

Broward SLI

State Legislative Information

March 29, 2013

Number 10 - Volume XV

Week 4

CONTENTS

First Medicaid DRG Draft
Silent on County Billing Issue

Bill will Close Affordable
Housing Tax Loopholes

County Priorities Continue to
Advance

Environmental Regulation Bill
Moves

Freight Logistic Zones

First Health and Human
Services Budgets Proposed

Transportation Budget
Proposals Presented

Follow us on
Twitter
[@BrowardSLI](#)

INTERGOVERNMENTAL AFFAIRS STAFF

Eddy Labrador
Marty Cassini
Nick Matthews
Daphnee Sainvil

The March 25, 2013, week of Legislative Session was an abbreviated work week due to the holidays. A full week of Committee meetings and Session will resume on April 1, 2013.

First Medicaid DRG Draft Silent on County Billing Issue

On Wednesday, March 27, 2013, the House Subcommittee on Health Care Appropriations introduced an initial draft to address how diagnosis related groups (DRG) will be used to implement Medicaid reform. Language in HB 5201 – Medicaid, introduces the transition from a per diem based reimbursement system to a prospective payment system for reimbursing hospital inpatient services. DRG, a type of prospective payment, will classify Medicaid hospital visits into groups based on the diagnoses, sex, age, and other factors which can include costs of labor, hospital case mix, and overall wellness or acuity of the population. Currently, Medicare uses a similar system to reimburse hospitals.

The draft introduced on Wednesday does not indicate how counties will be billed and is unclear as to the counties responsibilities under the new payment system. This approach is a departure from a per diem based system where counties paid for specific services identified in Florida statutes. The draft bill also requires local governments to submit to AHCA a final executed letter of agreement containing the total number of intergovernmental transfer authorized by the locals by no later than October 15 of each year. This will assist AHCA to make more timely payments to hospitals. HB 5201 also tweaks the timing structure of the Disproportionate Share Program (DSH).

Bill will Close Affordable Housing Tax Loopholes

HB 921 – Relating to Tax Exemptions for Property Used for Affordable Housing by Rep. Renuart is ready for the House floor as it passed the House Economic Affairs Committee. The bill removes a provision authorizing the affordable housing property tax exemption to apply to affordable housing owned by a Florida-based limited partnership whose sole general partner is a not for profit corporation. This provision was broadened in 2009 with some unintended effects.

The expanded provision allowed an affordable housing development with a nonprofit general partner to claim a tax exemption even though the limited partnership that owns the property is a for-profit corporation. While the provision is beneficial to non-profit developments, the provision could be misused if a for-profit developer uses a compliant non-profit, which has no significant role in the development's construction or operations, to gain the tax exemption. Passage of this bill is estimated to have a \$117 million annual positive impact to local governments.

County Priorities Continue to Advance

Both ocean outfall bills, HB 707 and SB 444, were scheduled to be heard in their respective final committees of reference on March 28, 2013. HB 707 sailed through committee with a unanimous and bipartisan vote. In the Senate, SB 444 was not considered due to time constraints. The house bill is ready for the floor and the senate version is scheduled to be heard at the next Senate Appropriations Committee meeting on April 3rd at 9:00 AM.

Legislation requiring a school district to notify private schools of an emergency has continued to advance. SB 284 was introduced on the Senate floor and should get a final vote during the next week of Session. Additionally, HB 369 should go before the House Judiciary Committee during the next week of Session. Both bills have been amended to expand the original intent of the legislation - in previous committee stops, each bill was amended to grant schools the ability to purchase and maintain epinephrine auto-injectors for use during an anaphylactic reaction. This additional language will ultimately slow the bill down in the House of Representatives.

Environmental Regulation Bill Moves

On Wednesday, March 27, 2013, the House Subcommittee on Agriculture and Natural Resources heard HB 999 – Environmental Permitting. The bill makes numerous changes to development and environmental permitting statutes. The intent of the bill, as explained by the sponsor Rep. Jimmy Patronis, is to streamline regulations and strike a balance between responsible development and environmental protection. The sponsor explained that he held two stakeholder meetings, which staff attended, before the bill was amended.

The bill provides that local governments cannot request additional information on a development application more than three times. While this prohibition would cause for unnecessary delay in the permit process, the sponsor stated during his presentation that he will amend the bill in the next committee stop so that the prohibition will only apply to regulated professionals. The intent is to require dialogue between local government planning departments and developers.

HB 999 also provides that a permit is not required for the restoration of seawalls within 18 inches from their previous location. Previously, the threshold was 12 inches for a permit, but this change places Florida law in line with Federal law. The bill also changes lease fees and creates local government permits for marinas and mooring field expansion. These

**Follow us on
Twitter
@BrowardSLI**

INTERGOVERNMENTAL

AFFAIRS STAFF

Eddy Labrador
Marty Cassini
Nick Matthews
Daphnee Sainvil

changes are targeted at increasing economic development within the marine industry.

