

Tab 1	SB 7006 by HP ; Direct-support Organization of the Prescription Drug Monitoring Program
--------------	---

Tab 2	SB 7008 by MS ; (Identical to H 07031) Department of Veterans' Affairs Direct-support Organization
--------------	--

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA
 APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND
 HUMAN SERVICES
 Senator Flores, Chair
 Senator Stargel, Vice Chair

MEETING DATE: Wednesday, March 8, 2017
TIME: 4:00—6:00 p.m.
PLACE: James E. "Jim" King, Jr. Committee Room, 401 Senate Office Building

MEMBERS: Senator Flores, Chair; Senator Stargel, Vice Chair; Senators Artiles, Baxley, Book, Passidomo, Powell, and Rader

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 7006 Health Policy	Direct-support Organization of the Prescription Drug Monitoring Program; Abrogating the repeal of provisions authorizing the Department of Health to establish a direct-support organization for the prescription drug monitoring program, etc. AHS 03/08/2017 Favorable AP	Favorable Yeas 7 Nays 0
2	SB 7008 Military and Veterans Affairs, Space, and Domestic Security (Identical H 7031)	Department of Veterans' Affairs Direct-support Organization; Abrogating the scheduled repeal of provisions governing a direct-support organization established by the department, etc. AHS 03/08/2017 Favorable AP	Favorable Yeas 7 Nays 0
3	Chair's Proposed Budget Reductions for FY 2017-2018		Presented

Other Related Meeting Documents

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Appropriations Subcommittee on Health and Human Services

BILL: SB 7006

INTRODUCER: Health Policy Committee

SUBJECT: Direct-support Organization of the Prescription Drug Monitoring Program

DATE: March 7, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
	<u>Lloyd</u>	<u>Stovall</u>		HP Submitted as Committee Bill
1.	<u>Loe</u>	<u>Williams</u>	<u>AHS</u>	Recommend: Favorable
2.	<u> </u>	<u> </u>	<u>AP</u>	

I. Summary:

SPB 7006 removes a repeal date of October 1, 2017, and re-enacts authority for the Department of Health (department) to establish and contract with a direct-support organization for fundraising and support of the prescription drug monitoring program (PDMP).

The bill also removes references to an obsolete Program Implementation and Oversight Task Force created upon enactment of the PDMP in 2009.

The bill has no fiscal impact.

The effective date of the bill is July 1, 2017.

II. Present Situation:

Citizen Support Organization (CSOs) and Direct Support Organizations (DSOs)

Citizen support organizations (CSOs) and direct support organizations (DSOs) are private entities created to assist or support governmental entities in carrying out their duties. Prior to 2014, CSOs and DSOs had similar organizational and reporting requirements but no single standard or operational requirement, except that such organizations were often Florida not-for-profit corporations that required approval by the Department of State.¹

In 2014, the legislature conducted a review of the existing relationship between CSOs and DSOs and their governmental partners. One of the results of that review was legislation that established operational requirements and standards for CSOs and DSOs with an automatic review and repeal

¹ See Section 258.015(1), F.S.; Section 257.43(1), F.S.; specific CSOs and DSOs have the authority to operate and conduct programs and activities; raise funds; request and receive grants, gifts, and bequests of money; acquire, receive, hold, invest, and administer fund and property; and make expenditures.

date for each organization.² Effective in August 2014, a CSO or DSO created or authorized pursuant to law or executive order and created, approved, or administered by an agency must submit annually the following to the appropriate agency:

- The name, mailing address, telephone number, and website address of the organization.
- The statutory authority or executive order that created the organization.
- A brief description of the mission and results obtained by the organization.
- A brief description of the plans of the organization for the next 3 fiscal years.
- A copy of the organization's code of ethics.
- A copy of the organization's most recent federal Internal Revenue Service Return of Organization Exempt from Income Tax form (Form 990).³

Each agency receiving the above information from a CSO or DSO must make the information available to the public through the agency's website. The agency's website must provide a link to the organization's website if the organization maintains a website.

Each agency must report the above required information to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Office of Program Policy Analysis and Government Accountability annually by August 15. The report must also include a recommendation by the agency, with supporting rationale, to continue, terminate, or modify the agency's association with each organization.

Any contract between an agency and a CSO or DSO must be contingent upon the organization submitting and posting the required information. The agency head must terminate any contract between the agency and the organization if an organization fails to submit the required information for two consecutive years.

A law creating or authorizing the creation of a CSO or DSO is repealed on October 1 of the fifth year after enactment unless reviewed and saved from repeal through reenactment by the legislature. CSOs and DSOs in existence on July 1, 2014, must be reviewed and saved from repeal through reenactment by the legislature.

The 2014 law repeals existing statutory authority for specified CSOs and DSOs on October 1, 2017, October 1, 2018, and October 1, 2019, unless reviewed and saved from repeal by the legislature.

Audits of state agency CSOs and DSOs

Section 215.981, F.S., provides that each CSO and DSO with annual expenditures in excess of \$100,000 created or authorized pursuant to law, and created, approved, or administered by a state agency – other than universities, community colleges, or district school boards – must provide for an annual financial audit of its accounts and records to be conducted by an independent certified public accountant in accordance with rules adopted by the Auditor General. The audit report must be submitted within nine months after the end of the fiscal year to the Auditor

² Chapter 2014-96, s. 3, Laws of Fla. (creating s. 20.058, effective June 13, 2014).

³ See Section 20.058(1), F.S.

General and to the state agency responsible for creation, administration, or approval of the DSO or CSO.

Notwithstanding the above, CSOs and DSOs for the Department of Environmental Protection or the Department of Agriculture and Consumer Services that are not-for-profit with annual expenditures of less than \$300,000 are not required to have an independent audit. These departments establish accounting and financial management guidelines for the organizations under their jurisdiction and conduct operational and financial reviews of a selected number of CSOs and DSOs that fall below the \$300,000 threshold.

Florida PDMP Foundation, Inc.

The Florida PDMP Foundation, Inc., (Foundation) is a DSO that is a Florida not-for-profit corporation incorporated under ch. 617, F.S. Created by the legislature in 2009, its purpose is to conduct programs and activities; raise funds; request and receive grants, gifts, and bequests of money; acquire, receive, hold, and invest – in its own name – securities, funds, objects of value or other property, either real or personal, and make expenditures to provide funding to or for the indirect benefit of the department in furtherance of the PDMP, pursuant to s. 893.055(11)(a), F.S.⁴

The PDMP uses an electronic database system to monitor the prescribing and dispensing of certain controlled substances. In the first half of calendar year 2015, Florida reported more than 4,600 drug-related deaths.⁵ Prescription drugs continue to be found more often than illicit drugs both as the cause of death and present at death. Prescription drugs account for 68.9 percent of all drug occurrences in the Florida Department of Law Enforcement (*FDLE*) *Medical Examiners Interim Drug Report*.⁶

The overall mission of the Foundation as the DSO for the PDMP is to fundraise for the benefit of the PDMP in order to reduce drug abuse and diversion. Through June 2016, the Foundation reports assets over \$1.5 million in private and corporate contributions, of which \$1.4 million are currently being invested to provide for future funding needs.⁷ The Foundation also provided over \$11,000 in supplemental contributions to the state's prescription drug monitoring database, E-FORCSE (Electronic-Florida Online Reporting of Controlled Substances Evaluation), operations to support special event marketing and promotional projects.

