

STORAGE NAME: h3577a.go

DATE: April 15, 1998

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
GOVERNMENTAL OPERATIONS
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 3577

RELATING TO: Family-Friendly Budgeting Act

SPONSOR(S): Representative Wallace and others

COMPANION BILL(S): SB 968(i)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) GOVERNMENTAL OPERATIONS YEAS 4 NAYS 0
 - (2) GENERAL GOVERNMENT APPROPRIATIONS
 - (3)
 - (4)
 - (5)
-

SUMMARY:

HB 3577 amends s. 216.178, F.S., to require the following information to be included within General Appropriation Bills:

- A “family friendly budgeting statement,” which details information dealing with annual family income and state appropriations;
- A “change in government positions statement,” which details funding of government positions;
- Total trust funds balance and expenditure statements; and,
- A “total change statement,” which details information dealing with changes in household incomes and government appropriations.

The information required by HB 3577 must be placed at the beginning of the General Appropriations Act before any other information.

This bill would create a greater workload for staff in preparation of the General Appropriations Act.

I. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

The State budget is prepared every year based on anticipated revenues. Florida's constitution gives the exclusive power to appropriate state funds to the Legislature. "No money shall be drawn from the treasury except in pursuance of appropriation made by law" (Article VII, Section 1.(c)).

After the start of each session, Appropriation Subcommittees are given guidelines and a revenue allocation. The Subcommittees develop budget proposals which fund specific programs that fall within those guidelines and allocations. By the fourth week of the session the subcommittee products are combined into proposed appropriations bills which are considered by the full committees.

By the fifth week of the session, each body's appropriations bill is considered by its full membership. Since the House and Senate Appropriations Bills are never identical nor is there usually agreement on the policy underlying their development, a conference committee is appointed to hammer out a compromise appropriations bill. The Conference Report may not be amended, but must be either approved or rejected.

A Conference Report that is accepted by both bodies is the General Appropriations Act. The General Appropriations Act is produced in a line item format, wherein specific provisions are categorized. In addition to the General Appropriations Act, an Implementing Bill, produced in a substantive format, is also produced.

The Constitution requires a 72 hour waiting period between distribution of a general appropriations bill and its final passage.

B. EFFECT OF PROPOSED CHANGES:

This bill amends s. 216.178, F.S., to create a new subsection (1) and to renumber the existing provisions. No presently existing provisions of s. 216.178, F.S., are eliminated.

Section 216.178 (1), F.S., is created to provide for the following information to be included in the General Appropriations Act:

- A "family-friendly budgeting statement," which would include the following:
 - (1) the median annual household income for the previous 6 calendar years; and percentage change from year to year for those 6 years.
 - (2) the state government appropriations for the previous six fiscal years; and the percentage change from fiscal year to fiscal year.
 - (3) the average annual change over that 5-year period for median Florida household income and state government appropriations.
 - (4) the projected median annual household income for the current calendar year, and percentage change over the previous calendar year, as provided

by the Division of Economic Demographic Research of the Joint Legislative Management Committee.

(5) state government appropriations for the fiscal year of the General Appropriations Act, and the percentage change over the previous fiscal year.

- A “change in government positions statement,” which would include the following:
 - (1) the number of positions funded for the previous fiscal year;
 - (2) the number of positions to be funded for the fiscal year of the General Appropriations Act;
 - (3) the percentage change over the previous year; and
 - (4) the number of positions to be privatized in the fiscal year of the General Appropriations Act.

This bill provides for separate entries detailing the above for the State University System.

- Total trust funds balance and expenditure statements, which would include the following:
 - (1) the total balance as of the end of the previous fiscal year; and
 - (2) total expenditures for the previous fiscal year for trust funds of the state government.

The following are to be listed separately in regard to the above information:

Trust funds subject to termination under s. 19 (f)(2), Art III of the State Constitution;
Trust funds subject to prior review under s. 215.3206; and
Trust funds specified in s. 19 (f)(3), Art. III of the State Constitution.

The Florida Retirement System Trust Fund must be listed separately.

- A “total change statement,” which would include the following:
 - (1) The change in the total household income in the state for the last completed calendar year over the calendar year preceding the last completed calendar year; and
 - (2) the change in total state government appropriations for the last completed fiscal year over the fiscal year immediately preceding the last completed fiscal year.

The information added to the General Appropriations Act by HB 3577 must be placed at the beginning of the act before any other information.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No

(3) any entitlement to a government service or benefit?

No

b. If an agency or program is eliminated or reduced:

No agency or program is eliminated or reduced.

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No

b. Does the bill require or authorize an increase in any fees?

No

c. Does the bill reduce total taxes, both rates and revenues?

No

d. Does the bill reduce total fees, both rates and revenues?

No

e. Does the bill authorize any fee or tax increase by any local government?

No

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

The bill does not purport to provide services to families or children.

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

No

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

The bill does not create or change a program providing services to families or children.

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

s. 216.178, F.S.

E. SECTION-BY-SECTION RESEARCH:

See "Effect of Proposed Changes."

II. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

4. Total Revenues and Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None

2. Direct Private Sector Benefits:

None

STORAGE NAME: h3577a.go

DATE: April 15, 1998

PAGE 8

3. Effects on Competition, Private Enterprise and Employment Markets:

None

D. FISCAL COMMENTS:

This bill would create a greater workload for staff in preparation of the General Appropriation Act.

III. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

IV. COMMENTS:

None

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON GOVERNMENTAL OPERATIONS:

Prepared by:

Legislative Research Director:

Garci Perez

Jimmy O. Helms