

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 531 Homelessness

**SPONSOR(S):** Health & Human Services Access Subcommittee; Reed

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

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Health & Human Services Access Subcommittee	14 Y, 0 N, As CS	Batchelor	Schoolfield
2) Health & Human Services Committee	16 Y, 0 N	Batchelor	Gormley

### SUMMARY ANALYSIS

CS/HB 531 creates and revises multiple sections of Florida Statutes relating to homelessness. Specifically the bill makes the following changes:

- Authorizes the collection of voluntary contributions in the amount of \$1 to be added to motor vehicle registration and driver's license fees, both initial and renewal fees, to aid the homeless.
- Replaces s.414.16, F.S., as it relates to Emergency Financial Assistance Program for Families with s. 414.161, F.S., establishing a homeless prevention grant program to be administered by local homeless continuums of care to provide emergency financial assistance to families facing the loss of their current home due to financial or other crises.
- Limits the amount a lead agency may spend on administrative costs under a Challenge Grant.

The Department of Children and Families estimates a revenue increase of \$20,000 from the collection of voluntary contributions in the amount of \$1.00 to motor vehicle and driver's license fees (initial and renewals). No additional fiscal impact is anticipated for the state.

The bill provides an effective date of July 1, 2012

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### **Background**

##### *The Council on Homelessness*

The Council on Homelessness (council) and the State Office on Homelessness (office) were created in 2001 within the Department of Children and Family Services (DCF)<sup>1</sup>. The office coordinates state agency responses to homelessness, serves as a single point of contact on homeless issues in the state, and administers state-funded grant programs that support the activities of the 27 local homeless coalitions<sup>2</sup>. The 17-member council is comprised of representatives of state agencies, counties, homeless advocacy organizations, and volunteers<sup>3</sup>. The council's duties include developing policy and advising the office.<sup>4</sup>

The office administers all homelessness grants through lead agencies. The lead agency has the responsibility for continuum of care plans that help communities or regions envision, plan and implement comprehensive and long term solutions to the problem of homelessness in the community.<sup>5</sup> Lead agencies are also authorized applicants for the Challenge Grant and the Homeless Housing Assistance Grant.

##### *Emergency Financial Assistance Program*

This is a state grant program to provide support to families, with at least one minor child, who are currently without shelter or face the loss of shelter because of the following:<sup>6</sup>

- Nonpayment of rent or mortgage resulting in eviction or notice of eviction;
- Household disaster, which renders the home uninhabitable;
- Other emergency situations defined in rule.<sup>7</sup>

Families may receive up to \$400 during 1 period of 30 consecutive days in any 12 consecutive months.<sup>8</sup> DCF serves approximately 2,000 families a year under this program and utilizes OPS staff to assess eligibility and process payments.<sup>9</sup>

##### *Homeless Housing Assistance Grants*

This state grant program provides homeless housing assistance grants up to \$750,000 annually to lead agencies to acquire, construct, or rehabilitate transitional or permanent housing units for homeless persons.<sup>10</sup> Administrative costs are capped at 5% of the funds awarded.<sup>11</sup>

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<sup>1</sup>Ch. 2001-98, L.O.F

<sup>2</sup>s.420.622(3), F.S.

<sup>3</sup>s.420.622(2), F.S.

<sup>4</sup>*Id*

<sup>5</sup>s. 420.642(2), F.S.

<sup>6</sup>s. 414.16, F.S.

<sup>7</sup>s. 414.16(1), F.S.

<sup>8</sup>65A-33.011, F.A.C.

<sup>9</sup>DCF Staff Analysis HB 531 (2012). On file with committee staff.

<sup>10</sup>s. 420.622(5), F.S.

<sup>11</sup>s. 420.622(5)(f), F.S.

## *Challenge Grant*

The challenge grant is a state program which includes grants of up to \$500,000 to lead agencies who have developed and implemented a local homeless assistance continuum of care plan to provide services including outreach, emergency shelter, support services, and permanent shelter in the area.<sup>12</sup> The state currently has 28 local homeless Continuum of Care planning areas that receive state aid in grant assistance. Currently, state law does not provide for a limit on or use of grant funds for grant administration costs incurred by lead agencies.