The PDMP Foundation has two major goals. The first goal is to raise funds for the operation of E-FORCSE. The yearly cost to maintain the database is approximately \$600,000.⁸ The Foundation seeks funding from a number of sources, including corporations, individuals, and law

⁴ Florida PDMP Foundation, Inc., *Annual Report to the Department of Health*, (2016) p. 3, available at http://www.flpdmpfoundation.com/wp-content/uploads/2016/08/PDMPF_Annual_Report_2016.pdf (last visited Jan. 19, 2017).

⁵ Florida Department of Law Enforcement, *Drugs Identified in Deceased Persons by Florida Medical Examiners - Interim Report 2015*, pg. ii, available at <http://www.flpdmpfoundation.com/wp-content/uploads/2016/04/Medical-Examiner-Commissions-Interium-Report-2015.pdf>, (last visited Jan. 20, 2017).

⁶ Id.

⁷ Id.

⁸ Florida PDMP Foundation, *Goals*, <http://www.flpdmpfoundation.com/goals/> (last visited Jan. 20, 2017).

enforcement; however, the Foundation cannot receive funds from any corporation representing the pharmaceutical industry.⁹

Since inception, the E-FORCSE has received over \$2.4 million in federal grants for database enhancements and special projects.¹⁰ Several corporations have also donated funding for the initial start-up of the database which became fully functional in September 2011.¹¹ The legislature appropriated \$500,000 in nonrecurring funds from the General Revenue Fund in Fiscal Year 2013-2014 towards its ongoing maintenance. The legislature also authorized the use of nonrecurring funds from the General Revenue Fund for Fiscal Year 2015-2016 and appropriated \$500,000 in recurring funds from the General Revenue Fund in Fiscal Year 2016-2017 to administer the PDMP. The department reports that the PDMP has sustainable funding through fiscal year 2019-2020.¹²

Major marketing of the PDMP by the Foundation began in 2014 which helped bring donations from sheriff's offices and police departments that donated Asset Forfeiture Funds.¹³ The Florida Sheriff's Association contributed \$20,000. In 2014, Attorney General Pam Bondi provided the PDMP Foundation with a \$1.973 million contribution from a pharmaceutical settlement.¹⁴

The second goal of the Foundation is to educate licensed health care providers and law enforcement officials about how to utilize the database in the management of controlled substances in patient care and active criminal investigations.¹⁵ Foundation representatives attend major conferences and trade shows with entities such as the Florida Medical Association, the Florida City and County Management Association, the Florida Sheriffs Association, the Florida Police Chiefs Association, the Florida Public Health Association, the Florida Dental Association, and the Florida Pharmacy Association to market the PDMP database and to seek corporate donations.¹⁶ The Foundation also uses these opportunities to market its online courses on the PDMP.

An Executive Director and a board of directors appointed by the State Surgeon General lead the Foundation. The statute permits a minimum of five members. The Foundation's board of directors currently has nine members.¹⁷ The members represent health care providers, physicians, the pharmaceutical industry, and a consumer advocate.¹⁸ The State Surgeon General provides guidance to the board members to ensure inappropriate sources, such as those who may benefit

⁹ Id. and s. 893.055(10), F.S. *But see* s. 893.055(17), F.S., where the legislature appropriated recurring general revenue funds in the 2016-2017 fiscal year to administer the PDMP. A similar provision was included in the 2015 Implementing Bill for the 2015-2016 fiscal year, and in 2013 the legislature appropriated \$500,000 for the 2013-2014 fiscal year only.

¹⁰ Florida PDMP Foundation, *Board of Directors Meeting Minutes* (Dec. 15, 2016) (on file with the Senate Committee on Health Policy).

¹¹ Florida PDMP Foundation, *Donations*, <http://www.flpdmpfoundation.com/donations/> (last visited: Jan. 20, 2017).

¹² Florida Department of Health, *EFORCSE 2015-2016 Prescription Drug Monitoring Program Annual Report, December 1, 2016*, p. 8, <http://www.floridahealth.gov/statistics-and-data/e-forcse/documents/2016PDMPAnnualReport.pdf> (last visited: Jan. 22, 2017).

¹³ *Supra* note 11.

¹⁴ *Supra* note 11.

¹⁵ *Supra* note 8.

¹⁶ *Supra* note 4.

¹⁷ Florida PDMP Foundation, *About Florida PDMP Foundation, Inc.*, <http://www.flpdmpfoundation.com/about/> (last visited: Jan. 19, 2017).

¹⁸ Id.

from the purchase of goods or services by the department in furtherance of the program, do not donate funds for the PDMP.

The Foundation has executed a two-year contract with the department and operates tax-exempt under section 501(c)(3) of the federal Internal Revenue Code.¹⁹ The department must certify annually that the Foundation is in compliance with its contract with the department and that continuation of that contract is in the best interest of the State of Florida. On August 15, 2016, the department sent its annual certification letters to the Governor, President of the Senate, Speaker of the House of Representatives, and the Office of Program Policy Analysis and Accountability.²⁰

The Foundation's Annual Report includes a brief description of its *Three Year Strategic Plan* as required in s. 20.058, F.S., and a copy of its current two-year contract with the department.

The Foundation's annual expenditures have been less than \$100,000; therefore, no financial audit has been or is required to be conducted by an independent certified public accountant in accordance with rules adopted by the Auditor General.²¹ To comply with other state reporting rules, the Foundation submits the end-of-the-fiscal year's (June 30) bank statements to the state Treasury.²²

III. Effect of Proposed Changes:

The bill amends s. 893.055, F.S., to remove the scheduled repeal date of October 1, 2017, for the PDMP DSO, and the Foundation is saved from repeal. The bill deletes obsolete language regarding an expired task force.

The effective date of the bill is July 1, 2017.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

¹⁹ Florida PDMP Foundation, *Attachment A - Certification of Direct Support Organization Contract Compliance*, http://www.flpdmpfoundation.com/wp-content/uploads/2016/08/PDMPF_Annual_Report_2016.pdf (last visited: Jan. 20, 2017).

²⁰ Florida Department of Health, *Cover Letters for 2016 Florida PDMP Foundation, Inc., Annual Report and Annual Certification Letters to Governor Rick Scott, Senate President Andy Gardiner, Speaker Steve Crisafulli, and R. Phillip Twogood (August 15, 2016)* (on file with Senate Health Policy Committee).

²¹ Transfers from the Foundation to the department for PDMP activities are not classified as expenditures of the Foundation.

²² Email between Department of Health staff, PDMP Foundation staff, and Department of Financial Services staff (July and August 2013) (on file with Senate Committee on Health Policy).

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The Foundation's annual expenditures have been less than \$100,000; therefore, no financial audit has been or is required to be conducted by an independent certified public accountant in accordance with rules adopted by the Auditor General. To be compliant with other state reporting rules, the Foundation submits the end-of-the-fiscal year's (June 30) bank statements to the state Treasury.²³ Transfers to the department, which in some years have exceeded \$100,000 cumulatively, have not counted toward triggering an independent audit of the Foundation.

VIII. Statutes Affected:

This bill substantially amends section 893.055, Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

²³ Id.

By the Committee on Health Policy

588-00921-17

20177006__

1 A bill to be entitled
 2 An act relating to the direct-support organization of
 3 the prescription drug monitoring program; amending s.
 4 893.055, F.S.; deleting language that has become
 5 obsolete due to the expiration of the task force;
 6 abrogating the repeal of provisions authorizing the
 7 Department of Health to establish a direct-support
 8 organization for the prescription drug monitoring
 9 program; providing an effective date.

10
 11 Be It Enacted by the Legislature of the State of Florida:

12
 13 Section 1. Subsection (11) of section 893.055, Florida
 14 Statutes, is amended to read:

15 893.055 Prescription drug monitoring program.—

16 (11) The department may establish a direct-support
 17 organization that has a board consisting of at least five
 18 members to provide assistance, funding, and promotional support
 19 for the activities authorized for the prescription drug
 20 monitoring program.

