1 A bill to be entitled 2 An act implementing the 2008-2009 General Appropriations 3 Act; providing legislative intent; amending s. 1001.451, F.S.; revising the incentive grant amounts for regional 4 consortium service organizations; amending s. 1012.225, 5 6 F.S.; revising the dates when Merit Award Program plans 7 must be submitted; amending s. 394.908, F.S.; requiring 8 that funds appropriated for forensic mental health 9 treatment services be allocated to the areas of the state having the greatest demand for services and treatment 10 capacity; providing allocation requirements for specified 11 funds appropriated for mental health services; providing 12 for a health care collaborative action network and 13 discount health care pilot program in Miami-Dade County; 14 authorizing the Executive Office of the Governor to 15 16 approve the increase in nonoperating transfer budget 17 authority for trust funds in the Department of Children 18 and Family Services; authorizing the Department of 19 Corrections and the Department of Juvenile Justice to make 20 certain expenditures to defray costs incurred by a municipality or county as a result of opening or operating 21 a facility under authority of the respective department; 22 amending s. 216.262, F.S.; providing for additional 23 positions to operate additional prison bed capacity under 24 25 certain circumstances; amending s. 216.292, F.S.; 26 authorizing certain transfers of appropriations for operations from general revenue between budget categories 27 and entities of the criminal conflict and civil regional 28

Page 1 of 33

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counsels and the budget category for child dependency and civil conflict cases within the Justice Administrative Commission; providing for future expiration of such provisions; authorizing the Department of Legal Affairs to expend appropriated funds on programs funded in the preceding fiscal year; authorizing the Department of Legal Affairs to transfer certain funds to pay salaries and benefits; amending s. 112.24, F.S.; providing circumstances under which a receiving party is not required to pay certain reimbursement costs for a state employee pursuant to an intergovernmental interchange; authorizing the Executive Office of the Governor to transfer funds between departments for purposes of aligning amounts paid for risk management premiums and for purposes of aligning amounts paid for human resource management services; amending s. 110.123, F.S.; providing for the state's monthly contribution for employees under the state group insurance program; authorizing the Department of Financial Services to expend certain funds for salaries and related expenses; amending s. 215.5595, F.S.; revising legislative findings; providing for appropriated state funds to be exchanged for surplus notes issued by residential property insurers under the program; revising the conditions and requirements for providing funds to insurers under the program; requiring a commitment by the insurer to meet minimum premium-tosurplus writing ratios for residential property insurance and for taking policies out of Citizens Property Insurance

Page 2 of 33

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Corporation; authorizing the State Board of Administration to charge a fee for late payments; providing that amendments made by the act do not affect the terms of surplus notes approved prior to a specified date; authorizing the State Board of Administration and an insurer to renegotiate such terms consistent with such amendments; requiring Citizens Property Insurance Corporation to transfer funds to the General Revenue Fund for appropriation by the Legislature for program purposes; prohibiting certain statutory amendments or transfer of funds for use by Citizens Property Insurance Corporation for certain purposes; amending s. 252.373, F.S.; requiring the Division of Emergency Management to provide emergency power generators to special-needs hurricane evacuation shelters from the Emergency Management, Preparedness, and Assistance Trust Fund; amending s. 215.559, F.S.; requiring the Division of Emergency Management to provide emergency power generators to special-needs hurricane evacuation shelters from the Grants and Donations Trust Fund; amending s. 288.1088, F.S.; requiring the availability of incentives to stimulate economic growth in certain rural areas; amending s. 553.75, F.S.; authorizing the use of communication media technology at certain meetings of the Florida Building Commission; amending s. 259.032, F.S.; authorizes the transfer of funds from the Conservation and Recreation Lands Trust Fund for certain cleanup and beach restoration activities; providing for reversion of certain provisions;

Page 3 of 33

amending s. 216.221, F.S.; providing for conditions under which the Governor is authorized to request a transfer of funds from the Budget Stabilization Fund to the General Revenue Fund; amending s. 215.5601, F.S.; providing for conditions under which the Governor is authorized to request a transfer of funds from the Lawton Chiles Endowment Fund to the General Revenue Fund and providing for a schedule of repayment; providing for temporary reduction of legislators' salaries; prohibiting the Department of Revenue from making certain distributions in the 2008-2009 fiscal year to certain sports facilities; providing for the effect of a veto of one or more specific appropriations or proviso to which implementing language refers; providing for the continued operation of certain provisions notwithstanding a future repeal or expiration provided by the act; providing for severability; providing effective dates.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. It is the intent of the Legislature that the implementing and administering provisions of this act apply to the General Appropriations Act for the 2008-2009 fiscal year.

