

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB1909 PCB FC 05-10 Enforcement of Farm Labor Laws

SPONSOR(S): Fiscal Council

TIED BILLS: _____ **IDEN./SIM. BILLS:** _____

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Fiscal Council	19 Y, 0 N	Rayman	Kelly
1)			
2)			
3)			
4)			
5)			

SUMMARY ANALYSIS

This bill amends section 450.38, F.S., adding the provision that moneys for the enforcement of farm labor laws shall be transferred to the Professional Regulation Trust Fund in the Department of Business and Professional Regulation (DBPR) from the Workers' Compensation Administration Trust Fund in the Department of Financial Services (DFS). The bill also provides that in addition to the purpose stated in section 440.50(1)(a), F.S., funds in the Workers' Compensation Administration Trust Fund in the Department of Financial Services may be used for the enforcement of farm labor laws by the Department of Business and Professional Regulation.

This bill allows the Legislature to reduce \$687,795 in recurring General Revenue for Fiscal Year 2005-2006 by authorizing the use of the Workers' Compensation Administration Trust Fund for the enforcement responsibilities provided in section 450.38, F.S., for farm labor laws.

The bill has an effective date of July 1, 2005.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Background

The Farm Labor program in the Department of Business and Professional Regulation is funded from the General Revenue Fund and the Professional Regulation Trust Fund. The trust fund serves as the repository for the program's sources of revenue which include registration and testing fees and federal funds. Section 450.165, F.S., directs the department to maintain a separate account in the fund for the enforcement of farm labor laws.

The Workers' Compensation Administration Trust Fund was created in section 440.50, F.S., in the Department of Financial Services to provide payment of all expenses related to the administration of workers' compensation. Included in the expenses is the vocational rehabilitation of injured employees as provided in section 440.49, F.S., and compensation payments due under s. 440.15(1)(f), F.S., funding of fixed administrative expenses of the plan, and funding of the Bureau of Workers' Compensation Fraud within the Department of Financial Services. In addition, section 450.155, F.S., requires that the moneys for the enforcement of the child labor laws by DBPR be transferred from the Workers' Compensation Administration Trust Fund. Revenue sources of the Workers' Compensation Administration Trust Fund include penalties, fines, and fees that are assessed in compliance with workers' compensation law.

Proposed Changes

This bill allows the Legislature to reduce \$687,795 in recurring General Revenue for Fiscal Year 2005-2006 by authorizing the use of the Workers' Compensation Administration Trust Fund for the enforcement responsibilities provided in section 450.38, F.S., for farm labor laws. Authorizing the use of funds in the Workers' Compensation Administration Trust Fund for the Farm Labor program is consistent with current funding for the Child Labor program. Both programs are administered by the Department of Business and Professional Regulation.

C. SECTION DIRECTORY:

Section 1. Creates subsection (8) of section 450.38, F.S., to require funds for enforcement of farm labor laws to be transferred to the Professional Regulation Trust Fund within Department of Business and Professional Regulation from the Workers' Compensation Administration Trust Fund within the Department of Financial Services.

Section 2. Provides that the purpose of funds in the Workers' Compensation Administration Trust Fund within the Department of Financial Services may be appropriated to fund the enforcement of farm labor laws by the Department of Business and Professional Regulation.

Section 3. Provides an effective date of July 1, 2005.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

	<u>FY 2005-06</u>	<u>FY 2006-07</u>
1. Revenues:		
Department of Business and Professional Regulation		
Professional Regulation Trust Fund		
Transfer from DFS –		
Workers' Compensation Administration Trust Fund	\$1,583,056	\$1,367,056
2. Expenditures:		
Department of Business and Professional Regulation		
Professional Regulation Trust Fund	\$ 687,795	\$ 687,795
General Revenue Fund	(687,795)	(687,795)
Department of Financial Services		
Non-operating		
Transfer to DBPR		
Workers' Compensation Administration Trust Fund	\$1,583,056	\$1,367,056

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues: None.
2. Expenditures: None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill could have a minimal impact to the private sector. A substantial fund balance currently exists in the Workers' Compensation Administration Trust Fund. This additional transfer should not increase the assessment against the net premiums earned by carriers and the amount of net premiums calculated by the department for self-insured employers.

D. FISCAL COMMENTS:

The funds transferred from the Workers' Compensation Administration Trust Fund is the amount needed, after receipt of federal grants and fees, to cover the costs incurred by DBPR to enforce the farm labor laws. Currently, the program is supplemented with \$687,795 from the General Revenue Fund and \$679,261 from unrelated fee sources. Also, non-recurring funds of \$216,000 for the replacement of motor vehicles for the program are included in the proposed General Appropriations Act and, therefore, included in the transfer for Fiscal Year 2005-06.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES