appropriations acts in prior years.

Section 35 amends s. 932.7055, F.S., relating to the disbursement of proceeds from the sale of forfeited property 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 36 amends s. 215.18, F.S., to provide the Chief Justice the authority to request a trust fund loan.

Section 37 prohibits the Department of Corrections from transferring funds from salaries and benefits to any other appropriations category without the approval of the Legislative Budget Commission.

Section 38 requires the Department of Juvenile Justice to ensure that counties are fulfilling their financial responsibilities relating to shared cost of juvenile detention. 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.

Section 39 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, 2018.

Sections 40 and 41 require that the fee for service of process against the Department of Financial Services or Office of Insurance Regulation to be deposited in the Administrative Trust Fund rather than the Insurance Regulatory Trust Fund.

Section 42 provides that the online procurement system transaction fee authorized in ss. 287.042(1)(h)1 and 287.057, F.S., will be maintained at .7 percent for the 2016-2017 fiscal year.

Section 43 provides that the EOG is authorized to transfer funds in the specific appropriation category "Data Processing Services - State Data Center - AST" between agencies in order to align the budget authority granted with the AST estimated billing cycle and methodology.

Section 44 notwithstanding s. 216.292(2)(a), F.S., which authorizes agency budget transfers of up to 5 percent of approved budget between categories. Except as otherwise authorized by this bill, agencies will be prohibited from transferring funds from a data center appropriation category to a category other than a data center appropriation category.

Section 45 authorizes an agency to transfer funds appropriated to Data Processing Services-State Data Center-Agency for State Technology (AST) category to a contracted services appropriation category in order to contract with a private sector cloud service if the service reduces the agency's data center costs while maintaining the same or improved levels of service and complies with all applicable federal and state security and privacy requirements.

Section 46 provides that the EOG is authorized to transfer funds appropriated in the appropriations category "expenses" between agencies in order to allocate a reduction relating to SUNCOM Services.

Section 47 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 48 authorizes the EOG to transfer funds in the appropriation category "Special Categories-Transfer to DMS-Human Resources Services Purchased Per Statewide Contract" of the 2016-2017 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 49 provides for the scope of the FLAIR replacement project and specifies the required governance structure.

Section 50 provides that notwithstanding s. 161.143, F.S., which requires DEP to make available at least 10 percent of the total amount appropriated in each fiscal year for statewide beach management for the three highest-ranked projects on the current year's inlet management project list, for the 2016-2017 fiscal year, the amount allocated for inlet management funding is provided in the GAA.

Section 51 amends s. 259.105, F.S., to provide the following distribution from the Florida Forever Trust Fund:

1. \$35 million to the Department of Agriculture and Consumer Services for the acquisition of agricultural lands through perpetual conservation easements and other perpetual less-than-fee techniques, which will achieve the objectives of Florida Forever and s. 570.71.
2. \$32 million to DEP to be distributed among the water management districts to fund water resource development projects intended to achieve the goal of ensuring that sufficient quantities of water are available to meet the current and future needs of natural systems and the citizens of the state.
3. The remaining moneys appropriated from the Florida Forever Trust Fund shall be distributed only to the Division of State Lands within the Department of Environmental Protection for land acquisitions that are less-than-fees interest, for partnerships in which the state's portion of the acquisition cost is no more than 50 percent, or for conservation lands needed for military buffering.

Section 52 authorizes 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 restoration projects. Any continuing commitment for future appropriations by the Legislature must be specifically identified.

Section 53 establishes a solid waste management closure account within the Solid Waste Management Trust Fund within the Department of Environmental Protection to provide funding for the closing and long-term care of solid waste management facilities.

Section 54 authorizes 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 Department of Environmental Protection, 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 Article 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 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 55 provides that, in order to implement specific appropriations from the land acquisition trust funds within the Department of Agriculture and Consumer Services, the Department of Environmental Protection (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.

Section 56 amends s. 403.890, F.S., to provide that 100 percent of revenues deposited into the Water Protection and Sustainability Trust Fund for alternative water supply program pursuant to s. 373.707, F.S.

Section 57 requires the Department of Highway Safety and Motor Vehicles to continue to contract with Prison Rehabilitation Industries and Diversified Enterprises, Inc., (PRIDE) for manufacturing license plates, provided that the cost is the same as that paid by the department during fiscal year 2013-2014. This section requires PRIDE to seek bids for the reflectorized sheeting used on the license plates and return 70 percent of savings to the department.

Section 58 provides that, notwithstanding s. 339.2818(2)(a), F.S., the DOT may use appropriated funds to serve any county with a population of 165,000 or less through the Small County Outreach Program in the 5-year work program for the 2016-2017 fiscal year.

Sections 59 and 60 reenact amendments to s. 216.292, 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 61 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 62 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 63 maintains legislative salaries at the July 1, 2010 level.

Sections 64 and 65 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 2016-2017 General Appropriations Act.

Section 66 provides that, in order to implement the issuance of new debt authorized in the 2016-2017 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 fiscal year should be implemented and is in the best interest of the state.

Section 67 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.

Sections 68 and 69 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 70 provides that a state agency may not enter into a contract which contains a non-disclosure clause which prohibits the contractor from disclosing information relevant to the performance of the contract to members or staff of the Senate or House of Representatives.

Section 71 specifies that no section of the bill shall take effect if the appropriations and proviso to which it relates are vetoed.

Section 72 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 73 provides a severability clause.

Section 74 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 2016-2017, 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

27 university to submit a certain plan to the board and
 28 meet certain expectations to receive certain funds;
 29 providing for the distribution of certain funding
 30 increases; deleting the preeminent state research
 31 university enhancement initiative; authorizing a
 32 preeminent state research university to consider
 33 certain courses as a part of the general education
 34 requirements; providing that such courses are in
 35 addition to certain required courses; authorizing a
 36 preeminent state research university to require that
 37 such courses be earned at the university; authorizing
 38 the board to identify and grant certain authority and
 39 flexibility to emerging preeminent state research
 40 universities; amending s. 1001.92, F.S.; requiring
 41 performance-based metrics to include thresholds for
 42 added value of certain degrees; requiring the Board of
 43 Governors to develop an implementation plan for
 44 specified metrics relating to the employment of
 45 students with specified degrees by a specified fiscal
 46 year and provide the plan to the Governor and
 47 Legislature by a specified date; requiring the board
 48 to establish minimum performance funding eligibility
 49 thresholds; prohibiting a state university that fails
 50 to meet a certain threshold from eligibility for a
 51 share of the state's investment performance funding;
 52 requiring the board to adopt regulations; amending s.

53 | 1002.39, F.S.; providing that a John M. McKay
 54 | Scholarship is not subject to the maximum value for
 55 | funding a student under the Florida Education Finance
 56 | Program; amending s. 1008.46, F.S.; revising the date
 57 | by which the Board of Governors must submit a specific
 58 | report; amending s. 1009.23, F.S.; revising provisions
 59 | relating to the Florida College System institution
 60 | distance learning course user fee; providing that the
 61 | fee may not exceed a specified amount per credit hour;
 62 | requiring that an increase in the current fee be
 63 | approved by the State Board of Education; amending s.
 64 | 1009.24, F.S.; revising provisions relating to the
 65 | state university distance learning course fee;
 66 | providing that the fee may not exceed a specified
 67 | amount per credit hour; requiring each state
 68 | university board of trustees to report specified
 69 | information relating to the fee to the Board of
 70 | Governors by a specified date; amending s. 1009.40,
 71 | F.S.; revising provisions relating to student
 72 | eligibility for state financial aid awards and tuition
 73 | assistance grants; providing that a student may only
 74 | be granted one probationary funding award; revising
 75 | requirements for the award of probationary funding to
 76 | a student who fails to earn the minimum number of
 77 | credits; amending ss. 1009.50, 1009.505, 1009.51, and
 78 | 1009.52, F.S., relating to the Florida Public Student

79 Assistance Grant Program, the Florida Public
 80 Postsecondary Career Education Student Assistance
 81 Grant Program, the Florida Private Student Assistance
 82 Grant Program, and the Florida Postsecondary Student
 83 Assistance Grant Program; requiring the expected
 84 family contribution and all other aid available to a
 85 student be accounted and considered when determining a
 86 student's unmet need; requiring participating
 87 institutions to conduct an assessment of the available
 88 financial resources for each student; requiring
 89 certain funding mechanisms to be included in the
 90 assessment; revising the priority in the distribution
 91 of grant moneys; revising reporting requirements for
 92 participating institutions; amending s. 1009.701,
 93 F.S.; including Florida College System institutions in
 94 the First Generation Matching Grant Program; revising
 95 the state fund matching ratio for the grant program;
 96 amending s. 1011.61, F.S.; providing that a John M.
 97 McKay Scholarship is not subject to the maximum value
 98 for funding a student under the Florida Education
 99 Finance Program; amending s. 1011.62(12), F.S.,
 100 providing for providing for funding of district
 101 digital classrooms allocation; amending s. 1011.62,
 102 F.S.; abrogating the scheduled expiration and
 103 reversion of amendments to s. 1011.62(13), F.S.,
 104 relating to the federally connected student

105 supplement; providing for expiration; prohibiting an
 106 underallocation in a prior year caused by a school
 107 district error from being the basis for certain
 108 allocation adjustments; amending s. 1012.39, F.S.;
 109 providing requirements regarding liability insurance
 110 for students performing clinical field experience;
 111 creating s. 1012.731, F.S.; providing legislative
 112 intent; establishing the Florida Best and Brightest
 113 Teacher Scholarship Program; providing eligibility
 114 criteria; requiring a school district to annually
 115 submit the number of eligible classroom teachers to
 116 the Department of Education; providing for funding and
 117 the disbursement of funds; defining the term "school
 118 district"; amending s. 1012.75, F.S.; repealing an
 119 expiration date for the educator liability insurance
 120 program; amending s. 1013.64, F.S.; revising the term
 121 "capital outlay full-time equivalent membership";
 122 providing that certain prekindergarten exceptional
 123 students are included in the membership; revising the
 124 calculation of capital outlay membership; providing
 125 for future expiration and reversion of specified
 126 statutory text; incorporating by reference certain
 127 calculations of the Medicaid Low-Income Pool,
 128 Disproportionate Share Hospital, and Hospital
 129 Reimbursement programs; amending s. 296.37, F.S.;
 130 extending for 1 fiscal year the requirement that

131 certain residents of a veterans' nursing home
 132 contribute to their maintenance and support;
 133 authorizing the Agency for Health Care Administration,
 134 in consultation with the Department of Health, to
 135 submit a budget amendment to realign funding based
 136 upon a specified model, methodology, and framework;
 137 specifying requirements for such realignment;
 138 authorizing the agency to request nonoperating budget
 139 authority for transferring certain federal funds to
 140 the Department of Health; providing that certain funds
 141 provided for training purposes shall be allocated to
 142 community-based lead agencies based on a training
 143 needs assessment conducted by the Department of
 144 Children and Families; amending s. 893.055, F.S.;
 145 authorizing the Department of Health to use certain
 146 funds to administer the prescription drug monitoring
 147 program; prohibiting the use of funds received from a
 148 settlement agreement to administer the program;
 149 amending s. 216.262, F.S.; extending for 1 fiscal year
 150 the authority of the Department of Corrections to
 151 submit a budget amendment for additional positions and
 152 appropriations under certain circumstances;
 153 authorizing the Department of Legal Affairs to expend
 154 certain appropriated funds on programs that were
 155 funded by the department from specific appropriations
 156 in general appropriations acts in previous years;

157 | amending s. 932.7055, F.S.; extending for 1 fiscal
 158 | year the authority for a municipality to expend funds
 159 | from its special law enforcement trust fund to
 160 | reimburse its general fund for certain moneys advanced
 161 | from the general fund; amending s. 215.18, F.S.;
 162 | extending for 1 fiscal year the authority and related
 163 | repayment requirements for temporary trust fund loans
 164 | to the state court system which are sufficient to meet
 165 | the system's appropriation; prohibiting the Department
 166 | of Corrections from transferring funds from a salaries
 167 | and benefits category to another category, other than
 168 | a salaries and benefits category, unless approved by
 169 | the Legislative Budget Commission; requiring the
 170 | Department of Juvenile Justice to review county
 171 | juvenile detention payments to determine if the county
 172 | has met specified financial responsibilities;
 173 | requiring amounts owed by the county for such
 174 | financial responsibilities to be deducted from certain
 175 | county funds; requiring the Department of Revenue to
 176 | transfer funds withheld to specified trust funds;
 177 | requiring the Department of Revenue to ensure that
 178 | such reductions in amounts distributed do not reduce
 179 | distributions below amounts necessary for certain
 180 | payments due on bonds and comply with bond covenants;
 181 | requiring the Department of Revenue to notify the
 182 | Department of Juvenile Justice if bond payment

183 requirements require a reduction in deductions for
 184 amounts owed by a county; directing the Department of
 185 Management Services to use tenant broker services to
 186 renegotiate or reprocur certain private lease
 187 agreements for office or storage space; requiring the
 188 Department of Management Services to provide a report
 189 to the Governor and Legislature by a specified date;
 190 reenacting s. 624.502, F.S., relating to the deposit
 191 of fees for service of process made upon the Chief
 192 Financial Officer or the Director of the Office of
 193 Insurance Regulation into the Administrative Trust
 194 Fund; providing for the future expiration and
 195 reversion of statutory text requiring the deposit of
 196 certain fees into the Administrative Trust Fund;
 197 specifying the amount of the transaction fee to be
 198 collected for use of the online procurement system;
 199 authorizing the Executive Office of the Governor to
 200 transfer funds appropriated for data processing
 201 between agencies for a specified purpose; authorizing
 202 the Executive Office of the Governor to transfer funds
 203 appropriated for certain data processing services
 204 between departments for a specified purpose;
 205 prohibiting an agency from transferring funds from a
 206 data processing category to another category that is
 207 not a data processing category; authorizing the
 208 Executive Office of the Governor to transfer certain

209 funds between agencies in order to allocate a
 210 reduction relating to SUNCOM Network services;
 211 authorizing agencies to transfer certain data
 212 processing funds to contract with a private sector
 213 cloud service under certain circumstances; specifying
 214 that such transfers are subject to certain notice,
 215 review, and objection procedures; authorizing the
 216 Executive Office of the Governor to transfer funds
 217 between departments for purposes of aligning amounts
 218 paid for risk management insurance and for human
 219 resource management services; providing for
 220 replacement of Florida Accounting Information Resource
 221 Subsystem; provides for project governance structure;
 222 amending s. 161.143, F.S.; extending by 1 fiscal year
 223 the directive that the amount allocated for inlet
 224 management funding is provided in the General
 225 Appropriations Act; amending s. 259.105, F.S.;
 226 revising the distribution of certain proceeds from
 227 cash payments or bonds issued pursuant to the Florida
 228 Forever Act; amending s. 216.181, F.S.; extending by 1
 229 fiscal year the authority for the Legislative Budget
 230 Commission to increase amounts appropriated to the
 231 Fish and Wildlife Conservation Commission or the
 232 Department of Environmental Protection for certain
 233 fixed capital outlay projects from specified sources;
 234 amending s. 403.709, F.S.; revising the conditions

235 | under which the Department of Environmental Protection
 236 | may use the solid waste landfill closure account
 237 | within the Solid Waste Management Trust Fund to
 238 | contract with a third party to close and provide long-
 239 | term care of certain solid waste management
 240 | facilities; authorizing the Department of
 241 | Environmental Protection to use the Solid Waste
 242 | Management Trust Fund under specified circumstances if
 243 | amounts paid under an insurance policy or alternative
 244 | financial assurance do not cover the cost of the
 245 | closing or providing long-term care of a facility;
 246 | amending s. 215.18, F.S.; authorizing the Governor, if
 247 | there is a specified deficiency in a land acquisition
 248 | trust fund in the Department of Agriculture and
 249 | Consumer Services, the Department of Environmental
 250 | Protection, the Department of State, or the Fish and
 251 | Wildlife Conservation Commission, to transfer funds
 252 | from other trust funds in the State Treasury as a
 253 | temporary loan to such trust fund; providing
 254 | procedures for the transfer and repayment of the loan;
 255 | providing a legislative determination that the
 256 | repayment of the temporary loan is a constitutionally
 257 | allowable use of such moneys; requiring the Department
 258 | of Environmental Protection to transfer designated
 259 | proportions of the revenues deposited in the Land
 260 | Acquisition Trust Fund within the department to land

261 acquisition trust funds in the Department of
 262 Agriculture and Consumer Services, the Department of
 263 State, and the Fish and Wildlife Conservation
 264 Commission according to specified parameters and
 265 calculations; defining the term "department";
 266 requiring the department to retain a proportionate
 267 share of revenues; specifying a limit on
 268 distributions; amending s. 403.890, F.S.; providing
 269 for use of funds deposited into or appropriated to the
 270 Water Protection and Sustainability Trust Fund;
 271 requiring the Department of Highway Safety and Motor
 272 Vehicles to contract with a specified corporation to
 273 manufacture current or newly redesigned license
 274 plates; providing price specifications for such
 275 contract; specifying requirements to be met by the
 276 corporation in manufacturing such license plates;
 277 prohibiting the name of a county from appearing on
 278 redesigned license plates; amending s. 339.2818, F.S.;
 279 revising the definition of the term "small county" for
 280 purposes of the Small County Outreach Program;
 281 reenacting s. 216.292(2)(a), F.S., relating to
 282 exceptions for nontransferable appropriations;
 283 providing for the future expiration and reversion of
 284 statutory text related to nontransferable
 285 appropriations; prohibiting a state agency from
 286 initiating a competitive solicitation for a product or

287 service under certain circumstances; providing an
 288 exception; amending s. 112.24, F.S.; extending by 1
 289 fiscal year the authorization, subject to specified
 290 requirements, for the assignment of an employee of a
 291 state agency under an employee interchange agreement;
 292 providing that the annual salaries of the members of
 293 the Legislature shall be maintained at a specified
 294 level; reenacting s. 215.32(2)(b), F.S., relating to
 295 the source and use of certain trust funds; providing
 296 for the future expiration and reversion of statutory
 297 text related to the source and use of specified trust
 298 funds; providing a legislative determination that the
 299 issuance of new debt is in the best interests of the
 300 state; limiting the use of travel funds to activities
 301 that are critical to an agency's mission; providing
 302 exceptions; reenacting s. 110.12315, F.S., relating to
 303 the state employees' prescription drug program;
 304 providing for the future expiration and reversion of
 305 statutory text related to the state employees'
 306 prescription drug program; prohibiting agencies from
 307 entering into contracts with certain non-disclosure
 308 agreements; providing conditions under which the veto
 309 of certain appropriations or proviso language in the
 310 General Appropriations Act voids language that
 311 implements such appropriation; providing for the
 312 continued operation of certain provisions

313 notwithstanding a future repeal or expiration provided
 314 by the act; providing severability; providing an
 315 effective date.

316

317 Be It Enacted by the Legislature of the State of Florida:

318

319 Section 1. It is the intent of the Legislature that the
 320 implementing and administering provisions of this act apply to
 321 the General Appropriations Act for the 2016-2017 fiscal year.

322 Section 2. In order to implement Specific Appropriations
 323 7, 8, 9, 94 and 95 of the 2016-2017 General Appropriations Act,
 324 the calculations of the Florida Education Finance Program for
 325 the 2016-2017 fiscal year in the document titled "Public School
 326 Funding: The Florida Education Finance Program," dated January
 327 28, 2016, and filed with the Clerk of the House of
 328 Representatives, are incorporated by reference for the purpose
 329 of displaying the calculations used by the Legislature,
 330 consistent with the requirements of state law, in making
 331 appropriations for the Florida Education Finance Program. This
 332 section expires July 1, 2017.