21 (a) As used in this subsection, the term "direct-support
 22 organization" means an organization that is:

23 1. A Florida corporation not for profit incorporated under
 24 chapter 617, exempted from filing fees, and approved by the
 25 Department of State.

26 2. Organized and operated to conduct programs and
 27 activities; raise funds; request and receive grants, gifts, and
 28 bequests of money; acquire, receive, hold, and invest, in its
 29 own name, securities, funds, objects of value, or other
 30 property, either real or personal; and make expenditures or
 31 provide funding to or for the direct or indirect benefit of the
 32 department in the furtherance of the prescription drug

Page 1 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

588-00921-17

20177006__

33 monitoring program.

34 (b) The direct-support organization is not considered a
 35 lobbying firm within the meaning of s. 11.045.

36 (c) The State Surgeon General shall appoint a board of
 37 directors for the direct-support organization. Members of the
 38 board shall serve at the pleasure of the State Surgeon General.
 39 The State Surgeon General shall provide guidance to members of
 40 the board to ensure that moneys received by the direct-support
 41 organization are not received from inappropriate sources.
 42 Inappropriate sources include, but are not limited to, donors,
 43 grantors, persons, or organizations that may monetarily or
 44 substantively benefit from the purchase of goods or services by
 45 the department in furtherance of the prescription drug
 46 monitoring program.

47 (d) The direct-support organization shall operate under
 48 written contract with the department. The contract must, at a
 49 minimum, provide for:

50 1. Approval of the articles of incorporation and bylaws of
 51 the direct-support organization by the department.

52 2. Submission of an annual budget for the approval of the
 53 department.

54 3. Certification by the department that the direct-support
 55 organization is complying with the terms of the contract in a
 56 manner consistent with and in furtherance of the goals and
 57 purposes of the prescription drug monitoring program and in the
 58 best interests of the state. Such certification must be made
 59 annually and reported in the official minutes of a meeting of
 60 the direct-support organization.

61 4. The reversion, without penalty, to the state of all

Page 2 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

588-00921-17 20177006__

62 moneys and property held in trust by the direct-support
63 organization for the benefit of the prescription drug monitoring
64 program if the direct-support organization ceases to exist or if
65 the contract is terminated.

66 5. The fiscal year of the direct-support organization,
67 which must begin July 1 of each year and end June 30 of the
68 following year.

69 6. The disclosure of the material provisions of the
70 contract to donors of gifts, contributions, or bequests,
71 including such disclosure on all promotional and fundraising
72 publications, and an explanation to such donors of the
73 distinction between the department and the direct-support
74 organization.

75 7. The direct-support organization's collecting, expending,
76 and providing of funds to the department for the administration
77 ~~development, implementation,~~ and operation of the prescription
78 drug monitoring program as described in this section ~~and s. 2,~~
79 ~~chapter 2009-198, Laws of Florida, as long as the task force is~~
80 ~~authorized.~~ The direct-support organization may collect and
81 expend funds to be used for the functions of the direct-support
82 organization's board of directors, as necessary and approved by
83 the department. In addition, the direct-support organization may
84 collect and provide funding to the department in furtherance of
85 the prescription drug monitoring program by:

86 a. Establishing and administering the prescription drug
87 monitoring program's electronic database, including hardware and
88 software.

89 b. Conducting studies on the efficiency and effectiveness
90 of the program to include feasibility studies as described in

588-00921-17 20177006__

91 subsection (13).

92 c. Providing funds for future enhancements of the program
93 within the intent of this section.

94 d. Providing user training of the prescription drug
95 monitoring program, including distribution of materials to
96 promote public awareness and education and conducting workshops
97 or other meetings, for health care practitioners, pharmacists,
98 and others as appropriate.

99 e. Providing funds for travel expenses.

100 f. Providing funds for administrative costs, including
101 personnel, audits, facilities, and equipment.

102 g. Fulfilling all other requirements necessary to implement
103 and operate the program as outlined in this section.

104 (e) The activities of the direct-support organization must
105 be consistent with the goals and mission of the department, as
106 determined by the department, and in the best interests of the
107 state. The direct-support organization must obtain a written
108 approval from the department for any activities in support of
109 the prescription drug monitoring program before undertaking
110 those activities.

111 (f) The department may permit, without charge, appropriate
112 use of administrative services, property, and facilities of the
113 department by the direct-support organization, subject to this
114 section. The use must be directly in keeping with the approved
115 purposes of the direct-support organization and may not be made
116 at times or places that would unreasonably interfere with
117 opportunities for the public to use such facilities for
118 established purposes. Any moneys received from rentals of
119 facilities and properties managed by the department may be held

588-00921-17

20177006__

120 in a separate depository account in the name of the direct-
121 support organization and subject to the provisions of the letter
122 of agreement with the department. The letter of agreement must
123 provide that any funds held in the separate depository account
124 in the name of the direct-support organization must revert to
125 the department if the direct-support organization is no longer
126 approved by the department to operate in the best interests of
127 the state.

128 (g) The department may adopt rules under s. 120.54 to
129 govern the use of administrative services, property, or
130 facilities of the department or office by the direct-support
131 organization.

132 (h) The department may not permit the use of any
133 administrative services, property, or facilities of the state by
134 a direct-support organization if that organization does not
135 provide equal membership and employment opportunities to all
136 persons regardless of race, color, religion, gender, age, or
137 national origin.

138 (i) The direct-support organization shall provide for an
139 independent annual financial audit in accordance with s.
140 215.981. Copies of the audit shall be provided to the department
141 and the Office of Policy and Budget in the Executive Office of
142 the Governor.

143 (j) The direct-support organization may not exercise any
144 power under s. 617.0302(12) or (16).

145 ~~(k) This subsection is repealed October 1, 2017, unless~~
146 ~~reviewed and saved from repeal by the Legislature.~~

147 Section 2. This act shall take effect July 1, 2017.



THE FLORIDA SENATE
COMMITTEE ON HEALTH POLICY

Location

530 Knott Building

Mailing Address

404 South Monroe Street
Tallahassee, Florida 32399-1100
(850) 487-5824

Senator Dana D. Young, *Chair*
Senator Kathleen Passidomo, *Vice Chair*

Professional Staff: Sandra R. Stovall, *Staff Director*

Senate's Website: www.flsenate.gov

March 6, 2017

Senator Anitere Flores, Chair
Appropriations Subcommittee on Health
and Human Services
309 Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399-1100

Dear Chair Flores:

I am requesting that SB 7006 (Direct-support Organization of the Prescription Drug Monitoring Program) a Health Policy Committee bill, be placed on the agenda of the committee's next scheduled meeting. Your consideration would be greatly appreciated.

If you have questions, please call 487-5824.

Sincerely,

A handwritten signature in blue ink that reads "Dana Young".

