

HOUSE OF REPRESENTATIVES

Fiscal Responsibility Council
Representative Carlos A. Lacasa, Chair
Representative Mike Fasano, Vice Chair

2002 SUMMARY OF PASSED LEGISLATION **SPECIAL SESSION "E"**



Criminal Justice Appropriations Committee

Representative Randy J. Ball, Chair
Representative Matthew J. Meadows, Vice Chair

Education Appropriations Committee

Representative Evelyn J. Lynn, Chair
Representative Dwight Stansel, Vice Chair

Fiscal Policy & Resources Committee

Representative Rob Wallace, Chair
Representative Mike Haridopolos, Vice Chair

General Government Appropriations Committee

Representative Paula Dockery, Chair
Representative Ron Greenstein, Vice Chair

Health & Human Services Appropriations Committee

Representative Sandra L. Murman, Chair
Representative Frank Farkas, Vice Chair

Transportation & Economic Development Appropriations ***Committee***

Representative Randy Johnson, Chair
Representative William F. Andrews, Vice Chair

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Fiscal Responsibility Council

HB 29-E, 2nd ENG. – Implementing Bill for the 2002-2003 General Appropriations Act

By Fiscal Responsibility Council; Lacasa

Linked Bills: HB 27-E, 2nd ENG.

Tied Bills: Compare SB 2-E, SB 4-E

Committee(s)/Council(s) of Reference: Referred to House Calendar

The purpose of the implementing bill is to prevent conflict between the statutes and the General Appropriations Act. The Florida Supreme Court has ruled that the Legislature cannot amend the statutes in the General Appropriations Act. See Brown v. Firestone, 382 So.2d 654 (Fla. 1980). The Court has also ruled that an implementing bill may not change existing law on subjects other than appropriations without violating the "single subject" requirement of the Constitution. See Moreau v. Lewis, 648 So.2d 124 (Fla. 1995). Thus, House Bill 29E contains only provisions that are directly tied to, and necessary to implement, appropriations and that are valid for the one-year timeframe of the General Appropriations Act.

The Conference Report on HB 29-E contains 62 substantive sections in the following areas:

- 7 in Education,
- 8 in Health and Human Services,
- 8 in Criminal Justice,
- 22 in General Government,
- 8 in Transportation and Economic Development, and
- 9 related to the General Revenue service charge and interest from trust funds.

The Implementing Bill also adopts by reference the Performance-based program budgeting measures and standards dated May 10, that have been distributed and filed with Clerk. Performance-based program budgeting now covers 31 agencies and the judicial branch.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2002.

HB 53-E, 1st ENG. – Relating to Children and Family Services Department

By Fiscal Responsibility Council; Murman

Linked Bills: HB 27-E, 2nd ENG.

Tied Bills: Similar SB 36-E

Committee(s)/Council(s) of Reference: Fiscal Responsibility Council

The bill makes the following changes to the Department of Children and Families (DCF) and the Department of Health (DOH) in order to implement the General Appropriations Act for FY 2002-03.

- Authorizes the DCF and the DOH to advance money to contract providers that were approved for advancement by the Comptroller in fiscal year 1993-94.

- Requires substance abuse and mental health services contracts to include a provision that client demographic, services, and outcome information must be submitted to the DCF for inclusion in the department's Mental Health and Substance Abuse Data System and prohibits payment to the provider unless the information has been submitted by the specified date.
- Requires all new funds received in FY 2002-03 for substance abuse and mental health services in excess of FY 2001-02 recurring appropriations to be allocated in accordance with the General Appropriations Act and prohibits a district from receiving an allocation of recurring funds that is less than the FY 2001-02 appropriation.
- Provides that state funds determined to meet the maintenance-of-effort requirement for the Temporary Assistance for Needy Families block grant must be spent in accordance with Part A of Title IV of the Social Security Act.
- Removes the July 1, 2002 expiration date related to the community partnership matching grant program in DCF.
- Provides for the sale, subject to certain approvals, of the former W.T. Edwards Hospital complex located in Hillsborough County and the remaining Sunland complex located in Leon County that is currently under lease to the DCF. Provides that the proceeds from the sale of both properties must be deposited into the DCF Administrative Trust Fund and, subject to legislative appropriation, must be used to construct, renovate, equip, maintain, and improve DCF facilities.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2002.