Section 2. In order to implement Specific Appropriation

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101 of the 2008-2009 General Appropriations Act, paragraph (a) of subsection (2) of section 1001.451, Florida Statutes, is amended to read:

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1001.451 Regional consortium service organizations.--In

Page 4 of 33

order to provide a full range of programs to larger numbers of students, minimize duplication of services, and encourage the development of new programs and services:

- (2) (a) <u>1.</u> Each regional consortium service organization that consists of four or more school districts is eligible to receive, through the Department of Education, an incentive grant of \$50,000 per school district and eligible member to be used for the delivery of services within the participating school districts. The determination of services and use of such funds shall be established by the board of directors of the regional consortium service organization. The funds shall be distributed to each regional consortium service organization no later than 30 days following the release of the funds to the department.
- 2. For the 2008-2009 fiscal year only, the amount of the incentive grant authorized under subparagraph 1. is reduced by 4 percent to \$48,000 per school district and eligible member. This subparagraph expires July 1, 2009.
- Section 3. In order to implement Specific Appropriation 81 of the 2008-2009 General Appropriations Act, subsection (5) of section 1012.225, Florida Statutes, is amended to read:
- 1012.225 Merit Award Program for Instructional Personnel and School-Based Administrators.--
  - (5) REVIEW OF PERFORMANCE-BASED PAY PLANS. --
- (a) Each participating district school board must submit its Merit Award Program plan for the 2008-2009 fiscal year to the Commissioner of Education for review by October 1, 2008 of each year. The plan must include the negotiated, districtadopted plan or charter school adopted plan if the district does

Page 5 of 33

not submit a plan intended for use in the following year. The commissioner shall complete a review of each plan submitted and determine compliance with the requirements of this section by November 15 of each year. If a submitted plan fails to meet the requirements of this section, the commissioner must identify in writing the specific revisions that are required. Revised plans must be finalized and resubmitted by a school district, or by a charter school if the district does not submit a plan, for the commissioner's review by January 31 of each year. The commissioner shall certify those school district or charter school plans that do not comply with this section to the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 15 of each year.

- (b) Any charter school that does not follow the school district's salary schedule may adopt its own performance-based plan in accordance with this section. Charter school proposals shall be included with the school district plans or may be submitted independently if the district does not submit a plan.
- (c) Each district school board shall establish a procedure to annually review both the assessment and compensation components of its plan in order to determine compliance with this section. After this review and by October 1 of each year, the district school board shall submit a report to the Commissioner of Education, along with supporting documentation that will enable the commissioner to verify the district's compliance with this section during the prior school year. The commissioner shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of

Representatives certifying those school district or charter school plans that do not comply with this section or whose plans were not implemented in accordance with this section by December 1 of each year.

(d) For purposes of the 2007-2008 school year, the plan submitted as required in paragraph (a) applies to the 2007-2008 school year as well as the 2008 2009 school year. Thereafter, all plans submitted and approved within the timelines set forth in paragraph (a) apply to the following school year.

Statutes, made by this act shall expire July 1, 2009, and the text of that section shall revert to that in existence on June 30, 2008, except that any amendments to such text enacted other than by this act shall be preserved and continue to operate to the extent that such amendments are not dependent upon the portions of such text which expire pursuant to this section.

Section 5. In order to implement Specific Appropriations 376 through 415 of the 2008-2009 General Appropriations Act, subsection (3) of section 394.908, Florida Statutes, is amended to read:

394.908 Substance abuse and mental health funding equity; distribution of appropriations.--In recognition of the historical inequity in the funding of substance abuse and mental health services for the department's districts and regions and to rectify this inequity and provide for equitable funding in the future throughout the state, the following funding process shall be used:

(3) (a) Any additional funding beyond the 2005-2006 fiscal year base appropriation for alcohol, drug abuse, and mental health services shall be allocated to districts for substance abuse and mental health services based on:

- $\frac{1.(a)}{a}$  Epidemiological estimates of disabilities that apply to the respective target populations.
- $\frac{2.(b)}{}$  A pro rata share distribution that ensures districts below the statewide average funding level per person in each target population of "persons in need" receive funding necessary to achieve equity.
- (b) Notwithstanding paragraph (a) and for the 2008-2009 fiscal year only, funds appropriated for forensic mental health treatment services shall be allocated to the areas of the state having the greatest demand for services and treatment capacity. This paragraph expires July 1, 2009.
- (c) Notwithstanding paragraph (a) and for the 2008-2009 fiscal year only, additional funds appropriated for mental health services from funds available through the Community-Based Medicaid Administrative Claiming Program shall be allocated as provided in the 2008-2009 General Appropriations Act and in proportion to contributed provider earnings. Where these mental health funds are used in lieu of funds from the General Revenue Fund, the allocation of funds shall be unchanged from the allocation for those funds for the 2007-2008 fiscal year. This paragraph expires July 1, 2009.
- Section 6. <u>Health care collaborative action network and</u> discount health care pilot program.--
  - (1) In order to implement Specific Appropriation 588 of

Page 8 of 33

the 2008-2009 General Appropriations Act, the Department of

Health shall develop and establish a health care collaborative

action network as a 1-year pilot program in Miami-Dade County.

