

Broward SLI

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Commissioners Advocate in Tallahassee

Commissioners Sharief and Lieberman traveled to Tallahassee this week to advocate for the County on a variety of legislative issues. Commissioner Sharief met with House and Senate members, the Governor's Office of Policy and Budget, and representatives from the Agency for Health Care Administration to discuss Broward's concerns about SB 1988, the AHCA Medicaid billing proposal, as well as proposed cuts to adult mental health and substance abuse services. Specifically, Commissioner Sharief communicated how damaging short-sighted cuts of this nature would be to the County, as eliminating these valuable services would likely result in increased emergency room utilization and entries into the criminal justice system.

Commissioner Lieberman also met with several House and Senate members and staff to discuss various health care and consumer protection issues, including SB 1988 and the County's efforts to amend current law related to informed consent for certain surgical procedures. Additionally, Commissioner Lieberman advocated for adding an exemption for deceased persons to the existing state law governing red light camera citations.

FRS Pension Bill Passes

CS/HB 525, relating to the FRS retirement system, passed the House Appropriations Committee this week on a largely party-line vote (12-8). The bill increases the vesting date for members enrolling in the FRS pension plan on or after July 1, 2012 from 8 to 11 years. In addition, the bill increases the numbers of years of service required for disability retirement benefits, conforming vesting date changes in the FRS pension plan.

The normal retirement age for Special Risk Class members is revised for members initially enrolled in the FRS on or after July 1, 2011. Members must be age 55 and vested, be at least age 48 and have 25 years of special risk service, or be age 52 with 25 years of service, including special risk service and up to four years of wartime military service credit. New members initially enrolled on or after July 1, 2012, will default into the investment plan after the 12-month (rather than 5-month) plan election window closes. The bill also makes changes to the Senior Management System Optional Annuity Program (SMSOAP), the State University System Optional Retirement Program (SUSORP), and the State Community College System Optional Retirement Program (SCCSORP).

CS/CS/HB 525 revises the pension plan's required contribution rates and the employer contribution rates to fund the FRS pension plan's unfunded actuarial liability. Because the bill's provisions are subject to the local government mandate requirements in the

Article 7, §18 of the State Constitution, the bill declares that the act fulfills an important state interest. Eventually, the bill will have to pass by a two-thirds vote of each chamber to impose its mandates on cities and counties. If the bill passes the Legislature, its provisions would take effect July 1, 2012.

The bill will have a fiscal impact on state and local governments, as the staff analysis identifies an FY 2012-2013 impact of over \$18 M on counties statewide and approximately \$1 M on FRS participating municipalities. The Office of Management and Budget has performed a preliminary analysis of the bill's expected impact on the County and BSO with the following results:

- FY 2012: \$65,000 savings to the County; \$689,000 negative impact to BSO.
- FY 2013: \$260,000 savings to the County; \$2,756,000 negative impact to BSO.

CS/CS/HB 525 has proven to be very controversial, since it restores generous benefits for police and fire members at the expense of other FRS pension plan members. As a result, unions representing the different employee groups have been at odds over support for the legislation and how the Legislature is choosing to fund the benefit levels for the police and fire FRS pension plan members. The Senate companion bill, SB 1334, had been scheduled to be heard before the Senate Governmental Oversight and Accountability Committee this week, but was temporarily postponed in order to give the unions and the bill sponsor an opportunity to reach an agreement on the bill.

