

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Children, Families, and Elder Affairs

BILL: SB 414

INTRODUCER: Senators Perry and Boyd

SUBJECT: Economic Self-sufficiency

DATE: March 22, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Cox	CF	Pre-meeting
2.			AHS	
3.			AP	

I. Summary:

SB 414 requires the Auditor General to conduct an audit of certain federal and state programs once every three years beginning during Calendar Year 2021. The audits must review and analyze specified information and data.

The Auditor General must provide a report of the results to the Governor, President of the Senate, Speaker of the House of Representatives, Chief Financial Officer, and the Legislative Auditing Committee within 30 days after completion of the audit, but no later than December 31, 2021, and every three years thereafter.

There is no anticipated fiscal impact on state, county, or municipal governments. See Section V. Fiscal Impact Statement.

The bill is effective July 1, 2021.

II. Present Situation:

Several Florida government entities are responsible for administering federal and state funded programs to assist low-income families with food, housing, and other services which are summarized below.¹ Many of these programs are part of the Economic Self-Sufficiency Program that is administered by the DCF and designed to promote economic self-sufficient communities.²

¹ The DCF, *Agency Analysis for SB 414*, p. 2, January 11, 2021 (on file with the Senate Committee on Children, Families, and Elder Affairs) (hereinafter referred to as “The DCF Analysis”).

² The DCF, *Program Overview*, available at <https://myflfamilies.com/service-programs/access/overview.shtml> (last visited March 22, 2021).

Supplemental Nutrition Assistance Program

Supplemental Nutrition Assistance Program (SNAP) is a federal nutrition program, previously known as “food stamps”, which assists low-income families with funds to purchase food.³ Each state plan must meet the eligibility requirements and may not impose any additional eligibility requirements as a condition for participating in the program.⁴ The program applies a gross income standard of eligibility and excludes certain income from the calculation.⁵ If the household’s income is higher than the permitted amount, the household is not eligible for SNAP.⁶ The program includes a nutrition education and obesity prevention grant program.⁷

The Florida Department of Agriculture and Consumer Services (FDACS) Division of Food, Nutrition, and Wellness (FNW) is responsible for supervising and administering child nutrition and commodity food distribution programs that are paid for by state or federal funds.⁸ FNW’s current responsibilities with respect to SNAP is limited to certifying which children are eligible for free meals under the National School Lunch Program. Eligibility is determined by a review of documents held by Florida’s SNAP administering agency, the Department of Children and Families (DCF).⁹ The certification is to verify that the child is a member of a household that receives assistance under the SNAP or the TANF programs.¹⁰ FNW utilizes a technology system, known as the Florida Direct Certification System, which allows schools to securely upload student enrollment files that are validated for SNAP and TANF participation with the DCF and returned to the school with the student’s eligibility.¹¹

In Fiscal Year 2020, 1,218,001 children in Florida participated in the National School Lunch Program, which is over 500,000 less than the number of children who participated in Fiscal Year 2019.¹² The DCF reports that the U.S. Department of Agriculture (USDA)’s Food and Nutrition Services (FNS) conducts annual reviews of the SNAP to measure the accuracy of state eligibility and benefit determination through the assignment of error rates.¹³ The SNAP Management Evaluation conducts ongoing assessments of the DCF’s compliance with responsibilities for the administration of the program as required under federal law.¹⁴

³ USA Gov, *Food Assistance*, available at <https://www.usa.gov/food-help> (last visited March 22, 2021).

⁴ 7 U.S.C. §2014(b).

⁵ 7 U.S.C. §2014(b) and (c).

⁶ *Id.*

⁷ 7 U.S.C. §2036a.

⁸ The FDACS, *Agency Analysis for SB 414*, p. 1-2, January 12, 2021 (on file with the Senate Committee on Children, Families, and Elder Affairs) (hereinafter referred to as “The FDACS Analysis”).

⁹ *Id.* at p. 2.

¹⁰ *Id.*

¹¹ The FDACS Analysis p. 2.