- (2) In order to implement the pilot program, the Miami-Dade County Health Department shall:
- (a) Establish an alliance of hospitals, federally qualified health centers, free clinics, physician groups and other health care providers in Miami-Dade County for the purpose of increasing access to and coordination of care. Approval of a certificate of need by the Agency for Health Care Administration for any provider in Miami-Dade County during the 1-year pilot program shall be contingent on that provider actively participating in the alliance. The Department of Health shall require all contract providers in Miami-Dade County to participate in the alliance as a condition of the contract and shall impose this requirement on all future contracts entered into during the 1-year pilot program and amend all existing contracts to reflect this requirement.
- (b) Ensure coordination of service delivery, increased access to health care, enhanced cooperation among participating network providers, elimination of duplication, and establishment of a medical home for all patients served by members of the network.
- (c) Establish a discount health care card program and negotiate with provider members of the alliance to establish discounted charges for services provided to enrollees in the discount health care card program. Approval of a certificate of need by the Agency for Health Care Administration for any

Page 9 of 33

provider in Miami-Dade County during the 1-year pilot program shall be contingent on that provider actively participating in the discount health care card program. The Department of Health shall require all contract providers in Miami-Dade County to participate in the discount health care card program as a condition of the contract and shall impose this requirement on all future contracts entered into during the 1-year pilot program and amend all existing contracts to reflect this requirement.

- (d) Ensure that the discount health care card is available to any uninsured resident of Miami-Dade County with a family income below 200 percent of the federal poverty level.

  Reimbursement or payment for health care services by a participant's health insurance policy or health plan or other coverage contract shall be governed by the terms of that contract.
- (e) Ensure that primary care services, either for free or at a discount rate, are made available to all uninsured and underserved populations in Miami-Dade County by the network members.
- (f) Encourage participating providers to create and maintain an electronic medical record for each Miami-Dade County resident who participates in the pilot program.
- (3) On January 1, 2009, the department shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report on the success and outcomes achieved by the pilot program, which must include a recommendation as to whether the pilot program should be

Page 10 of 33

280 continued, terminated, or expanded in the next fiscal year. 281 (4) This section expires July 1, 2009. 282 Section 7. In order to implement Specific Appropriations 283 290 through 469 of the 2008-2009 General Appropriations Act and 284 notwithstanding the provisions of chapter 216, Florida Statutes, 285 the Executive Office of the Governor, in consultation with the 286 Legislature, may approve the increase in nonoperating transfer 287 budget authority for trust funds in the Department of Children 288 and Family Services to continue programs authorized by the 2008-2009 General Appropriations Act. This section expires July 1, 289 290 2009. Section 8. In order to fulfill legislative intent 291 292 regarding the use of funds contained in Specific Appropriations 293 721L, 721X, 721AI, and 1146 of the 2008-2009 General 294 Appropriations Act, the Department of Corrections and the 295 Department of Juvenile Justice may expend appropriated funds to 296 assist in defraying the costs of impacts that are incurred by a 297 municipality or county and associated with opening or operating 298 a facility under the authority of the respective department 299 which is located within that municipality or county. The amount 300 that is to be paid under this section for any facility may not 301 exceed 1 percent of the facility construction cost, less 302 building impact fees imposed by the municipality or by the 303 county if the facility is located in the unincorporated portion

Section 9. In order to implement Specific Appropriations 721A through 760H and 780 through 806 of the 2008-2009 General Appropriations Act, subsection (4) of section 216.262, Florida

of the county. This section expires July 1, 2009.

Page 11 of 33

CODING: Words stricken are deletions; words underlined are additions.

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Statutes, is amended to read:

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216.262 Authorized positions. --

Notwithstanding the provisions of this chapter on increasing the number of authorized positions, and for the 2008-2009 <del>2007 2008</del> fiscal year only, if the actual inmate population of the Department of Corrections exceeds the inmate population projections of the February 15, 2008 February 16, 2007, Criminal Justice Estimating Conference by 1 percent for 2 consecutive months or 2 percent for any month, the Executive Office of the Governor, with the approval of the Legislative Budget Commission, shall immediately notify the Criminal Justice Estimating Conference, which shall convene as soon as possible to revise the estimates. The Department of Corrections may then submit a budget amendment requesting the establishment of positions in excess of the number authorized by the Legislature and additional appropriations from unallocated general revenue sufficient to provide for essential staff, fixed capital improvements, and other resources to provide classification, security, food services, health services, and other variable expenses within the institutions to accommodate the estimated increase in the inmate population. All actions taken pursuant to the authority granted in this subsection shall be subject to review and approval by the Legislative Budget Commission. This subsection expires July 1, 2009 2008.

Section 10. In order to implement Specific Appropriations 819, 821, and 1048 through 1072 of the 2008-2009 General Appropriations Act, paragraphs (c), (d), and (e) of subsection (3) of section 216.292, Florida Statutes, are amended to read:

Page 12 of 33

216.292 Appropriations nontransferable; exceptions.--

- (3) The following transfers are authorized with the approval of the Executive Office of the Governor for the executive branch or the Chief Justice for the judicial branch, subject to the notice and objection provisions of s. 216.177:
- (c) The transfer of appropriations for operations from general revenue between categories of appropriations within each criminal conflict and civil regional counsel budget entity. This paragraph expires July 1, 2009 2008.
- (d) The transfer of appropriations for operations from general revenue between criminal conflict and civil regional counsel budget entities. This paragraph expires July 1,  $\frac{2009}{2008}$ .
- (e) The transfer of appropriations for operations from general revenue between criminal conflict and civil regional counsel budget entities and the child dependency and civil conflict case appropriation category and the criminal conflict case costs appropriation category within the Justice Administrative Commission. This paragraph expires July 1, 2009 2008.
- Section 11. In order to implement Specific Appropriations
  1301 and 1302 of the 2008-2009 General Appropriations Act, the
  Department of Legal Affairs is authorized to expend appropriated
  funds in those specific appropriations on the same programs that
  were funded by the department pursuant to specific
  appropriations made in general appropriations acts in prior
  years. This section expires July 1, 2009.