333 Section 3. In order to implement Specific Appropriations 7
 334 and 94 of the 2016-2017 General Appropriations Act and
 335 notwithstanding ss. 1002.20, 1003.02, 1006.28-1006.42,
 336 1011.62(6)(b)5., and 1011.67, Florida Statutes, relating to the
 337 expenditure of funds provided for instructional materials, for
 338 the 2016-2017 fiscal year, funds provided for instructional

339 materials shall be released and expended as required in the
 340 proviso language for Specific Appropriation 94 of the 2016-2017
 341 General Appropriations Act. This section expires July 1, 2017.

342 Section 4. In order to implement Specific Appropriation 23
 343 of the 2016-2017 General Appropriations Act and notwithstanding
 344 s. 1013.64(2), Florida Statutes, any district school board that
 345 generates less than \$2 million in revenue from a 1-mill levy of
 346 ad valorem tax shall contribute 0.75 mill for the 2016-2017
 347 fiscal year toward the cost of funded special facilities
 348 construction projects. This section expires July 1, 2017.

349 Section 5. In order to implement Specific Appropriation
 350 113 of the 2016-2017 General Appropriations Act, paragraph (d)
 351 of subsection (2) of section 11.45, Florida Statutes, is amended
 352 to read:

353 11.45 Definitions; duties; authorities; reports; rules.—

354 (2) DUTIES.—The Auditor General shall:

355 (d) Annually conduct financial audits of the accounts and
 356 records of all district school boards in counties with
 357 populations of fewer than 150,000, according to the most recent
 358 federal decennial statewide census, and the Florida School for
 359 the Deaf and Blind.

360

361 The Auditor General shall perform his or her duties
 362 independently but under the general policies established by the
 363 Legislative Auditing Committee. This subsection does not limit
 364 the Auditor General's discretionary authority to conduct other

365 audits or engagements of governmental entities as authorized in
 366 subsection (3).

367 Section 6. In order to implement Specific Appropriations
 368 12 and 126 of the 2016-2017 General Appropriations Act, section
 369 1001.66, Florida Statutes, is created to read:

370 1001.66 Florida College System Performance-Based
 371 Incentive.—

372 (1) A Florida College System Performance-Based Incentive
 373 shall be awarded to Florida College System institutions using
 374 performance-based metrics adopted by the State Board of
 375 Education. The performance-based metrics must include retention
 376 rates; program completion and graduation rates; postgraduation
 377 employment, salaries, and continuing education for workforce
 378 education and baccalaureate programs, with wage thresholds that
 379 reflect the added value of the certificate or degree; and
 380 outcome measures appropriate for associate of arts degree
 381 recipients. The state board shall adopt benchmarks to evaluate
 382 each institution's performance on the metrics to measure the
 383 institution's achievement of institutional excellence or need
 384 for improvement and the minimum requirements for eligibility to
 385 receive performance funding.

386 (2) Each fiscal year, the amount of funds available for
 387 allocation to Florida College System institutions based on the
 388 performance-based funding model shall consist of the state's
 389 investment in performance funding plus institutional investments
 390 consisting of funds to be redistributed from the base funding of

391 the Florida College System Program Fund as determined in the
 392 General Appropriations Act. The State Board of Education shall
 393 establish minimum performance funding eligibility thresholds for
 394 the state's investment and the institutional investments. An
 395 institution that meets the minimum institutional investment
 396 eligibility threshold, but fails to meet the minimum state
 397 investment eligibility threshold, shall have its institutional
 398 investment restored but is ineligible for a share of the state's
 399 investment in performance funding. The institutional investment
 400 shall be restored for all institutions eligible for the state's
 401 investment under the performance-based funding model.

402 (3) (a) Each Florida College System institution's share of
 403 the performance funding shall be calculated based on its
 404 relative performance on the established metrics in conjunction
 405 with the institutional size and scope.

406 (b) A Florida College System institution that fails to
 407 meet the State Board of Education's minimum institutional
 408 investment performance funding eligibility threshold shall have
 409 a portion of its institutional investment withheld by the state
 410 board and must submit an improvement plan to the state board
 411 that specifies the activities and strategies for improving the
 412 institution's performance. The state board must review and
 413 approve the improvement plan and, if the plan is approved, must
 414 monitor the institution's progress in implementing the
 415 activities and strategies specified in the improvement plan. The
 416 institution shall submit monitoring reports to the state board

417 by December 31 and May 31 of each year in which an improvement
 418 plan is in place.

419 (c) The Commissioner of Education shall withhold
 420 disbursement of the institutional investment until the
 421 monitoring report is approved by the State Board of Education. A
 422 Florida College System institution determined by the state board
 423 to be making satisfactory progress on implementing the
 424 improvement plan shall receive no more than one-half of the
 425 withheld institutional investment in January and the balance of
 426 the withheld institutional investment in June. An institution
 427 that fails to make satisfactory progress may not have its full
 428 institutional investment restored. Any institutional investment
 429 funds that are not restored shall be redistributed in accordance
 430 with the state board's performance-based metrics.

431 (4) Distributions of performance funding, as provided in
 432 this section, shall be made to each of the Florida College
 433 System institutions listed in the Florida Colleges category in
 434 the General Appropriations Act.

435 (5) By October 1 of each year, the State Board of
 436 Education shall submit to the Governor, the President of the
 437 Senate, and the Speaker of the House of Representatives a report
 438 on the prior fiscal year's performance funding allocation, which
 439 must reflect the rankings and award distributions.

440 (6) The State Board of Education shall adopt rules to
 441 administer this section.

442 (7) This section expires July 1, 2017.

443 Section 7. In order to implement Specific Appropriation
 444 142 of the 2016-2017 General Appropriations Act, subsection (1)
 445 of 1001.7065, Florida Statutes, is reenacted, and subsections
 446 (2), (3), and (5) through (8) of that section are amended, to
 447 read:

448 1001.7065 Preeminent state research universities program.—

449 (1) STATE UNIVERSITY SYSTEM SHARED GOVERNANCE

450 COLLABORATION.—A collaborative partnership is established
 451 between the Board of Governors and the Legislature to elevate
 452 the academic and research preeminence of Florida's highest-
 453 performing state research universities in accordance with this
 454 section. The partnership stems from the State University System
 455 Governance Agreement executed on March 24, 2010, wherein the
 456 Board of Governors and leaders of the Legislature agreed to a
 457 framework for the collaborative exercise of their joint
 458 authority and shared responsibility for the State University
 459 System. The governance agreement confirmed the commitment of the
 460 Board of Governors and the Legislature to continue collaboration
 461 on accountability measures, the use of data, and recommendations
 462 derived from such data.

463 (2) ACADEMIC AND RESEARCH EXCELLENCE STANDARDS.—~~Effective~~

464 ~~July 1, 2013,~~ The following academic and research excellence
 465 standards are established for the preeminent state research
 466 universities program:

467 (a) An average weighted grade point average of 4.0 or
 468 higher on a 4.0 scale and an average SAT score of 1800 or higher

469 on a 2400-point scale or 1200 or higher on a 1600-point scale
 470 for fall semester incoming freshmen, as reported annually.

471 (b) A top-50 ranking on at least two well-known and highly
 472 respected national public university rankings, including, but
 473 not limited to, the U.S. News and World Report rankings,
 474 reflecting national preeminence, using most recent rankings.

475 (c) A freshman retention rate of 90 percent or higher for
 476 full-time, first-time-in-college students, as reported annually
 477 to the Integrated Postsecondary Education Data System (IPEDS).

478 (d) A 6-year graduation rate of 70 percent or higher for
 479 full-time, first-time-in-college students, as reported annually
 480 to the IPEDS.

481 (e) Six or more faculty members at the state university
 482 who are members of a national academy, as reported by the Center
 483 for Measuring University Performance in the Top American
 484 Research Universities (TARU) annual report or the official
 485 membership directories maintained by each national academy.

486 (f) Total annual research expenditures, including federal
 487 research expenditures, of \$200 million or more, as reported
 488 annually by the National Science Foundation (NSF).

489 (g) Total annual research expenditures in diversified
 490 nonmedical sciences of \$150 million or more, based on data
 491 reported annually by the NSF.

492 (h) A top-100 university national ranking for research
 493 expenditures in five or more science, technology, engineering,
 494 or mathematics fields of study, as reported annually by the NSF.

495 (i) One hundred or more total patents awarded by the
 496 United States Patent and Trademark Office for the most recent 3-
 497 year period.

498 (j) Four hundred or more doctoral degrees awarded
 499 annually, including professional doctoral degrees awarded in
 500 medical and health care disciplines, as reported in the Board of
 501 Governors Annual Accountability Report.

502 (k) Two hundred or more postdoctoral appointees annually,
 503 as reported in the TARU annual report.

504 (l) An endowment of \$500 million or more, as reported in
 505 the Board of Governors Annual Accountability Report.

506 (3) PREEMINENT STATE RESEARCH UNIVERSITY DESIGNATION.—

507 (a) The Board of Governors shall designate each state
 508 ~~research~~ university that annually meets at least 11 of the 12
 509 academic and research excellence standards identified in
 510 subsection (2) as a "preeminent state research university."

511 (b) The Board of Governors shall designate each state
 512 university that annually meets at least six of the 12 academic
 513 and research excellence standards identified in subsection (2)
 514 as an "emerging preeminent state research university."

515 (5) PREEMINENT STATE RESEARCH UNIVERSITIES PROGRAM
 516 UNIVERSITY SUPPORT.—

517 (a) A state ~~research~~ university that is designated as a
 518 preeminent state research university, ~~as of July 1, 2013, meets~~
 519 ~~all 12 of the academic and research excellence standards~~
 520 ~~identified in subsection (2), as verified by the Board of~~

521 ~~Governors,~~ shall submit to the Board of Governors a 5-year
 522 benchmark plan with target rankings on key performance metrics
 523 for national excellence. Upon approval by the Board of
 524 Governors, and upon the university's meeting the benchmark plan
 525 goals annually, the Board of Governors shall award the
 526 university its proportionate share of any funds provided
 527 annually to support the program created under this section an
 528 amount specified in the General Appropriations Act to be
 529 provided annually throughout the 5 year period. Funding for this
 530 purpose is contingent upon specific appropriation in the General
 531 Appropriations Act.

532 (b) A state university designated as an emerging
 533 preeminent state research university shall submit to the Board
 534 of Governors a 5-year benchmark plan with target rankings on key
 535 performance metrics for national excellence. Upon approval by
 536 the Board of Governors, and upon the university's meeting the
 537 benchmark plan goals annually, the Board of Governors shall
 538 award the university its proportionate share of any funds
 539 provided annually to support the program created under this
 540 section.

541 (c) The award of funds under this subsection is contingent
 542 upon funding provided in the General Appropriations Act to
 543 support the preeminent state research universities program
 544 created under this section. Funding increases appropriated
 545 beyond the amounts funded in the prior fiscal year shall be
 546 distributed as follows:

547 1. Each designated preeminent state research university
 548 that meets the criteria in paragraph (a) shall receive an equal
 549 amount of funding.

550 2. Each designated emerging preeminent state research
 551 university that meets the criteria in paragraph (b) shall
 552 receive an amount of funding that is equal to one-half of the
 553 total increased amount awarded to each designated preeminent
 554 state research university.

555 ~~(6) PREEMINENT STATE RESEARCH UNIVERSITY ENHANCEMENT~~
 556 ~~INITIATIVE. A state research university that, as of July 1,~~
 557 ~~2013, meets 11 of the 12 academic and research excellence~~
 558 ~~standards identified in subsection (2), as verified by the Board~~
 559 ~~of Governors, shall submit to the Board of Governors a 5 year~~
 560 ~~benchmark plan with target rankings on key performance metrics~~
 561 ~~for national excellence. Upon the university's meeting the~~
 562 ~~benchmark plan goals annually, the Board of Governors shall~~
 563 ~~award the university an amount specified in the General~~
 564 ~~Appropriations Act to be provided annually throughout the 5 year~~
 565 ~~period for the purpose of recruiting National Academy Members,~~
 566 ~~expediting the provision of a master's degree in cloud~~
 567 ~~virtualization, and instituting an entrepreneurs in residence~~
 568 ~~program throughout its campus. Funding for this purpose is~~
 569 ~~contingent upon specific appropriation in the General~~
 570 ~~Appropriations Act.~~

571 (6)-(7) PREEMINENT STATE RESEARCH UNIVERSITY SPECIAL COURSE
 572 REQUIREMENT AUTHORITY.—In order to provide a jointly shared

573 educational experience, a university that is designated a
 574 preeminent state research university may require its incoming
 575 first-time-in-college students to take a 9-to-12-credit set of
 576 unique courses specifically determined by the university and
 577 published on the university's website. The university may
 578 stipulate that credit for such courses may not be earned through
 579 any acceleration mechanism pursuant to s. 1007.27 or s. 1007.271
 580 or any other transfer credit. All accelerated credits earned up
 581 to the limits specified in ss. 1007.27 and 1007.271 shall be
 582 applied toward graduation at the student's request.

583 (7)~~(8)~~ PREEMINENT STATE RESEARCH UNIVERSITY FLEXIBILITY
 584 AUTHORITY.—The Board of Governors is encouraged to identify and
 585 grant all reasonable, feasible authority and flexibility to
 586 ensure that each a designated preeminent state research
 587 university and each designated emerging preeminent state
 588 research university is free from unnecessary restrictions.

589 Section 8. In order to implement Specific Appropriation
 590 142 of the 2016-2017 General Appropriations Act, subsections (1)
 591 through (3) and subsection (6) of section 1001.92, Florida
 592 Statutes, are amended to read:

593 1001.92 State University System Performance-Based
 594 Incentive.—

595 (1) A State University System Performance-Based Incentive
 596 shall be awarded to state universities using performance-based
 597 metrics adopted by the Board of Governors of the State
 598 University System.

599 (a) The performance-based metrics must include graduation
 600 rates;; retention rates;; postgraduation education rates;;
 601 degree production;; affordability;; postgraduation employment
 602 and salaries, including wage thresholds that reflect the added
 603 value of a baccalaureate degree; access; and other metrics
 604 approved by the board in a formally noticed meeting.

605 (b) The board shall adopt benchmarks to evaluate each
 606 state university's performance on the metrics to measure the
 607 state university's achievement of institutional excellence or
 608 need for improvement and minimum requirements for eligibility to
 609 receive performance funding.

610 (c) The board shall develop an implementation plan for
 611 including a metric that addresses the full-time employment rate
 612 of 90 percent of graduates for each state university's top two,
 613 six-digit Classification of Instructional Program baccalaureate
 614 degrees to be incorporated into the performance funding formula
 615 beginning in the 2017-2018 fiscal year. The Board of Governors
 616 shall submit its implementation plan to the Governor, the
 617 President of the Senate, and the Speaker of the House of
 618 Representatives by December 31, 2016.

619 (2) Each fiscal year, the amount of funds available for
 620 allocation to the state universities based on the performance-
 621 based funding model ~~metrics~~ shall consist of the state's
 622 investment in appropriation for performance funding, ~~including~~
 623 ~~increases in base funding~~ plus institutional investments
 624 consisting of funds deducted from the base funding of each state

625 university in the State University System, in an amount provided
 626 in the General Appropriations Act. The Board of Governors shall
 627 establish minimum performance funding eligibility thresholds for
 628 the state's investment and the institutional investments. A
 629 state university that meets the minimum institutional investment
 630 eligibility threshold, but fails to meet the minimum state
 631 investment eligibility threshold, shall have its institutional
 632 investment restored but is ineligible for a share of the state's
 633 investment in performance funding. The institutional investment
 634 shall be restored for each institution eligible for the state's
 635 investment under the performance-based funding model metrics.

636 (3) (a) A state university that fails to meet the Board of
 637 Governors' minimum institutional investment performance funding
 638 eligibility threshold shall have ~~a portion of~~ its institutional
 639 investment withheld by the board and must submit an improvement
 640 plan to the board that specifies the activities and strategies
 641 for improving the state university's performance. The board must
 642 review and approve the improvement plan and, if the plan is
 643 approved, must monitor the state university's progress in
 644 implementing the activities and strategies specified in the
 645 improvement plan. The state university shall submit monitoring
 646 reports to the board by December 31 and May 31 of each year in
 647 which an improvement plan is in place. The ability of a state
 648 university to submit an improvement plan to the board is limited
 649 to 1 fiscal year.

650 (b) The Chancellor of the State University System shall

651 withhold disbursement of the institutional investment until the
 652 monitoring report is approved by the Board of Governors. A state
 653 university ~~that is~~ determined by the board to be making
 654 satisfactory progress on implementing the improvement plan shall
 655 receive no more than one-half of the withheld institutional
 656 investment in January and the balance of the withheld
 657 institutional investment in June. A state university that fails
 658 to make satisfactory progress may not have its full
 659 institutional investment restored. Any institutional investment
 660 funds that are not restored shall be redistributed in accordance
 661 with the board's performance-based metrics.

662 (6) The Board of Governors shall adopt regulations to
 663 administer this section. This section expires July 1, 2017 ~~2016~~.

664 Section 9. In order to implement Specific Appropriations
 665 7, 8, 9, 94 and 95 of the 2016-2017 General Appropriations Act,
 666 paragraph (a) of subsection (10) of section 1002.39, Florida
 667 Statutes, is amended to read:

668 1002.39 The John M. McKay Scholarships for Students with
 669 Disabilities Program.—There is established a program that is
 670 separate and distinct from the Opportunity Scholarship Program
 671 and is named the John M. McKay Scholarships for Students with
 672 Disabilities Program.

673 (10) JOHN M. MCKAY SCHOLARSHIP FUNDING AND PAYMENT.—

674 (a)1. The maximum scholarship granted for an eligible
 675 student with disabilities shall be equivalent to the base
 676 student allocation in the Florida Education Finance Program

677 multiplied by the appropriate cost factor for the educational
 678 program that would have been provided for the student in the
 679 district school to which he or she was assigned, multiplied by
 680 the district cost differential.

681 2. In addition, a share of the guaranteed allocation for
 682 exceptional students shall be determined and added to the amount
 683 in subparagraph 1. The calculation shall be based on the
 684 methodology and the data used to calculate the guaranteed
 685 allocation for exceptional students for each district in chapter
 686 2000-166, Laws of Florida. Except as provided in subparagraphs
 687 3. and 4., the calculation shall be based on the student's
 688 grade, matrix level of services, and the difference between the
 689 2000-2001 basic program and the appropriate level of services
 690 cost factor, multiplied by the 2000-2001 base student allocation
 691 and the 2000-2001 district cost differential for the sending
 692 district. The calculated amount shall include the per-student
 693 share of supplemental academic instruction funds, instructional
 694 materials funds, technology funds, and other categorical funds
 695 as provided in the General Appropriations Act.

696 3. The scholarship amount for a student who is eligible
 697 under sub-subparagraph (2)(a)2.b. shall be calculated as
 698 provided in subparagraphs 1. and 2. However, the calculation
 699 shall be based on the school district in which the parent
 700 resides at the time of the scholarship request.

701 4. Until the school district completes the matrix required
 702 by paragraph (5)(b), the calculation shall be based on the

703 matrix that assigns the student to support Level I of service as
 704 it existed prior to the 2000-2001 school year. When the school
 705 district completes the matrix, the amount of the payment shall
 706 be adjusted as needed.