Dana Young
State Senator, District 18

Copy to: Phil Williams, Staff Director
Appropriations Subcommittee on Health
and Human Services

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/8/17

Meeting Date

7006

Bill Number (if applicable)

Topic

Amendment Barcode (if applicable)

Name Chris Nland

Job Title

Address 1000 Riverside Avenue #240

Phone 904-233-3051

Street

Jacksonville FL 32204

Email nlandlaw@aol.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Chapter, American College of Physicians

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE

APPEARANCE RECORD

March 8, 2017
Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SB 7006
Bill Number (if applicable)

Topic Direct-support organization of the prescription drug monitoring program Amendment Barcode (if applicable)

Name Bernadette Howard

Job Title Government Affairs Committee

Address 2636 Mitcham Pk
Street
Tallahassee FL 32308
City State Zip

Phone 850-219-3631

Email bhoward@fpa.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing The Florida Police Chiefs Association

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-8-17

Meeting Date

SB7006

Bill Number (if applicable)

Topic Prescription Drug Monitoring Program

Amendment Barcode (if applicable)

Name CARLOS CRUZ

Job Title Gout Consultant

Address 307 W Park Ave

Phone 904-214-5724

Street

Tallahassee, FL 32003

City

State

Zip

Email carlos@cruzco.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Walgreens

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Appropriations Subcommittee on Health and Human Services

BILL: SB 7008

INTRODUCER: Military and Veterans Affairs, Space, and Domestic Security Committee

SUBJECT: Department of Veterans' Affairs Direct-support Organization

DATE: March 7, 2017 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
	Sanders	Ryon		MS Submitted as Committee Bill
1.	Sneed	Williams	AHS	Recommend: Favorable
2.			AP	

I. Summary:

SB 7008 removes a repeal date of October 1, 2017, and re-enacts authority for the Florida Department of Veterans' Affairs to establish and contract with a direct-support organization for assistance, fundraising, and support to assist the department in carrying out its mission.

The bill has no fiscal impact on state government.

The effective date of the bill is July 1, 2017.

II. Present Situation:

Citizen Support Organizations and Direct-Support Organizations

Citizen support organizations (CSOs) and direct-support organizations (DSOs) are statutorily created private entities that are generally required to be non-profit corporations and are authorized to carry out specific tasks in support of public entities or public causes. The functions and purpose of a CSO or DSO are prescribed by its enacting statute and also, for most, by a written contract with the agency the CSO or DSO was created to support.

CSO and DSO Transparency and Reporting Requirements (s. 20.058, F.S.)

In 2014, the Legislature created s. 20.058, F.S., establishing a comprehensive set of transparency and reporting requirements for CSOs and DSOs.¹ Specifically, the law requires each CSO and DSO to annually submit by August 1 the following information to the agency it supports:²

- The CSO or DSO's name, mailing address, telephone number, and website address;
- The statutory authority or executive order that created the CSO or DSO;

¹ Chapter 2014-96, Laws of Fla.

² Section 20.058(1), F.S.

- A brief description of the mission and results obtained by the CSO or DSO;
- A brief description of the CSO or DSO's plans for the next three fiscal years;
- A copy of the CSO or DSO's code of ethics; and
- A copy of the CSO or DSO's most recent Internal Revenue Service (IRS) Form 990.³

Additionally, the information submitted annually by a CSO or DSO must be available on the respective agency's website along with a link to the CSO or DSO's website, if one exists.⁴ Any contract between an agency and a CSO or DSO must be contingent upon the CSO or DSO submitting the required information to the agency and posting the information on the agency's website.⁵ If a CSO or DSO fails to submit the required information to the agency for two consecutive years, the agency head must terminate its contract with the CSO or DSO.⁶

By August 15 of each year, the agency must report the above required information to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Office of Program Policy Analysis and Government Accountability along with the agency's recommendation to continue, terminate, or modify the agency's association with the CSO or DSO.⁷

Laws creating or authorizing a CSO or DSO repeal on October 1 of the fifth year after enactment, unless reviewed and saved from repeal by the Legislature. CSOs and DSOs in existence prior to July 1, 2014, must be reviewed by the Legislature by July 1, 2019.⁸

CSO and DSO Audit Requirements (s. 215.981, F.S.)

Section 215.981, F.S., requires each CSO and DSO created or authorized pursuant to law with annual expenditures in excess of \$100,000 to provide for an annual financial audit of its accounts and records.⁹ The audit must be conducted by an independent certified public accountant in accordance with rules adopted by the Auditor General and the state agency that created, approved, or administers the DSO or CSO. The audit report must be submitted within nine months after the end of the fiscal year to the Auditor General and to the state agency the CSO or DSO supports. Additionally, the Auditor General may, pursuant to his or her own authority, or at the direction of the Legislative Auditing Committee, conduct audits or other engagements of a CSO's or DSO's accounts and records.¹⁰

CSO and DSO Ethics Code Requirement (s. 112.3251, F.S.)

Section 112.3251, F.S., requires a CSO or DSO created or authorized pursuant to law to adopt its own ethics code. The ethics code must contain the specified standards of conduct and disclosures

³ The IRS Form 990 is an annual information return required to be filed with the IRS by most organizations exempt from federal income tax under 26 U.S.C. 501.

⁴ Section 20.058(2), F.S.

⁵ Section 20.058(4), F.S.

⁶ Id.

⁷ Section 20.058(3), F.S.

⁸ Section 20.058(5), F.S.

⁹ The independent audit requirement does not apply to a CSO or DSO for a university, district board of trustees of a community college, or district school board. Additionally, the expenditure threshold for an independent audit is \$300,000 for a CSO or DSO for the Department of Environmental Protection and the Department of Agriculture and Consumer Services.

¹⁰ Section 11.45(3)(d), F.S.

provided in ss. 112.313 and 112.3143(2), F.S.¹¹ A CSO or DSO may adopt additional or more stringent standards of conduct and disclosure requirements and must conspicuously post its code of ethics on its website.¹²

Florida Department of Veterans' Affairs

The Florida Department of Veterans' Affairs (FDVA) was established in 1988 as a cabinet agency charged with providing advocacy and representation for Florida's veterans and to intercede on their behalf with the U.S. Department of Veterans Affairs (USDVA).¹³ The FDVA primarily engages in advocacy activities through its benefits and assistance program to provide professional assistance to Florida veterans and their dependents in obtaining financial benefits and health care treatments from the USDVA.¹⁴ Additionally, the FDVA is responsible for operating State Veterans' Homes. These facilities provide comprehensive and cost-effective health care to include both skilled nursing care and assisted living services.

Direct-support Organization for the Department of Veterans' Affairs

In 2008, the Legislature created s. 292.055, F.S., authorizing the FDVA to establish a DSO to provide assistance, funding, and support for the FDVA in carrying out its mission. The law requires the FDVA DSO to be a Florida non-profit corporation¹⁵ that operates exclusively to:

- Obtain funds and request and receive grants, gifts, and bequests of moneys;
- Acquire, receive, hold, invest, and administer in its own name securities, funds, or property; and
- Make expenditures to or for the direct or indirect benefit of the FDVA, Florida veterans, and congressionally chartered veteran service organizations.¹⁶

The FDVA DSO is also tasked in statute to administer the Florida Veterans' Walk of Honor and Memorial Garden without funding from the state.¹⁷ Additionally, s. 265.003, F.S., directs the FDVA to administer the Florida Veterans' Hall of Fame without state appropriations. The FDVA utilizes the FDVA DSO to fund Hall of Fame activities.

The statutory authority for the FDVA DSO is scheduled to repeal on October 1, 2017, unless reviewed and saved from repeal by the Legislature.¹⁸

¹¹ Some of the standards of conduct and disclosures in ss. 112.313 and 112.3143(2), F.S., include misuse of public position, solicitation or acceptance of gifts, unauthorized compensation, and voting conflicts.

¹² Section 112.3251, F.S.

¹³ Florida Department of Veterans' Affairs, *About Us*, available at <http://floridavets.org/benefits-services/> (last visited Feb. 1, 2017).

¹⁴ Florida Department of Veterans' Affairs, *Annual Report: Fiscal Year 2014-15*, 6 (Nov. 11, 2015), available at <http://floridavets.org/wp-content/uploads/2012/08/Cabinet-Meeting-Material.pdf> (last visited Feb. 1, 2017).