In order to implement Specific Appropriations

Page 13 of 33

Section 12.

364 1266, 1286, 1307, and 1317 of the 2008-2009 General 365 Appropriations Act, the Department of Legal Affairs is authorized to transfer cash remaining after required 366 367 disbursements from Attorney General case numbers L01-6-1004, 368 L03-6-1002, and L01-6-1009 from FLAIR account 41-74-2-601001-369 41100100-00-181076-00 to the Operating Trust fund to pay 370 salaries and benefits. This section expires July 1, 2009. 371 In order to implement Specific Appropriations Section 13. 372 for salaries and benefits in the 2008-2009 General 373 Appropriations Act, paragraph (b) of subsection (3) of section 374 112.24, Florida Statutes, is amended to read: 112.24 Intergovernmental interchange of public 375 employees. -- To encourage economical and effective utilization of 376 377 public employees in this state, the temporary assignment of 378 employees among agencies of government, both state and local, 379 and including school districts and public institutions of higher 380 education is authorized under terms and conditions set forth in 381 this section. State agencies, municipalities, and political 382 subdivisions are authorized to enter into employee interchange agreements with other state agencies, the Federal Government, 383 384 another state, a municipality, or a political subdivision 385 including a school district, or with a public institution of 386 higher education. State agencies are also authorized to enter into employee interchange agreements with private institutions 387 of higher education and other nonprofit organizations under the 388 terms and conditions provided in this section. In addition, the 389 Governor or the Governor and Cabinet may enter into employee 390 interchange agreements with a state agency, the Federal 391

Government, another state, a municipality, or a political subdivision including a school district, or with a public institution of higher learning to fill, subject to the requirements of chapter 20, appointive offices which are within the executive branch of government and which are filled by appointment by the Governor or the Governor and Cabinet. Under no circumstances shall employee interchange agreements be utilized for the purpose of assigning individuals to participate in political campaigns. Duties and responsibilities of interchange employees shall be limited to the mission and goals of the agencies of government.

- (3) Salary, leave, travel and transportation, and reimbursements for an employee of a sending party that is participating in an interchange program shall be handled as follows:
- (b)  $\underline{1}$ . The assignment of an employee of a state agency either on detail or on leave of absence may be made without reimbursement by the receiving party for the travel and transportation expenses to or from the place of the assignment or for the pay and benefits, or a part thereof, of the employee during the assignment.
- 2. For the 2008-2009 fiscal year only, the assignment of an employee of a state agency as provided in subparagraph 1. may only be made as authorized in the General Appropriations Act.

  This subparagraph expires July 1, 2009.
- Section 14. <u>In order to implement the appropriation of funds in Special Categories-Risk Management Insurance of the 2008-2009 General Appropriations Act, and pursuant to the section of the control of the section of the control of </u>

Page 15 of 33

420 notice, review, and objection procedures of s. 216.177, Florida 421 Statutes, the Executive Office of the Governor is authorized to 422 transfer funds appropriated in the appropriation category 423 "Special Categories-Risk Management Insurance" of the 2008-2009 424 General Appropriations Act between departments in order to align 425 the budget authority granted with the premiums paid by each 426 department for risk management insurance. This section expires 427 July 1, 2009. 428 Section 15. In order to implement the appropriation of 429 funds in Special Categories-Transfer to Department of Management 430 Services-Human Resources Services Purchased Per Statewide Contract of the 2008-2009 General Appropriations Act, and 431 pursuant to the notice, review, and objection procedures of s. 432 433 216.177, Florida Statutes, the Executive Office of the Governor 434 is authorized to transfer funds appropriated in the 435 appropriation category "Special Categories-Transfer to 436 Department of Management Services-Human Resources Services 437 Purchased Per Statewide Contract" of the 2008-2009 General 438 Appropriations Act between departments in order to align the 439 budget authority granted with the assessments that must be paid 440 by each agency to the Department of Management Services for 441 human resource management services. This section expires July 1, 442 2009. Section 16. In order to implement specific appropriations 443 for salaries and benefits in the 2008-2009 General 444 Appropriations Act, paragraph (a) of subsection (12) of section 445 110.123, Florida Statutes, is amended to read: 446 110.123 State group insurance program. --447

Page 16 of 33

(12) HEALTH SAVINGS ACCOUNTS.--The department is authorized to establish health savings accounts for full-time and part-time state employees in association with a health insurance plan option authorized by the Legislature and conforming to the requirements and limitations of federal provisions relating to the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

- (a)1. A member participating in this health insurance plan option shall be eligible to receive an employer contribution into the employee's health savings account from the State Employees Health Insurance Trust Fund in an amount to be determined by the Legislature. A member is not eligible for an employer contribution upon termination of employment. For the 2008-2009 2007 2008 fiscal year, the state's monthly contribution for employees having individual coverage shall be \$41.66 and the monthly contribution for employees having family coverage shall be \$83.33.
- 2. A member participating in this health insurance plan option shall be eligible to deposit the member's own funds into a health savings account.
- Section 17. In order to implement Specific Appropriations 2536, 2537, 2538, and 2542 of the 2008-2009 General Appropriations Act, for the 2008-2009 fiscal year only and notwithstanding any conflicting requirements of section 4 of chapter 2006-12, Laws of Florida, the Department of Financial Services may expend \$998,820 of the funds appropriated by section 4 of chapter 2006-12, Laws of Florida, for salaries and related expenses. This section expires July 1, 2009.