¹² U.S. Department of Agriculture Food and Nutrition Service, *National School Lunch Program: Total Participation*, February 12, 2021, available at <https://fns-prod.azureedge.net/sites/default/files/resource-files/01slfypart-3.pdf> (last visited March 22, 2021).

¹³ The DCF Analysis at p. 5.

¹⁴ *Id.*; 7 U.S.C. §275.5.

Housing Choice Voucher Program

Federal law provides for housing assistance for low-income families in need of stable and safe housing.¹⁵ Public housing agencies enter into annual contribution contracts with public housing agencies, or the Secretary may take on the role of a public housing agency in specified circumstances.¹⁶ The contract establishes a maximum amount of monthly rent of no more than 10 percent of the fair market rental established by the Secretary, with some specified exceptions, that the owner may receive with respect to each unit for which assistance payments will be made.¹⁷ Contracts may provide for adjustments to the maximum monthly rent annually or more frequently.¹⁸

Generally, a family's income may not exceed 50 percent of the median income for the county or metropolitan area in which they live.¹⁹ Seventy-five percent of the voucher provided to public housing agencies must be allocated to families whose income does not exceed 30 percent of the median income in the area.²⁰ If eligible, the public housing agency will provide a housing voucher if available or place the family on a waiting list.²¹

The Florida Housing Finance Corporation administers the Housing Choice Voucher Program.²² On February 25, 2021, the HUD announced that it awarded Florida \$281.5 million in grants to local communities for affordable housing.²³

Temporary Cash Assistance Program

The DCF administers the Temporary Cash Assistance (TCA) program²⁴ which is meant to help families become self-supporting.²⁵ TCA is a state program that provides cash assistance to families with children under the age of 18 or under 19 for full time secondary school students that meet the specified requirements.²⁶ Applicants must meet a number of technical, income, and resource requirements.²⁷ The statute provides for cash assistance based upon the family size and amount the family has to pay, if any, for shelter.²⁸ The TCA program has no time limit for child only cases receiving benefits, but does have a time limit of 48 months during the lifetime of an adult.²⁹

¹⁵ 42 U.S.C. §1437f(a).

¹⁶ 42 U.S.C. §1437f(b).

¹⁷ 42 U.S.C. §1437f(c)(1)(A).

¹⁸ 42 U.S.C. §1437f(c)(2)(A).

¹⁹ The U.S. Department of Housing and Urban Development (HUD), *Housing Choice Vouchers Fact Sheet*, available at https://www.hud.gov/topics/housing_choice_voucher_program_section_8 (last visited March 22, 2021).

²⁰ *Id.*

²¹ *Id.*

²² The DCF Analysis at p. 2.

²³ The HUD, *Florida*, available at <https://www.hud.gov/states/florida> (last visited March 22, 2021).

²⁴ The DCF Analysis at p.2.

²⁵ DCF TCA.

²⁶ The DCF, *Temporary Cash Assistance (TCA)*, available at <https://www.myflfamilies.com/service-programs/access/temporary-cash-assistance.shtml> (last visited March 22, 2021) (hereinafter cited as “DCF TCA”).

²⁷ Section 414.095, F.S.

²⁸ Section 414.095(10), F.S.

²⁹ Benefits Application, *Florida Temporary Cash Assistance (TCA & TANF) Application Information*, available at http://benefitsapplication.com/program_info/FL/Temporary%20Cash%20Assistance#:~:text=Florida%20Temporary%20Cas

Medicaid Program

Title XIX of the Social Security Act provides for medical assistance including eligible prescriptions for qualified individuals.³⁰ States that have an approved plan are eligible to receive a percentage of reimbursement of specified sums.³¹ State plans must meet specified criteria which includes that the state will contribute not less than 40 percent of the non-federal share of the expenses authorized under the plan and federal law.³² States are required to provide information to permit monitoring of the program performance.³³ The Improper Payments Information Act³⁴ requires federal agencies to conduct annual reviews of the program to identify significant erroneous payments.³⁵ This is done by the Payment Error Rate Measurement (PERM) program conducting a 17-state three-year rotation process which means that each state is reviewed once every three years.³⁶

