

## HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

**BILL #:** HB 5003      PCB APC 24-02      Implementing the 2024-2025 General Appropriations Act

**SPONSOR(S):** Appropriations Committee, Leek and others

**TIED BILLS:**                    **IDEN./SIM. BILLS:** 2502

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**FINAL HOUSE FLOOR ACTION:** 105 Y's      3 N's                    **GOVERNOR'S ACTION:** Pending

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### SUMMARY ANALYSIS

HB 5003 passed the House on March 8, 2024, as amended by the conference committee, and subsequently passed the Senate on March 8, 2024.

The bill provides the statutory authority necessary to implement and execute the General Appropriations Act (GAA) for Fiscal Year 2024-2025. The statutory changes are effective for only one year and either expire on July 1, 2025, or revert to the language as it existed before the changes made by the bill.

Because this bill implements provisions of the General Appropriations Act for Fiscal Year 2024-2025, there are no direct fiscal impacts created by this bill.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2024, except as otherwise provided.

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF CHANGES:

#### **Background**

Section 12 of Article III of the Florida Constitution states that “[l]aws making appropriations for salaries of public officers and other current expenses of the state shall contain provisions on no other subject.” This language has been interpreted to defeat proviso language attached to appropriations that have the effect of amending general law. For this reason, when general law changes are required to effectuate appropriations, those changes are placed in a general bill implementing the appropriations act instead of in the General Appropriations Act (GAA). The changes made in the “implementing bill” are effective for only one year and either expire on July 1 of the next fiscal year or revert to the language as it existed before the changes made by the bill.

#### **Effect of the Bill**

Section 1 provides legislative intent that the implementing and administering provisions of this act apply to the GAA for Fiscal Year 2024-2025.

Section 2 incorporates the Florida Education Finance Program (FEFP) work papers by reference for the purpose of displaying the calculations used by the Legislature.

Section 3 incorporates the school readiness provider rates included in the document titled "School Readiness Program Reimbursement Rates Fiscal Year 2024-2025" dated March 5, 2024, consistent with the requirements of state law, in making appropriations for the school readiness program allocation.

Section 4 requires the Board of Governors and the State Board of Education, in consultation with the Florida Center for Students with Unique Abilities (center), to establish a state Classification of Instructional Program code for Florida Postsecondary Comprehensive Transition Program (FPCTP).

Section 5 authorizes the Agency for Health Care Administration (AHCA) to submit a budget amendment to realign funding between AHCA and the Department of Health (DOH) for the Children’s Medical Services (CMS) Program for the implementation of the Statewide Medicaid Managed Care program, to reflect actual enrollment changes due to the transition from fee-for-service into the capitated CMS Network.

Section 6 authorizes AHCA to submit a budget amendment to realign funding priorities within the Medicaid program appropriation categories to address any projected surpluses and deficits and to maximize the use of state trust funds.

Section 7 authorizes AHCA to submit a budget amendment to realign funding within the Medicaid program appropriation categories to address projected surpluses and deficits within the program for the 2023-2024 fiscal year, and prohibits AHCA from realigning funds to provide Medicaid reimbursements at rates above the amounts adopted at the January 8, 2024, Social Services Estimating Conference.

Section 8 authorizes AHCA and DOH to each submit a budget amendment to realign funding within the Florida KidCare program appropriation categories, or to increase budget authority in the Children’s Medical Services Network category, to address projected surpluses and deficits within the program or to maximize the use of state trust funds.

Section 9 amends s. 381.986, F.S., to provide that DOH is not required to prepare a statement of estimated regulatory costs when promulgating rules relating to medical marijuana testing laboratories,

and any such rules adopted prior to July 1, 2025, are exempt from the legislative ratification provision of s. 120.541(3), F.S.

Sections 10 & 11 provide limited emergency rulemaking authority to the DOH and applicable boards to adopt emergency rules to implement the Medical Use of Marijuana Act (2017). The department and applicable boards are not required to prepare a statement of estimated regulatory costs when promulgating rules to replace emergency rules, and any such rules are exempt from the legislative ratification provision of ss. 120.54(3)(b) and 120.541, F.S., until July 1, 2025.

Section 12 authorizes AHCA to submit budget amendments to implement the federally approved Directed Payment Program for hospitals statewide, the Indirect Medical Education Program, and a nursing workforce expansion and education program for certain institutions participating in a graduate medical education or nursing education program.

Section 13 authorizes AHCA to submit budget amendments to implement the federally approved Directed Payment Program and fee-for-service supplemental payments for cancer hospitals that meet certain federal criteria.

Section 14 authorizes AHCA to submit a budget amendment that includes specified information to implement the Low Income Pool Program.

Section 15 authorizes AHCA to submit a budget amendment to implement fee-for-service supplemental payments and a directed payment program for physicians and subordinate licensed health care practitioners employed by or under contract with a Florida medical or dental school, or a public hospital.

Section 16 authorizes AHCA to submit a budget amendment requesting budget authority for public emergency medical transportation services.

Section 17 authorizes AHCA to submit a budget amendment requesting additional spending authority to implement the Disproportionate Share Hospital Program. The budget amendment must include a proposed distribution model by entity and a listing of entities contributing intergovernmental transfers and certified public expenditures to support the state match required.

Section 18 allows the Department of Children and Families (DCF) to submit a budget amendment to realign funding within DCF based on the implementation of the Guardianship Assistance Program, including between guardianship assistance payments, foster care Level 1 room and board payments, and relative and nonrelative caregiver payments for current caseload.

Section 19 authorizes DCF, DOH and AHCA to submit budget amendments to increase budget authority as necessary to meet caseload requirements for Refugee Programs administered by the federal Office of Refugee Resettlement. Requires DCF to submit quarterly reports on caseload and expenditures.

Section 20 authorizes DCF to submit budget amendments to increase budget authority to support the following federal grants: the Supplemental Nutrition Assistance Grant Program, Summer Electronic Benefit Transfer, American Rescue Plan Grant, State Opioid Response Grant, Substance Abuse Prevention and Treatment Block Grant, and Mental Health Block Grant.

Section 21 authorizes DOH to submit a budget amendment to increase budget authority for the Supplemental Nutrition Program for Women, Infants and Children (WIC) and the Child Care Food Program if additional federal revenues become available.

Section 22 authorizes DOH to submit a budget amendment to increase budget authority for the HIV/AIDS Prevention and Treatment Program if additional federal revenues specific to the program become available.

Section 23 authorizes DOH to submit a budget amendment to increase budget authority if additional federal revenues specific to COVID-19 relief funds become available.

Section 24 authorizes the balance of any General Revenue appropriation for the Pediatric Rare Disease Research Grant, which has not been disbursed but that is obligated to be expended by June 30 of the year appropriated, to be carried forward for up to 5 years after the effective date of the original appropriation.

Section 25 requires AHCA to replace the current Florida Medicaid Management Information System and provides requirements of the system (FX). Establishes the executive steering committee membership, including updated titles to reflect AHCA reorganization, duties and the process for steering committee meetings and decisions. Provides requirements for deliverables-based fixed prices contracts.

Section 26 requires ACHA, in consultation with DOH, the Agency for Persons with Disabilities (APD), DCF, and Department of Corrections (DOC), to competitively procure a contract with a vendor to negotiate prices for prescription drugs, including insulin and epinephrine, for all participating agencies. The contract must require the vendor be compensated on a contingency basis paid from a portion of the savings achieved through the negotiation and purchase of prescription drugs.

Section 27 authorizes APD to submit budget amendments to transfer funding from the Salaries and Benefits appropriation categories to categories used for contractual services in order to support additional staff augmentation resources needed at the Developmental Disability Centers.

Section 28 authorizes AHCA to submit a budget amendment at least three days before the effective date of the action to increase budget authority to support the implementation of Medicaid Home and Community Based Services Program of the APD.

Section 29 provides that the Florida Department of Veterans' Affairs (FDVA) may submit a budget amendment requesting authority to establish positions in excess of the number authorized by the Legislature, increase appropriations from the Operations and Maintenance Trust Fund, or provide necessary salary rate sufficient to provide for essential staff for veterans' nursing homes, if FDVA projects that additional direct care staff are needed to meet its staffing ratios.

Section 30 provides that, notwithstanding s. 409.915, F.S., the term "state Medicaid expenditures" does not include funds specially assessed by a local government entity and used as the nonfederal share for the Directed Payment Program.

Section 31 amends s. 394.9082, F.S., to authorize a managing entity to carry forward funds from the State Opioid Settlement Trust Fund and provides that such funds are exempt from the 8 percent carry forward cap.

Section 32 authorizes the Department of Elder Affairs to submit a budget amendment to increase budget authority for the U.S. Department of Agriculture's Adult Care Food Program if additional federal revenues will be expended.

Section 33 provides that executed Letters of Agreement for Fiscal Year 2023-2024 must be provided to AHCA by June 1, 2024, to support the state share of payments for the Directed Payment Program for hospitals in Statewide Medicaid Managed Care Region 5.