Page 17 of 33

Section 18. In order to implement section 38 of the 2008-2009 General Appropriations Act, section 215.5595, Florida Statutes, is amended to read:

- 215.5595 Insurance Capital Build-Up Incentive Program. --
- (1) Upon entering the  $\underline{2008}$   $\underline{2006}$  hurricane season, the Legislature finds that:
- (a) The losses in <u>this state</u> Florida from eight hurricanes in 2004 and 2005 have seriously strained the resources of both the voluntary insurance market and the public sector mechanisms of Citizens Property Insurance Corporation and the Florida Hurricane Catastrophe Fund.
- (b) Private reinsurance is much less available and at a significantly greater cost to residential property insurers as compared to 1 year ago, particularly for amounts below the insurer's retention or retained losses that must be paid before reimbursement is provided by the Florida Hurricane Catastrophe Fund.
- (c) The Office of Insurance Regulation has reported that the insolvency of certain insurers may be imminent.
- (d) Hurricane forecast experts predict that the 2006 hurricane season will be an active hurricane season and that the Atlantic and Gulf Coast regions face an active hurricane cycle of 10 to 20 years or longer.
- (b) (e) Citizens Property Insurance Corporation has over

  1.2 million policies in force and has the largest market share
  of any insurer writing residential property insurance in this
  state, and faces the threat of a catastrophic loss that The
  number of cancellations or nonrenewals of residential property

Page 18 of 33

insurance policies is expected to increase and the number of new residential policies written in the voluntary market are likely to decrease, causing increased policy growth and exposure to the state insurer of last resort, Citizens Property Insurance Corporation, and threatening to increase the deficit of the corporation, currently estimated to be over \$1.7 billion. This deficit must be funded by assessments against insurers and policyholders, unless otherwise funded by the state. The program has a substantial positive effect on the depopulation efforts of Citizens Property Insurance Corporation since companies participating in the program have removed over 199,000 policies from the corporation. Companies participating in the program have issued a significant number of new polices thereby keeping an estimated 480,000 new polices out of the corporation.

- (c) (f) Policyholders are subject to high increased premiums and assessments that are increasingly making such coverage unaffordable and that may force policyholders to sell their homes and even leave the state.
- (d) (g) The increased risk to the public sector and private sector continues to pose poses a serious threat to the economy of this state, particularly the building and financing of residential structures, and existing mortgages may be placed in default.
- (h) The losses from 2004 and 2005, combined with the expectation that the increase in hurricane activity will continue for the foreseeable future, have caused both insurers and reinsurers to limit the capital they are willing to commit to covering the hurricane risk in Florida; attracting new

Page 19 of 33

capital to the Florida market is a critical priority; and providing a low-cost source of capital would enable insurers to write additional residential property insurance coverage and act to mitigate premium increases.

- (e)(i) Appropriating state funds to be exchanged for used as surplus notes issued by for residential property insurers, under conditions requiring the insurer to contribute additional private sector capital and to write a minimum level of premiums for residential hurricane coverage, is a valid and important public purpose.
- (f) Extending the program will provide an incentive for investors to commit additional capital to the residential insurance market in this state.
- (2) The purpose of this section is to provide <u>funds in</u> <u>exchange for</u> surplus notes to <u>be issued by</u> new or existing authorized residential property insurers under the Insurance Capital Build-Up Incentive Program administered by the State Board of Administration, under the following conditions:
- the surplus note to for any insurer or insurer group, other than an insurer writing only manufactured housing policies, may not exceed \$25 million or 20 percent of the total amount of funds appropriated for available under the program, whichever is greater. The amount of the surplus note for any insurer or insurer group writing residential property insurance covering only manufactured housing may not exceed \$7 million.
- (b) The insurer must contribute an amount of new capital to its surplus which is at least equal to the amount of the

Page 20 of 33

surplus note and must apply to the board by <u>September 1, 2008</u>

<del>July 1, 2006</del>. If an insurer applies after <u>September 1, 2008</u> <del>July 1, 2006</del>, but before June 1, <u>2009 2007</u>, the amount of the surplus note is limited to one-half of the new capital that the insurer contributes to its surplus, except that an insurer writing only manufactured housing policies is eligible to receive a surplus note of up to \$7 million. For purposes of this section, new capital must be in the form of cash or cash equivalents as specified in s. 625.012(1).