AHCA Medicaid Billing Update

On Wednesday, SPB 7094, a conforming bill related to Medicaid, was heard in the full Budget committee. Filed on February 12, the bill was included the Medicaid Billing proposal highlighted in previous updates, with some changes. After its hearing in Budget, SPB 7094 was filed as SB 1988. As currently drafted, the bill contemplates the following:

- No changes to the current statutory requirement for county responsibility for hospital days was included
- The current county "backlog" of payments (arrearages) could be paid over 36 months, at a 15 percent forgiveness rate
- With these assumptions in place, the non-recurring revenue estimate in year one would be \$59 M (to State GR)—this money is already spent in the Senate's budget
- The revenue estimate for the total payments required by counties in 2012-2013, including the \$59 M backlog, is \$286.8 M
- The state seeks to pull directly from revenue sharing (cigarette tax and half-cent sales tax, up to 50 percent of total county allocation) each month to cover arrearages and future bills
- AHCA would remit bills each month (presumably after our revenue share has been withheld) that we can "dispute" and if AHCA agrees, will credit towards our next revenue withhold

FAC is proposing compromise language that would completely revamp the billing system and create more certainty in the distribution of county's cost sharing with the state in a variety of areas. As the details develop, they will be highlighted in the update.

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Crime Lab Bill Introduced

SPB 7072 was heard and approved for filing as a committee bill this week by the Senate Budget Committee. The proposed budget conforming bill provides for a \$100 mandatory court assessment on persons convicted of a criminal offense where the services of a local crime laboratory are used in the investigation or successful prosecution of the criminal defendant. It has been formally filed and assigned a number, SB 1968. The bill is on the Calendar and will be considered when the full Senate considers all budget bills next week.

Red Light Camera Citations

On Tuesday, HB 343 by Rep. Nehr, was heard in the Transportation and Economic Development Appropriations committee. The bill, once a viable vehicle for Broward's amendment adding an exemption to statute prohibiting the issuance of citations to deceased persons, seems to have met an untimely demise. An amendment redirecting all local revenues generated from red light camera citations back to state general revenue was cause for significant questioning and debate from members of the committee. After almost half-an-hour of discussion, a point-of-order was called, questioning the germanity of the amendment to the substance of the underlying bill. The Chair temporarily postponed the bill while the point was considered; however, the bill was not brought up and is likely dead for the remainder of the Session.

Public Contracting

The Senate Committee on Governmental Oversight and Accountability considered and passed SB 794 by Sen. Hays, relating to public contracting, by a 9-2 vote. The bill prohibits the state, counties, cities, school boards and other state or local governmental entities from entering into contracts or expending funds on contracts to construct, remodel, repair or demolish a building, structure, bridge, runway, rail, or road if the contract:

- Contains a term that requires, prohibits, encourages, or discourages a bidder, contractor or subcontractor from entering into or adhering to *agreements with a collective bargaining organization* relating to the construction project or other related construction projects.
- Contains a term that discriminates against a bidder, contractor or subcontractor based on its status as a party or nonparty to, or its willingness or refusal to enter into, an agreement with a *collective bargaining organization* relating to the construction project or other related construction projects.

The bill is intended to preclude the use of project labor agreements or labor harmony clauses in public contracting. Its provisions, however, will not affect existing contracts entered into or awarded before the effective date of the act. SB 794 now awaits a hearing in the Senate Budget Committee. The House companion bill, HB 719, was not heard in its first committee of reference, the Government Operations Subcommittee, and is likely dead for this Session. Accordingly, even if the SB 794 manages to pass the Senate, it would take a two-thirds waiver of the House's rules to hear the bill on the House floor given that HB 719 was never heard in committee.

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Juvenile Detention Cost Share

SB 7070, relating to shared county and state responsibility for juvenile detention, passed in the full Senate Budget Committee on Wednesday, with our requested amendatory language narrowing county responsibility for alternatives to detention to respite beds.

Online Travel Companies

On Wednesday, HB 1393 was again temporarily postponed in House Finance and Tax; however, the bill is on the calendar for the committee's February 21 meeting. The Senate companion, SB 1888 by Sen. Gardiner, has still not been heard in its first committee of reference.