707 5. The scholarship amount for a student eligible under s.
 708 504 of the Rehabilitation Act of 1973 shall be based on the
 709 program cost factor the student currently generates through the
 710 Florida Education Finance Program.

711 6. A student's scholarship amount is not subject to the
 712 maximum value for funding a student as provided in s.
 713 1011.61(4).

714 Section 10. In order to implement Specific Appropriation
 715 154 of the 2016-2017 General Appropriations Act, subsection (1)
 716 of section 1008.46, Florida Statutes, is amended to read:

717 1008.46 State university accountability process.—It is the
 718 intent of the Legislature that an accountability process be
 719 implemented that provides for the systematic, ongoing evaluation
 720 of quality and effectiveness of state universities. It is
 721 further the intent of the Legislature that this accountability
 722 process monitor performance at the system level in each of the
 723 major areas of instruction, research, and public service, while
 724 recognizing the differing missions of each of the state
 725 universities. The accountability process shall provide for the
 726 adoption of systemwide performance standards and performance
 727 goals for each standard identified through a collaborative
 728 effort involving state universities, the Board of Governors, the

729 Legislature, and the Governor's Office, consistent with
 730 requirements specified in s. 1001.706. These standards and goals
 731 shall be consistent with s. 216.011(1) to maintain congruity
 732 with the performance-based budgeting process. This process
 733 requires that university accountability reports reflect measures
 734 defined through performance-based budgeting. The performance-
 735 based budgeting measures must also reflect the elements of
 736 teaching, research, and service inherent in the missions of the
 737 state universities.

738 (1) By February ~~March~~ 15 of each year, the Board of
 739 Governors shall submit an annual accountability report providing
 740 information on the implementation of performance standards,
 741 actions taken to improve university achievement of performance
 742 goals, the achievement of performance goals during the prior
 743 year, and initiatives to be undertaken during the next year. The
 744 accountability reports shall be designed in consultation with
 745 the Governor's Office, the Office of Program Policy Analysis and
 746 Government Accountability, and the Legislature.

747 Section 11. In order to implement Specific Appropriations
 748 6 and 11 of the 2016-2017 General Appropriations Act, paragraphs
 749 (a) and (b) of subsection (16) of section 1009.23, Florida
 750 Statutes, are amended to read:

751 1009.23 Florida College System institution student fees.—

752 (16) (a) Effective July 1, 2016, each Florida College
 753 System institution may assess a student who enrolls in a course
 754 listed in the distance learning catalog, established pursuant to

755 s. 1006.735, a ~~per credit hour~~ distance learning course user fee
 756 not to exceed \$15 per credit hour. An increase in an
 757 institution's current distance learning fee must be approved by
 758 the State Board of Education. For purposes of assessing this
 759 fee, a distance learning course is a course in which at least 80
 760 percent of the direct instruction of the course is delivered
 761 using some form of technology when the student and instructor
 762 are separated by time or space, or both.

763 (b) ~~The amount of the distance learning course user fee~~
 764 ~~may not exceed the additional costs of the services provided~~
 765 ~~which are attributable to the development and delivery of the~~
 766 ~~distance learning course. If a Florida College System~~
 767 ~~institution assesses the distance learning course user fee, the~~
 768 ~~institution may not assess any other fees to cover the~~
 769 ~~additional costs.~~ By September 1 of each year, each board of
 770 trustees shall report to the Division of Florida Colleges the
 771 total amount of revenue generated by the distance learning
 772 course user fee for the prior fiscal year and how the revenue
 773 was expended.

774 Section 12. In order to implement Specific Appropriation
 775 142 of the 2016-2017 General Appropriations Act, paragraphs (a)
 776 and (b) of subsection (17) of section 1009.24, Florida Statutes,
 777 are amended to read:

778 1009.24 State university student fees.—

779 (17) (a) A state university may assess a student who
 780 enrolls in a course listed in the distance learning catalog,

781 established pursuant to s. 1006.735, a ~~per credit hour~~ distance
 782 learning course fee not to exceed \$15 per credit hour. For
 783 purposes of assessing this fee, a distance learning course is a
 784 course in which at least 80 percent of the direct instruction of
 785 the course is delivered using some form of technology when the
 786 student and instructor are separated by time or space, or both.

787 (b) By September 1 of each year, each board of trustees
 788 shall report to the Board of Governors the total amount of
 789 revenue generated by the distance learning course user fee for
 790 the prior fiscal year and how the revenue was expended ~~The~~
 791 ~~amount of the distance learning course fee may not exceed the~~
 792 ~~additional costs of the services provided which are attributable~~
 793 ~~to the development and delivery of the distance learning course.~~
 794 ~~If the distance learning course fee is assessed by a state~~
 795 ~~university, the institution may not assess duplicative fees to~~
 796 ~~cover the additional costs.~~

797 Section 13. In order to implement Specific Appropriations
 798 6 and 76 of the 2016-2017 General Appropriations Act, paragraph
 799 (b) of subsection (1) of section 1009.40, Florida Statutes, is
 800 amended to read:

801 1009.40 General requirements for student eligibility for
 802 state financial aid awards and tuition assistance grants.—

803 (1)

804 (b)1. Eligibility for the renewal of undergraduate or
 805 career certificate financial aid awards shall be evaluated at
 806 the end of the second semester or third quarter of each academic

807 year. As a condition for renewal, a student shall:

808 a. Have earned a minimum cumulative grade point average of
809 2.0 on a 4.0 scale; and

810 b. Have earned, for undergraduate full-time study, 12
811 credits per term or the equivalent for the number of terms for
812 which aid was received or have earned, for career certificate
813 study, at least the equivalent in clock hours of 6 semester
814 credit hours per term or the equivalent for the number of terms
815 for which aid was received.

816 2. A student who earns the minimum number of credits
817 required for renewal, but who fails to meet the minimum 2.0
818 cumulative grade point average, may be granted a probationary
819 award for up to the equivalent of 1 academic year and shall be
820 required to earn a cumulative grade point average of 2.0 on a
821 4.0 scale by the end of the probationary period to be eligible
822 for subsequent renewal. A student who receives a probationary
823 award and ~~who~~ fails to meet the conditions for renewal by the
824 end of his or her probationary period shall be ineligible to
825 receive additional awards for the equivalent of 1 academic year
826 following his or her probationary period. Each such student may,
827 however, reapply for assistance during a subsequent application
828 period and may be eligible for an award if he or she has earned
829 a cumulative grade point average of 2.0 on a 4.0 scale. A
830 student may not be granted more than one probationary award.

831 3. A student who meets the minimum 2.0 cumulative grade
832 point average, but who fails to earn the minimum number of

833 credits required for renewal, may be granted a probationary
 834 award for up to the equivalent of 1 academic year and shall be
 835 required to earn the minimum number of credits during the
 836 probationary period and maintain at least a 2.0 cumulative grade
 837 point average on a 4.0 scale to be eligible for subsequent
 838 renewal. A student who receives a probationary award and fails
 839 to meet the conditions for renewal by the end of his or her
 840 probationary period is ineligible to receive additional awards
 841 for the equivalent of 1 academic year following his or her
 842 probationary period shall lose his or her eligibility for
 843 renewal for a period equivalent to 1 academic year. However, the
 844 student may reapply during a subsequent application period and
 845 may be eligible for an award if he or she has earned a minimum
 846 cumulative grade point average of 2.0 on a 4.0 scale. A student
 847 may not be granted more than one probationary award.

848 4. Students who receive state student aid and subsequently
 849 fail to meet state academic progress requirements due to
 850 verifiable illness or other emergencies may be granted an
 851 exception from the academic requirements. Such students shall
 852 make a written appeal to the institution. The appeal shall
 853 include a description and verification of the circumstances.
 854 Verification of illness or other emergencies may include but not
 855 be limited to a physician's statement or written statement of a
 856 parent or college official. The institution shall recommend
 857 exceptions with necessary documentation to the department. The
 858 department may accept or deny such recommendations for exception

859 from the institution.

860 Section 14. In order to implement Specific Appropriations
 861 6 and 76 of the 2016-2017 General Appropriations Act, subsection
 862 (2) of section 1009.50, Florida Statutes, is amended to read:

863 1009.50 Florida Public Student Assistance Grant Program;
 864 eligibility for grants.—

865 (2)(a) State student assistance grants through the program
 866 may be made only to degree-seeking students who enroll in at
 867 least 6 semester hours, or the equivalent per term, and who meet
 868 the general requirements for student eligibility as provided in
 869 s. 1009.40, except as otherwise provided in this section. The
 870 grants shall be awarded annually for the amount of demonstrated
 871 unmet need for the cost of education, after the expected family
 872 contribution and all other aid available to the student is
 873 accounted for, but ~~and~~ may not exceed an amount equal to the
 874 average prior academic year cost of tuition fees and other
 875 registration fees for 30 credit hours ~~at state universities~~ or
 876 such other amount as specified in the General Appropriations
 877 Act, to any recipient. A demonstrated unmet need of less than
 878 \$200, after the expected family contribution and all other aid
 879 available to the student is accounted for, shall render the
 880 applicant ineligible for a state student assistance grant.
 881 Recipients of the grants must have been accepted at a state
 882 university or Florida College System institution authorized by
 883 Florida law. A student is eligible for the award for 110 percent
 884 of the number of credit hours required to complete the program

885 in which enrolled, except as otherwise provided in s.
 886 1009.40(3).

887 (b) A student applying for a Florida public student
 888 assistance grant shall be required to apply for the Pell Grant.
 889 ~~The Pell Grant entitlement shall be considered when conducting~~
 890 ~~an assessment of the financial resources available to each~~
 891 ~~student.~~

892 (c) Institutions awarding grant moneys must conduct an
 893 assessment of all of the financial resources available to each
 894 student, including, but not limited to:

- 895 1. Pell Grants and other federal aid.
- 896 2. State grants and scholarships, including merit awards.
- 897 3. Institutional awards for merit or need.
- 898 4. Prepaid tuition contracts.
- 899 5. Private awards for merit or need.
- 900 6. Any other grant or scholarship available to the student
 901 for use toward the cost of education.

902
 903 Institutions that provide preliminary award packages before the
 904 final student eligibility determinations from the department for
 905 state grants and scholarships, including merit awards, shall
 906 reassess each student's award package after the allocation of
 907 funds and the final student eligibility determinations are
 908 received from the department.

909 (d) Priority in the distribution of grant moneys shall be
 910 given to students with the highest unmet need after the

911 assessment of available financial resources is conducted
 912 pursuant to paragraph (c) lowest total family resources, in
 913 accordance with a nationally recognized system of need analysis.
 914 Using the system of need analysis, the department shall
 915 establish a maximum expected family contribution. An institution
 916 may not make a grant from this program to a student whose
 917 expected family contribution exceeds the level established by
 918 the department. An institution may not impose additional
 919 criteria to determine a student's eligibility to receive a grant
 920 award.

921 (e) ~~(d)~~ Each participating institution shall report, to the
 922 department by the established date, the eligible students for
 923 the program for to whom grant moneys are disbursed each academic
 924 term. Each institution shall also report in a manner and by a
 925 date prescribed by ~~to~~ the department necessary demographic and
 926 eligibility data for such students, as well as the expected
 927 family contributions; other grant, scholarship, and aid awards;
 928 prepaid contracts; and student loans received by the students.

929 Section 15. In order to implement Specific Appropriations
 930 6 and 76 of the 2016-2017 General Appropriations Act, subsection
 931 (3) and paragraph (a) of subsection (4) of section 1009.505,
 932 Florida Statutes, are amended to read:

933 1009.505 Florida Public Postsecondary Career Education
 934 Student Assistance Grant Program.—

935 (3) (a) Student assistance grants through the program may
 936 be made only to certificate-seeking students enrolled at least

937 half-time in a public postsecondary career certificate program
 938 who meet the general requirements for student eligibility as
 939 provided in s. 1009.40, except as otherwise provided in this
 940 section. The grants shall be awarded annually to any recipient
 941 for the amount of demonstrated unmet need for the cost of
 942 education, after the expected family contribution and all other
 943 aid available to the student is accounted for, but and may not
 944 exceed the average annual cost of tuition and registration fees
 945 or such other amount as specified in the General Appropriations
 946 Act. A demonstrated unmet need of less than \$200, after the
 947 expected family contribution and all other aid available to the
 948 student is accounted for, shall render the applicant ineligible
 949 for a grant under this section. Recipients of the grants must
 950 have been accepted at a Florida College System institution
 951 authorized by Florida law or a career center operated by a
 952 district school board under s. 1001.44. A student is eligible
 953 for the award for 110 percent of the number of clock hours
 954 required to complete the program in which enrolled.

955 (b) A student applying for a Florida public postsecondary
 956 career education student assistance grant shall be required to
 957 apply for the Pell Grant. ~~A Pell Grant entitlement shall be~~
 958 ~~considered when conducting an assessment of the financial~~
 959 ~~resources available to each student; however, a Pell Grant~~
 960 ~~entitlement shall not be required as a condition of receiving a~~
 961 ~~grant under this section.~~

962 (c) Institutions awarding grant moneys must conduct an

963 assessment of all of the financial resources available to each
 964 student, including, but not limited to:

- 965 1. Pell Grants and other federal aid.
- 966 2. State grants and scholarships, including merit awards.
- 967 3. Institutional awards for merit or need.
- 968 4. Prepaid tuition contracts.
- 969 5. Private awards for merit or need.
- 970 6. Any other grant or scholarship available to the student
 971 for use toward the cost of education.

972
 973 Institutions that provide preliminary award packages before the
 974 final student eligibility determinations from the department for
 975 state grants and scholarships, including merit awards, shall
 976 reassess each student's award package after the allocation of
 977 funds and the final student eligibility determinations are
 978 received from the department.

979 (d) Priority in the distribution of grant moneys shall be
 980 given to students with the highest unmet need after the
 981 assessment of available financial resources is conducted
 982 pursuant to paragraph (c) in accordance with a nationally
 983 recognized system of need analysis. Using the system of need
 984 analysis, the department shall establish a maximum expected
 985 family contribution. An institution may not make a grant from
 986 this program to a student whose expected family contribution
 987 exceeds the level established by the department. An institution
 988 may not impose additional criteria to determine a student's

989 eligibility to receive a grant award.

990 (e) Each participating institution shall report, to the
 991 department by the established date, the eligible students for
 992 the program for ~~to whom grant moneys are disbursed~~ each academic
 993 term. Each institution shall also report in a manner and by a
 994 date prescribed by ~~to~~ the department necessary demographic and
 995 eligibility data for such students, as well as the expected
 996 family contributions; other grant, scholarship, and aid awards;
 997 prepaid contracts; and student loans received by the students.

998 (4) (a) The funds appropriated for the Florida Public
 999 Postsecondary Career Education Student Assistance Grant Program
 1000 shall be distributed to eligible Florida College System
 1001 institutions and district school boards in accordance with a
 1002 formula approved by the department under s. 1009.50(3).

1003 Section 16. In order to implement Specific Appropriations
 1004 6 and 76 of the 2016-2017 General Appropriations Act, subsection
 1005 (2) of section 1009.51, Florida Statutes, is amended to read:

1006 1009.51 Florida Private Student Assistance Grant Program;
 1007 eligibility for grants.—

1008 (2) (a) Florida private student assistance grants from the
 1009 State Student Financial Assistance Trust Fund may be made only
 1010 to full-time degree-seeking students who meet the general
 1011 requirements for student eligibility as provided in s. 1009.40,
 1012 except as otherwise provided in this section. Such grants shall
 1013 be awarded for the amount of demonstrated unmet need for tuition
 1014 and fees, after the expected family contribution and all other

1015 aid available to the student is accounted for, but and may not
 1016 exceed an amount equal to the average tuition and other
 1017 registration fees for 30 credit hours at state universities plus
 1018 \$1,000 per academic year, or as specified in the General
 1019 Appropriations Act, to any applicant. A demonstrated unmet need
 1020 of less than \$200, after the expected family contribution and
 1021 all other aid available to the student is accounted for, shall
 1022 render the applicant ineligible for a Florida private student
 1023 assistance grant. Recipients of such grants must have been
 1024 accepted at a baccalaureate-degree-granting independent
 1025 nonprofit college or university, which is accredited by the
 1026 Commission on Colleges of the Southern Association of Colleges
 1027 and Schools and which is located in and chartered as a domestic
 1028 corporation by the state. No student may receive an award for
 1029 more than the equivalent of 9 semesters or 14 quarters of full-
 1030 time enrollment, except as otherwise provided in s. 1009.40(3).

1031 (b) A student applying for a Florida private student
 1032 assistance grant shall be required to apply for the Pell Grant.
 1033 ~~The Pell Grant entitlement shall be considered when conducting~~
 1034 ~~an assessment of the financial resources available to each~~
 1035 ~~student.~~

1036 (c) Institutions awarding grant moneys must conduct an
 1037 assessment of all of the financial resources available to each
 1038 student, including, but not limited to:

- 1039 1. Pell Grants and other federal aid.
- 1040 2. State grants and scholarships, including merit awards.

- 1041 3. Institutional awards for merit or need.
- 1042 4. Prepaid tuition contracts.
- 1043 5. Private awards for merit or need.
- 1044 6. Any other grant or scholarship available to the student
- 1045 for use toward the cost of education.

1046

1047 Institutions that provide preliminary award packages before the

1048 final student eligibility determinations from the department for

1049 state grants and scholarships, including merit awards, shall

1050 reassess each student's award package after the allocation of

1051 funds and the final student eligibility determinations are

1052 received from the department.

1053 (d) Priority in the distribution of grant moneys shall be

1054 given to students with the highest unmet need after the

1055 assessment of available financial resources is conducted

1056 pursuant to paragraph (c) ~~lowest total family resources,~~ in

1057 accordance with a nationally recognized system of need analysis.

1058 Using the system of need analysis, the department shall

1059 establish a maximum expected family contribution. An institution

1060 may not make a grant from this program to a student whose

1061 expected family contribution exceeds the level established by

1062 the department. An institution may not impose additional

1063 criteria to determine a student's eligibility to receive a grant

1064 award.

1065 (e) ~~(d)~~ Each participating institution shall report, to the

1066 department by the established date, the eligible students for

1067 the program for to whom grant moneys are disbursed each academic
 1068 term. Each institution shall also report in a manner and by a
 1069 date prescribed by ~~to~~ the department necessary demographic and
 1070 eligibility data for such students, as well as the expected
 1071 family contributions; other grant, scholarship, and aid awards;
 1072 prepaid contracts; and student loans received by the students.

1073 Section 17. In order to implement Specific Appropriations
 1074 6 and 76 of the 2016-2017 General Appropriations Act, subsection
 1075 (2) of section 1009.52, Florida Statutes, is amended to read:

1076 1009.52 Florida Postsecondary Student Assistance Grant
 1077 Program; eligibility for grants.—

1078 (2) (a) Florida postsecondary student assistance grants
 1079 through the State Student Financial Assistance Trust Fund may be
 1080 made only to full-time degree-seeking students who meet the
 1081 general requirements for student eligibility as provided in s.
 1082 1009.40, except as otherwise provided in this section. Such
 1083 grants shall be awarded for the amount of demonstrated unmet
 1084 need for tuition and fees, after the expected family
 1085 contribution and all other aid available to the student is
 1086 accounted for, but ~~and~~ may not exceed an amount equal to the
 1087 average prior academic year cost of tuition and other
 1088 registration fees for 30 credit hours ~~at state universities~~ plus
 1089 \$1,000 per academic year, or as specified in the General
 1090 Appropriations Act, to any applicant. A demonstrated unmet need
 1091 of less than \$200, after the expected family contribution and
 1092 all other aid available to the student is accounted for, shall

1093 render the applicant ineligible for a Florida postsecondary
 1094 student assistance grant. Recipients of such grants must have
 1095 been accepted at a postsecondary institution that is located in
 1096 the state and that is:

- 1097 1. A private nursing diploma school approved by the
- 1098 Florida Board of Nursing; or
- 1099 2. A college or university licensed by the Commission for
- 1100 Independent Education, excluding those institutions the students
- 1101 of which are eligible to receive a Florida private student
- 1102 assistance grant pursuant to s. 1009.51.