¹⁵ Section 292.055(2)(b)1., F.S.

¹⁶ Section 292.055(2)(b)2., F.S.

¹⁷ Section 265.0031, F.S.

¹⁸ Section 292.055(10), F.S.

Florida Veterans Foundation, Inc.

Florida Veterans Foundation, Inc., (FVF) was established as a non-profit corporation in June 2008 to serve as the DSO for the FDVA.¹⁹ The mission of the FVF is to:

- Provide direct and indirect services to veterans and their families;
- Partner with the U.S. Department of Veterans Affairs, state and local governments, veterans service organizations, and educational institutions to improve veterans' physical, financial, mental, emotional, and social wellbeing; and
- Support the FDVA's mission of advocacy by educating veterans, the public, and governmental entities to increase awareness on veteran-related issues.²⁰

The FVF is currently governed by an eight-member board of directors each representing a defined geographic area encompassing all areas of the state. The FVF operates pursuant to a written contract with the FDVA²¹ and daily FVF operations are staffed by a combination of volunteers and three part-time, paid contract employees.²² The FVF occupies office space in the FDVA Tallahassee office and utilizes the FDVA computer network, phone access, and limited FDVA office supplies.²³

The FVF's operations are currently funded by individual and corporate charitable contributions and a two-year grant from the Florida Office of the Attorney General.²⁴ In November 2015, the FVF received a \$1,250,000 grant from the Attorney General for the purpose of providing emergency services to veterans.²⁵ The FVF must expend the grant funds by January 2018.²⁶ Previously, the FVF received a portion of the annual proceeds from the sale of the Florida Salutes Veterans license plate during Fiscal Year 2008-09 through Fiscal Year 2011-12.²⁷

Tables 1 and 2 below provide the FVF's total annual revenue and expenditure amounts, respectively, for Fiscal Year 2009-10 through Fiscal Year 2015-16.

¹⁹ FVF Articles of Incorporation (April 4, 2008) (on file with the Senate Military and Veterans Affairs, Space, and Domestic Security Committee).

²⁰ 2016 Direct Support Organization Report (Aug. 4, 2016), available at <http://floridavets.org/about-us/florida-veterans-foundation/> (last visited Jan. 24, 2017).

²¹ Direct-support Contract between Florida Veterans Foundation, Inc. and Florida Department of Veterans' Affairs (Dec. 12, 2012) (on file with the Senate Military and Veterans Affairs, Space, and Domestic Security Committee).

²² E-mail correspondence from FVF staff on Oct. 31, 2016 (on file with the Senate Military and Veterans Affairs, Space, and Domestic Security Committee).

²³ Senate Committee on Military and Veterans Affairs, Space, and Domestic Security, *FVF Request for Additional Information* (Sept. 30, 2016), Question 16.

²⁴ Grant funds available as a result of a 2013 settlement agreement between the State of Florida and Chase Bank. The State of Florida received \$15.3 million to be distributed to 47 non-profit organizations to be used for legal services, financial literacy, and other programs related to assisting Floridians with managing debt. Attorney General press release, available at <http://myfloridalegal.com/pages.nsf/Main/E96978109D350A7385257F02008387F7> (last visited Jan. 24, 2017).

²⁵ Agreement between the Florida Office of the Attorney General and the FVF (Dec. 18, 2015) (on file with the Senate Military and Veterans Affairs, Space, and Domestic Security Committee).

²⁶ *Id.*

²⁷ For FYs 2008-09 and 2009-10, the FVF was entitled to 20 percent of the Florida Salutes Veterans license plate revenue (Ch. 2008-84, L.O.F.). For FYs 2010-11 and 2011-12, the FVF was entitled to 10 percent of the license plate revenue (Ch. 2010-168, L.O.F.).

Table 1: Florida Veterans Foundation Total Annual Revenues²⁸								
FY 2009-10 through FY 2015-16								
Fiscal Year	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>Total</u>
Total Revenue	\$129,018	\$65,448	\$239,700	\$392,404	\$257,333	\$335,407	\$837,447	\$2,256,757

Table 2: Florida Veterans Foundation Total Annual Expenditures²⁹								
FY 2009-10 through FY 2015-16								
Fiscal Year	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>Total</u>
DSO Services Expenses³⁰	\$59,665	\$20,664	\$107,361	\$134,285	\$248,515	\$210,402	\$468,385	\$1,249,277
Administrative Expenses³¹	\$18,066	\$30,061	\$50,929	\$70,490	\$102,903	\$101,358	\$179,659	\$553,466
Fundraising Expenses	\$0	\$0	\$0	\$0	\$31,850	\$8,129	\$1,788	\$41,767
Total Expenditures	\$77,731	\$50,725	\$158,290	\$204,775	\$383,268	\$319,889	\$649,832	\$1,844,510

For Fiscal Year 2015-16, FVF services expenditures were 72 percent of the organization’s total expenditures. Administrative expenses and fundraising expenses were 27.7 percent and 0.3 percent, respectively.

Florida Veterans Foundation Services

The FVF’s core function is to provide emergency financial assistance for veterans and their families during times of serious financial need. The FVF awards one-time grants to cover expenses relating to housing, utilities, food, relocation, education, medical, transportation, and other needs that constitute a true emergency. The FVF requires veterans to request assistance from a minimum of three alternative sources prior to receiving approval for FVF financial assistance.³² From Fiscal Year 2011-12 to present, the FVF distributed approximately \$590,000 in emergency financial assistance grants to 1,010 recipients.³³

The FVF also hosts and contributes funding for Veterans Stand Down events and Veterans Summits held across the state. Veterans Stand Downs are typically one- to three-day events

²⁸ Data retrieved from FVF’s IRS Form 990, Part VIII for FY 2009-10 through FY 2014-15 and FVF’s annual financial audit for FY 2015-16. The FVF’s FY 2015-16 IRS Form 990 is not yet available.

²⁹ Data retrieved from FVF’s IRS Form 990, Part IX for FY 2009-10 through FY 2014-15 and FVF’s annual financial audit for FY 2015-16. The FVF’s FY 2015-16 IRS Form 990 is not yet available.

³⁰ DSO services expenses include, but are not limited to, emergency financial assistance grants for veterans, Veterans Summits, Veterans Stand Downs, Florida Veterans’ Hall of Fame expenses, Florida Veterans Walk of Honor and Memorial Garden expenses, FDVA Benefits Guide printing expenses, and other FVF non-administrative activities.

³¹ Administrative expenses include, but are not limited to, personnel support, travel and meetings, advertising, office expenses and supplies, audit and legal fees, facilities expenses, and other miscellaneous expenses.

³² FVF, *General Eligibility Guidelines*, available at <https://floridaveteransfoundation.org/wp-content/uploads/2016/10/FVF-Eligibility-Requirements.pdf> (last visited Jan. 24, 2017).

³³ E-mail correspondence from FVF staff on Nov. 15, 2016 (on file with the Senate Military and Veterans Affairs, Space, and Domestic Security Committee).

providing supplies and services to homeless veterans such as food, shelter, clothing, health screenings, and veterans' benefits counseling. Veterans can also receive referrals for other assistance such as health care, housing solutions, employment, substance use treatment, and mental health counseling.³⁴ Veterans Summits are informational sessions for veterans that provide an opportunity for subject matter experts in various areas to educate participants on benefits available to veterans and how to apply for them.