The DCF is responsible for the Medicaid program eligibility requirements and has authority to develop rules and the agreement with Social Security Administration.³⁷ Medicaid program payments are made only for services included in the program that are made on behalf of eligible individuals to qualified providers in accordance with federal and state law.³⁸ As of September 2020, Florida had enrolled 4,006,720 individuals in Medicaid and Children's Health Insurance Program.³⁹ When states are not under PERM review, the state is required to conduct Medicaid Eligibility Quality Control activities which are ordinarily based on the PERM findings to reduce or eliminate the identified deficiencies by the next PERM review.⁴⁰

School Readiness Program

Ch. 1002, F.S., provides for Florida's School Readiness Program. The Florida Office of Early Learning (OEL) is the designated lead agency that must comply with the responsibilities under federal law, including the Child Care and Development Block Grant Trust Fund pursuant to 45 C.F.R. parts 98 and 99.⁴¹ Early Learning Coalitions are vested with powers and tasked with duties to operate the program under Florida law including, in part, providing parents with information about available community resources and determining children's and providers' eligibility.⁴² The program also provides assistance, for instance, with applying for various

[h%20Assistance%20%28TCA%20%26%20TANF%29%20Application.of%20the%20society%20and%20contribute%20to%20it%20positively](#) (last visited March 22, 2021).

³⁰ 42 U.S.C. §1396a.

³¹ 42 U.S.C. §1396b.

³² 42 U.S.C. §1396a.

³³ 42 C.F.R. §431.954(a)(1).

³⁴ Pub. L. 107-300.

³⁵ 42 C.F.R. §431.954(a)(2).

³⁶ The DCF Analysis at p. 5.

³⁷ Section 409.963, F.S.

³⁸ *Id.*

³⁹ Medicaid.gov, *Medicaid & CHIP in Florida*, available at <https://www.medicaid.gov/state-overviews/stateprofile.html?state=Florida> (last visited March 22, 2021).

⁴⁰ The DCF Analysis at p. 5.

⁴¹ Section 1002.82(1), F.S.

⁴² Section 1002.84(3) and (7), F.S.

subsidies, negotiating discounts with child care providers, and identifying summer camp programs.⁴³

The OEL reports that approximately 62 percent of the 1.1 million children who are younger than 6 years old in Florida are enrolled in the School Readiness Program.⁴⁴ Over 200,000 children received school readiness services from over 7,600 providers in 2017-18.⁴⁵

Preschool Development Grant

Florida's OEL is one of 20 states that receives the Preschool Development Birth to Five Renewal Grant (PDG-R).⁴⁶ It provides Florida with \$13.4 million in funding each year for a total of three years.⁴⁷ The PDG-R will be used to improve Florida's programs and services to support young children and their families.⁴⁸ This is being done, in part, by analyzing data to determine whether the programs operate efficiently.⁴⁹

OEL collaborates with the University of Florida Anita Zucker Center for Excellence in Early Childhood Studies (UF) to perform certain work required under the Strategic Plan which drives how the grant funds will be used.⁵⁰ UF is currently conducting analysis of state programs to determine needs and unduplicated count of children within the programs and developing reporting capacity of the current needs assessment portal (ECENA).⁵¹

Auditor General

The Auditor General is appointed as required under s. 2, Art. III of the Florida Constitution.⁵² One function of the auditor is to conduct financial or operational audits of various government entities or agencies in specified periods of time.⁵³ The Auditor General is also required to conduct performance audits which includes, in part, an examination of a program, activity, or function of a government entity.⁵⁴ Florida Statutes do not currently require performance audits every three years for state agencies or their programs,⁵⁵ but the Auditor General has wide

⁴³ Section 1002.92(3)(e) to (g), F.S.

⁴⁴ The OEL, *School Readiness*, available at <http://www.floridaearlylearning.com/school-readiness> (last visited March 22, 2021).

⁴⁵ *Id.*

⁴⁶ The OEL, *Preschool Development Birth through Five Renewal Grant (PDG-R)*, available at <http://www.floridaearlylearning.com/statewide-initiatives/preschool-development-grant-birth-through-five> (last visited March 22, 2021) (hereinafter cited as "OEL PDG-R").