HB 59-E, 2nd ENG. – Health Care/Medicaid

By Fiscal Responsibility Council; Murman

Linked Bills: HB 27-E, 2nd ENG.

Tied Bills: Similar SB 38-E; Compare HB 3-E, 2nd ENG.; HB 23-E; CS/SB 42-E; SB 62-E

Committee(s)/Council(s) of Reference: Referred to House Calendar

This bill makes a number of changes to the Medicaid program. These statutory changes implement Medicaid program funding decisions included in the General Appropriations Act. Specifically, the bill:

- Provides various changes to improve the Agency for Health Care Administration's Medicaid fraud and abuse program;
- Creates a fund to ensure recovery of nursing home Medicaid overpayments;
- Revises eligibility standards for the pharmaceutical expense assistance program to allow participation in a proposed federal expansion;
- Updates the applicability of the financial assistance program for rural hospitals;
- Provides requirements for contracts for Medicaid behavioral health care services;
- Revises enrollment goal of managed care diversion of Medicaid recipients;

- Revises definition of the term “intermediate care facility for the developmentally disabled”;
- Restores coverage for adults in the Medically Needy program effective July 1, 2002 and revises program policy effective May 1, 2003 to increase the medically needy income level by \$270 (from \$180 to \$450) and prohibits Medicaid reimbursement for expenses used to meet the spend-down liability for a family or person.
- Provides additional criteria for an adjustment to a hospital’s current Medicaid inpatient per diem rate.
- Restores Medicaid coverage for Adult Emergency Dental, Visual, and Hearing services.
- Provides for a reimbursement to nursing homes for general and professional liability insurance;
- Directs the Florida Healthy Kids Corporation to collect local contributions to be used to pay premiums for children who are not eligible for Title XXI;
- Creates a subacute pediatric transitional care pilot; and
- Requires the Department of Children and Family Services to develop and implement a redesign of the home and community-based services delivery system for persons with developmental disabilities.

Subject to the Governor’s veto powers, the effective date of this bill is upon becoming law.

Fiscal Policy & Resources Committee

SB 18-E – Corporate Income Tax

By Clary & others

Linked Bills: None

Tied Bills: Similar HB 9-E

Committee(s)/Council(s) of Reference: Finance and Taxation

Florida's Corporate Income Tax Code follows the Federal Internal Revenue Code by using federal rules and starting with federal taxable income as the tax base for the Florida income tax. Section 220.03, Florida Statutes, defines specific terms as they apply to Florida's corporate income tax code. The term "Internal Revenue Code" is defined to mean those provisions of the United States Internal Revenue Code of 1986, as amended, in effect on January 1, 2001.

On March 9, 2002, President Bush signed the Job Creation and Worker Assistance Act of 2002 into law. This act is also known as the Economic Stimulus Package. The Act contains provisions designed to stimulate the economy by granting businesses certain corporate income tax benefits relating back to September 11, 2001. The major portion that would affect Florida is the special depreciation allowance. The provision allows a first-year depreciation deduction equal to 30 percent of the adjusted basis for certain qualified property acquired after September 10, 2001 and before September 11, 2004.

This bill updates the Florida Income Tax Code to reflect the changes Congress has made to the U.S. Internal Revenue Code of 1986. The bill states the Legislature intends to adopt the Job Creation and Worker Assistance Act of 2002, to the extent that such provisions take into account in the computation of net income. The bill therefore "piggybacks" each change made during 2001 in the U.S. Internal Revenue Code, as well as changes made by the Job Creation and Worker Assistance Act.

This fiscal impact to general revenue is an estimated negative \$116 m in FY 01-02, negative \$146 m in FY 02-03, negative \$124 in FY 03-04, and negative \$42 m in FY 04-05. The fiscal impact over these four years total an estimated negative \$428 million.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming law.
