

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1141 w/CS Rural counties
SPONSOR(S): Rep. Spratt
TIED BILLS: None **IDEN./SIM. BILLS:** SB 2312

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Agriculture	14 Y, 0 N w/CS	Kaiser	Reese
2) Appropriations			
3)			
4)			
5)			

SUMMARY ANALYSIS

HB 1141 establishes a grant program for fiscally constrained counties. The grants may be used by the counties to help with government services, infrastructure development or as seed funding for long-term projects. The bill proposes for the Department of Community Affairs (DCA) to work with the Rural Economic Development Initiative (REDI) to establish a grant application process. In addition, REDI is instructed to take measures to inform fiscally constrained counties of the grant program and the availability of funds.

Additionally, the bill requires, at least annually and/or upon completion of grant-funded activities, for a fiscally constrained county receiving a grant to provide a written report to the DCA describing the status of the grant-funded activities, the nature and amount of local or other financial support used for those activities, and the progress made toward ending the county's status as fiscally constrained.

Currently, twenty-seven counties qualify for this funding: Baker, Bradford, Calhoun, Columbia, DeSoto, Dixie, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Holmes, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Suwanee, Taylor, Union, and Washington.

Lastly, the bill broadens the requirements for program providers to increase the number of vendors who may enter into contracts with the Department of Agriculture and Consumer Services for the purpose of providing program assistance to the Small County Technical Assistance Program.

This legislation has no fiscal impact on local governments. For the fiscal impact on state government, please see "D. Fiscal Comments," on page 3 of this analysis.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1141a.ag.doc
DATE: March 10, 2004

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. EFFECT OF PROPOSED CHANGES:

Fiscally Constrained County Grants

HB 1141 creates a grant program for fiscally constrained counties in the state. The purpose of the program is to provide grant money to fiscally constrained counties to assist with government services, infrastructure development, or for use as seed funding for long-term projects. The bill provides for grant award amounts be determined using a weighted factor based on local efforts, including but not limited to mills levied.

The bill authorizes the Department of Community Affairs (DCA), in consultation with the Rural Economic Development Initiative (REDI) to:

- Establish a grant application process.
- Provide technical or administrative assistance to applicants.
- Actively inform qualifying counties of the program.
- Establish criteria for reviewing grant applications.
- Review grant applications and approve grant award amounts.

At least annually and/or upon completion of grant-funded activities, fiscally constrained counties receiving grants must provide the DCA with a written report. The report must describe the:

- Status of the grant-funded activities;
- Cumulative benefit to the county of the activities;
- Nature and amount of local or other financial support; and,
- Progress made toward ending the county's status as "fiscally constrained."

The DCA is given authority to adopt rules pursuant to the implementation of this program.

Small County Technical Assistance Program

The Small County Technical Assistance Program was initiated in 1993 through a \$250,000 appropriation from the Legislature. At its inception, the program served 31 counties with populations less than 50,000. Subsequently, the program has expanded to \$350,000 and serves 32 counties with populations less than 75,000.

The Office of the Comptroller provided oversight for the program from its inception until July 1, 2002, when the program was transferred to the Department of Agriculture and Consumer Services (DACS).

HB 1141 broadens the requirements for program providers to increase the number of vendors who may enter into contracts with the DACS for the purpose of providing program assistance to the Small County Technical Assistance Program.

C. SECTION DIRECTORY:

Section 1: Amending s. 163.05, F.S.; expanding the parameters for program providers.

Section 2: Amending s. 288.0656, F.S.; amending membership of the Rural Economic Development Initiative (REDI); and, providing a definition.

Section 3: Creating s. 288.06571, F.S.; providing definitions; authorizing the DCA to administer funds for a grant program for fiscally constrained counties; authorizing the establishment of a grant application process; providing for advertisement of grant program by REDI; providing for establishment of criteria for reviewing grant applications; providing for review and approval of grant award amounts; providing for an annual report regarding status of grant-funded activities; and, authorizing the DCA to adopt rules to implement the grant program.

Section 4: Providing an effective date of July 1, 2004.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

In support of the fiscally constrained grant program, the Governor's Recommended Budget includes \$5 million of General Revenue to the DCA. This amount is subject to legislative appropriation.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to take an action requiring the expenditure of funds, does not reduce the authority that counties or municipalities have to raise revenues in the aggregate, and does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None

B. RULE-MAKING AUTHORITY:

The bill gives the DCA rule-making authority regarding the fiscally constrained county grant program.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On March 10, 2004, the Committee on Agriculture adopted 3 amendments to HB 1141. The first amendment expanded the requirements for program providers to increase the number of vendors who may enter into contracts with the Department of Agriculture and Consumer Services for the purpose of providing program assistance to the Small County Technical Assistance Program.

The second amendment adopted was a substitute amendment for Amendment 2. The substitute amendment clarifies the intent of the Legislature to be for award amounts to be determined using a weighted factor based on local efforts, including but not limited to mills levied.

The third amendment negated the transfer of the Small County Technical Assistance Program from the Department of Agriculture and Consumer Services to the Department of Community Affairs.