⁴⁷ *Id.*

⁴⁸ Florida's State Advisory Council, *Florida Early Childhood Strategic Plan*, p. iii, July 2019, available at http://www.floridaearlylearning.com/Content/Uploads/floridaearlylearning.com/images/Strategic_Plan_FINAL_FINAL_10.16.19.pdf (last visited March 22, 2021).

⁴⁹ OEL PDG-R.

⁵⁰ *Id.*; University of Florida, *Preschool Development Grant University of Florida Anita Zucker Center for Excellence in Early Childhood Studies Scope of Work*, available at https://education.ufl.edu/research/files/2019/06/Preschool-Development-Grant_07-31-19.pdf (last visited March 22, 2021) (hereinafter cited as "UF Scope of Work").

⁵¹ UF Scope of Work.

⁵² Section 11.42(1), F.S.

⁵³ Section 11.45(2), F.S.

⁵⁴ Section 11.45(1)(j), F.S.

⁵⁵ The Florida Department of Education (DOE), *Agency Analysis for SB 414*, p. 2, January 13, 2021 (on file with the Senate Committee on Children, Families, and Elder Affairs) (hereinafter cited as "The DOE Analysis").

discretion to conduct audits not expressly provided for in the Florida Statutes of, amongst other entities, public records associated with any appropriation made by the Legislature to a nongovernmental agency, corporation, or person.⁵⁶

III. Effect of Proposed Changes:

The bill requires the Auditor General to conduct an audit once every three years beginning in Calendar Year 2021 of the following programs:

- Supplemental Nutrition Assistance Program;⁵⁷
- Temporary Cash Assistance Program;⁵⁸
- Medicaid program;⁵⁹
- School readiness program;⁶⁰ and
- Housing Choice Voucher Program.⁶¹

The audit must review and analyze the following information:

- The program eligibility criteria;
- The manner by which each program establishes and documents eligibility and disbursement policies;
- The frequency of eligibility determinations;
- The clarity of both written and verbal communication in which eligibility requirements are conveyed to current and potential program recipients;
- Opportunities for improving service efficiency and efficacy;
- The number and size of families receiving multiple program services compared to all eligible families; and
- The number of families receiving services who are claiming the Earned Income Tax Credit, if possible.

The Auditor General must provide a report with the results of the audit to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Chief Financial Officer, and the Legislative Auditing Committee within 30 days after completion of the audit, but no later than December 31, 2021, and every three years thereafter.

The FDACS reports an audit required under the proposed bill will not affect FNW's direct certification process.⁶²

The bill is effective July 1, 2021.

⁵⁶ Section 11.45(3), F.S.

⁵⁷ 7 U.S.C. ss. 2011 et seq.

⁵⁸ Section 414.095, F.S.

⁵⁹ Section 409.963, F.S.

⁶⁰ Ch. 1002, F.S.

⁶¹ 42 U.S.C. s. 1437f.

⁶² The FDACS Analysis at p. 2.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The DCF Office of Administrative Services finds that the bill does not increase or decrease taxes, fees, or fines.⁶³

B. Private Sector Impact:

The DCF Office of Administrative Services finds there is no fiscal impact to the private sector generated by this bill.⁶⁴

C. Government Sector Impact:

The DCF Office of Administrative Services finds there is no fiscal impact on state or local governments generated by this bill.⁶⁵

The FDACS reports that the bill has no fiscal impact on the agency.⁶⁶

The DOE reports that the bill requires additional staff for the Auditor General and affected programs to perform the additional duties and functions which will incur

⁶³ The DCF Analysis at p. 4.

⁶⁴ *Id.*

⁶⁵ The DCF Analysis at p. 3.

⁶⁶ The FDACS Analysis at p. 2.

indeterminate costs.⁶⁷ The OEL will absorb costs for the additional responsibilities related to audit requests.⁶⁸

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 11.45 of the Florida Statutes:

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

⁶⁷ The DOE Analysis at p. 4.

⁶⁸ *Id.*