As required by law, the FVF administers the Florida Veterans' Walk of Honor (Walk of Honor) and the Florida Veterans' Memorial Garden (Memorial Garden).³⁵ In October 2016, the Medal of Honor Node, the first of three phases planned for the Walk of Honor, was completed. Construction of the remainder of the Walk of Honor and the Memorial Garden is on hold due to ongoing Capitol Complex construction projects.

The FVF annually provides funding for the Florida Veterans' Hall of Fame (Hall of Fame), which is administered by the FDVA, pursuant to s. 265.003, F.S. The inaugural class of the Hall of Fame was inducted in 2013, followed by the Hall of Fame classes of 2014, 2015, and 2016. The FVF expended \$8,500 for the 2016 Hall of Fame class induction.³⁶

Other FVF services include sponsoring events such as the Florida Women's Veterans Conference and a veterans' spouses event, annually printing the FDVA's Florida Veterans' Benefit Guide, establishing a veterans' outreach program, and providing general referral services to veterans seeking assistance.³⁷

Senate Professional Staff Review of the FDVA and the FVF

Section 292.055, F.S., the statutory authority for the FDVA DSO, is scheduled to repeal on October 1, 2017, unless reviewed and saved from repeal by the Legislature. Professional staff of the Senate Committee on Military and Veterans Affairs, Space, and Domestic Security reviewed the FVF to verify its compliance with applicable Florida Statutes.

Senate professional staff reviewed relevant FVF records from Fiscal Year 2009-10 to present, and found that the FVF is an active DSO that supports the FDVA primarily by providing emergency financial assistance and outreach programs to Florida veterans.

Senate professional staff identified five deficiencies in which the FDVA and the FVF were not in full compliance with the applicable Florida Statutes.³⁸ These deficiencies are largely administrative or procedural. The FDVA and the FVF resolved each deficiency presented by Senate professional staff and intend to comply with the applicable Florida Statutes moving forward.

³⁴ Veterans Stand Down events are collaborative events, coordinated between local U.S. Department of Veterans Affairs medical centers, other government agencies, and community-based homeless service providers.

³⁵ Section 265.0031, F.S.

³⁶ Supra note 23, Question 11.

³⁷ Supra note 20.

³⁸ See Florida Senate Review of the Department of Veterans' Affairs Direct-support Organization, Staff Findings and Recommendations (Feb. 6, 2017) (on file with the Senate Military and Veterans Affairs, Space, and Domestic Security Committee).

III. Effect of Proposed Changes:

The bill amends s. 292.055, F.S., to save from repeal the Florida Department of Veterans' Affairs direct-support organization, which is currently scheduled for repeal on October 1, 2017.

The effective date of the bill is July 1, 2017.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

By saving the DSO from repeal, SB 7008 sustains a source of financial and other direct assistance for veterans.

C. Government Sector Impact:

The bill has no fiscal impact on state government. By saving the DSO from repeal, the bill enables the DSO to continue to fund and administer projects and activities such as the Florida Veterans' Walk of Honor, the Florida Veterans' Memorial Garden, and the Florida Veterans' Hall of Fame without an appropriation of state funds. If the DSO is not saved from repeal, the FDVA may need to find another source of funding for these and other veterans' projects and activities.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 292.055, Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By the Committee on Military and Veterans Affairs, Space, and Domestic Security

583-01720-17

20177008__

A bill to be entitled

An act relating to the Department of Veterans' Affairs direct-support organization; amending s. 292.055, F.S.; abrogating the scheduled repeal of provisions governing a direct-support organization established by the department; providing an effective date.

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

Section 1. Section 292.055, Florida Statutes, is amended to read:

292.055 Direct-support organization.—

(1) SHORT TITLE; DIRECT-SUPPORT ORGANIZATION ESTABLISHED.—

This section may be cited as the "Sergeant First Class Paul R. Smith Memorial Act." The Department of Veterans' Affairs may establish a direct-support organization to provide assistance, funding, and support for the department in carrying out its mission. This section governs the creation, use, powers, and duties of the direct-support organization.

(2) DEFINITIONS.—As used in this section, the term:

(a) "Department" means the Department of Veterans' Affairs.

(b) "Direct-support organization" means an organization that is:

1. A Florida corporation not for profit, incorporated under chapter 617, exempted from filing fees, and approved by the Department of State.

2. Organized and operated exclusively to obtain funds; request and receive grants, gifts, and bequests of moneys; acquire, receive, hold, invest, and administer in its own name securities, funds, or property; and make expenditures to or for the direct or indirect benefit of the department, the veterans

583-01720-17

20177008__

of this state, and congressionally chartered veteran service organizations having subdivisions that are incorporated in this state.

3. Determined by the department to be operating in a manner consistent with the goals of the department and in the best interest of the state.

(c) "Personal services" includes full-time or part-time personnel.

(3) BOARD OF DIRECTORS.—The direct-support organization shall be governed by a board of directors.

(a) The board of directors shall consist of no fewer than five members appointed by the executive director of the department. Veteran service organizations in this state may recommend nominees to the executive director of the department.

(b) The term of office of the board members shall be 3 years, except that the terms of the initial appointees shall be for 1 year, 2 years, or 3 years in order to achieve staggered terms. A member may be reappointed when his or her term expires. The executive director of the department or his or her designee shall serve as an ex officio member of the board of directors.

(c) Members must be current residents of this state. A majority of the members must be veterans, as defined in s. 1.01(14), and highly knowledgeable about the United States military, its service personnel, its veterans, and its missions. The executive director of the department may remove any member of the board for cause and with the approval of a majority of the members of the board of directors. The executive director of the department shall appoint a replacement for any vacancy that occurs.

583-01720-17

20177008__

61 (4) CONTRACT.—A direct-support organization shall operate
62 under a written contract with the department. The written
63 contract must provide for:

64 (a) Certification by the department that the direct-support
65 organization is complying with the terms of the contract and is
66 doing so consistent with the goals and purposes of the
67 department and in the best interests of the state. This
68 certification must be made annually and reported in the official
69 minutes of a meeting of the direct-support organization.

70 (b) The reversion of moneys and property held by the
71 direct-support organization:

72 1. To the department if the direct-support organization is
73 no longer approved to operate for the department;

74 2. To the department if the direct-support organization
75 ceases to exist; or

76 3. To the state if the department ceases to exist.

77 (c) The disclosure of the material provisions of the
78 contract, and the distinction between the department and the
79 direct-support organization, to donors of gifts, contributions,
80 or bequests, including such disclosure on all promotional and
81 fundraising publications.

82 (5) USE OF PROPERTY.—

83 (a) The department may permit the use of property,
84 facilities, and personal services of the department by the
85 direct-support organization, subject to this section.

86 (b) The department may prescribe by contract any condition
87 with which the direct-support organization must comply in order
88 to use property, facilities, or personal services of the
89 department.

Page 3 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

583-01720-17

20177008__

90 (c) The department may not permit the use of its property,
91 facilities, or personal services by any direct-support
92 organization organized under this section which does not provide
93 equal employment opportunities to all persons regardless of
94 race, color, national origin, gender, age, or religion.

95 (6) ACTIVITIES; RESTRICTIONS.—Any transaction or agreement
96 between the direct-support organization organized under this
97 section and another direct-support organization or other entity
98 must be approved by the executive director of the department.

99 (7) ANNUAL BUDGETS AND REPORTS.—

100 (a) The fiscal year of the direct-support organization
101 shall begin on July 1 of each year and end on June 30 of the
102 following year.

103 (b) The direct-support organization shall submit to the
104 department its federal Internal Revenue Service Application for
105 Recognition of Exemption form (Form 1023) and its federal
106 Internal Revenue Service Return of Organization Exempt from
107 Income Tax form (Form 990).