## *Voluntary Checkoffs*

Voluntary checkoffs provide the opportunity for citizens to make a voluntary donation by checking a box on a form when registering a vehicle or applying for a driver's license. Current statute provides that an organization must seek authorization from the Department of Highway Safety and Motor Vehicles (DHSMV) prior to establishing a voluntary contribution checkoff. Organizations must submit the request to DHSMV, pay an application fee and submit a marketing strategy prior to seeking Legislative authorization for the creation of a new voluntary contribution fee on motor vehicle registration applications.<sup>13</sup>

Additionally, current statute provides that an organization must seek authorization from the Department of Highway Safety and Motor Vehicles (DHSMV) prior to establishing a voluntary contribution checkoff. Organizations must submit the request to DHSMV, pay an application fee and submit a marketing strategy prior to seeking Legislative authorization for the creation of a new voluntary contribution fee on driver's license applications.<sup>14</sup>

The Department of Highway Safety and Motor Vehicles must discontinue the checkoff if less than \$25,000 has been contributed by the end of the fifth year, or if less than \$25,000 is contributed during any subsequent 5-year period.<sup>15</sup>

## **Effect of Proposed Changes**

The bill authorizes the collection of voluntary contributions in the amount of \$1.00 to be added to the motor vehicle and driver's license fees - initial and renewal fees - to aid the homeless. The bill does not require the voluntary contributions be subject to the checkoff procedures and limitations of s. 320.023, F.S., and s. 322.081, F.S. Funds will be placed in a grants and donations trust fund for use by the office to supplement Challenge Grants and Homeless Housing Assistance Grants and to provide information on homelessness to the public. The effect of this change is estimated to generate an additional \$20,000 a year.

The bill repeals s. 414.16, F.S., relating to the Emergency Assistance Program and replaces it with a Homelessness Prevention Grant Program under s. 414.161, F.S. The new program will be administered by the Office on Homelessness at DCF, with the concurrence of the Council on Homelessness. The office may provide prevention grants through contracts with local lead agencies for homeless assistance continuums of care. The bill specifies the grant application process and certain preferences for applicants who can leverage additional funds and demonstrate effective programs. Eligibility for the grant program is limited to lead agencies who have implemented a local homeless assistance plan for their area. The grants are capped at \$300,000 and may be used to assist families facing the loss of their current home to pay past due rent and mortgage payments, past due utility bills, and case management. Program administrative costs are capped at 3 percent of the grant award.

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<sup>12</sup> s. 420.622(4), F.S.

<sup>13</sup> s. 320.023, F.S.

<sup>14</sup> s. 322.0581, F.S.

<sup>15</sup> ss. 320.023(4)(a) and 322.081(4)(a), F.S.

The bill caps administrative costs for lead agencies administering Challenge Grants at 8 percent. Challenge Grant awards are up to \$500,000 per lead agency.

**B. SECTION DIRECTORY:**

**Section 1:** Amends s. 320.02, F.S., relating to registration required; application for registration; forms.

**Section 2:** Amends s. 322.08, F.S., relating to application for license; requirements for license and identification card forms.

**Section 3:** Amends s. 322.18, F.S., relating to original applications, licenses, renewals; expiration of licenses; delinquent licenses.

**Section 4:** Creates s. 414.161, F.S., relating to Homelessness Prevention Grants.

**Section 5:** Amends s. 420.622, F.S., relating to the State Office on Homelessness; Council on Homelessness.

**Section 6:** Amends s. 420.625, F.S., relating to Grant-in-aid program.

**Section 7:** Repeals s. 414.16, F.S., relating to Emergency Assistance program.

**Section 8:** Provides an effective date of July 1, 2012.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

According to DCF, the voluntary contributions from motor vehicle registrations and renewals, and original or renewal driver's licenses could provide an estimated \$20,000.

#### 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:

None.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

Not applicable. This bill does not appear to affect county or municipal governments.

#### 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 CHANGES

On January 11, 2012, the Health and Human Services Access Subcommittee adopted an amendment to House Bill 531. The amendment deletes section 7 of the bill and proposed changes to the Housing First Methodology.

The bill was reported favorably as a Committee Substitute. This analysis reflects the Committee Substitute.