- (c) The insurer's surplus, new capital, and the surplus note must total at least \$50 million, except for insurers writing residential property insurance covering only manufactured housing. The insurer's surplus, new capital, and the surplus note must total at least \$14 million for insurers writing only residential property insurance covering manufactured housing policies as provided in paragraph (a).
- (d) The insurer must commit to <u>increase its writings of</u> residential property insurance, including the peril of wind, and to meet meeting a minimum writing ratio of net written premium to surplus of at least 1:1 for the first year after receiving the state funds, 1.5:1 for the second year, and 2:1 for the remaining term of the surplus note. Alternatively, the insurer must meet a minimum writing ratio of gross written premium to surplus of at least 3:1 for the first year after receiving the state funds, 4.5:1 for the second year, and 6:1 for the remaining term of the surplus note. The writing ratios, which shall be determined by the Office of Insurance Regulation and certified quarterly to the board. For this purpose, the term

Page 21 of 33

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"net written premium" means net written premium for residential property insurance in this state Florida, including the peril of wind, and "surplus" refers to the entire surplus of the insurer. The insurer must also commit to writing at least 10 percent of its net or gross written premium for new policies, not including renewal premiums, for policies taken out of Citizens Property Insurance Corporation, during each of the first 3 years after receiving the state funds in exchange for the surplus note, which shall be determined by the Office of Insurance Regulation and certified annually to the board. The office may determine that an insurer meets the requirement for taking policies out of the corporation, by written notice to the board, upon a finding that the insurer made offers of coverage to policyholders of the corporation which would have resulted in meeting this requirement had the policyholders accepted the offer. If the required ratio or the required writings for policies taken out of the corporation is not maintained during the term of the surplus note, the board may increase the interest rate, accelerate the repayment of interest and principal, or shorten the term of the surplus note, subject to approval by the Commissioner of Insurance of payments by the insurer of principal and interest as provided in paragraph (f).

(e) If the requirements of this section are met, the board may approve an application by an insurer for <u>funds in exchange</u> <u>for issuance of</u> a surplus note, unless the board determines that the financial condition of the insurer and its business plan for writing residential property insurance in Florida places an unreasonably high level of financial risk to the state of

Page 22 of 33

nonpayment in full of the interest and principal. The board shall consult with the Office of Insurance Regulation and may contract with independent financial and insurance consultants in making this determination.

- (f) The surplus note must be repayable to the state with a term of 20 years. The surplus note shall accrue interest on the unpaid principal balance at a rate equivalent to the 10-year U.S. Treasury Bond rate, require the payment only of interest during the first 3 years, and include such other terms as approved by the board. The board may charge late fees up to 5 percent for late payments or other late remittances. Payment of principal, er interest, or late fees by the insurer on the surplus note must be approved by the Commissioner of Insurance, who shall approve such payment unless the commissioner determines that such payment will substantially impair the financial condition of the insurer. If such a determination is made, the commissioner shall approve such payment that will not substantially impair the financial condition of the insurer.
- (g) The total amount of funds available for the program is limited to the amount appropriated by the Legislature for this purpose. If the amount of surplus notes requested by insurers exceeds the amount of funds available, the board may prioritize insurers that are eligible and approved, with priority for funding given to insurers writing only manufactured housing policies, regardless of the date of application, based on the financial strength of the insurer, the viability of its proposed business plan for writing additional residential property insurance in the state, and the effect on competition in the

Page 23 of 33

residential property insurance market. Between insurers writing residential property insurance covering manufactured housing, priority shall be given to the insurer writing the highest percentage of its policies covering manufactured housing.

- (h) The board may allocate portions of the funds available for the program and establish dates for insurers to apply for surplus notes from such allocation which are earlier than the dates established in paragraph (b).
- $\underline{\text{(h)}}$  (i) Notwithstanding paragraph (d), a newly formed manufactured housing insurer that is eligible for a surplus note under this section shall meet the premium to surplus ratio provisions of s. 624.4095.
- (i)(j) As used in this section, "an insurer writing only manufactured housing policies" includes:
- 1. A Florida domiciled insurer that begins writing personal lines residential manufactured housing policies in Florida after March 1, 2007, and that removes a minimum of 50,000 policies from Citizens Property Insurance Corporation without accepting a bonus, provided at least 25 percent of its policies cover manufactured housing. Such an insurer may count any funds above the minimum capital and surplus requirement that were contributed into the insurer after March 1, 2007, as new capital under this section.
- 2. A Florida domiciled insurer that writes at least 40 percent of its policies covering manufactured housing in Florida.
  - (3) As used in this section, the term:
  - (a) "Board" means the State Board of Administration.

Page 24 of 33

(b) "Program" means the Insurance Capital Build-Up Incentive Program established by this section.

- (4) The state funds provided to the insurer in exchange for the A surplus note provided to an insurer pursuant to this section are is considered borrowed surplus an asset of the insurer pursuant to s. 628.401 625.012.
- (5) If an insurer that receives <u>funds in exchange for the issuance of</u> a surplus note pursuant to this section is rendered insolvent, the state is a class 3 creditor pursuant to s. 631.271 for the unpaid principal and interest on the surplus note.
- (6) The board shall adopt rules prescribing the procedures, administration, and criteria for approving the applications of insurers to receive funds in exchange for issuance of surplus notes pursuant to this section, which may be adopted pursuant to the procedures for emergency rules of chapter 120. Otherwise, actions and determinations by the board pursuant to this section are exempt from chapter 120.
- (7) The board shall invest and reinvest the funds appropriated for the program in accordance with s. 215.47 and consistent with board policy.
- (8) The amendments to this section enacted in 2008 do not affect the terms or conditions of surplus notes that were approved prior to January 1, 2008. However, the board may renegotiate the terms of any surplus note issued by an insurer prior to January 2008 under this program, upon the agreement of the insurer and the board, consistent with the requirements of this section as amended in 2008.