108 (8) ANNUAL AUDIT.—The direct-support organization shall
109 provide for an annual financial audit in accordance with s.
110 215.981.

111 (9) CONFIDENTIALITY OF DONORS.—

112 (a) Any information identifying a donor or prospective
113 donor to the direct-support organization who desires to remain
114 anonymous is confidential and exempt from s. 119.07(1) and s.
115 24(a), Art. I of the State Constitution.

116 (b) Portions of meetings of the direct-support organization
117 during which the identity of a donor or prospective donor, whose
118 identity is confidential and exempt pursuant to paragraph (a),

Page 4 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

583-01720-17

20177008

119 is discussed are exempt from s. 286.011 and s. 24(b), Art. I of
120 the State Constitution.

121 ~~(10) REPEAL. This section is repealed October 1, 2017,~~
122 ~~unless reviewed and saved from repeal by the Legislature.~~

123 Section 2. This act shall take effect July 1, 2017.



THE FLORIDA SENATE
COMMITTEE ON MILITARY AND VETERANS
AFFAIRS, SPACE, AND DOMESTIC SECURITY

Location
215 Knott Building

Mailing Address
404 South Monroe Street
Tallahassee, Florida 32399-1100
(850) 487-5785

Senator Audrey Gibson, *Chair*
Senator Doug Broxson, *Vice Chair*

Professional Staff: Elizabeth Ryon, *Staff Director*

Senate's Website: www.flsenate.gov

February 22, 2017

Senator Anitere Flores, Chair
Appropriations Subcommittee on Health and Human Services
201 The Capitol
404 South Monroe Street
Tallahassee, Florida 32399-1100

Chair Flores:

I respectfully request that **SB 7008: Department of Veterans' Affairs Direct-support Organization** by the Military and Veterans Affairs, Space, and Domestic Security Committee be placed on the next committee agenda.

SB 7008 saves from repeal provisions of law authorizing the Florida Department of Veterans' Affairs to establish a direct-support organization.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Audrey Gibson".

Audrey Gibson
Chair

APPEARANCE RECORD

3/8/17

Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SB 7008

Bill Number (if applicable)

Topic DSO Bill

Amendment Barcode (if applicable)

Name Col. Glenn Sutphin

Job Title Executive Director

Address Suite 2105, The Capitol

Phone (850) 487-1533

Tallahassee FL 32399

Email exdir@fdva.state.fl.us

Speaking: [X] For [] Against [X] Information

Waive Speaking: [X] In Support [] Against (The Chair will read this information into the record.)

Representing The FL Dept. of Veterans' Affairs

Appearing at request of Chair: [] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/7/17

Meeting Date

Bill Number (if applicable)

Topic SUB COMMITTEE HEALTH & HUMAN SER.

Amendment Barcode (if applicable)

Name DONNIS BAKER

Job Title PROSIDENT, FLORIDA VETERANS FOUNDATION

Address 3250 RUE DE LAITORS D.

Phone 545-6668

Street

TLH

City

FL

State

32312

Zip

Email BAKERD@FDVA.STATE.FL.US

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing FDVA

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

AHS Budget Reduction Proposal – Summary of Issues

Total Reductions: \$351.6 M (\$171.3 M recurring GR; \$180.3 M recurring TF)ⁱ

Department	GR	TF	Total
Agency for Health Care Administration	(127,292,550)	(181,798,927)	(309,091,477)
Agency for Persons with Disabilities	(2,275,000)	0	(2,275,000)
Department of Children and Families	(28,154,360)	(390,013)	(28,544,373)
Department of Elder Affairs	(5,472,173)	(72,149)	(5,544,322)
Department of Health	(8,133,958)	2,000,000	(6,133,958)
Department of Veterans' Affairs	0	0	0
Total	(171,328,041)	(180,261,089)	(351,589,130)

1. Agency for Health Care Administration

- a. **Reduce Hospital Rate Enhancements by 32%** – \$257.6 M (\$100.5 M GR; \$157.1 M TF)
- b. **Social Services Estimating Conference Two Percent Inflationary Increase Adjustment** – \$50.5 M (\$19.3 M GR; \$31.2 M TF)
- c. **Medicaid FMAP Adjustment** – \$7.0 M GR
- d. **Reduction in Health Care Regulation for HB 1175** – 1.0 FTE; \$0.4 M (\$0.04 M GR; \$0.4 M TF)
- e. **Modification of Medicaid Explanation of Benefits Requirements** – \$0.3 M (\$0.1 M GR; \$0.2 M TF)
- f. **Reduction to Local Funding Initiatives** – \$0.4 M GR

2. Agency for Persons with Disabilities

- a. **Reduction of General Revenue Reversions** – \$0.3 M GR
- b. **Reduction to Local Funding Initiatives** – \$2.0 M GR

3. Department of Children and Families

- a. **TANF Cash Assistance Adjusted for Lower Caseloads** – \$11.8 M GR
- b. **Reduction of SSBG and TANF Distributions to Agencies Based on Budget Reversions** – \$5.1 M TF
- c. **Fund Shift Child Welfare Expenditures to SSBG and TANF Block Grant Funds** – \$5.1 M GR
- d. **Reduction of Operating Budget Based on Budget Reversions** – \$1.3 M GR
- e. **Optional State Supplemental Payments - Eliminate Excess Budget** – \$1.0 M GR
- f. **Reduction of Positions Vacant over 180 Days** – 15.5 FTE; \$0.9 M (\$0.4 M GR; \$0.5 M TF)
- g. **Eliminate Funding Support for Dept. of Military Affairs Youth Challenge Program** – \$0.3 M GR
- h. **Medicaid FMAP Adjustment - Maintenance Adoption Subsidies** – \$0.1 M GR
- i. **Reduction to Local Funding Initiatives** – \$8.2 M GR

4. Department of Elder Affairs

- a. **Reduction to Headquarters Expenses** – \$0.1 M TF
- b. **Reduction to Local Funding Initiatives** – \$5.5 M GR

5. Department of Health

- a. **Fund Shift Departmental Administrative Expenses to Administrative Trust Fund** – \$2.0 M GR
- b. **Reduction of General Revenue Reversions** – \$1.2 M GR
- c. **Reduction to Local Funding Initiatives** – \$4.9 M GR

6. Department of Veterans' Affairs – No proposed reductions

ⁱ The sum of the bulleted list will not equal the total reduction amount due to rounding and exclusion of offsetting amounts for Fund Shifts.

Subcommittee on Health & Human Services
Fiscal Year 2017-2018
Reduction of Local Funding Initiatives

#	Agency	Initiative	Recurring General Revenue Total
1	AHCA	Shriners Hospital for Children	400,000
2	AHCA Total		400,000
3	APD	Pensacola Arc Gateway	2,000,000
4	APD	The Arc of Florida, Inc. - Training Resources	25,000
5	APD Total		2,025,000
6	DCF	Strong Families and Domestic Violence Campaign	800,000
7	DCF	Children's Action Team (CAT) - Baycare Behavioral Health	750,000
8	DCF	Children's Action Team (CAT) - Bridgeway Center	750,000
9	DCF	Children's Action Team (CAT) - Circles of Care	750,000
10	DCF	Children's Action Team (CAT) - Life Management Center	750,000
11	DCF	Children's Action Team (CAT) - David Lawrence Center	750,000
12	DCF	Children's Action Team (CAT) - Child Guidance Center	750,000
13	DCF	Children's Action Team (CAT) - Mental Health Care (Gracepoint)	750,000
14	DCF	Children's Action Team (CAT) - Lakeview Center	750,000
15	DCF	Here's Help - Substance Abuse Treatment	200,000
16	DCF	Informed Families of Florida	750,000
17	DCF	Drug Abuse Comprehensive Coordinating Office (DACCO)	250,000
18	DCF	Fort Myers Salvation Army	165,000
19	DCF Total		8,165,000
20	DOEA	Alzheimer's Caregiver Projects - Broward Health North Memory Disorder Center	51,000
21	DOEA	Alzheimer's Caregiver Projects - Alliance for Aging, Inc.	162,568
22	DOEA	Alzheimer's Family Care Center of Broward	220,454
23	DOEA	Alliance for Aging, Inc.	113,355
24	DOEA	University of South Florida - Alzheimer's Training	80,997
25	DOEA	Memory Disorder Clinics - University of South Florida	222,801
26	DOEA	Memory Disorder Clinics - University of Florida	222,801