Freight Mobility Legislation Advances

The Senate Committee on Commerce and Tourism this week took up and unanimously approved CS/SB 1168, relating to freight mobility development, as a committee substitute. The bill, by Sen. Ring, was amended to delete a freight and logistics facility credit which the bill sought to establish. The Committee also added a provision establishing criteria that FDOT must consider in designating "logistics intermodal center" facilities as part of the Strategic Intermodal System, and made several technical/stylistic changes to the bill. CS/CS/SB 1168 now contains identical seaport and freight mobility provisions that are part of CS/SB 1866, the Senate's transportation package. The House companion measure (HB 679 by Rep. Ray) never received a hearing in its first committee, the Business and Consumer Affairs Subcommittee, which is no longer meeting.

Secondary Metals Recyclers

SB 540 and HB 885, by Sen. Smith and Rep. Wood, respectively, would preempt regulation of purchase transactions of regulated metals property, as defined by law, to the state. Specifically, with respect to secondary metals recyclers, the bills would establish uniform requirements for maintaining transaction records, transaction time restrictions, and acceptable forms of payment, among others. Both bills have been amended to provide that ordinances or regulations enacted prior to March 1, 2012 are grandfathered and may be subsequently amended to meet or exceed the requirements of the law. Thus, Broward County's existing ordinance would remain in effect and the County would retain the authority to amend it in the future as necessary. The County will continue to closely monitor these bills to ensure that this protective language is not stripped from the proposed legislation. SB 540 is now in the Budget Subcommittee on General Government Appropriations; HB 885 is now in the Judiciary Committee.

Mental Health and Substance Abuse Cuts

Currently, the Senate is relying on cuts to Adult Mental Health Services and Adult Substance Abuse Services to balance its Health and Human Services Appropriation. Conversely, the House has not proposed cuts of this nature to balance its budget. Furthermore, the Governor also did not propose such drastic cuts in his budget recommendations. Broward County is supportive of the House funding position and will work diligently to get the Senate to reconsider its position.

Department of Health Reorganization

On Thursday, the Senate Health Regulation Committee unanimously approved an amended version of SB 1824, by Sen. Garcia. The amended bill removed most of the harmful decentralization language that is still included in HB 1263, by Rep. Hudson. While this was a very positive change for the County, Sen. Garcia has expressed interest in continuing to discuss the decentralization issue because he believes “Rep. Hudson is on to something.” Broward is supportive of the Senate’s current position and will actively oppose the House’s decentralized approach to public health that may result in disparate treatment and access, and actually worsen health outcomes in rural and hard-to-reach populations. Both bills will be heard in committee this week.

Bills of Interest Passed in the House

The following bills were approved by the House this week:

- HJR 93 and HB 95, by Rep. Harrison, which would authorize an additional homestead exemption to the spouses and families of deceased military veterans or first responders killed in the line of duty, were approved unanimously by the House.
- HB 7003, by Rep. Crisafulli, would require the Department of Environmental Protection to develop statewide environmental resource permitting (ERP) rules. As amended in its last committee of reference, the bill clarifies that it does not prohibit local governments or local pollution control programs from adopting or implementing regulations stricter than those established in the statewide ERP program. HB 7003 passed unanimously.
- HB 7045, by Rep. Williams, would establish an extended consumptive use permit (CUP) for alternative water supply development projects, increasing the CUP duration from twenty years to at least thirty years. HB 7045 passed unanimously.
- HB 7041, by Rep. Nehr, transitions much of the responsibilities of the Department of Community Affairs, the Agency for Workforce Innovation, and the Office of Tourism, Trade, and Economic Development within the Executive Office of the Governor to the Department of Economic Opportunity (DEO). No direct fiscal impact is anticipated for the state or County. HB 7041 passed unanimously.
- HB 4179, by Rep. Nunez, repeals a requirement that Department of Children and Families (DCF) develop a strategy to de-institutionalize care for residents 55 and older and report to the Legislature. DCF has not filed this report in several years, and removing this language statutorily should not negatively impact Broward County. HB 4179 passed unanimously.

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