1103
 1104 No student may receive an award for more than the equivalent of
 1105 9 semesters or 14 quarters of full-time enrollment, except as
 1106 otherwise provided in s. 1009.40(3).

1107 (b) A student applying for a Florida postsecondary student
 1108 assistance grant shall be required to apply for the Pell Grant.
 1109 ~~The Pell Grant entitlement shall be considered when conducting~~
 1110 ~~an assessment of the financial resources available to each~~
 1111 ~~student.~~

1112 (c) Institutions awarding grant moneys must conduct an
 1113 assessment of all of the financial resources available to each
 1114 student, including, but not limited to:

- 1115 1. Pell Grants and other federal aid.
- 1116 2. State grants and scholarships, including merit awards.
- 1117 3. Institutional awards for merit or need.
- 1118 4. Prepaid tuition contracts.

- 1119 5. Private awards for merit or need.
- 1120 6. Any other grant or scholarship available to the student
- 1121 for use toward the cost of education.

1122

1123 Institutions that provide preliminary award packages before the

1124 final student eligibility determinations from the department for

1125 state grants and scholarships, including merit awards, shall

1126 reassess each student's award package after the allocation of

1127 funds and the final student eligibility determinations are

1128 received from the department.

1129 (d) Priority in the distribution of grant moneys shall be

1130 given to students with the highest unmet need after the

1131 assessment of available financial resources is conducted

1132 pursuant to paragraph (c) ~~lowest total family resources,~~ in

1133 accordance with a nationally recognized system of need analysis.

1134 Using the system of need analysis, the department shall

1135 establish a maximum expected family contribution. An institution

1136 may not make a grant from this program to a student whose

1137 expected family contribution exceeds the level established by

1138 the department. An institution may not impose additional

1139 criteria to determine a student's eligibility to receive a grant

1140 award.

1141 (e) ~~(d)~~ Each participating institution shall report, to the

1142 department by the established date, the eligible students for

1143 the program for to whom grant moneys are disbursed each academic

1144 term. Each institution shall also report in a manner and by a

1145 date prescribed by ~~to~~ the department necessary demographic and
 1146 eligibility data for such students, as well as the expected
 1147 family contributions; other grant, scholarship, and aid awards;
 1148 prepaid contracts; and student loans received by the students.

1149 Section 18. In order to implement Specific Appropriation
 1150 18 of the 2016-2017 General Appropriations Act, subsections (1),
 1151 (2), and (4) and paragraph (c) of subsection (5) of section
 1152 1009.701, Florida Statutes, are amended to read:

1153 1009.701 First Generation Matching Grant Program.—

1154 (1) The First Generation Matching Grant Program is created
 1155 to enable each state university and Florida College System
 1156 institution to provide donors with a matching grant incentive
 1157 for contributions that will create grant-based student financial
 1158 aid for undergraduate students who demonstrate financial need
 1159 and whose parents, as defined in s. 1009.21(1), have not earned
 1160 a baccalaureate degree. In the case of any individual who
 1161 regularly resided with and received support from only one
 1162 parent, an individual whose only such parent did not complete a
 1163 baccalaureate degree would also be eligible.

1164 (2) Funds appropriated by the Legislature for the program
 1165 shall be allocated by the Office of Student Financial Assistance
 1166 to match private contributions on a ~~dollar for dollar~~ basis of
 1167 \$2 for each \$1 contributed. Contributions made to a state
 1168 university or Florida College System Institution and pledged for
 1169 the purposes of this section are eligible for state matching
 1170 funds appropriated for this program and are not eligible for any

1171 other state matching grant program. Pledged contributions are
 1172 not eligible for matching prior to the actual collection of the
 1173 total funds. The Office of Student Financial Assistance shall
 1174 reserve a proportionate allocation of the total appropriated
 1175 funds for each state university on the basis of full-time
 1176 equivalent enrollment. Funds that remain unmatched as of
 1177 December 1 shall be reallocated to state universities and
 1178 Florida College System institutions that have remaining
 1179 unmatched private contributions for the program on the basis of
 1180 full-time equivalent enrollment.

1181 (4) Each participating state university and Florida
 1182 College System institution shall establish an application
 1183 process, determine student eligibility for initial and renewal
 1184 awards in conformance with subsection (5), identify the amount
 1185 awarded to each recipient, and notify recipients of the amount
 1186 of their awards.

1187 (5) In order to be eligible to receive a grant pursuant to
 1188 this section, an applicant must:

1189 (c) Be accepted at a state university or Florida College
 1190 System institution.

1191 Section 19. In order to implement Specific Appropriations
 1192 7, 8, 9, 94 and 95 of the 2016-2017 General Appropriations Act,
 1193 subsection (4) of section 1011.61, Florida Statutes, is amended
 1194 to read:

1195 1011.61 Definitions.—Notwithstanding the provisions of s.
 1196 1000.21, the following terms are defined as follows for the

1197 purposes of the Florida Education Finance Program:

1198 (4) The maximum value for funding a student in
 1199 kindergarten through grade 12 or in a prekindergarten program
 1200 for exceptional children as provided in s. 1003.21(1)(e) shall
 1201 be the sum of the calculations in paragraphs (a), (b), and (c)
 1202 as calculated by the department.

1203 (a) The sum of the student's full-time equivalent student
 1204 membership value for the school year or the equivalent derived
 1205 from paragraphs (1)(a) and (b), subparagraph (1)(c)1., sub-
 1206 subparagraphs (1)(c)2.b. and c., subparagraph (1)(c)3., and
 1207 subsection (2). If the sum is greater than 1.0, the full-time
 1208 equivalent student membership value for each program or course
 1209 shall be reduced by an equal proportion so that the student's
 1210 total full-time equivalent student membership value is equal to
 1211 1.0.

1212 (b) If the result in paragraph (a) is less than 1.0 full-
 1213 time equivalent student and the student has full-time equivalent
 1214 student enrollment pursuant to sub-sub-subparagraph
 1215 (1)(c)1.b.(VIII), calculate an amount that is the lesser of the
 1216 value in sub-sub-subparagraph (1)(c)1.b.(VIII) or the value of
 1217 1.0 less the value in paragraph (a).

1218 (c) The full-time equivalent student enrollment value in
 1219 sub-subparagraph (1)(c)2.a.

1220

1221 A scholarship provided to a student enrolled in the John M.
 1222 McKay Scholarships for Students with Disabilities Program

1223 pursuant to s. 1002.39 is not subject to the maximum value for
 1224 funding a student as provided in this subsection.

1225 Section 20. In order to implement Specific Appropriations
 1226 7, 8, 9, 94 and 95 of the 2016-2017 General Appropriations Act
 1227 paragraph (g) is added to subsection (12) of section 1011.62,
 1228 Florida Statutes to read:

1229 1011.62 Funds for operation of schools.—If the annual
 1230 allocation from the Florida Education Finance Program to each
 1231 district for operation of schools is not determined in the
 1232 annual appropriations act or the substantive bill implementing
 1233 the annual appropriations act, it shall be determined as
 1234 follows:

1235 (12) FLORIDA DIGITAL CLASSROOMS ALLOCATION. —

1236 (g) For the 2016-2017 fiscal year, each district's digital
 1237 classrooms allocation plan must give preference to funding the
 1238 number of devices that comply with the requirements of s.
 1239 1001.20(4)(a)1.b., and that are needed to allow each school to
 1240 administer the Florida Standards Assessments to an entire grade
 1241 at the same time. If the district's digital classrooms
 1242 allocation plan does not include the purchase of devices, the
 1243 district must certify in the plan that the district currently
 1244 has sufficient devices that allow each school to administer the
 1245 Florida Standards Assessments in the manner described in this
 1246 paragraph. This paragraph expires July 1, 2017.

1247 Section 21. In order to implement Specific Appropriations
 1248 7, 8, 9, 94 and 95 of the 2016-2017 General Appropriations Act,

1249 and notwithstanding the expiration date in section 9 of chapter
 1250 2015-222, Laws of Florida, subsection (13) of section 1011.62,
 1251 Florida Statutes, is reenacted and amended to read:

1252 1011.62 Funds for operation of schools.—If the annual
 1253 allocation from the Florida Education Finance Program to each
 1254 district for operation of schools is not determined in the
 1255 annual appropriations act or the substantive bill implementing
 1256 the annual appropriations act, it shall be determined as
 1257 follows:

1258 (13) FEDERALLY CONNECTED STUDENT SUPPLEMENT.—The federally
 1259 connected student supplement is created to provide supplemental
 1260 funding for school districts to support the education of
 1261 students connected with federally owned military installations,
 1262 National Aeronautics and Space Administration (NASA) property,
 1263 and Indian lands. To be eligible for this supplement, the
 1264 district must be eligible for federal Impact Aid Program funds
 1265 under s. 8003 of Title VIII of the Elementary and Secondary
 1266 Education Act of 1965. The supplement shall be allocated
 1267 annually to each eligible school district in the amount provided
 1268 in the General Appropriations Act. The supplement shall be the
 1269 sum of the student allocation and an exempt property allocation.

1270 (a) The student allocation shall be calculated based on
 1271 the number of students reported for federal Impact Aid Program
 1272 funds, including students with disabilities, who meet one of the
 1273 following criteria:

- 1274 1. Resides with a parent who is on active duty in the

1275 | uniformed services or is an accredited foreign government
 1276 | official and military officer. Students with disabilities shall
 1277 | also be reported separately for this condition.

1278 | 2. Resides on eligible federally owned Indian lands.
 1279 | Students with disabilities shall also be reported separately for
 1280 | this condition.

1281 | 3. Resides with a civilian parent who lives or works on
 1282 | eligible federal property connected with a military installation
 1283 | or NASA. The number of these students shall be multiplied by a
 1284 | factor of 0.5.

1285 | (b) The total number of federally connected students
 1286 | calculated under paragraph (a) shall be multiplied by a
 1287 | percentage of the base student allocation as provided in the
 1288 | General Appropriations Act. The total of the number of students
 1289 | with disabilities as reported separately under subparagraphs
 1290 | (a)1. and (a)2. shall be multiplied by an additional percentage
 1291 | of the base student allocation as provided in the General
 1292 | Appropriations Act. The base amount and the amount for students
 1293 | with disabilities shall be summed to provide the student
 1294 | allocation.

1295 | (c) The exempt property allocation shall be equal to the
 1296 | tax-exempt value of federal impact aid lands reserved as
 1297 | military installations, real property owned by NASA, or eligible
 1298 | federally owned Indian lands located in the district, as of
 1299 | January 1 of the previous year, multiplied by the millage
 1300 | authorized and levied under s. 1011.71(2).

1301 (d) This subsection expires July 1, 2017.
 1302 Section 22. In order to implement Specific Appropriations
 1303 7, 8, 9, 94 and 95 of the 2016-2017 General Appropriations Act,
 1304 paragraph (b) of subsection (15) of section 1011.62, Florida
 1305 Statutes, is amended to read:
 1306 1011.62 Funds for operation of schools.—If the annual
 1307 allocation from the Florida Education Finance Program to each
 1308 district for operation of schools is not determined in the
 1309 annual appropriations act or the substantive bill implementing
 1310 the annual appropriations act, it shall be determined as
 1311 follows:
 1312 (15) TOTAL ALLOCATION OF STATE FUNDS TO EACH DISTRICT FOR
 1313 CURRENT OPERATION.—The total annual state allocation to each
 1314 district for current operation for the FEFP shall be distributed
 1315 periodically in the manner prescribed in the General
 1316 Appropriations Act.
 1317 (b) The amount thus obtained shall be the net annual
 1318 allocation to each school district. However, if it is determined
 1319 that any school district received an underallocation or
 1320 overallocation for any prior year because of an arithmetical
 1321 error, assessment roll change required by final judicial
 1322 decision, full-time equivalent student membership error, or any
 1323 allocation error revealed in an audit report, the allocation to
 1324 that district shall be appropriately adjusted. An
 1325 underallocation in a prior year caused by a school district's
 1326 error may not be the basis for a positive allocation adjustment

1327 for the current year. Beginning with the 2011-2012 fiscal year,
 1328 if a special program cost factor is less than the basic program
 1329 cost factor, an audit adjustment may not result in the
 1330 reclassification of the special program FTE to the basic program
 1331 FTE. If the Department of Education audit adjustment
 1332 recommendation is based upon controverted findings of fact, the
 1333 Commissioner of Education is authorized to establish the amount
 1334 of the adjustment based on the best interests of the state.

1335 Section 23. In order to implement Specific Appropriation
 1336 104 of the 2016-2017 General Appropriations Act, subsection (3)
 1337 of section 1012.39, Florida Statutes, is amended to read:

1338 1012.39 Employment of substitute teachers, teachers of
 1339 adult education, nondegreed teachers of career education, and
 1340 career specialists; students performing clinical field
 1341 experience.—

1342 (3) A student who is enrolled in a state-approved teacher
 1343 preparation program in a postsecondary educational institution
 1344 that is approved by rules of the State Board of Education and
 1345 who is jointly assigned by the postsecondary educational
 1346 institution and a district school board to perform a clinical
 1347 field experience under the direction of a regularly employed and
 1348 certified educator shall, while serving such supervised clinical
 1349 field experience, be accorded the same protection of law as that
 1350 accorded to the certified educator except for the right to
 1351 bargain collectively as an employee of the district school
 1352 board. The district school board providing the clinical field

1353 experience shall notify the student electronically or in writing
 1354 of the availability of educator liability insurance under s.
 1355 1012.75. A postsecondary educational institution or district
 1356 school board may not require a student enrolled in a state-
 1357 approved teacher preparation program to purchase liability
 1358 insurance as a condition of participation in any clinical field
 1359 experience or related activity on the premises of an elementary
 1360 or secondary school.

1361 Section 24. In order to implement Specific Appropriation
 1362 103 of the 2016-2017 General Appropriations Act, section
 1363 1012.731, Florida Statutes, is created to read:

1364 1012.731 The Florida Best and Brightest Teacher
 1365 Scholarship Program.-

1366 (1) The Legislature recognizes that, second only to
 1367 parents, teachers play the most critical role within schools in
 1368 preparing students to achieve a high level of academic
 1369 performance. The Legislature further recognizes that research
 1370 has linked student outcomes to a teacher's own academic
 1371 achievement. Therefore, it is the intent of the Legislature to
 1372 designate teachers who have achieved high academic standards
 1373 during their own education as Florida's best and brightest
 1374 teacher scholars.

1375 (2) There is created the Florida Best and Brightest
 1376 Teacher Scholarship Program to be administered by the Department
 1377 of Education. The scholarship program shall provide categorical
 1378 funding for scholarships to be awarded to classroom teachers, as

1379 defined in s. 1012.01(2)(a), who have demonstrated a high level
 1380 of academic achievement.

1381 (3)(a) To be eligible for a scholarship, a classroom
 1382 teacher must have achieved a composite score at or above the
 1383 80th percentile on either the SAT or the ACT based on the
 1384 National Percentile Ranks in effect when the classroom teacher
 1385 took the assessment and have been evaluated as highly effective
 1386 pursuant to s. 1012.34 in the school year immediately preceding
 1387 the year in which the scholarship will be awarded, unless the
 1388 classroom teacher is newly hired by the district school board
 1389 and has not been evaluated pursuant to s. 1012.34.

1390 (b) In order to demonstrate eligibility for an award, an
 1391 eligible classroom teacher must submit to the school district,
 1392 no later than November 1, an official record of his or her SAT
 1393 or ACT score demonstrating that the classroom teacher scored at
 1394 or above the 80th percentile based on the National Percentile
 1395 Ranks in effect when the teacher took the assessment. Once a
 1396 classroom teacher is deemed eligible by the school district,
 1397 including teachers deemed eligible in the 2015-2016 fiscal year,
 1398 the teacher shall remain eligible as long as he or she remains
 1399 employed by the school district as a classroom teacher at the
 1400 time of the award and receives an annual performance evaluation
 1401 rating of highly effective pursuant to s. 1012.34.

1402 (4) Annually, by December 1, each school district shall
 1403 submit to the department the number of eligible classroom
 1404 teachers who qualify for the scholarship.

1405 (5) Annually, by February 1, the department shall disburse
 1406 scholarship funds to each school district for each eligible
 1407 classroom teacher to receive a scholarship as provided in the
 1408 General Appropriations Act. The amount disbursed shall include a
 1409 scholarship award of \$1,000, from the total amount of funds
 1410 appropriated, for each eligible classroom teacher in a Title I
 1411 school. Of the remaining funds, a scholarship in the amount
 1412 provided in the General Appropriations Act shall be awarded to
 1413 every eligible classroom teacher, including those in Title I
 1414 schools. If the number of eligible classroom teachers exceeds
 1415 the total appropriation authorized in the General Appropriations
 1416 Act, the department shall prorate the per-teacher scholarship
 1417 amount.

1418 (6) Annually, by April 1, each school district shall award
 1419 the scholarship to each eligible classroom teacher.

1420 (7) For purposes of this section, the term "school
 1421 district" includes the Florida School for the Deaf and the Blind
 1422 and charter school governing boards.

1423 (8) This section expires July 1, 2017.

1424 Section 25. In order to implement Specific Appropriation
 1425 104 of the 2016-2017 General Appropriations Act, paragraph (d)
 1426 of subsection (3) of section 1012.75, Florida Statutes, is
 1427 amended to read:

1428 1012.75 Liability of teacher or principal; excessive
 1429 force.—

1430 (3) The Department of Education shall administer an

1431 educator liability insurance program, as provided in the General
 1432 Appropriations Act, to protect full-time instructional personnel
 1433 from liability for monetary damages and the costs of defending
 1434 actions resulting from claims made against the instructional
 1435 personnel arising out of occurrences in the course of activities
 1436 within the instructional personnel's professional capacity. For
 1437 purposes of this subsection, the terms "full-time," "part-time,"
 1438 and "administrative personnel" shall be defined by the
 1439 individual district school board. For purposes of this
 1440 subsection, the term "instructional personnel" has the same
 1441 meaning as provided in s. 1012.01(2).

1442 (d) This subsection expires July 1, 2017 ~~2016~~.

1443 Section 26. In order to implement Specific Appropriation
 1444 19 of the 2016-2017 General Appropriations Act, subsection (3)
 1445 of section 1013.64, Florida Statutes, is amended to read:

1446 1013.64 Funds for comprehensive educational plant needs;
 1447 construction cost maximums for school district capital
 1448 projects.—Allocations from the Public Education Capital Outlay
 1449 and Debt Service Trust Fund to the various boards for capital
 1450 outlay projects shall be determined as follows:

1451 (3) (a) Each district school board shall receive an amount
 1452 from the Public Education Capital Outlay and Debt Service Trust
 1453 Fund to be calculated by computing the capital outlay ~~full-time~~
 1454 ~~equivalent~~ membership as determined by the department. Such
 1455 membership must include, but is not limited to:

- 1456 1. K-12 students and prekindergarten exceptional students

1457 for whom the school district provides the educational facility,
 1458 except hospital- and homebound part-time students; and

1459 2. Students who are career education students, and adult
 1460 disabled students and who are enrolled in school district career
 1461 centers.