#	Agency	Initiative	Recurring General Revenue Total
27	DOEA	Memory Disorder Clinics - University of Miami Miller School of Medicine	222,801
28	DOEA	Memory Disorder Clinics - Broward Health North	222,801
29	DOEA	Memory Disorder Clinics - East Central Florida Memory Disorder Clinic	222,801
30	DOEA	Memory Disorder Clinics - Mayo Clinic Jacksonville	222,801
31	DOEA	Memory Disorder Clinics - West Florida Hospital	222,801
32	DOEA	Memory Disorder Clinics - St. Mary's Medical Center	222,801
33	DOEA	Memory Disorder Clinics - Tallahassee Memorial Healthcare	222,801
34	DOEA	Memory Disorder Clinics - Orlando Health	222,801
35	DOEA	Memory Disorder Clinics - Lee Memorial Health System	222,801
36	DOEA	Memory Disorder Clinics - Sarasota Memorial Hospital	222,801
37	DOEA	Memory Disorder Clinics - Madonna Ptak Center for Memory Disorders at Morton Plant Mease	222,801
38	DOEA	Memory Disorder Clinics - Florida Atlantic University	222,801
39	DOEA	Alzheimer's Caregiver Projects - Not Yet Allocated	135,735
40	DOEA	Alzheimer's Memory Mobile	100,000
41	DOEA	Dan Cantor Center - Alzheimer's Project	169,287
42	DOEA	Deerfield Beach Day Care Center	195,150
43	DOEA	Feed the Elderly - 55 Years & Up, Inc.	37,178
44	DOEA	Manolo Piniero Homebound Diabetes Services - First Quality Home Care, Inc.	139,414
45	DOEA	North Miami Intergenerational Activity Center	46,468
46	DOEA	Austin Hepburn Senior Mini-Center - City of Hallandale Beach	82,080
47	DOEA	Transportation Services for the Elderly and Disabled - Palm Beach County	143,640
48	DOEA	Holocaust Survivors Assistance Program - Boca Raton Jewish Federation	92,946
49	DOEA	Mount Sinai Medical Center - Elderly House Call Program	164,160
50	DOEA	Lippman Senior Center	228,000
51	DOEA	Michael-Ann Russel Jewish Community Center - Senior Wellness Center	83,647
52	DOEA	Neighborly Pharmacy Program - Neighborly Care Network	83,647
53	DOEA	Southwest Focal Early Bird P. M. Nutrition Center - City of Pembroke Pines	23,234
54	DOEA Total		5,472,173

#	Agency	Initiative	Recurring General Revenue Total
55	DOH	Florida State University - College of Medicine Immokalee	450,000
56	DOH	Deerfield Beach School Health Clinic	367,149
57	DOH	University of Miami Miller School of Medicine - Center for AIDS Research	1,000,000
58	DOH	Duval County Teen Pregnancy Prevention	75,943
59	DOH	Orange County Teen Pregnancy Prevention	77,534
60	DOH	Children's Medical Services Safety Net Program (50% Reduction)	2,500,000
61	DOH	Information Clearinghouse on Developmental Disabilities Marketing Campaign - Bright Expectations	250,000
62	DOH	Diabetes Research Institute - Islet Cell Transplantation To Cure Diabetes	213,332
63	DOH Total		4,933,958
64	HHS Grand Total		20,996,131



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

Ethics and Elections, *Chair*
Healthy Policy, *Vice Chair*
Appropriations Subcommittee on Health and
Human Services
Appropriations Subcommittee on Transportation,
Tourism, and Economic Development
Commerce and Tourism

SELECT COMMITTEE:

Joint Select Committee on Collective Bargaining

JOINT COMMITTEE:

Joint Legislative Auditing Committee

SENATOR KATHLEEN PASSIDOMO

28th District

March 8, 2017

The Honorable Anitere Flores
Chair, Appropriations Subcommittee on
Health and Human Services
Via Email

Dear Chair Flores:

I respectfully request an excused absence from the committee meeting on 3/8/2017. As staff was aware I was presenting a bill in another committee and was unable to attend.

Thank you for your understanding and consideration of this request.

Sincerely,

Kathleen C. Passidomo
Senator, District 28

Cc: President Negron

Mr. Phil Williams, Staff Director; Ms. Robin Jackson, Committee Administrative Assistant

REPLY TO:

- ☐ 3299 East Tamiami Trail, Suite 203, Naples, Florida 34112 (239) 417-6205
- ☐ 318 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5028

Senate's Website: www.flsenate.gov

JOE NEGRON
President of the Senate

ANITERE FLORES
President Pro Tempore

CourtSmart Tag Report

Room: SB 401

Case No.:

Type:

Caption: Senate Appropriation Subcommittee on Health And Human Services

Judge:

Started: 3/8/2017 4:02:59 PM

Ends: 3/8/2017 4:39:04 PM **Length:** 00:36:06

4:03:02 PM Sen. Flores (Chair)
4:03:43 PM S 7006
4:04:02 PM Jennifer Lloyd, Chief Legislative Analyst, Committee on Health Policy
4:04:23 PM Sen. Flores
4:04:30 PM Chris Nuland, Florida Chapter, American College of Physicians (waives in support)
4:04:36 PM Bernadette Howard, Government Affairs Committee, The Florida Police Chiefs Association (waives in support)
4:04:41 PM Carlos Cruz, Consultant, Walgreens (waives in support)
4:05:27 PM S 7008
4:05:42 PM Margaret Sanders, Legislative Analyst, Military and Veterans Affairs, Space, and Domestic Security
4:07:12 PM Dennis Baker, President, The Florida Department of Veterans' Affairs (waives in support)
4:07:17 PM Glenn Sutphin, Executive Director, The Florida Department of Veterans' Affairs (waives in support)
4:08:02 PM Tab- 3- Chairman's Budget Reduction Proposals for FY 2017- 2018
4:21:01 PM Sen. Powell
4:21:25 PM Phil Williams, Staff Director, Senate Appropriation Subcommittee On Health And Human Services
4:21:55 PM Sen. Flores
4:22:26 PM Sen. Powell
4:22:42 PM Sen. Flores
4:22:58 PM P. Williams
4:23:46 PM Sen. Powell
4:24:13 PM P. Williams
4:25:16 PM Sen. Powell
4:25:25 PM Sen. Rader
4:25:40 PM Sen. Flores
4:26:23 PM Sen. Rader
4:26:36 PM P. Williams
4:27:02 PM Sen. Flores
4:30:25 PM Sen. Baxley
4:31:01 PM Sen. Flores
4:31:15 PM Sen. Book
4:31:51 PM Sen. Flores
4:38:18 PM Sen. Baxley
4:38:41 PM Sen. Flores
4:38:59 PM Meeting Adjourned