While the bill passed the subcommittee 10 – 1, the sponsor continues to work with developers, environmentalists, and local governments. Currently, no Senate companion bill exists.

Freight Logistic Zones

Presently, Florida does not designate freight logistic zones. HB 879 would change that by allowing the designation of up to four pilot freight logistics zones around the state. The bill is a follow-up to the Florida Department of Transportation's (FDOT) creation of an Office of Freight Logistics and Passenger Operations last year, and last Session's transportation legislation (HB 599) which required FDOT to develop a Freight Mobility and Trade Plan by July 1, 2013.

The while not defining what is a "freight logistics zone," the bill provides a process by which local governments may apply to have FDOT designate a particular geographic area as a freight logistics zone. The bill requires FDOT to consult with the Department of Economic Opportunity, the Florida Seaport Transportation and Economic Development Council, and other public and private stakeholders, in designating the four pilot freight logistics zone areas. Designated freight logistics zones may be eligible for priority state funding and incentives.

HB 879 next stop is to the House Transportation and Economic Development Appropriations Subcommittee. The Senate companion measure, SB 1058, sponsored by Sen. Ring, is pending its first hearing in the Senate Transportation Committee.

First Health and Human Services Budgets Proposed

On March 26 and March 27, 2013, the Senate and House released their respective Health and Human Service Budget Proposals. The first drafts are proposed by the committee chair and only reflect proposed state spending under the purview of that committee.

The proposed budget in the House Health Care Appropriations Subcommittee has some allocations worth highlighting:

- \$7,182,122 provided for Community Care for the Elderly (CCE). This appropriation will fund 1,162 new slots in the program.
- \$3,075,467 to restore funding for the Aged and Disabled Adult (ADA) Medicaid Waiver Program that was funded as nonrecurring revenue in FY 2012-2013.
- \$473,846 for CARES assessors to serve the 5,443 new slots opened in CCE, ADA, Assisted Living Facility (ALF), and Nursing Home Diversion (NHD) waiver waitlists.
- \$6,627,030 for the Women, Infants and Children (WIC) Electronic Benefits Transfer (EBT) Implementation project.
- \$10,660,659 for the AIDS Drug Assistance Program. This appropriation coincides with increase in federal budget authority to transition from direct purchase to a rebate model for the purchase of AIDS drugs under the Ryan White Program.

**Follow us on
Twitter
@BrowardSLI**

INTERGOVERNMENTAL
AFFAIRS STAFF
Eddy Labrador
Marty Cassini
Nick Matthews
Daphnee Sainvil

- The proposal also includes \$2,000,000 increase for Rape Crisis Centers, \$3,433,362 increase for Early Steps, restoration of \$5,550,000 in recurring funds for Temporary Assistance for Needy Families (TANIF) and a \$7,556,000 increase for operations and maintenance of County Health Departments.

The proposed budget in the Senate Appropriations Subcommittee on Health and Human Services makes noteworthy appropriations as well:

- \$54,900,000 to serve additional clients on the Home and Community Based Care Waiver.
- \$5,600,000 to serve additional clients under the Nursing Home Diversion Program.
- Maintenance of \$23,100,000 for Mental Health and Substance Abuse Treatment funding.
- \$2,000,000 increase in Child Protection Investigations funding.
- \$3,000,000 to increase bed capacity in Domestic Violence Centers.
- \$6,600,000 to complete the WIC/EBT implementation project.
- \$2,500,000 increase to Rape Crisis Centers.
- Maintained previous years funding for Healthy Start, Ounce of Prevention, and Early Steps.
- \$13,100,000 for maintenance and repair of county health departments.

Transportation Budget Proposals Presented

The House and Senate appropriations committees have released their FY 2014 funding plans that will be considered in the upcoming week. In the transportation area, the House and Senate plans look very similar with key areas funded at identical levels. For instance, both chambers fund aviation development/grants at \$158.43 million. Public transit and rail development/grants are also identically funded at \$247.20 million and \$59.63 million, respectively. The House and Senate proposed budgets continue their support for seaport investment allocating the following amounts:

- Seaport Economic Development - \$15 million;
- Seaport Access Program - \$10 million;
- Seaport Investment Program - \$10 million; and
- Seaport Grants - \$241.16 million.

The House and Senate plans differ by \$500,000 in funding intermodal development/grants with the House proposing to use the difference to develop a transportation hub facility at State Road 7 and Oakland Park Boulevard; the Senate meanwhile provides \$500,000 in non-recurring funds to the St. John's River Commission for ferry boat repairs. The Senate budget also proposes to spend \$50 million for land acquisition, design and construction of the "Coast to Coast Connector," a multi-use, interconnected trail system extending from St. Petersburg to Titusville, Florida.

Follow us on
Twitter
[@BrowardSLI](#)

INTERGOVERNMENTAL
AFFAIRS STAFF
Eddy Labrador
Marty Cassini
Nick Matthews
Daphnee Sainvil