1462 (b) The capital outlay ~~full-time equivalent~~ membership
 1463 shall be determined for prekindergarten exceptional education
 1464 students, kindergarten through the 12th grade, and for career
 1465 centers by counting the averaging the unweighted full-time
 1466 equivalent student membership for the second and third surveys
 1467 and comparing the results on a school-by-school basis with the
 1468 Florida Inventory of ~~for~~ School Houses. If the prior academic
 1469 year's third survey count is higher than the current year's
 1470 second survey count when comparing the results on a school-by-
 1471 school basis with the Florida Inventory of School Houses, the
 1472 prior year's third survey count shall be used on a school-by-
 1473 school basis for determining the current capital outlay
 1474 membership. The Florida Inventory of School Houses shall be
 1475 updated with the current capital outlay membership count as soon
 1476 as practicable after verification of the capital outlay
 1477 membership.

1478 (c) The capital outlay ~~full-time equivalent~~ membership by
 1479 grade level organization shall be used in making ~~the following~~
 1480 calculations. ~~+~~ The capital outlay ~~full-time equivalent~~
 1481 membership by grade level organization for the 4th prior year
 1482 must be used to compute the base-year allocation. The capital

1483 outlay ~~full-time equivalent~~ membership by grade-level
 1484 organization for the prior year must be used to compute the
 1485 growth over the highest of the 3 years preceding the prior year.
 1486 From the total amount appropriated by the Legislature pursuant
 1487 to this subsection, 40 percent shall be allocated among the base
 1488 capital outlay ~~full-time equivalent~~ membership and 60 percent
 1489 among the growth capital outlay ~~full-time equivalent~~ membership.
 1490 The allocation within each of these groups shall be prorated to
 1491 the districts based upon each district's percentage of base and
 1492 growth capital outlay full-time membership. The most recent 4-
 1493 year capital outlay ~~full-time equivalent~~ membership data shall
 1494 be used in each subsequent year's calculation for the allocation
 1495 of funds pursuant to this subsection. If a change, correction,
 1496 or recomputation of data during any year results in a reduction
 1497 or increase of the calculated amount previously allocated to a
 1498 district, the allocation to that district shall be adjusted
 1499 accordingly ~~correspondingly~~. If such recomputation results in an
 1500 increase or decrease of the calculated amount, such additional
 1501 or reduced amounts shall be added to or reduced from the
 1502 district's future appropriations. However, no change,
 1503 correction, or recomputation of data shall be made subsequent to
 1504 2 years following the initial annual allocation.

1505 (d) ~~(b)~~ Funds accruing to a district school board from the
 1506 provisions of this section shall be expended on needed projects
 1507 as shown by survey or surveys under the rules of the State Board
 1508 of Education.

1509 ~~(e)~~ A district school board may lease relocatable
 1510 educational facilities for up to 3 years using nonbonded PECO
 1511 funds and for any time period using local capital outlay
 1512 millage.

1513 ~~(f)~~ Funds distributed to the district school boards
 1514 shall be allocated solely based on the provisions of paragraphs
 1515 (1)(a) and (2)(a) and paragraphs (a)-(c) ~~paragraph (a)~~ of this
 1516 subsection. No individual school district projects shall be
 1517 funded off the top of funds allocated to district school boards.

1518 Section 27. The amendments made by this act to ss.
 1519 11.45, 1001.7065, 1001.92, 1002.39, 1008.46, 1009.23, 1009.24,
 1520 1009.40, 1009.50, 1009.505, 1009.51, 1009.52, 1009.701, 1011.61,
 1521 1011.62, 1012.39, 1012.75 and 1013.64, Florida Statutes, expire
 1522 July 1, 2017, and the text of those sections shall revert to
 1523 that in existence on June 30, 2106, except that any amendments
 1524 to such text enacted other than by this act shall be preserved
 1525 and continue to operate to the extent that such amendments are
 1526 no dependent upon the portions of text which expire pursuant to
 1527 this section.

1528 Section 28. In order to implement Specific Appropriations
 1529 199, 206 through 208, and 211 of the 2016-2017 General
 1530 Appropriations Act, the calculations for the Medicaid Low-Income
 1531 Pool, Disproportionate Share Hospital, and Hospital
 1532 Reimbursement programs, for the 2016-2017 fiscal year contained
 1533 in the document titled "Medicaid Hospital Supplemental Funding
 1534 Programs," dated January 28, 2016, and filed with the Clerk of

1535 the House of Representatives, are incorporated by reference for
 1536 the purpose of displaying the calculations used by the
 1537 Legislature, consistent with the requirements of state law, in
 1538 making appropriations for the Medicaid Low-Income Pool,
 1539 Disproportionate Share Hospital, and Hospital Reimbursement
 1540 programs. This section expires July 1, 2017.

1541 Section 29. In order to implement Specific Appropriations
 1542 569 through 580 of the 2016-2017 General Appropriations Act,
 1543 subsection (3) of section 296.37, Florida Statutes, is amended
 1544 to read:

1545 296.37 Residents; contribution to support.—

1546 (3) Notwithstanding subsection (1), each resident of the
 1547 home who receives a pension, compensation, or gratuity from the
 1548 United States Government, or income from any other source, of
 1549 more than \$105 per month shall contribute to his or her
 1550 maintenance and support while a resident of the home in
 1551 accordance with a payment schedule determined by the
 1552 administrator and approved by the director. The total amount of
 1553 such contributions shall be to the fullest extent possible, but,
 1554 in no case, shall exceed the actual cost of operating and
 1555 maintaining the home. This subsection expires July 1, ~~2016~~ 2017.

1556 Section 30. In order to implement Specific Appropriations
 1557 193 through 226 and 541 of the 2016-2017 General Appropriations
 1558 Act and notwithstanding ss. 216.181 and 216.292, Florida
 1559 Statutes, the Agency for Health Care Administration, in
 1560 consultation with the Department of Health, may submit a budget

1561 amendment, subject to the notice, review, and objection
 1562 procedures of s. 216.177, Florida Statutes, to realign funding
 1563 within and between agencies based on implementation of the
 1564 Managed Medical Assistance component of the Statewide Medicaid
 1565 Managed Care program for the Children's Medical Services program
 1566 of the Department of Health. The funding realignment shall
 1567 reflect the actual enrollment changes due to the transfer of
 1568 beneficiaries from fee-for-service to the capitated Children's
 1569 Medical Services Network. The Agency for Health Care
 1570 Administration may submit a request for nonoperating budget
 1571 authority to transfer the federal funds to the Department of
 1572 Health pursuant to s. 216.181(12), Florida Statutes. This
 1573 section expires July 1, 2017.

1574 Section 31. In order to implement Specific Appropriation
 1575 342 of the 2016-2017 General Appropriations Act, and
 1576 notwithstanding s. 409.991, Florida Statutes, for the 2016-2017
 1577 fiscal year, funds provided for training purposes shall be
 1578 allocated to community-based care lead agencies based on a
 1579 training needs assessment conducted by the Department of
 1580 Children and Families. This section expires July 1, 2017.

1581 Section 32. In order to implement Specific Appropriation
 1582 515 through 536 of the 2016-2017 General Appropriations Act,
 1583 subsection (17) of section 893.055, Florida Statutes, is amended
 1584 to read:

1585 893.055 Prescription drug monitoring program.—
 1586 (17) Notwithstanding subsection (10), and for the 2016-

1587 2017 ~~2015-2016~~ fiscal year only, the department may use state
 1588 funds appropriated in the 2016-2017 ~~2015-2016~~ General
 1589 Appropriations Act to administer the prescription drug
 1590 monitoring program. Neither the Attorney General nor the
 1591 department may use funds received as part of a settlement
 1592 agreement to administer the prescription drug monitoring
 1593 program. This subsection expires July 1, 2017 ~~2016~~.

1594 Section 33. In order to implement Specific Appropriations
 1595 598A through 701 and 721 through 755 of the 2016-2017 General
 1596 Appropriations Act, subsection (4) of section 216.262, Florida
 1597 Statutes, is amended to read:

1598 216.262 Authorized positions.—

1599 (4) Notwithstanding the provisions of this chapter
 1600 relating to increasing the number of authorized positions, and
 1601 for the 2016-2017 ~~2015-2016~~ fiscal year only, if the actual
 1602 inmate population of the Department of Corrections exceeds the
 1603 inmate population projections of the December 17 ~~February 27~~,
 1604 2015, Criminal Justice Estimating Conference by 1 percent for 2
 1605 consecutive months or 2 percent for any month, the Executive
 1606 Office of the Governor, with the approval of the Legislative
 1607 Budget Commission, shall immediately notify the Criminal Justice
 1608 Estimating Conference, which shall convene as soon as possible
 1609 to revise the estimates. The Department of Corrections may then
 1610 submit a budget amendment requesting the establishment of
 1611 positions in excess of the number authorized by the Legislature
 1612 and additional appropriations from unallocated general revenue

1613 sufficient to provide for essential staff, fixed capital
 1614 improvements, and other resources to provide classification,
 1615 security, food services, health services, and other variable
 1616 expenses within the institutions to accommodate the estimated
 1617 increase in the inmate population. All actions taken pursuant to
 1618 this subsection are subject to review and approval by the
 1619 Legislative Budget Commission. This subsection expires July 1,
 1620 2017 ~~2016~~.

1621 Section 34. In order to implement Specific Appropriations
 1622 1283 and 1284 of the 2016-2017 General Appropriations Act, the
 1623 Department of Legal Affairs may expend appropriated funds in
 1624 those specific appropriations on the same programs that were
 1625 funded by the department pursuant to specific appropriations
 1626 made in general appropriations acts in previous years. This
 1627 section expires July 1, 2017.

1628 Section 35. In order to implement Specific Appropriations
 1629 1219 and 1224 of the 2016-2017 General Appropriations Act,
 1630 paragraph (d) of subsection (4) of section 932.7055, Florida
 1631 Statutes, is amended to read:

1632 932.7055 Disposition of liens and forfeited property.—

1633 (4) The proceeds from the sale of forfeited property shall
 1634 be disbursed in the following priority:

1635 (d) Notwithstanding any other provision of this
 1636 subsection, and for the 2016-2017 ~~2015-2016~~ fiscal year only,
 1637 the funds in a special law enforcement trust fund established by
 1638 the governing body of a municipality may be expended to

1639 reimburse the general fund of the municipality for moneys
 1640 advanced from the general fund to the special law enforcement
 1641 trust fund before October 1, 2001. This paragraph expires July
 1642 1, 2017 ~~2016~~.

1643 Section 36. In order to implement Specific Appropriations
 1644 3109 through 3179 of the 2016-2017 General Appropriations Act,
 1645 subsection (2) of section 215.18, Florida Statutes, is amended
 1646 to read:

1647 215.18 Transfers between funds; limitation.—

1648 (2) The Chief Justice of the Supreme Court may receive one
 1649 or more trust fund loans to ensure that the state court system
 1650 has funds sufficient to meet its appropriations in the 2016-2017
 1651 ~~2015-2016~~ General Appropriations Act. If the Chief Justice
 1652 accesses the loan, he or she must notify the Governor and the
 1653 chairs of the legislative appropriations committees in writing.
 1654 The loan must come from other funds in the State Treasury which
 1655 are for the time being or otherwise in excess of the amounts
 1656 necessary to meet the just requirements of such last-mentioned
 1657 funds. The Governor shall order the transfer of funds within 5
 1658 days after the written notification from the Chief Justice. If
 1659 the Governor does not order the transfer, the Chief Financial
 1660 Officer shall transfer the requested funds. The loan of funds
 1661 from which any money is temporarily transferred must be repaid
 1662 by the end of the 2016-2017 ~~2015-2016~~ fiscal year. This
 1663 subsection expires July 1, 2017 ~~2016~~.

1664 Section 37. In order to implement appropriations for

1665 salaries and benefits in the 2016-2017 General Appropriations
 1666 Act for the Department of Corrections and notwithstanding s.
 1667 216.292, Florida Statutes, the Department of Corrections may not
 1668 transfer funds from a salaries and benefits category to any
 1669 other category within the department other than a salaries and
 1670 benefits category without approval of the Legislative Budget
 1671 Commission. This section expires July 1, 2017.

1672 Section 38. (1) In order to implement Specific
 1673 Appropriations 1093 through 1105 of the 2016-2017 General
 1674 Appropriations Act, the Department of Juvenile Justice is
 1675 required to review county juvenile detention payments to ensure
 1676 that counties fulfill their financial responsibilities required
 1677 in s. 985.686, Florida Statutes. If the Department of Juvenile
 1678 Justice determines that a county has not met its obligations,
 1679 the department shall direct the Department of Revenue to deduct
 1680 the amount owed to the Department of Juvenile Justice from the
 1681 funds provided to the county under s. 218.23, Florida Statutes.
 1682 The Department of Revenue shall transfer the funds withheld to
 1683 the Shared County/State Juvenile Detention Trust Fund.

1684 (2) As an assurance to holders of bonds issued by counties
 1685 before July 1, 2016, for which distributions made pursuant to s.
 1686 218.23, Florida Statutes, are pledged, or bonds issued to refund
 1687 such bonds which mature no later than the bonds they refunded
 1688 and which result in a reduction of debt service payable in each
 1689 fiscal year, the amount available for distribution to a county
 1690 shall remain as provided by law and continue to be subject to

1691 any lien or claim on behalf of the bondholders. The Department
 1692 of Revenue must ensure, based on information provided by an
 1693 affected county, that any reduction in amounts distributed
 1694 pursuant to subsection (1) does not reduce the amount of
 1695 distribution to a county below the amount necessary for the
 1696 timely payment of principal and interest when due on the bonds
 1697 and the amount necessary to comply with any covenant under the
 1698 bond resolution or other documents relating to the issuance of
 1699 the bonds. If a reduction to a county's monthly distribution
 1700 must be decreased in order to comply with this subsection, the
 1701 Department of Revenue must notify the Department of Juvenile
 1702 Justice of the amount of the decrease, and the Department of
 1703 Juvenile Justice must send a bill for payment of such amount to
 1704 the affected county.

1705 (3) This section expires July 1, 2017.

1706 Section 39. In order to implement appropriations used to
 1707 pay existing lease contracts for private lease space in excess
 1708 of 2,000 square feet in the 2016-2017 General Appropriations
 1709 Act, the Department of Management Services, with the cooperation
 1710 of the agencies having the existing lease contracts for office
 1711 or storage space, shall use tenant broker services to
 1712 renegotiate or reprocure all private lease agreements for office
 1713 or storage space expiring between July 1, 2017, and June 30,
 1714 2019, in order to reduce costs in future years. The department
 1715 shall incorporate this initiative into its 2016 master leasing
 1716 report required under s. 255.249(7), Florida Statutes, and may

1717 use tenant broker services to explore the possibilities of
 1718 collocating office or storage space, to review the space needs
 1719 of each agency, and to review the length and terms of potential
 1720 renewals or renegotiations. The department shall provide a
 1721 report to the Executive Office of the Governor, the President of
 1722 the Senate, and the Speaker of the House of Representatives by
 1723 November 1, 2016, which lists each lease contract for private
 1724 office or storage space, the status of renegotiations, and the
 1725 savings achieved. This section expires July 1, 2017.

1726 Section 40. In order to implement Specific Appropriations
 1727 2257 through 2265 of the 2016-2017 General Appropriations Act,
 1728 section 624.502, Florida Statutes, is reenacted to read:

1729 624.502 Service of process fee.—In all instances as
 1730 provided in any section of the insurance code and s. 48.151(3)
 1731 in which service of process is authorized to be made upon the
 1732 Chief Financial Officer or the director of the office, the
 1733 plaintiff shall pay to the department or office a fee of \$15 for
 1734 such service of process, which fee shall be deposited into the
 1735 Administrative Trust Fund.

1736 Section 41. The amendment to s. 624.502, Florida Statutes,
 1737 as carried forward by this act from chapter 2015-222, Laws of
 1738 Florida, expires July 1, 2017, and the text of that section
 1739 shall revert to that in existence on June 30, 2013, except that
 1740 any amendments to such text enacted other than by this act shall
 1741 be preserved and continue to operate to the extent that such
 1742 amendments are not dependent upon the portions of text which

1743 expire pursuant to this section.

1744 Section 42. In order to implement Specific Appropriations
 1745 2740 through 2752 of the 2016-2017 General Appropriations Act
 1746 and notwithstanding rule 60A-1.031, Florida Administrative Code,
 1747 the transaction fee collected for use of the online procurement
 1748 system, authorized in ss. 287.042(1)(h)1. and 287.057(22)(c),
 1749 Florida Statutes, shall be seven-tenths of 1 percent for the
 1750 2016-2017 fiscal year only. This section expires July 1, 2017.

1751 Section 43. In order to implement the appropriation of
 1752 funds in the appropriation category "Data Processing Services-
 1753 State Data Center-Agency for State Technology (AST)" in the
 1754 2016-2017 General Appropriations Act, and pursuant to the
 1755 notice, review, and objection procedures of s. 216.177, Florida
 1756 Statutes, the Executive Office of the Governor may transfer
 1757 funds appropriated in that category between departments in order
 1758 to align the budget authority granted based on the estimated
 1759 billing cycle and methodology used by the Agency for State
 1760 Technology for data processing services provided by the State
 1761 Data Center. This section expires July 1, 2017.

1762 Section 44. In order to implement appropriations
 1763 authorized in the 2016-2017 General Appropriations Act for data
 1764 center services, and notwithstanding s. 216.292(2)(a), Florida
 1765 Statutes, except as authorized in sections 43 and 45, an agency
 1766 may not transfer funds from a data processing category to a
 1767 category other than another data processing category. This
 1768 section expires July 1, 2017.

1769 Section 45. In order to implement the appropriation of
 1770 funds in the appropriation category "Data Processing Services-
 1771 State Data Center-Agency for State Technology (AST)" in the
 1772 2016-2017 General Appropriations Act, and notwithstanding
 1773 section 44 and s. 282.201(1) and (5), Florida Statutes, an
 1774 agency may transfer funds appropriated to this category to a
 1775 contracted services appropriation category in order to contract
 1776 with a private sector cloud service if the service reduces the
 1777 agency's data center costs while maintaining the same or
 1778 improved levels of service and complies with all applicable
 1779 federal and state security and privacy requirements. Such
 1780 transfers are subject to the notice, review, and objection
 1781 procedures of s. 216.177, Florida Statutes.

1782 Section 46. In order to implement Specific Appropriation
 1783 2826 of the 2016-2017 General Appropriations Act, the Executive
 1784 Office of the Governor may transfer funds appropriated in the
 1785 appropriation category "Expenses" of the 2016-2017 General
 1786 Appropriations Act between agencies in order to allocate a
 1787 reduction relating to SUNCOM Network services. This section
 1788 expires July 1, 2017.

1789 Section 47. In order to implement the appropriation of
 1790 funds in the appropriation category "Special Categories-Risk
 1791 Management Insurance" in the 2016-2017 General Appropriations
 1792 Act, and pursuant to the notice, review, and objection
 1793 procedures of s. 216.177, Florida Statutes, the Executive Office
 1794 of the Governor may transfer funds appropriated in that category

1795 between departments in order to align the budget authority
 1796 granted with the premiums paid by each department for risk
 1797 management insurance. This section expires July 1, 2017.

