

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1137 Use of State Funds

SPONSOR(S): Governmnet Operations & Technology Appropriations Subcommittee, Edwards

TIED BILLS: IDEN./SIM. **BILLS:** SB 1668

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Oversight, Transparency & Administration Subcommittee	11 Y, 0 N	Whittaker	Harrington
2) Government Operations & Technology Appropriations Subcommittee	11 Y, 0 N, As CS	Keith	Topp
3) Government Accountability Committee			

SUMMARY ANALYSIS

Per Diem and Travel Expenses

The bill provides that when an employee of a state agency or the judicial branch is attending a meeting, conference, or convention organized or sponsored in whole or in part by a state agency or the judicial branch, the reimbursement for lodging expenses may not exceed \$150 per day. However, an employee may expend his or her own funds for any lodging expenses in excess of the limit.

State Fund Prohibitions

Current law prohibits the use of state funds for the purchase, preparation, printing, or mailing of any card to convey holiday greetings. The bill prohibits the use of state funds for the following additional purposes:

- The purchase of alcoholic beverages; and
- The purchase of food or beverages for events related to state agency employee, board member, or vendor appreciation or recognition.

The bill will have a positive fiscal impact on state government and judicial branch expenditures associated with the lodging expenditure requirements and state fund prohibitions established in the bill.

The bill does not have a fiscal impact on local governments.

The bill has an effective date of July 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Per Diem and Travel Expenses

Present Situation

The Legislature has established standard travel reimbursement rates applicable to all public officers, public employees, and other individuals whose travel is authorized and paid for by a public agency.¹ All travel must be authorized by the head of the agency, or his or her designated representative, from whose funds the travel expenses are paid. In addition, travel expenses must be limited to those necessarily incurred in the performance of a public purpose authorized by law to be performed by the agency.² Current law establishes the following three categories of travel:

- Class A – Continuous travel of 24 hours or more away from official headquarters.³
- Class B – Continuous travel of less than 24 hours that involves overnight absence from official headquarters.⁴
- Class C – Travel for short or day trips where the traveler is not away from his or her official headquarters overnight.⁵

Currently, Florida allows \$80 per diem for Class A and B travel.⁶ If expenses exceed \$80, the state will pay a maximum of \$36 (\$6 for breakfast, \$11 for lunch, and \$19 for dinner) in addition to the actual expenses for lodging at a single-occupancy rate supported by paid bills.⁷ Class C travel is not reimbursed on a per diem basis, but instead for each meal during which the travel occurred.⁸

The 2016-17 implementing bill created a limit on the amount of actual expenses for lodging that may be reimbursed under certain circumstances. The bill provided that when an employee of a state agency or the judicial branch is attending a meeting, conference, or convention organized or sponsored in whole or in part by a state agency or the judicial branch, the reimbursement for lodging expenses may not exceed \$150 per day. However, an employee may expend his or her own funds for any lodging expenses in excess of the limit. This limit is in effect until July 1, 2017.

Effect of the Bill

The bill codifies the implementing bill's \$150 per day limit on lodging expenses in s. 112.061, F.S.

State Fund Prohibitions

Present Situation

Current law prohibits the use of state funds for the purchase, preparation, printing, or mailing of any card to convey holiday greetings.⁹

¹ Section 112.061(1), F.S. The term "public agency" is defined as any office, department, agency, division, subdivision, political subdivision, board, bureau, commission, authority, district, public body, body politic, county, city, town, village, municipality, or any other separate unit of government created pursuant to law. Section 112.061(2)(a), F.S.

² Section 112.061(3), F.S.

³ Section 112.061(2)(k), F.S.

⁴ Section 112.061(2)(l), F.S.

⁵ Section 112.061(2)(m), F.S.

⁶ Section 112.061(6), F.S.

⁷ *Id.*

⁸ Section 112.061(5)(b), F.S.

⁹ Section 286.27, F.S.

Effect of the Bill

The bill prohibits the use of state funds for the following additional purposes:

- The purchase of alcoholic beverages; and
- The purchase of food or beverages for events related to state agency employee, board member, or vendor appreciation or recognition.

B. SECTION DIRECTORY:

- Section 1. Amends s. 112.061, F.S., providing a limitation on actual expenses of certain lodging that may be reimbursed for a state agency or judicial branch employee; authorizing an employee to expend his or her own funds on lodging expenses that exceed a specified amount.
- Section 2. Amends s. 286.27, F.S., prohibiting the use of state funds to purchase alcoholic beverages and food or beverages for certain state agency appreciation or recognition events.
- Section 3. Provides an effective date of July 1, 2017.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill will have a positive fiscal impact on state government and judicial branch expenditures associated with the lodging expenditure requirements and state fund prohibitions established in the bill.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

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

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On March 28, 2017, the Government Operations and Technology Appropriations Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The amendment removed the following sections from the bill:

- Removes section 2, pertaining to Maximum Cost Per Square Foot for New State-funded Building Construction; and,
- Removes section 3, pertaining to Legislative Budget Requests.

This analysis is drafted to the committee substitute as approved by the Government Operations and Technology Appropriations Subcommittee.