Section 34 authorizes the Department of Veterans' Affairs to submit a budget amendment, subject to federal approval, requesting additional spending authority to support the development and construction of a new State Veterans Nursing Home and Adult Day Health Care Center in Collier County.

Sections 35 & 36 amend s. 409.912(6), F.S., to allow the fiscal agent contract for the Florida Health Care Connection (FX) to be extended through December 31, 2027.

Section 37 amends s. 216.262, F.S. to allow the Executive Office of the Governor (EOG) to request additional positions and appropriations from unallocated general revenue during the fiscal year for DOC if the actual inmate population of the DOC exceeds certain Criminal Justice Estimating Conference forecasts. The additional positions and appropriations may be used 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, and are subject to LBC review and approval.

Section 38 amends s. 215.18, F.S. to provide the Chief Justice of the Supreme Court the authority to request a trust fund loan.

Section 39 requires the Department of Juvenile Justice (DJJ) to review county juvenile detention payments to ensure that counties are fulfilling their financial responsibilities. If the department determines that a county has not met its obligations, Department of Revenue must deduct the amount owed to DJJ from shared revenue funds provided to the county under s. 218.23, F.S.

Sections 40 & 41 reenact s. 27.40(1), (2)(a), (3)(a), and (5)-(7), F.S., to continue to require written certification of conflict by the public defender or regional conflict counsel before a court may appoint private conflict counsel.

Sections 42 & 43 reenact and amend s. 27.5304, F.S. to increase caps for compensation of court appointed counsel in criminal cases.

Section 44 amends s. 934.50(7), F.S., relating to the drone replacement program within the Florida Department of Law Enforcement (FDLE).

Section 45 requires DMS and agencies to utilize a tenant broker to renegotiate private lease agreements for office or storage space, in excess of 2,000 square feet, expiring between July 1, 2025 and June 30, 2027.

Section 46 provides that, notwithstanding s. 216.292(2)(a), F.S., agencies may not transfer funds from a data center appropriation category to a category other than a data center appropriation category.

Section 47 authorizes the Executive Office of the Governor to transfer funds in the appropriation category "Special Categories-Risk Management Insurance" between departments in order to align the budget authority granted with the premiums paid by each department for risk management insurance.

Section 48 authorizes the Executive Office of the Governor to transfer funds in the appropriation category "Special Categories-Transfer to Department of Management Services-Human Resources Services Purchased Per Statewide Contract" of the GAA between departments in order to align the budget authority granted with the assessments that must be paid by each agency to DMS for human resources management services.

Section 49 authorizes DMS to use 5 percent of facility disposition funds from the Architects Incidental Trust Fund after selling a state office building to offset relocation expenses associated with the disposition of state office buildings.

Section 50 notwithstanding s. 253.025(4), F.S., to authorize DMS to acquire additional state-owned office buildings or property for inclusion in the Florida Facilities Pool.

Section 51 provides for the scope of the Florida Accounting Information Resource subsystem (FLAIR) replacement project and specifies governance structure.

Sections 52 & 53 reenact and amend s. 282.709, F.S., to carry forward the DMS's authority to execute a 15-year contract with the SLERs operator.

Section 54 authorizes state agencies and other eligible users to use the DMS SLERS contract to purchase equipment and services.

Section 55 reduces the transaction fee collected for use of the MyFloridaMarketPlace (MFMP) online procurement system from 1% to 0.7%.

Sections 56 & 57 amend s. 24.105(9)(i), F.S., to provide that lottery ticket sale commissions will be 6.0 percent of the purchase price of each ticket sold or issued as a prize by a retailer.

Section 58 amends s. 627.351(6)(II), F.S., to authorize the Citizens Property Insurance Corporation to contract with the Division of Administrative Hearings to conduct proceedings to resolve disputes regarding its claims determinations.

Section 59 amends s. 110.116, F.S., to specify that, in order to maintain continuity of operations and to ensure the successful completion of the PALM System, DMS must enter into a 3-year contract extension, pursuant to s. 287.057(11), F.S., with an option to renew for an additional year, with the entity operating the People First System and specifies that People First cannot be updated until after successfully connecting payroll to PALM.

Section 60 authorizes the Executive Office of the Governor to submit a budget amendment to transfer funds appropriated in the "Northwest Regional Data Center" category between departments in order to align the budget authority granted based on the estimated costs for data processing services.