1798 Section 48. In order to implement the appropriation of
 1799 funds in the appropriation category "Special Categories-Transfer
 1800 to Department of Management Services-Human Resources Services
 1801 Purchased per Statewide Contract" in the 2016-2017 General
 1802 Appropriations Act, and pursuant to the notice, review, and
 1803 objection procedures of s. 216.177, Florida Statutes, the
 1804 Executive Office of the Governor may transfer funds appropriated
 1805 in that category between departments in order to align the
 1806 budget authority granted with the assessments that must be paid
 1807 by each agency to the Department of Management Services for
 1808 human resource management services. This section expires July 1,
 1809 2017.

1810 Section 49. In order to implement Specific Appropriation
 1811 2317A of the 2016-2017 General Appropriations Act:

1812 (1) The Department of Financial Services shall replace the
 1813 four main components of the Florida Accounting Information
 1814 Resource Subsystem (FLAIR), which include central FLAIR,
 1815 departmental FLAIR, payroll, and information warehouse, and
 1816 shall replace the three main components of the Cash Management
 1817 Subsystem (CMS), which include cash management, accounting
 1818 management, and investment management, with an integrated
 1819 enterprise system that allows the state to organize, define, and
 1820 standardize its financial management business processes and that

1821 complies with ss. 215.90-215.96, Florida Statutes. The
 1822 department shall not include in the replacement of FLAIR and
 1823 CMS:

1824 (a) Functionality that duplicates any of the other
 1825 information subsystems of the Florida Financial Management
 1826 Information System; or

1827 (b) Agency business processes related to any of the
 1828 functions included in the Personnel Information System, the
 1829 Purchasing Subsystem, or the Legislative Appropriations
 1830 System/Planning and Budgeting Subsystem.

1831 (2) For purposes of replacing FLAIR and CMS, the
 1832 Department of Financial Services shall:

1833 (a) Take into consideration the cost and implementation of
 1834 data identified for Option 3 as recommended in the March 31,
 1835 2014, Florida Department of Financial Services FLAIR Study,
 1836 version 031.

1837 (b) Ensure that all business requirements and technical
 1838 specifications have been provided to all state agencies for
 1839 their review and input and approved by the executive steering
 1840 committee established in paragraph (c).

1841 (c) Implement a project governance structure that includes
 1842 an executive steering committee composed of:

1843 1. The Chief Financial Officer or the executive sponsor of
 1844 the project.

1845 2. The director of the Division of Treasury of the
 1846 Department of Financial Services.

1847 3. The director of the Division of Information Systems of
 1848 the Department of Financial Services.

1849 4. Four employees from the Division of Accounting and
 1850 Auditing of the Department of Financial Services, who are
 1851 appointed by the Chief Financial Officer. Each employee must
 1852 have experience relating to at least one of the four main
 1853 components that comprise FLAIR.

1854 5. Two employees from the Executive Office of the
 1855 Governor, who are appointed by the Governor. One employee must
 1856 have experience relating to the Legislative Appropriations
 1857 System/Planning and Budgeting Subsystem.

1858 6. One employee from the Department of Revenue, who is
 1859 appointed by the executive director of the department and has
 1860 experience relating to the department's SUNTAX system.

1861 7. Two employees from the Department of Management
 1862 Services, who are appointed by the secretary of the department.
 1863 One employee must have experience relating to the department's
 1864 personnel information subsystem and one employee must have
 1865 experience relating to the department's purchasing subsystem.

1866 8. Three state agency administrative services directors,
 1867 who are appointed by the Governor. One director must represent a
 1868 regulatory and licensing state agency and one director must
 1869 represent a health care-related state agency.

1870 (3) The Chief Financial Officer or the executive sponsor of
 1871 the project shall serve as chair of the executive steering
 1872 committee, and the committee shall take action by a vote of at

1873 least eight affirmative votes with the Chief Financial Officer
 1874 or the executive sponsor of the project voting on the prevailing
 1875 side.

1876 (4) The executive steering committee has the overall
 1877 responsibility for ensuring that the project to replace FLAIR
 1878 and CMS meets its primary business objectives and shall:

1879 (a) Identify and recommend to the Executive Office of the
 1880 Governor, the President of the Senate, and the Speaker of the
 1881 House of Representatives any statutory changes needed to
 1882 implement the replacement subsystem that will standardize to the
 1883 fullest extent possible the state's financial management
 1884 business processes.

1885 (b) Review and approve any changes to the project's scope,
 1886 schedule, and budget that do not conflict with the requirements
 1887 of subsection (1).

1888 (c) Ensure that adequate resources are provided throughout
 1889 all phases of the project.

1890 (d) Approve all major project deliverables.

1891 (e) Approve all solicitation-related documents associated
 1892 with the replacement of FLAIR and CMS.

1893 (5) This section expires July 1, 2017.

1894 Section 50. In order to implement Specific Appropriation
 1895 1630A of the 2016-2017 General Appropriations Act, paragraph (e)
 1896 of subsection (5) of section 161.143, Florida Statutes, is
 1897 amended to read:

1898 161.143 Inlet management; planning, prioritizing, funding,

1899 approving, and implementing projects.—

1900 (5) The department shall annually provide an inlet
 1901 management project list, in priority order, to the Legislature
 1902 as part of the department's budget request. The list must
 1903 include studies, projects, or other activities that address the
 1904 management of at least 10 separate inlets and that are ranked
 1905 according to the criteria established under subsection (2).

1906 (e) Notwithstanding paragraphs (a) and (b), and for the
 1907 2016-2017 ~~2015-2016~~ fiscal year only, the amount allocated for
 1908 inlet management funding is provided in the 2016-2017 ~~2015-2016~~
 1909 General Appropriations Act. This paragraph expires July 1, 2017
 1910 ~~2016~~.

1911 Section 51. In order to implement Specific Appropriations
 1912 1533 of the 2016-2017 General Appropriations Act, paragraph (m)
 1913 of subsection (3) of section 259.105, Florida Statutes, is
 1914 amended to read:

1915 259.105 The Florida Forever Act.—

1916 (3) Less the costs of issuing and the costs of funding
 1917 reserve accounts and other costs associated with bonds, the
 1918 proceeds of cash payments or bonds issued pursuant to this
 1919 section shall be deposited into the Florida Forever Trust Fund
 1920 created by s. 259.1051. The proceeds shall be distributed by the
 1921 Department of Environmental Protection in the following manner:

1922 (m) Notwithstanding paragraphs (a)-(j) and for the 2016-
 1923 2017 ~~2015-2016~~ fiscal year only: ~~7~~ ~~\$17.4 million to only the~~
 1924 ~~Division of State Lands within the Department of Environmental~~

1925 ~~Protection for the Board of Trustees Florida Forever Priority~~
 1926 ~~List land acquisition projects.~~

1927 1. Thirty-five million dollars to the Department of
 1928 Agriculture and Consumer Services for the acquisition of
 1929 agricultural lands through perpetual conservation easements and
 1930 other perpetual less-than-fee techniques, which will achieve the
 1931 objectives of Florida Forever and s. 570.71.

1932 2. Thirty million dollars to the Department of
 1933 Environmental Protection to be distributed among the water
 1934 management districts as provided in subsection (11) to fund
 1935 water resource development projects intended to achieve the goal
 1936 of ensuring that sufficient quantities of water are available to
 1937 meet the current and future needs of natural systems and the
 1938 citizens of the state as specified in paragraph (4) (d).

1939 3. The remaining moneys appropriated from the Florida
 1940 Forever Trust Fund shall be distributed only to the Division of
 1941 State Lands within the Department of Environmental Protection
 1942 for the acquisition of lands through less-than-fee techniques,
 1943 for partnerships in which the state's portion of the acquisition
 1944 cost is no more than 50 percent, or for conservation lands
 1945 needed for military buffering.

1946
 1947 This paragraph expires July 1, 2017 ~~2016~~.

1948 Section 52. In order to implement Specific Appropriations
 1949 1712A, 1712B, 1712C, and 1740A of the 2016-2017 General
 1950 Appropriations Act, paragraph (d) of subsection (11) of section

1951 216.181, Florida Statutes, is amended to read:
 1952 216.181 Approved budgets for operations and fixed capital
 1953 outlay.—
 1954 (11)
 1955 (d) Notwithstanding paragraph (b) and paragraph (2)(b),
 1956 and for the 2016-2017 ~~2015-2016~~ fiscal year only, the
 1957 Legislative Budget Commission may increase the amounts
 1958 appropriated to the Fish and Wildlife Conservation Commission or
 1959 the Department of Environmental Protection for fixed capital
 1960 outlay projects, including additional fixed capital outlay
 1961 projects, using funds provided to the state from the Gulf
 1962 Environmental Benefit Fund administered by the National Fish and
 1963 Wildlife Foundation; funds provided to the state from the Gulf
 1964 Coast Restoration Trust Fund related to the Resources and
 1965 Ecosystems Sustainability, Tourist Opportunities, and Revived
 1966 Economies of the Gulf Coast Act of 2012 (RESTORE Act); or funds
 1967 provided by the British Petroleum Corporation (BP) for natural
 1968 resource damage assessment ~~early~~ restoration projects.
 1969 Concurrent with submission of an amendment to the Legislative
 1970 Budget Commission pursuant to this paragraph, any project that
 1971 carries a continuing commitment for future appropriations by the
 1972 Legislature must be specifically identified, together with the
 1973 projected amount of the future commitment associated with the
 1974 project and the fiscal years in which the commitment is expected
 1975 to commence. This paragraph expires July 1, 2017 ~~2016~~.
 1976

1977 The provisions of this subsection are subject to the notice and
 1978 objection procedures set forth in s. 216.177.

1979 Section 53. In order to implement Specific Appropriation
 1980 1670 of the 2016-2017 General Appropriations Act, subsection (5)
 1981 of section 403.709, Florida Statutes, is amended to read:

1982 403.709 Solid Waste Management Trust Fund; use of waste
 1983 tire fees.—There is created the Solid Waste Management Trust
 1984 Fund, to be administered by the department.

1985 (5) (a) Notwithstanding subsection (1), a solid waste
 1986 landfill closure account is established within the Solid Waste
 1987 Management Trust Fund to provide funding for the closing and
 1988 long-term care of solid waste management facilities. The
 1989 department may use funds from the account to contract with a
 1990 third party for the closing and long-term care of a solid waste
 1991 management facility if:

1992 1. The facility has, ~~or had,~~ or was not required to obtain
 1993 a department permit to operate the facility;

1994 2. The permittee, where required by permit or rule,
 1995 provided proof of financial assurance for closure in the form of
 1996 an insurance certificate or an alternative form of financial
 1997 assurance mechanism established pursuant to s. 403.7125;

1998 3. The department has ordered the facility closed or has
 1999 deemed the facility abandoned. ~~The facility is deemed to be~~
 2000 ~~abandoned or was ordered to close by the department;~~

2001 4. The closure of the facility is accomplished in
 2002 substantial accordance with a closure plan approved by the

2003 department; and

2004 5. The department has sufficient ~~written~~ documentation to
 2005 confirm that the issuer of the ~~that the~~ insurance ~~company~~
 2006 ~~issuing the closure insurance~~ policy or alternative form of
 2007 financial insurance will provide or reimburse the funds required
 2008 to complete the closing and long-term care of the facility.

2009 (b) The department shall deposit all ~~the~~ funds received
 2010 from the insurer or other parties for reimbursing insurance
 2011 ~~company as reimbursement for~~ the costs of closing or long-term
 2012 care of the facility under this subsection into the solid waste
 2013 landfill closure account.

2014 (c) If the amount available under the insurance policy or
 2015 alternative form of financial assurance is insufficient, or is
 2016 otherwise unavailable, to perform or complete the facility
 2017 closing or long-term care under this subsection, and the
 2018 department has used all such funds from the insurance policy or
 2019 alternative form of financial assurance, the department may use
 2020 funds from the Solid Waste Management Trust Fund to pay for or
 2021 reimburse additional expenses needed for performing or
 2022 completing the approved facility closure or long-term care
 2023 activities.

2024 (d) ~~(e)~~ This subsection expires July 1, 2017 ~~2016~~.

2025 Section 54. In order to implement specific appropriations
 2026 from the land acquisition trust funds within the Department of
 2027 Agriculture and Consumer Services, the Department of
 2028 Environmental Protection, the Department of State, and the Fish

2029 and Wildlife Conservation Commission which are contained in the
 2030 2016-2017 General Appropriations Act, subsection (3) of section
 2031 215.18, Florida Statutes, is amended to read:

2032 215.18 Transfers between funds; limitation.—

2033 (3) Notwithstanding subsection (1) and only with respect
 2034 to a land acquisition trust fund in the Department of
 2035 Agriculture and Consumer Services, the Department of
 2036 Environmental Protection, the Department of State, or the Fish
 2037 and Wildlife Conservation Commission, whenever there is a
 2038 deficiency in a land acquisition trust fund which would render
 2039 that trust fund temporarily insufficient to meet its just
 2040 requirements, including the timely payment of appropriations
 2041 from that trust fund, and other trust funds in the State
 2042 Treasury have moneys that are for the time being or otherwise in
 2043 excess of the amounts necessary to meet the just requirements,
 2044 including appropriated obligations, of those other trust funds,
 2045 the Governor may order a temporary transfer of moneys from one
 2046 or more of the other trust funds to a land acquisition trust
 2047 fund in the Department of Agriculture and Consumer Services, the
 2048 Department of Environmental Protection, the Department of State,
 2049 or the Fish and Wildlife Conservation Commission. Any action
 2050 proposed pursuant to this subsection is subject to the notice,
 2051 review, and objection procedures of s. 216.177, and the Governor
 2052 shall provide notice of such action at least 7 days before the
 2053 effective date of the transfer of trust funds, except that
 2054 during July 2016 ~~2015~~, notice of such action shall be provided

2055 at least 3 days before the effective date of a transfer unless
 2056 such 3-day notice is waived by the chair and vice-chair of the
 2057 Legislative Budget Commission. Any transfer of trust funds to a
 2058 land acquisition trust fund in the Department of Agriculture and
 2059 Consumer Services, the Department of Environmental Protection,
 2060 the Department of State, or the Fish and Wildlife Conservation
 2061 Commission must be repaid to the trust funds from which the
 2062 moneys were loaned by the end of the 2016-2017 ~~2015-2016~~ fiscal
 2063 year. The Legislature has determined that the repayment of the
 2064 other trust fund moneys temporarily loaned to a land acquisition
 2065 trust fund in the Department of Agriculture and Consumer
 2066 Services, the Department of Environmental Protection, the
 2067 Department of State, or the Fish and Wildlife Conservation
 2068 Commission pursuant to this subsection is an allowable use of
 2069 the moneys in a land acquisition trust fund because the moneys
 2070 from other trust funds temporarily loaned to a land acquisition
 2071 trust fund shall be expended solely and exclusively in
 2072 accordance with s. 28, Art. X of the State Constitution. This
 2073 subsection expires July 1, 2017 ~~2016~~.

2074 Section 55. (1) In order to implement specific
 2075 appropriations from the land acquisition trust funds within the
 2076 Department of Agriculture and Consumer Services, the Department
 2077 of Environmental Protection, the Department of State, and the
 2078 Fish and Wildlife Conservation Commission which are contained in
 2079 the 2016-2017 General Appropriations Act, the Department of
 2080 Environmental Protection shall transfer revenues from the Land

2081 Acquisition Trust Fund within the department to the land
 2082 acquisition trust funds within the Department of Agriculture and
 2083 Consumer Services, the Department of State, and the Fish and
 2084 Wildlife Conservation Commission, as provided in this section.
 2085 As used in this section, the term "department" means the
 2086 Department of Environmental Protection.

2087 (2) After subtracting any required debt service payments,
 2088 the proportionate share of revenues to be transferred to each
 2089 land acquisition trust fund shall be calculated by dividing the
 2090 appropriations from each of the land acquisition trust funds for
 2091 the fiscal year by the total appropriations from the Land
 2092 Acquisition Trust Fund within the department and the land
 2093 acquisition trust funds within the Department of Agriculture and
 2094 Consumer Services, the Department of State, and the Fish and
 2095 Wildlife Commission for the fiscal year. The department shall
 2096 transfer the proportionate share of the revenues in the Land
 2097 Acquisition Trust Fund within the department on a monthly basis
 2098 to the appropriate land acquisition trust funds within the
 2099 Department of Agriculture and Consumer Services, the Department
 2100 of State, and the Fish and Wildlife Commission and shall retain
 2101 its proportionate share of the revenues in the Land Acquisition
 2102 Trust Fund within the department. Total distributions to a land
 2103 acquisition trust fund within the Department of Agriculture and
 2104 Consumer Services, the Department of State, and the Fish and
 2105 Wildlife Commission may not exceed the total appropriations from
 2106 such trust fund for the fiscal year.

2107 (3) This section expires July 1, 2017.

2108 Section 56. In order to implement Specific Appropriation
 2109 1591A of the 2016-2017 General Appropriations Act, subsection
 2110 (5) is added to section 403.890, Florida Statutes, to read:

2111 403.890 Water Protection and Sustainability Program.—
 2112 Revenues deposited into or appropriated to the Water Protection
 2113 and Sustainability Program Trust Fund shall be distributed by
 2114 the Department of Environmental Protection in the following
 2115 manner:

2116 (5) Notwithstanding subsections (1)-(3), and for the 2016-
 2117 2017 fiscal year only, 100 percent of the funds deposited into
 2118 or appropriated to the Water Protection and Sustainability
 2119 Program Trust Fund shall be used for the development of
 2120 alternative water supplies as provided in s. 373.707. This
 2121 subsection expires July 1, 2017.

2122 Section 57. In order to implement Specific Appropriation
 2123 2632 of the 2016-2017 General Appropriations Act, the Department
 2124 of Highway Safety and Motor Vehicles shall contract with the
 2125 corporation organized pursuant to part II of chapter 946,
 2126 Florida Statutes, to manufacture the current or newly redesigned
 2127 license plates, such contract being in the same manner and for
 2128 the same price as that paid by the department during the 2013-
 2129 2014 fiscal year. The corporation shall seek sealed bids for the
 2130 reflectorized sheeting used in the manufacture of such license
 2131 plates, and in the event the sealed bids result in any savings
 2132 in the sheeting costs, the corporation shall credit to the

2133 department an amount equal to 70 percent of the savings. The
 2134 name of the county may not appear on any redesigned license
 2135 plate. This section expires July 1, 2017.

2136 Section 58. In order to implement Specific Appropriation
 2137 1890 of the 2016-2017 General Appropriations Act, subsection (2)
 2138 of section 339.2818, Florida Statutes, is amended to read:

2139 339.2818 Small County Outreach Program.—

2140 (2) (a) For the purposes of this section, the term "small
 2141 county" means any county that has a population of 150,000 or
 2142 less as determined by the most recent official estimate pursuant
 2143 to s. 186.901.

2144 (b) Notwithstanding paragraph (a), for the 2016-2017 ~~2015-~~
 2145 ~~2016~~ fiscal year, for purposes of this section, the term "small
 2146 county" means any county that has a population of 165,000 or
 2147 less as determined by the most recent official estimate pursuant
 2148 to s. 186.901. This paragraph expires July 1, 2017 ~~2016~~.

