

STORAGE NAME: h0865.hhs

DATE: March 21, 1997

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
HEALTH & HUMAN SERVICES APPROPRIATIONS
BILL ANALYSIS & ECONOMIC IMPACT STATEMENT**

BILL #: HB 865

RELATING TO: Department of Health Federal Grants Trust Fund

SPONSOR(S): Committee on Health Care Services

STATUTE(S) AFFECTED:

COMPANION BILL(S):

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

- (1) HEALTH CARE SERVICES YEAS 8 NAYS 0
- (2) HEALTH & HUMAN SERVICES APPROPRIATIONS
- (3)
- (4)
- (5)

I. SUMMARY:

Article III, section 19(f)(1), of the state constitution requires each state trust fund to be created by a separate bill for that purpose only. Last year the Legislature created the Department of Health. This bill creates the Federal Grants Trust Fund in the new department. The Federal GrantsTrust Fund will be used as the repository for grants and funding from the Federal Government, and to support programs whose activities and revenues are restricted by federal grant or contract.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Article III, section 19(f)(1), of the state constitution requires each state trust fund to be created by "a three-fifths vote of the membership of each house of the legislature in a separate bill for that purpose only."

Last year the Legislature created the Department of Health (ch. 96-403, L.O.F.). The new department, which came into official existence on January 1st, is composed of the State Health Office and Children's Medical Services Program of the former Department of Health & Rehabilitative Services (now the Department of Children & Family Services). An existing trust fund may be transferred to a new agency only if it is to be utilized exclusively by the new agency. For example, the County Health Department Trust Fund was transferred to the new department when it was created last year. If the trust fund will continue to be used by the source department (i.e., the Dept. of Children & Families), a new trust fund must be created for the new agency.

B. EFFECT OF PROPOSED CHANGES:

This bill creates the Federal Grants Trust Fund in the Department of Health.

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:

(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:

- (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:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. SECTION-BY-SECTION ANALYSIS:

[This section need be completed only in the discretion of the Committee.]

Section 1. Creates s. 20.435, F.S., relating to Dept. of Health trust funds, to create the Federal Grants Trust Fund, and to provide for the termination of the trust fund in 2001.

Section 2. Directs the Division of Statutory Revision to incorporate all Dept. of Health trust funds in s. 20.435.

Section 3. Provides an effective date of July 1, 1997.

III. FISCAL ANALYSIS & 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.

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

None.

D. FISCAL COMMENTS:

Examples of major federal grant sources for this trust fund include Women, Infants, & Children (WIC), Ryan White, and Immunization. Estimated revenues for this trust fund for FY 1997-98 are approximately \$453,348,465.

IV. 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 expend funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of counties or municipalities to raise revenues

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.

STORAGE NAME: h0865.hhs

DATE: March 21, 1997

PAGE 7

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VII. SIGNATURES:

COMMITTEE ON HEALTH CARE SERVICES:

Prepared by:

Legislative Research Director:

Meta Calder

Mike Hansen

AS REVISED BY THE COMMITTEE ON HEALTH & HUMAN SERVICES

APPROPRIATIONS:

Prepared by:

Legislative Research Director:

Lynn S. Dixon

Lynn S. Dixon