Page 25 of 33

(9) Citizens Property Insurance Corporation shall transfer \$250 million to the General Revenue Fund on or before August 1, 2008, for appropriation by the Legislature to the program.

Section 19. No amendments made to s. 215.5595, Florida

Statutes, or any transfer of funds authorized by this act shall
be used by Citizens Property Insurance Corporation as
justification or cause in seeking any premium or assessment
increase.

Statutes, made by this act shall expire July 1, 2009, and the text of that section shall revert to that in existence on June 30, 2008, except that any amendments to such text enacted other than by this act shall be preserved and continue to operate to the extent that such amendments are not dependent upon the portions of such text which expire pursuant to this section.

Section 21. In order to implement Specific Appropriation 1541 of the 2008-2009 General Appropriations Act, subsection (5) is added to section 252.373, Florida Statutes, to read:

252.373 Allocation of funds; rules.--

(5) Notwithstanding subsection (1) and for the 2008-2009 fiscal year only, the Division of Emergency Management shall use funds appropriated from the Emergency Management, Preparedness, and Assistance Trust Fund to provide emergency power generators in special-needs hurricane evacuation shelters pursuant to the provisions of section 1 of chapter 2006-71, Laws of Florida, except that such funds may not be used for administrative purposes and the matching fund requirements of Specific Appropriation 1541 of the 2008-2009 General Appropriations Act

Page 26 of 33

must be met. This subsection expires July 1, 2009.

Section 22. In order to implement Specific Appropriation 1541 of the 2008-2009 General Appropriations Act, subsection (8) of section 215.559, Florida Statutes, is renumbered as subsection (9), and a new subsection (8) is added to that section to read:

215.559 Hurricane Loss Mitigation Program. --

(8) Notwithstanding any other provision of this section and for the 2008-2009 fiscal year only, the Division of Emergency Management shall use funds appropriated from the Grants and Donations Trust Fund to provide emergency power generators in special-needs hurricane evacuation shelters pursuant to the provisions of section 1 of chapter 2006-71, Laws of Florida, except that such funds may not be used for administrative purposes and the matching fund requirements of Specific Appropriation 1541 of the 2008-2009 General Appropriations Act must be met. This subsection expires July 1, 2009.

Section 23. In order to implement Specific Appropriation 2635 of the 2008-2009 General Appropriations Act, subsection (1) of section 288.1088, Florida Statutes, is amended to read:

288.1088 Quick Action Closing Fund. --

(1)(a) The Legislature finds that attracting, retaining, and providing favorable conditions for the growth of certain high-impact business facilities, privately developed critical rural infrastructure, or key facilities in economically distressed urban or rural communities which provide widespread economic benefits to the public through high-quality employment

Page 27 of 33

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opportunities in such facilities or in related facilities attracted to the state, through the increased tax base provided by the high-impact facility and related businesses, through an enhanced entrepreneurial climate in the state and the resulting business and employment opportunities, and through the stimulation and enhancement of the state's universities and community colleges. In the global economy, there exists serious and fierce international competition for these facilities, and in most instances, when all available resources for economic development have been used, the state continues to encounter severe competitive disadvantages in vying for these business facilities. Florida's rural areas must provide a competitive environment for business in the information age. This often requires an incentive to make it feasible for private investors to provide infrastructure in those areas. The state's less populated regions that seek economic development, that have suitable land and water resources to accommodate growth in an environmentally acceptable manner, and that have adopted a conceptual long-term buildout overlay to the comprehensive plan under s. 163.3184 and a detailed specific area plan that implements the conceptual long-term buildout overlay to the comprehensive plan must be provided incentives to actively pursue high-impact business facilities that will serve as a catalyst to stimulate economic growth.

(b) The Legislature therefore declares that sufficient resources shall be available to respond to extraordinary economic opportunities and to compete effectively for these high-impact business facilities, critical private infrastructure

Page 28 of 33

in rural areas, and key businesses in <u>less populated regions and</u> economically distressed urban or rural communities.

Statutes, made by this act shall expire July 1, 2009, and the text of that section shall revert to that in existence on June 30, 2008, except that any amendments to such text enacted other than by this act shall be preserved and continue to operate to the extent that such amendments are not dependent upon the portions of such text which expire pursuant to this section.

Section 25. In order to implement Specific Appropriation 1591 of the 2008-2009 General Appropriations Act, subsection (3) of section 553.75, Florida Statutes, is amended to read:

553.75 Organization of commission; rules and regulations; meetings; staff; fiscal affairs.--

(3) The department shall be responsible for the provision of administrative and staff support services relating to the functions of the commission. With respect to matters within the jurisdiction of the commission, the department shall be responsible for the implementation and faithful discharge of all decisions of the commission made pursuant to its authority under the provisions of this part. The department may use communications media technology to conduct any meetings of the commission or meetings held in conjunction with the commission.