2149 Section 59. In order to implement the salaries and
 2150 benefits, expenses, other personal services, contracted
 2151 services, special categories, and operating capital outlay
 2152 categories of the 2016-2017 General Appropriations Act,
 2153 paragraph (a) of subsection (2) of section 216.292, Florida
 2154 Statutes, is reenacted to read:

2155 216.292 Appropriations nontransferable; exceptions.—

2156 (2) The following transfers are authorized to be made by
 2157 the head of each department or the Chief Justice of the Supreme
 2158 Court whenever it is deemed necessary by reason of changed

2159 conditions:

2160 (a) The transfer of appropriations funded from identical
 2161 funding sources, except appropriations for fixed capital outlay,
 2162 and the transfer of amounts included within the total original
 2163 approved budget and plans of releases of appropriations as
 2164 furnished pursuant to ss. 216.181 and 216.192, as follows:

2165 1. Between categories of appropriations within a budget
 2166 entity, if no category of appropriation is increased or
 2167 decreased by more than 5 percent of the original approved budget
 2168 or \$250,000, whichever is greater, by all action taken under
 2169 this subsection.

2170 2. Between budget entities within identical categories of
 2171 appropriations, if no category of appropriation is increased or
 2172 decreased by more than 5 percent of the original approved budget
 2173 or \$250,000, whichever is greater, by all action taken under
 2174 this subsection.

2175 3. Any agency exceeding salary rate established pursuant
 2176 to s. 216.181(8) on June 30th of any fiscal year shall not be
 2177 authorized to make transfers pursuant to subparagraphs 1. and 2.
 2178 in the subsequent fiscal year.

2179 4. Notice of proposed transfers under subparagraphs 1. and
 2180 2. shall be provided to the Executive Office of the Governor and
 2181 the chairs of the legislative appropriations committees at least
 2182 3 days prior to agency implementation in order to provide an
 2183 opportunity for review.

2184 Section 60. The amendment to s. 216.292(2)(a), Florida

2185 Statutes, as carried forward by this act from chapter 2015-222,
 2186 Laws of Florida, expires July 1, 2017, and the text of that
 2187 paragraph shall revert to that in existence on June 30, 2014,
 2188 except that any amendments to such text enacted other than by
 2189 this act shall be preserved and continue to operate to the
 2190 extent that such amendments are not dependent upon the portions
 2191 of text which expire pursuant to this section.

2192 Section 61. In order to implement the appropriation of
 2193 funds in the special categories, contracted services, and
 2194 expenses categories of the 2016-2017 General Appropriations Act,
 2195 a state agency may not initiate a competitive solicitation for a
 2196 product or service if the completion of such competitive
 2197 solicitation would:

- 2198 (1) Require a change in law; or
- 2199 (2) Require a change to the agency's budget other than a
 2200 transfer authorized in s. 216.292(2) or (3), Florida Statutes,
 2201 unless the initiation of such competitive solicitation is
 2202 specifically authorized in law, in the General Appropriations
 2203 Act, or by the Legislative Budget Commission.

2204
 2205 This section does not apply to a competitive solicitation for
 2206 which the agency head certifies that a valid emergency exists.
 2207 This section expires July 1, 2017.

2208 Section 62. In order to implement appropriations for
 2209 salaries and benefits in the 2016-2017 General Appropriations
 2210 Act, subsection (6) of section 112.24, Florida Statutes, is

2211 amended to read:

2212 112.24 Intergovernmental interchange of public employees.—
 2213 To encourage economical and effective utilization of public
 2214 employees in this state, the temporary assignment of employees
 2215 among agencies of government, both state and local, and
 2216 including school districts and public institutions of higher
 2217 education is authorized under terms and conditions set forth in
 2218 this section. State agencies, municipalities, and political
 2219 subdivisions are authorized to enter into employee interchange
 2220 agreements with other state agencies, the Federal Government,
 2221 another state, a municipality, or a political subdivision
 2222 including a school district, or with a public institution of
 2223 higher education. State agencies are also authorized to enter
 2224 into employee interchange agreements with private institutions
 2225 of higher education and other nonprofit organizations under the
 2226 terms and conditions provided in this section. In addition, the
 2227 Governor or the Governor and Cabinet may enter into employee
 2228 interchange agreements with a state agency, the Federal
 2229 Government, another state, a municipality, or a political
 2230 subdivision including a school district, or with a public
 2231 institution of higher learning to fill, subject to the
 2232 requirements of chapter 20, appointive offices which are within
 2233 the executive branch of government and which are filled by
 2234 appointment by the Governor or the Governor and Cabinet. Under
 2235 no circumstances shall employee interchange agreements be
 2236 utilized for the purpose of assigning individuals to participate

2237 in political campaigns. Duties and responsibilities of
 2238 interchange employees shall be limited to the mission and goals
 2239 of the agencies of government.

2240 (6) For the 2016-2017 ~~2015-2016~~ fiscal year only, the
 2241 assignment of an employee of a state agency as provided in this
 2242 section may be made if recommended by the Governor or Chief
 2243 Justice, as appropriate, and approved by the chairs of the
 2244 legislative appropriations committees. Such actions shall be
 2245 deemed approved if neither chair provides written notice of
 2246 objection within 14 days after receiving notice of the action
 2247 pursuant to s. 216.177. This subsection expires July 1, 2017
 2248 ~~2016~~.

2249 Section 63. In order to implement Specific Appropriations
 2250 2652 and 2653 of the 2016-2017 General Appropriations Act and
 2251 notwithstanding s. 11.13(1), Florida Statutes, the authorized
 2252 salaries for members of the Legislature for the 2016-2017 fiscal
 2253 year shall be set at the same level in effect on July 1, 2010.
 2254 This section expires July 1, 2017.

2255 Section 64. In order to implement the transfer of funds to
 2256 the General Revenue Fund from trust funds in the 2016-2017
 2257 General Appropriations Act, paragraph (b) of subsection (2) of
 2258 section 215.32, Florida Statutes, is reenacted to read:

2259 215.32 State funds; segregation.—

2260 (2) The source and use of each of these funds shall be as
 2261 follows:

2262 (b)1. The trust funds shall consist of moneys received by

2263 the state which under law or under trust agreement are
 2264 segregated for a purpose authorized by law. The state agency or
 2265 branch of state government receiving or collecting such moneys
 2266 is responsible for their proper expenditure as provided by law.
 2267 Upon the request of the state agency or branch of state
 2268 government responsible for the administration of the trust fund,
 2269 the Chief Financial Officer may establish accounts within the
 2270 trust fund at a level considered necessary for proper
 2271 accountability. Once an account is established, the Chief
 2272 Financial Officer may authorize payment from that account only
 2273 upon determining that there is sufficient cash and releases at
 2274 the level of the account.

2275 2. In addition to other trust funds created by law, to the
 2276 extent possible, each agency shall use the following trust funds
 2277 as described in this subparagraph for day-to-day operations:

2278 a. Operations or operating trust fund, for use as a
 2279 depository for funds to be used for program operations funded by
 2280 program revenues, with the exception of administrative
 2281 activities when the operations or operating trust fund is a
 2282 proprietary fund.

2283 b. Operations and maintenance trust fund, for use as a
 2284 depository for client services funded by third-party payors.

2285 c. Administrative trust fund, for use as a depository for
 2286 funds to be used for management activities that are departmental
 2287 in nature and funded by indirect cost earnings and assessments
 2288 against trust funds. Proprietary funds are excluded from the

2289 requirement of using an administrative trust fund.

2290 d. Grants and donations trust fund, for use as a
2291 depository for funds to be used for allowable grant or donor
2292 agreement activities funded by restricted contractual revenue
2293 from private and public nonfederal sources.

2294 e. Agency working capital trust fund, for use as a
2295 depository for funds to be used pursuant to s. 216.272.

2296 f. Clearing funds trust fund, for use as a depository for
2297 funds to account for collections pending distribution to lawful
2298 recipients.

2299 g. Federal grant trust fund, for use as a depository for
2300 funds to be used for allowable grant activities funded by
2301 restricted program revenues from federal sources.

2302
2303 To the extent possible, each agency must adjust its internal
2304 accounting to use existing trust funds consistent with the
2305 requirements of this subparagraph. If an agency does not have
2306 trust funds listed in this subparagraph and cannot make such
2307 adjustment, the agency must recommend the creation of the
2308 necessary trust funds to the Legislature no later than the next
2309 scheduled review of the agency's trust funds pursuant to s.
2310 215.3206.

2311 3. All such moneys are hereby appropriated to be expended
2312 in accordance with the law or trust agreement under which they
2313 were received, subject always to the provisions of chapter 216
2314 relating to the appropriation of funds and to the applicable

2315 laws relating to the deposit or expenditure of moneys in the
 2316 State Treasury.

2317 4.a. Notwithstanding any provision of law restricting the
 2318 use of trust funds to specific purposes, unappropriated cash
 2319 balances from selected trust funds may be authorized by the
 2320 Legislature for transfer to the Budget Stabilization Fund and
 2321 General Revenue Fund in the General Appropriations Act.

2322 b. This subparagraph does not apply to trust funds
 2323 required by federal programs or mandates; trust funds
 2324 established for bond covenants, indentures, or resolutions whose
 2325 revenues are legally pledged by the state or public body to meet
 2326 debt service or other financial requirements of any debt
 2327 obligations of the state or any public body; the Division of
 2328 Licensing Trust Fund in the Department of Agriculture and
 2329 Consumer Services; the State Transportation Trust Fund; the
 2330 trust fund containing the net annual proceeds from the Florida
 2331 Education Lotteries; the Florida Retirement System Trust Fund;
 2332 trust funds under the management of the State Board of Education
 2333 or the Board of Governors of the State University System, where
 2334 such trust funds are for auxiliary enterprises, self-insurance,
 2335 and contracts, grants, and donations, as those terms are defined
 2336 by general law; trust funds that serve as clearing funds or
 2337 accounts for the Chief Financial Officer or state agencies;
 2338 trust funds that account for assets held by the state in a
 2339 trustee capacity as an agent or fiduciary for individuals,
 2340 private organizations, or other governmental units; and other

2341 trust funds authorized by the State Constitution.

2342 Section 65. The amendment to s. 215.32(2)(b), Florida
 2343 Statutes, as carried forward by this act from chapter 2011-47,
 2344 Laws of Florida, expires July 1, 2017, and the text of that
 2345 paragraph shall revert to that in existence on June 30, 2011,
 2346 except that any amendments to such text enacted other than by
 2347 this act shall be preserved and continue to operate to the
 2348 extent that such amendments are not dependent upon the portions
 2349 of text which expire pursuant to this section.

2350 Section 66. In order to implement the issuance of new debt
 2351 authorized in the 2016-2017 General Appropriations Act, and
 2352 pursuant to s. 215.98, Florida Statutes, the Legislature
 2353 determines that the authorization and issuance of debt for the
 2354 2016-2017 fiscal year should be implemented and is in the best
 2355 interest of the state. This section expires July 1, 2017.

2356 Section 67. In order to implement appropriations in the
 2357 2016-2017 General Appropriations Act for state employee travel,
 2358 the funds appropriated to each state agency which may be used
 2359 for travel by state employees shall be limited during the 2016-
 2360 2017 fiscal year to travel for activities that are critical to
 2361 each state agency's mission. Funds may not be used for travel by
 2362 state employees to foreign countries, other states, conferences,
 2363 staff training activities, or other administrative functions
 2364 unless the agency head has approved, in writing, that such
 2365 activities are critical to the agency's mission. The agency head
 2366 shall consider using teleconferencing and other forms of

2367 electronic communication to meet the needs of the proposed
 2368 activity before approving mission-critical travel. This section
 2369 does not apply to travel for law enforcement purposes, military
 2370 purposes, emergency management activities, or public health
 2371 activities. This section expires July 1, 2017.

2372 Section 68. In order to implement section 8 of the 2016-
 2373 2017 General Appropriations Act, section 110.12315, Florida
 2374 Statutes, is reenacted to read:

2375 110.12315 Prescription drug program.—The state employees'
 2376 prescription drug program is established. This program shall be
 2377 administered by the Department of Management Services, according
 2378 to the terms and conditions of the plan as established by the
 2379 relevant provisions of the annual General Appropriations Act and
 2380 implementing legislation, subject to the following conditions:

2381 (1) The department shall allow prescriptions written by
 2382 health care providers under the plan to be filled by any
 2383 licensed pharmacy pursuant to contractual claims-processing
 2384 provisions. Nothing in this section may be construed as
 2385 prohibiting a mail order prescription drug program distinct from
 2386 the service provided by retail pharmacies.

2387 (2) In providing for reimbursement of pharmacies for
 2388 prescription medicines dispensed to members of the state group
 2389 health insurance plan and their dependents under the state
 2390 employees' prescription drug program:

2391 (a) Retail pharmacies participating in the program must be
 2392 reimbursed at a uniform rate and subject to uniform conditions,

2393 according to the terms and conditions of the plan.

2394 (b) There shall be a 30-day supply limit for prescription
 2395 card purchases, a 90-day supply limit for maintenance
 2396 prescription drug purchases, and a 90-day supply limit for mail
 2397 order or mail order prescription drug purchases.

2398 (c) The pharmacy dispensing fee shall be negotiated by the
 2399 department.

2400 (3) Pharmacy reimbursement rates shall be as follows:

2401 (a) For mail order and specialty pharmacies contracting
 2402 with the department, reimbursement rates shall be as established
 2403 in the contract.

2404 (b) For retail pharmacies, the reimbursement rate shall be
 2405 at the same rate as mail order pharmacies under contract with
 2406 the department.

2407 (4) The department shall maintain the preferred brand name
 2408 drug list to be used in the administration of the state
 2409 employees' prescription drug program.

2410 (5) The department shall maintain a list of maintenance
 2411 drugs.

2412 (a) Preferred provider organization health plan members
 2413 may have prescriptions for maintenance drugs filled up to three
 2414 times as a 30-day supply through a retail pharmacy; thereafter,
 2415 prescriptions for the same maintenance drug must be filled as a
 2416 90-day supply either through the department's contracted mail
 2417 order pharmacy or through a retail pharmacy.

2418 (b) Health maintenance organization health plan members

2419 may have prescriptions for maintenance drugs filled as a 90-day
 2420 supply either through a mail order pharmacy or through a retail
 2421 pharmacy.

2422 (6) Copayments made by health plan members for a 90-day
 2423 supply through a retail pharmacy shall be the same as copayments
 2424 made for a 90-day supply through the department's contracted
 2425 mail order pharmacy.

2426 (7) The department shall establish the reimbursement
 2427 schedule for prescription pharmaceuticals dispensed under the
 2428 program. Reimbursement rates for a prescription pharmaceutical
 2429 must be based on the cost of the generic equivalent drug if a
 2430 generic equivalent exists, unless the physician prescribing the
 2431 pharmaceutical clearly states on the prescription that the brand
 2432 name drug is medically necessary or that the drug product is
 2433 included on the formulary of drug products that may not be
 2434 interchanged as provided in chapter 465, in which case
 2435 reimbursement must be based on the cost of the brand name drug
 2436 as specified in the reimbursement schedule adopted by the
 2437 department.

2438 (8) The department shall conduct a prescription
 2439 utilization review program. In order to participate in the state
 2440 employees' prescription drug program, retail pharmacies
 2441 dispensing prescription medicines to members of the state group
 2442 health insurance plan or their covered dependents, or to
 2443 subscribers or covered dependents of a health maintenance
 2444 organization plan under the state group insurance program, shall

2445 make their records available for this review.

2446 (9) The department shall implement such additional cost-
 2447 saving measures and adjustments as may be required to balance
 2448 program funding within appropriations provided, including a
 2449 trial or starter dose program and dispensing of long-term-
 2450 maintenance medication in lieu of acute therapy medication.

2451 (10) Participating pharmacies must use a point-of-sale
 2452 device or an online computer system to verify a participant's
 2453 eligibility for coverage. The state is not liable for
 2454 reimbursement of a participating pharmacy for dispensing
 2455 prescription drugs to any person whose current eligibility for
 2456 coverage has not been verified by the state's contracted
 2457 administrator or by the department.

2458 (11) Under the state employees' prescription drug program
 2459 copayments must be made as follows:

2460 (a) Effective January 1, 2013, for the State Group Health
 2461 Insurance Standard Plan:

- 2462 1. For generic drug with card \$7.
- 2463 2. For preferred brand name drug with card \$30.
- 2464 3. For nonpreferred brand name drug with card \$50.
- 2465 4. For generic mail order drug \$14.
- 2466 5. For preferred brand name mail order drug \$60.
- 2467 6. For nonpreferred brand name mail order drug \$100.

2468 (b) Effective January 1, 2006, for the State Group Health
 2469 Insurance High Deductible Plan:

- 2470 1. Retail coinsurance for generic drug with card 30%.

- 2471 2. Retail coinsurance for preferred brand name drug with
- 2472 card 30%.
- 2473 3. Retail coinsurance for nonpreferred brand name drug
- 2474 with card 50%.
- 2475 4. Mail order coinsurance for generic drug 30%.
- 2476 5. Mail order coinsurance for preferred brand name drug 30%.
- 2477 6. Mail order coinsurance for nonpreferred brand name drug 50%.

2478 (c) The department shall create a preferred brand name
 2479 drug list to be used in the administration of the state
 2480 employees' prescription drug program.

2481 Section 69. (1) The amendment to s. 110.12315(2)(b),
 2482 Florida Statutes, as carried forward by this act from chapter
 2483 2014-53, Laws of Florida, expires July 1, 2017, and the text of
 2484 that paragraph shall revert to that in existence on June 30,
 2485 2012, except that any amendments to such text enacted other than
 2486 by this act shall be preserved and continue to operate to the
 2487 extent that such amendments are not dependent upon the portions
 2488 of text which expire pursuant to this section.

2489 (2) The amendments to s. 110.12315(2)(c) and (3)-(6),
 2490 Florida Statutes, as carried forward by this act from chapter
 2491 2014-53, Laws of Florida, expire July 1, 2016, and the text and
 2492 numbering of those provisions shall revert to that in existence
 2493 on June 30, 2014, except that any amendments to such text
 2494 enacted other than by this act shall be preserved and continue
 2495 to operate to the extent that such amendments are not dependent
 2496 upon the portions of text that expire pursuant to this section.

2497 (3) The amendment to s. 110.12315(7), Florida Statutes, as
 2498 carried forward by this act from chapter 2014-53, Laws of
 2499 Florida, expires July 1, 2017, and shall revert to the text of
 2500 that subsection in existence on December 31, 2010, except that
 2501 any amendments to such text enacted other than by this act shall
 2502 be preserved and continue to operate to the extent that such
 2503 amendments are not dependent upon the portions of text which
 2504 expire pursuant to this section.

2505 Section 70. In order to implement the appropriation of
 2506 funds in the special categories, contracted services and
 2507 expenses categories of the 2016-2017 General Appropriations Act,
 2508 a state agency may not enter into a contract which contains a
 2509 non-disclosure clause which prohibits the contractor from
 2510 disclosing information relevant to the performance of the
 2511 contract to members or staff of the Senate or House of
 2512 Representatives.

2513 Section 71. Any section of this act which implements a
 2514 specific appropriation or specifically identified proviso
 2515 language in the 2016-2017 General Appropriations Act is void if
 2516 the specific appropriation or specifically identified proviso
 2517 language is vetoed. Any section of this act which implements
 2518 more than one specific appropriation or more than one portion of
 2519 specifically identified proviso language in the 2016-2017
 2520 General Appropriations Act is void if all the specific
 2521 appropriations or portions of specifically identified proviso
 2522 language are vetoed.

2523 Section 72. If any other act passed during the 2016
2524 Regular Session of the Legislature contains a provision that is
2525 substantively the same as a provision in this act, but that
2526 removes or is otherwise not subject to the future repeal applied
2527 to such provision by this act, the Legislature intends that the
2528 provision in the other act takes precedence and continues to
2529 operate, notwithstanding the future repeal provided by this act.

2530 Section 73. If any provision of this act or its
2531 application to any person or circumstance is held invalid, the
2532 invalidity does not affect other provisions or applications of
2533 the act which can be given effect without the invalid provision
2534 or application, and to this end the provisions of this act are
2535 severable.

2536 Section 74. This act shall take effect July 1, 2016.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB APC 16-03 State-Administered Retirement Systems
SPONSOR(S): Appropriations Committee
TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Appropriations Committee		Delaney <i>JMS</i>	Leznoff <i>[Signature]</i>

SUMMARY ANALYSIS

The Florida Retirement System (FRS) is a multi-employer, contributory plan that, as of June 30, 2014, provides retirement benefits to 622,089 active members and 363,034 retired members and beneficiaries, and 38,058 members of the Deferred Retirement Option Program. It is the primary retirement plan for employees of the state and county government agencies, district school boards, state colleges and universities. The FRS also serves as the retirement plan for employees of cities and independent special districts that have made an irrevocable election to participate.

Members of the FRS have two plan options available for participation: the defined benefit plan, also known as the pension plan; and the defined contribution plan, also known as the investment plan.

Section 121.031, F.S., requires that an annual actuarial study of the FRS be provided by the administrator of the system (the Department of Management Services) and for the results to be reported to the Legislature by December 31 of each year. Thereafter, the Legislature uses the report in establishing the uniform contribution rates in law during the next regular legislative session.

Effective July 1, 2016, the bill:

- Revises s. 121.71, F.S. to adjust the employer contribution rates for the FRS based on the 2015 Actuarial Valuation.
- Revises s. 121.74, F.S. to increase the employer contribution for FRS administrative and educational expenses.

The bill conforms the law to the House proposed 2016-17 General Appropriations Act (GAA) as retirement and administrative and educational contributions are included in the GAA.

The bill provides that a proper and legitimate state purpose is served, which includes providing benefits that are managed, administered, and funded in a sound actuarially manner.

The bill has a significant negative fiscal impact to the state and local governments: \$46.6 million in General Revenue (state, district school boards, state colleges and universities) and \$5.9 million in trust funds; \$14.1 million to local governments (county agencies, certain municipalities and special districts.)

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Florida Retirement System

The Florida Retirement System (FRS) was established in 1970 when the Legislature consolidated the Teachers' Retirement System, the State and County Officers and Employees' Retirement System, and the Highway Patrol Pension Fund. In 1972, the Judicial Retirement System was consolidated into the pension plan. Prior to 1975, members of the FRS were required to make employee contributions. Regular Class members contributed four percent of their salary while Special Risk Class Members contributed six percent. The 2011 Legislature reinstated employee contributions whereby all Class members contribute three percent of their salary.

The Florida Retirement System Act¹ governs the FRS, which is a multi-employer, contributory plan that provides retirement income benefits to 622,089 active members, 363,034 retirees and 38,058 members of the Deferred Optional Retirement System (DROP)². It is the primary retirement plan for employees of the state and county government agencies, district school boards, community colleges and state universities. The FRS also serves as the retirement plan for 186 municipalities and 262 independent special districts that have irrevocably elected to participate³.

The membership of the FRS is divided into five membership classes⁴:

- Regular Class⁵: 543,395 members (87.36 percent)
- Special Risk Class⁶: 68,593 members (11.03 percent)
- Special Risk Administrative Support⁷: 58 members (0.01 percent)
- Elected Officer Class⁸: 2,187 members (0.35 percent)
- Senior Management Services Class⁹: 7,793 members (1.25 percent)

Each class is funded separately based upon the costs attributable to the members of the class.

Members of the FRS have two plan options available for participation:

- The defined benefit plan, also known as the pension plan.
- The defined contribution plan, also known as the investment plan.

Investment Plan

In 2000, the Legislature created the Public Employee Optional Retirement Program (Investment Plan), a defined contribution plan offered to eligible employees as an alternative to the FRS defined benefit plan. The investment plan was available for participation as of July 1, 2002.¹⁰ Benefits under the investment plan accrue in individual member accounts funded by employer and employee contributions. Investments are employee-directed into State Board of Administration (SBA) approved investment providers. Members

¹ Chapter 121, F.S.

² *The Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report, Fiscal Year ended June 30, 2014*. The pension plan had 512,364 active members and the investment plan had 109,725 members.

³ *Id.*

⁴ *Id.*

⁵ Members who do not qualify for membership in another class (includes renewed members.)

⁶ Members include law enforcement officers, firefighters, correctional officers, correctional probation officers, paramedics, emergency medical technicians, certain professional health care workers, and certain forensic workers.

⁷ Members are former members of the special risk class who are transferred or reassigned to an administrative support position in certain circumstances.

⁸ Members include holders of specified elected offices in either state or local government.

⁹ Members are high level executive or legal staff as provided by law.

¹⁰ Part II, chapter 121, F.S.

of the investment plan contribute three percent of their salaries to their accounts¹¹. The remainder of the allocation comes from employer contributions.

A member vests in the investment plan after one-year with an FRS employer. Vested benefits are payable upon termination of employment or death as a lump-sum distribution, roll-over distribution, or periodic distribution. The investment plan also provides disability benefits, which is essentially an option to collect disability benefits as provided in the defined benefit plan.

The SBA is primarily responsible for administering the investment plan.¹² The SBA is comprised of the Governor as chair, the Chief Financial Officer and the Attorney General.

Pension Plan (Defined Benefit Plan)

The pension plan is administered by the secretary of the Department of Management Services through the Division of Retirement. Investment management of retirement funds is handled by the State Board of Administration.

Participants of the pension plan are required to contribute three percent of their salary.¹³

Contribution Rates

FRS employers are responsible for contributing a percentage of a member's monthly salary to the FRS Contributions Clearing Account Trust Fund in the Division of Retirement to fund the program. The employer contribution is a "blended contribution rate" set by statute¹⁴, as amended by the Legislature based on an annual actuarial valuation. The rate consists of a blending of the actuarially determined contribution rates necessary to fund the pension plan's normal cost and the allocations being made into investment plan accounts. The purpose of the blending is to establish the same employer contribution rates regardless of whether an employee participates in the pension plan or the investment plan.

Administrative and Educational Expenses

Currently, Section 121.74, F.S., requires employers participating in the FRS to contribute an additional 0.04 percent of the employers' covered payroll to offset the costs of administering the investment plan and providing educational services to all members of the FRS. The assessment rate was 0.05 percent from fiscal years 2005-06 through 2009-2011. The assessment rate was reduced for Fiscal Year 2010-11 to ensure excess balances were reduced to comply with the federal tax code.

Since Fiscal Year 2011-2012 the balance has been reduced from \$36.0 million to a projected amount of \$3.4 million in Fiscal Year 2016-2017, and is projected to be negative in the following fiscal year. Without an increase the SBA will have insufficient funds to continue to operate and provide educational services to FRS active and retired employees.

Effects of the Bill

The bill establishes the employer contribution rates for the normal costs and the unfunded actuarial liability (UAL) of the FRS, as determined by the July 1, 2015 Annual Valuation, necessary to adequately fund the program. The normal and UAL rates were 'blended' with the investment plan allocations and salaries to establish employer contribution rates. The proposed employer contributions for fiscal year 2016-2017, compared to rates currently in effect, are contained in the table below.

¹¹ Section 121.71, F.S.

¹² Section 121.4501, F.S.

¹³ *Id.* 11

¹⁴ Sections 121.031 and 121.71, F.S.

Proposed and Current FRS Employer Contribution Rates¹⁵

Membership Class	"Blended" Normal Costs		Unfunded Actuarial Liability		Combined Contribution Rates	
	7/1/2015	7/1/2016	7/1/2015	7/1/2016	7/1/2015	7/1/2016
Regular Class	2.91%	2.97%	2.65%	2.83%	5.56%	5.80%
Special Risk Class	11.35%	11.35%	8.99%	8.92%	20.34%	20.27%
Special Risk Administrative Class	3.71%	3.87%	27.54%	22.47%	31.25%	26.34%
Elected Officer Class						
Leg/Gov/SAs/PDs	6.48%	6.63%	37.62%	33.75%	44.10%	40.38%
Judges	11.39%	11.68%	22.62%	23.30%	34.01%	34.98%
County Officers	8.48%	8.55%	32.09%	32.20%	40.57%	40.75%
Senior Management	4.32%	4.38%	15.41%	15.67%	19.73%	20.05%
DROP	4.10%	4.17%	7.12%	7.10%	11.22%	11.27%

In addition, the bill increases the employer paid contribution rate for the State Board of Administration's administrative and educational expenses from .04 to .06 percent of payroll.

B. SECTION DIRECTORY:

Section 1: Amends section 121.71, F.S. to set the uniform employer contribution rates and the rates required to address the normal cost and unfunded actuarial liability for each class and subclass of the Florida Retirement System, effective July 1, 2016.

Section 2: Amends section 121.74, F.S. to increase the employer assessment to 0.06 percent of payroll to offset the costs of administering the investment plan and providing educational services to members of the Florida Retirement System, effective July 1, 2016.

Section 3: Provide that the act fulfills an important state interest.

Section 4: Provides an effective date of July 1, 2016.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments Section.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments Section.

¹⁵ Do not include the current or proposed Health Insurance Subsidy Contribution (1.66 percent) or Administrative Fee (.04 percent)

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill conforms the law to the House proposed 2016-17 General Appropriations Act (GAA) as retirement and administrative and educational contributions are included in the GAA. The costs associated with funding the increases in the 'Blended' Normal Cost and Unfunded Actuarial Liability employer contribution rates are illustrated in the following chart:

	Cost by Employer Group (\$ in millions)					
	FRS		SBA		TOTAL	
Entities Funded by the State	GR	TF	GR	TF	GR	TF
State	3.6	5.4	0.5	0.5	4.1	5.9
County School Boards	32.1		2.6		34.7	
State Universities	4.6		0.2		4.8	
State Colleges	2.8		0.2		3.0	
<i>Total</i>	43.1	5.4	3.5	0.5	46.6	5.9
Other Entities not Funded by the State						
Counties	9.2		1.5		10.7	
Municipalities/Special Districts/Other	3.1		0.3		3.4	
<i>Total</i>	12.3		1.8		14.1	
<i>Grand Total</i>	55.4	5.4	5.3	0.5	60.7	5.9

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The mandates provision appears to apply because this bill requires counties and/or cities to spend money or take action that requires the expenditure of money; however, an exception applies as the Legislature has determined that this bill satisfies an important state interest and similarly situated persons are all required to comply.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

PCB APC 16-03

ORIGINAL

YEAR

1 A bill to be entitled
2 An act relating to state-administered retirement
3 systems; amending s. 121.71, F.S.; revising the
4 required employer retirement contribution rates for
5 members of certain membership classes and subclasses
6 of the Florida Retirement System; amending s. 121.74,
7 F.S.; revising employer assessment to offset the costs
8 of administering the investment plan and providing
9 educational services; providing a finding of important
10 state interest; providing an effective date.

11
12 Be It Enacted by the Legislature of the State of Florida:

13
14 Section 1. Subsections (4) and (5) of section 121.71,
15 Florida Statutes, are amended to read:

16 121.71 Uniform rates; process; calculations; levy.—

17 (4) Required employer retirement contribution rates for
18 each membership class and subclass of the Florida Retirement
19 System for both retirement plans are as follows:
20

	Percentage of
	Gross
	Compensation,
	Effective
Membership Class	July 1, <u>2016</u> 2015

21

	PCB APC 16-03	ORIGINAL	YEAR
22	Regular Class	<u>2.97%</u> 2.91%	
23	Special Risk Class	11.35%	
24	Special Risk Administrative Support Class	<u>3.87%</u> 3.71%	
25	Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	<u>6.63%</u> 6.48%	
26	Elected Officers' Class— Justices, Judges	<u>11.68%</u> 11.39%	
27	Elected Officers' Class— County Elected Officers	<u>8.55%</u> 8.48%	
28	Senior Management Class	<u>4.38%</u> 4.32%	
29	DROP	<u>4.17%</u> 4.10%	

PCB APC 16-03

ORIGINAL

YEAR

30
 31 (5) In order to address unfunded actuarial liabilities of
 32 the system, the required employer retirement contribution rates
 33 for each membership class and subclass of the Florida Retirement
 34 System for both retirement plans are as follows:
 35

Membership Class	Percentage of Gross Compensation, Effective July 1, <u>2016</u> 2015
36 37 Regular Class	<u>2.83%</u> 2.65%
38 39 Special Risk Class	<u>8.92%</u> 8.99%
40 Special Risk Administrative Support Class	<u>22.47%</u> 27.54%
Elected Officers' Class— Legislators, Governor, Lt. Governor, Cabinet Officers,	<u>33.75%</u> 37.62%

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ORIGINAL

YEAR

41	State Attorneys, Public Defenders		
42	Elected Officers' Class-- Justices, Judges	<u>23.30%</u>	22.62%
43	Elected Officers' Class-- County Elected Officers	<u>32.20%</u>	32.09%
44	Senior Management Service Class	<u>15.67%</u>	15.41%
45	DROP	<u>7.10%</u>	7.12%

46 Section 2. Section 121.74, Florida Statutes, is amended to
47 read:

48 121.74 Administrative and educational expenses.—In
49 addition to contributions required to fund member accounts under
50 ss. 121.71 and 121.73, effective July 1, 2010, through June 30,
51 2014, employers participating in the Florida Retirement System
52 shall contribute an employer assessment amount equal to 0.03
53 percent of the payroll reported for each class or subclass of
54 Florida Retirement System membership. Effective July 1, 2014,
55 the employer assessment is 0.04 percent of the payroll reported
56 for each class or subclass of membership. Effective July 1,
57 2016, the employer assessment is 0.06 percent of the payroll
58 reported for each class and subclass of membership. The amount

PCB APC 16-03

ORIGINAL

YEAR

59 assessed shall be transferred by the Division of Retirement from
 60 the Florida Retirement System Contributions Clearing Trust Fund
 61 to the State Board of Administration's Administrative Trust Fund
 62 to offset the costs of administering the investment plan and the
 63 costs of providing educational services to members of the
 64 Florida Retirement System. Approval of the trustees is required
 65 before the expenditure of these funds. Payments for third-party
 66 administrative or educational expenses shall be made only
 67 pursuant to the terms of the approved contracts for such
 68 services.

69 Section 3. The Legislature finds that a proper and
 70 legitimate state purpose is served when employees, officers, and
 71 retirees of the state and its political subdivisions, and the
 72 dependents, survivors, and beneficiaries of such employees,
 73 officers, and retirees, are extended the basic protections
 74 afforded by governmental retirement systems. These persons must
 75 be provided benefits that are fair and adequate and that are
 76 managed, administered, and funded in an actuarially sound manner
 77 as required by s. 14, Article X of the State Constitution and
 78 part VII of chapter 112, Florida Statutes. Therefore, the
 79 Legislature determines and declares that this act fulfills an
 80 important state interest.

81 Section 4. This act shall take effect July 1, 2016.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB APC 16-04 Collective Bargaining
SPONSOR(S): Appropriations Committee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Appropriations Committee		Delaney <i>DN</i>	Leznoff <i>[Signature]</i>

SUMMARY ANALYSIS

The bill directs that the resolution of collective bargaining issues at impasse for the 2016-2017 fiscal year regarding state employees will ultimately be resolved based on the spending decisions included in the General Appropriations Act or legislation implemented for that Act for the 2016-17 fiscal year.

The bill has an effective date of July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background:

Chapter 447, F.S., specifies the process for collective bargaining for public employees. The bargaining agent and the negotiator for the state must bargain collectively in the determination of the wages, hours, and terms and conditions of employment of the employees within the bargaining unit. Any collective bargaining agreement reached must be reduced to writing, signed by the chief executive officer for the state and the bargaining agent for the union, and submitted to the members of the bargaining unit for ratification.

Upon execution of the collective bargaining agreement, the Governor must request the legislative body to appropriate amounts sufficient to fund the provisions of the agreement. If the Legislature appropriates funds that are not sufficient to fund the agreement, the agreement must be administered on the basis of the amounts actually appropriated.

Typically, at the state level, an agreement is not reached on all issues. In that instance, and pursuant to s. 216.163(6), F.S., an impasse is declared on all unresolved issues when the Governor's Budget Recommendations are released. Within five days of the start of the impasse period, each party is required to notify the presiding officers of the Legislature of the unresolved issues. A joint select committee of members of the Florida House of Representatives and the Senate is appointed to review the positions of the parties. The committee's recommendation is provided to the presiding officers no later than ten days before the start of the regular legislative session. During the session, the Legislature shall take action to resolve all issues remaining at impasse. Any actions taken by the Legislature are binding on the parties.

Following the resolution of the impasse issues, the parties are required to reduce to writing an agreement that includes those issues agreed to by the parties as well as those issues resolved by the Legislature. As noted above, the agreement must be signed by the chief executive officer and the bargaining agent and presented to the members of the bargaining unit for ratification.

If the members ratify the agreement, all the provisions of the agreement take effect. If the members do not ratify the agreement, the issues resolved by the Legislature take effect for the next fiscal year which was the subject of the negotiations.

The certified bargaining units for state employees and the respective bargaining agents include:

American Federation of State, County and Municipal Employees, Council 79

- Administrative and Clerical Unit
- Operational Services Unit
- Human Services Unit
- Professional Unit

Florida Nurses Association

- Professional Health Care Unit

Police Benevolent Association

- Special Agent Unit
- Law Enforcement Unit
- Florida Highway Patrol Unit
- Lottery Law Enforcement Unit

Florida State Fire Service Association

- Fire Service Unit

Federation of Physicians and Dentists

- Supervisory Non-professional Unit
- Physicians Unit

State Employees Attorneys Guild

- Attorneys Unit

Teamsters Local Union No. 2011

- Security Services Unit

Federation of Public Employees

- Lottery Administrative and Support Unit

Provisions of the bill:

The bill provides that all economic issues at impasse for the 2016-2017 fiscal year regarding state employees will be resolved pursuant to instructions provided in the General Appropriations Act for the 2016-2017 fiscal year and the relevant provisions of any legislation enacted to implement the General Appropriations Act.

B. SECTION DIRECTORY:

Section 1: Provides for resolution of collective bargaining issues at impasse between the State of Florida and certified collective bargaining units pursuant to specified instructions.

Section 2: Provides effective date of July 1, 2016.

B. SECTION DIRECTORY:

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:

None

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None. 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

1 A bill to be entitled
 2 An act relating to collective bargaining; providing
 3 for the resolution of collective bargaining issues at
 4 impasse between the State of Florida and certified
 5 bargaining units for state employees pursuant to
 6 specified instructions; providing an effective date.

7
 8 Be It Enacted by the Legislature of the State of Florida:

9
 10 Section 1. All collective bargaining issues for which
 11 negotiations have reached an impasse for the 2016-2017 fiscal
 12 year between the State of Florida and the legal representatives
 13 of the certified bargaining units for state employees shall be
 14 resolved pursuant to the instructions provided in the General
 15 Appropriations Act and the relevant provisions of any
 16 legislation enacted to implement the General Appropriations Act
 17 for the 2016-2017 fiscal year.

18 Section 2. This act shall take effect July 1, 2016.