

By Senator Atwater

25-772A-03

1 A bill to be entitled
 2 An act relating to local government funding;
 3 creating the "Local Funding Revenue
 4 Maximization Act"; providing legislative
 5 intent; defining the term "agency" for purposes
 6 of the act; providing requirements for state
 7 agencies that provide health services, social
 8 services, or human services; providing
 9 requirements for the use of certain public
 10 revenues as local matching funds and for the
 11 uses of federal reimbursements received as a
 12 result of the certification of local matching
 13 funds; providing for agreements between
 14 agencies and local political subdivisions;
 15 requiring agencies and local political
 16 subdivisions to cooperate in modifying state
 17 plans and in seeking and implementing any
 18 necessary federal waivers; providing for
 19 administrative costs; requiring agencies to
 20 submit annual reports to the Governor and to
 21 legislative leaders; providing an effective
 22 date.

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 24 Be It Enacted by the Legislature of the State of Florida:
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26 Section 1. Local Funding Revenue Maximization Act;
 27 legislative intent; revenue maximization program.--

28 (1) SHORT TITLE.--This section may be cited as the
 29 "Local Funding Revenue Maximization Act."

30 (2) LEGISLATIVE INTENT.--
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1 (a) The Legislature recognizes that state funds do not
2 fully utilize federal funding matching opportunities for
3 health and human services needs. It is the intent of the
4 Legislature to authorize the use of certified local funding
5 for federal matching programs to the fullest extent possible
6 to maximize federal funding of local preventive services and
7 local child development programs in this state. To that end,
8 the Legislature expects that state agencies will take a
9 proactive approach in implementing this legislative priority.
10 It is the further intent of the Legislature that this act
11 shall be revenue-neutral with respect to state funds.

12 (b) It is the intent of the Legislature that revenue
13 maximization opportunities using certified local funding shall
14 occur only after available state funds have been utilized to
15 generate matching federal funding for the state.

16 (c) It is the intent of the Legislature that
17 participation in revenue maximization is to be voluntary for
18 local political subdivisions.

19 (d) It is the intent of the Legislature that certified
20 local funding for federal matching programs not supplant or
21 replace state funds.

22 (3) REVENUE MAXIMIZATION PROGRAM.--

23 (a) For purposes of this section, the term "agency"
24 means any state agency that is involved in providing health,
25 social, or human services, including, but not limited to, the
26 Agency for Health Care Administration, the Agency for
27 Workforce Innovation, the Department of Children and Family
28 Services, the Department of Elderly Affairs, the Department of
29 Juvenile Justice, and the Florida Board of Education.

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1 (b) Each agency shall establish programs and
2 mechanisms designed to maximize the use of local funding for
3 federal programs in accordance with this section.

4 (c) The use of local matching funds under this section
5 must be limited to public revenue funds of local political
6 subdivisions, including, but not limited to, counties,
7 municipalities, and special districts. To the extent permitted
8 by federal law, funds donated to such local political
9 subdivisions by private entities, such as, but not limited to,
10 the United Way, community foundations or other foundations,
11 and businesses, or by individuals are considered to be public
12 revenue funds available for matching federal funding.

13 (d) Subject to paragraph (f), any federal
14 reimbursement received as a result of the certification of
15 local matching funds must, unless specifically prohibited by
16 federal law, be returned by check or wire transfer to the
17 local political subdivision providing such funding, and the
18 local political subdivision must be provided an annual
19 accounting of federal reimbursements received by the state or
20 its agencies as a result of the certification of the local
21 political subdivision's matching funds. The receipt by a local
22 political subdivision of such matching funds must not in any
23 way influence or be used as a factor in developing any
24 agency's annual operating budget allocation methodology or
25 formula or any subsequent budget amendment allocations or
26 formulas. If necessary, agreements must be made between an
27 agency and the local political subdivision to accomplish that
28 purpose. Such an agreement may provide that the local
29 political subdivision must: verify the eligibility of the
30 local program or programs and the individuals served thereby
31 to qualify for federal matching funds; shall develop and

1 maintain the financial records necessary for documenting the
2 appropriate use of federal funds; shall comply with all
3 applicable state and federal laws, regulations, and rules that
4 regulate such federal services; and shall reimburse the cost
5 of any disallowance of federal funding previously provided to
6 a local political subdivision resulting from the failure of
7 that local political subdivision to comply with applicable
8 state or federal laws, rules, or regulations.

9 (e) Each agency, as applicable, shall work with local
10 political subdivisions to modify any state plans and to seek
11 and implement any federal waivers necessary to implement this
12 section. If such modifications or waivers require the approval
13 of the Legislature, the agency, as applicable, shall draft
14 such legislation and present it to the President of the Senate
15 and the Speaker of the House of Representatives and to the
16 respective committee chairs of the Senate and the House of
17 Representatives by January 1, 2004, and, as applicable,
18 annually thereafter.

19 (f) Each agency, as applicable, before funds generated
20 under this section are distributed to any local political
21 subdivision, may deduct the actual administrative cost for
22 implementing and monitoring the local match program; however,
23 such administrative costs may not exceed 5 percent of the
24 total federal reimbursement funding to be provided to the
25 local political subdivision under paragraph (d). To the extent
26 that any other provision of state law applies to the
27 certification of local matching funds for a specific program,
28 the provisions of that statute which relate to administrative
29 costs apply in lieu of the provisions of this paragraph.

30 (g) Each agency, respectively, shall annually submit
31 to the Governor, the President of the Senate, and the Speaker

1 of the House of Representatives, no later than January 1, a
2 report that documents the specific activities undertaken
3 during the previous fiscal year under this section. The report
4 must include, but is not limited to, a statement of the total
5 amount of federal matching funds generated by local matching
6 funds under this section, reported by federal funding source;
7 the total amount of block grant funds expended during the
8 previous fiscal year, reported by federal funding source; the
9 total amount for federal matching fund programs, including,
10 but not limited to, Temporary Assistance for Needy Families
11 and Child Care and Development Fund, of unobligated funds and
12 unliquidated funds, both as of the close of the previous
13 federal fiscal year; the amount of unliquidated funds that is
14 in danger of being returned to the Federal Government at the
15 end of the current federal fiscal year; and a detailed plan
16 and timeline for spending any unobligated and unliquidated
17 funds by the end of the current federal fiscal year.

18 Section 2. This act shall take effect July 1, 2003.

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21 SENATE SUMMARY

22 Creates the "Local Funding Revenue Maximization Act."
23 Provides legislative intent. Defines the term "agency,"
24 as used in the act. Provides requirements for state
25 agencies that provide health services, social services,
26 or human services. Provides requirements for the use of
27 certain public revenues as local matching funds and for
28 the uses of federal reimbursements received as a result
29 of the certification of local matching funds. Provides
30 for agreements between agencies and local political
31 subdivisions. Requires agencies and local political
subdivisions to cooperate in modifying state plans and in
seeking and implementing any necessary federal waivers.
Provides for administrative costs. Requires agencies to
submit annual reports to the Governor and to legislative
leaders.