Section 26. The amendments to s. 553.75(3), Florida

Statutes, made by this act shall expire July 1, 2009, and the text of that section shall revert to that in existence on June 30, 2008, except that any amendments to such text enacted other than by this act shall be preserved and continue to operate to

Page 29 of 33

the extent that such amendments are not dependent upon the portions of such text which expire pursuant to this section.

Section 27. In order to implement Specific Appropriations 1748, 1756, and 1770 of the 2008-2009 General Appropriations Act, paragraphs (c) and (d) are added to subsection (2) of section 259.032, Florida Statutes, to read:

259.032 Conservation and Recreation Lands Trust Fund; purpose.--

820 (2)

- (c) Notwithstanding any other provision of this section and for the 2008-2009 fiscal year only, funds in the Conservation and Recreation Lands Trust Fund may be transferred to the Nonmandatory Land Reclamation Trust Fund for activities associated with the cleanup of the Mulberry and Piney Point sites and expended as directed by the Legislature in the 2008-2009 General Appropriations Act. This paragraph expires July 1, 2009.
- (d) Notwithstanding any other provision of this section and for the 2008-2009 fiscal year only, funds in the Conservation and Recreation Lands Trust Fund may be transferred to the Ecosystem Management and Restoration Trust Fund for beach restoration activities and expended as directed by the Legislature in the 2008-2009 General Appropriations Act. This paragraph expires July 1, 2009.

Section 28. In order to implement the 2008-2009 General Appropriations Act, and effective upon this act becoming a law, subsections (3) through (11) of section 216.221, Florida Statutes, are renumbered as subsections (4) through (12),

Page 30 of 33

respectively, and a new subsection (3) is added to that section to read:

216.221 Appropriations as maximum appropriations; adjustment of budgets to avoid or eliminate deficits.--

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Notwithstanding s. 216.222, and for the 2007-2008 and 2008-2009 fiscal years only, if the Revenue Estimating Conference projects that General Revenue Fund collections will fall below the March 11, 2008, official estimates, adjusted for changes in the law enacted at the 2008 Regular Session of the Legislature, by \$200 million or more in either year or in both years combined, the Governor is authorized to submit to the Legislative Budget Commission a budget amendment, and the Legislative Budget Commission is authorized to approve such budget amendment, requesting the transfer of funds from the Budget Stabilization Fund to the General Revenue Fund. The total of all such transfers made pursuant to this subsection may not exceed the lesser of the projected revenue shortfalls as described in this subsection or one-half of the May 1, 2008, cash balance in the Budget Stabilization Fund. This subsection expires July 1, 2009.

Section 29. In order to implement the 2008-2009 General Appropriations Act, and effective upon this act becoming a law, paragraph (f) is added to subsection (5) of section 215.5601, Florida Statutes, to read:

- 215.5601 Lawton Chiles Endowment Fund. --
- (5) AVAILABILITY OF FUNDS; USES.--
- (f) Notwithstanding any other provision of this section, and for the 2007-2008 and 2008-2009 fiscal years only, if

Page 31 of 33

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transfers from the Budget Stabilization Fund authorized in s. 216.221(3) are insufficient to address projected revenue shortfalls as described in that subsection, the Governor is authorized to submit to the Legislative Budget Commission a budget amendment, and the Legislative Budget Commission is authorized to approve such budget amendment, requesting the transfer of funds from the Lawton Chiles Endowment Fund to the General Revenue Fund. The total of all such transfers made pursuant to this subsection shall not exceed the lesser of the projected revenue shortfalls remaining after transfers from the Budget Stabilization Fund as described in s. 216.221(3) or \$1 billion. Any expenditure from the Lawton Chiles Endowment Fund made pursuant to this paragraph must be restored by making five equal annual transfers from the General Revenue Fund, beginning in the third fiscal year following that in which the expenditure was made. This paragraph expires July 1, 2009.

Section 30. For the 2008-2009 fiscal year, salaries of legislators shall be reduced by 2.5 percent. Any moneys resulting from such reduction shall revert to the General Revenue Fund. This section expires July 1, 2009.

Section 31. Notwithstanding s. 212.20(6)(d), Florida

Statutes, the Department of Revenue may not make any
distribution in the 2008-2009 fiscal year to any facility for a
new professional sports franchise or a facility for a retained
professional sports franchise as defined in s. 288.1162, Florida
Statutes.

Section 32. A section of this act that implements a specific appropriation or specifically identified proviso

Page 32 of 33

language in the 2008-2009 General Appropriations Act is void if the specific appropriation or specifically identified proviso language is vetoed. A section of this act that implements more than one specific appropriation or more than one portion of specifically identified proviso language in the 2008-2009 General Appropriations Act is void if all the specific appropriations or portions of specifically identified proviso language are vetoed.

Section 33. If any other act passed in 2008 contains a provision that is substantively the same as a provision in this act, but that removes or is otherwise not subject to the future repeal applied to such provision by this act, the Legislature intends that the provision in the other act shall take precedence and shall continue to operate, notwithstanding the future repeal provided by this act.

Section 34. If any provision of this act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

Section 35. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2008; or, if this act fails to become a law until after that date, it shall take effect upon becoming a law and shall operate retroactively to July 1, 2008.