

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1368

SPONSOR: Governmental Oversight and Productivity Committee and Senator Cowin

SUBJECT: Adoption Benefits for State or Water Management District Employees

DATE: April 5, 2001 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Wilson	Wilson	GO	Favorable/CS
2.	_____	_____	AGG	_____
3.	_____	_____	AP	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill limits adoption benefits to full- or part-time employees paid from salary appropriations of the State of Florida or water management districts and provides an application process for securing the monetary benefits. Funds specifically appropriated to the Department of Management Services may be used to assist agencies experiencing a high incidence of placement claims.

This bill amends the following sections of the Florida Statutes: ss.110.152, 110.15201, 215.32, and 373.6065.

II. Present Situation:

The 2000 Legislature enacted an additional workplace benefit for employees of the State of Florida and the several water management districts. A monetary payment of \$10,000 is provided for the adoption of a special needs child and \$5,000 for the adoption of any other child. These benefits are supplemental to the tax credit provisions enacted in the Internal Revenue Code available to individual filers. The sum of \$140,000 is provided in the Senate Appropriations Bill for the funding of this benefit for the fiscal year ending June 30, 2002.

On March 19, 2001 the DMS published a summary of benefit payments made from the \$140,000 appropriation provided by the 2000 General Appropriations Act. Eight state agencies accounted for eighteen adoption placements. Of the 18 placements involving 21 children, 3 placements were for domestic adoptions, 8 were foreign, and 7 were special needs. One adoption placement accounted for three special needs cases. In that same document the DMS reported another \$789,827 in adoption subsidy payments made by employing state and water management district agencies from their own funds. In these instances there were 70 placements involving 90

children. Twenty placements were domestic adoptions, 14 were foreign, and 36 were special needs. Employees of the Department of Health, the Department of Children and Family Services, and 6 state universities accounted for more than half of all placements.

The present law does not distinguish between part- and full-time employment status for a proportional distribution of the payments. Furthermore, the directive contained in current law does not suggest that the administering agency could develop an application process.

III. Effect of Proposed Changes:

Section 1. Section 110.152, F.S., is amended to specify that only full- or part-time employees paid from salary appropriations may apply for the adoption benefits. The amended section also permits a pro-rata payment of the adoption benefits based upon percentage of full-time status.

Section 2. Section 110.15201, F.S., is amended to give the DMS additional specific rule-making authority for the development of an application process.

Section 3. Section 215.32, F.S., is amended to authorize the Comptroller and the DMS to transfer funds to the water management districts for adoption benefits as long as funds remain available for the program in s.110.152, F.S.

Section 4. Section 373.6065, F.S., is created to provide a separate authorization for adoption payments for employees of water management districts similar to that contained in s. 110.152, F.S., F.S. and consistent with the fund transfer provisions authorized by s. 215.32, F.S., above.

Section 5. A new section is added to provide a priority in the allocation of adoption funds. Under its term the highest priority will be accorded special needs children, followed by domestic and then foreign adoptions.

Section 6. The act takes effect July 1, 2001.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Adopting parties will receive up to \$10,000 per finalized adoption placement, less applicable taxes. The payment is structured such that 50 percent of the total amount due is payable immediately with the remainder spread over two years in equal monthly installments for special needs children. For other adoptions the sum of \$3,000 is payable immediately with the remaining \$2,000 paid in equal monthly installments over a two-year period.

The payments reduce the expenses assumed by an adopting parent. In the case of foreign adoptions these expenses can be substantial.

C. Government Sector Impact:

The Senate Appropriations Bill (SB 2000, First Engrossed) for the fiscal year ending June 30, 2002 provides \$140,000 for this benefit (Line Item 2659A).

Adoption payments act as an offset to subsidy payments for special needs children available through the Department of Children and Family Services. However, special needs children can maintain their eligibility for Medicaid regardless of the income limits of the adopting parent.

State agencies are not otherwise separately funded for this employee benefit and must use funds already appropriated.

Subsidy payments are not considered salary and, therefore, are not part of the calculation used in s.121.021, F.S., to determine state retirement benefits.

There will be rule promulgations required under this bill with usual and customary advertisement and line charges imposed by the Department of State.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Use of the qualification “. . .paid from regular salary appropriations . . .” precludes contractors and persons paid from “Other Personal Services,” or temporary labor appropriations from benefit eligibility. Sections 110.131 and 216.011(1)(dd), F.S., prevent persons paid from casual labor appropriations for temporary, part-time, and seasonal employment from participating in benefit programs for State of Florida employees who are paid from salary appropriations.

Water management districts will have to promulgate rules that do not conflict with the provisions of s. 110.152, F.S. Essentially this means the benefits apply only to full- or part-time employees paid from salary appropriations.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