Section 61 provides that auxiliary assessments charged to state agencies related to contract management services provided to Northwest Regional Data Center shall not exceed 3 percent

Section 62 creates s. 284.50, F.S., directing the Division of Risk Management at DFS to select a provider to establish a statewide pilot program to make electroencephalogram combined transcranial magnetic stimulation (eTMS) available for veterans, first responders, and immediate family members thereof with certain medical conditions.

Section 63 amends s. 215.18, F.S. to authorize loans to land acquisition trust funds within various agencies.

Section 64 provides that, in order to implement specific appropriations from the land acquisition trust funds within in the Department of Agriculture and Consumer Services (DACCS), the Department of Environmental Protection (DEP), the Fish and Wildlife Conservation Commission (FWC), and the Department of State (DOS), DEP will transfer a proportionate share of revenues in the LATF within DEP on a monthly basis, after subtracting required debt service payments, to each agency and retain a proportionate share within the LATF within DEP. Total distributions to a land acquisition trust fund within the other agencies may not exceed the total appropriations for the fiscal year. The section further provides that DEP may advance funds from the beginning unobligated fund balance in the LATF to LATF within FWC for cash flow purposes.

Sections 65 & 66 reenact s. 376.3071(15)(g), F.S., to revise the requirements for the usage of the Inland Protection Trust Fund for ethanol or biodiesel damage.

Section 67 amends s. 259.105(3), F.S., to notwithstanding the statutory distributions of the Florida Forever Trust Fund and direct proceeds as provided in GAA.

Section 68 notwithstanding state procurement laws in ch. 287, F.S., and requires the Department of Citrus to enter into agreements for the purpose of increasing production of trees that show tolerance or resistance to citrus greening and to commercialize technologies that produce tolerance or resistance to citrus greening in trees.

Section 69 requires DEP to implement the program to provide funds to local governments for water supply infrastructure, including distribution and transmission facilities. To be eligible for the program, a water supply infrastructure project must be located within Regions I or II of the Northwest Florida Regional Water Supply Plan. If a developer is involved in the project, DEP must require match funding equal to the amount of the grant request from local, federal, or private funds. DEP must expeditiously develop an application process and may adopt rules to implement this program.

Sections 70 & 71 create the working waterfronts capital outlay grant program within DEP to provide funding to assist commercial saltwater products or commercial saltwater wholesale dealer or retailer license holders and seafood houses in maintaining their operations.

Section 72 extends and expands the Hurricane Restoration Reimbursement Grant Program.

Section 73 notwithstanding s. 823.11(4)(c), F.S., to authorize FWC to use funds appropriated for the derelict vessel removal program for grants to local governments or to remove, store, destroy, and dispose of, or to pay private contractors to remove, store, destroy, and dispose of, derelict vessels or vessels declared a public nuisance pursuant to s. 327.73(1)(aa), F.S.

Section 74 provides that a county or municipal government may not amend or adopt an ordinance that restricts or prohibits the operation of a leaf blower that is powered by an internal combustion engine or motor.

Section 75 amends s. 403.0673, F.S., to require at least \$25 million of certain funds in the Water Quality Grant Program to be dedicated for priority projects to improve water quality in the Indian River Lagoon.

Section 76 notwithstanding state procurement laws in ch. 287, F.S., and requires DACS to enter into agreements to advance technologies leading to the creation of a genetically engineered self-limiting strain of an Asian Citrus Psyllid for population suppression.

Section 77 amends s. 321.04, F.S. to provide that upon request of Governor, the Department of Highway Safety & Motor Vehicles (DHSMV) must assign one or more patrol officers to the office of the Lieutenant Governor for security services. Also allows assignment of a patrol officer to Cabinet Members if deemed appropriate by DHSMV or in response to a threat.

Section 78 amends s. 288.80125(3), F.S. relating to the Triumph Gulf Coast Trust Fund, to allow funds to be used for the Rebuild Florida Revolving Loan Fund Program to provide assistance to businesses impacted by Hurricane Michael as provided in the GAA.

Sections 79 & 80 amend s. 288.8013(3), F.S., relating to Triumph Gulf Coast, Inc., to allow certain interest earnings to be used for awards under the program or administrative costs, instead of being transferred to the Triumph Gulf Coast Trust Fund.

Section 81 amends s. 339.135(7)(h), F.S., to authorize the chair and vice chair of the Legislative Budget Commission to approve certain work program amendments under specified circumstances, pursuant to s. 216.177, F.S. Specifically, the provision authorizes the Department of Transportation (DOT) to adopt an amendment if a Commission meeting cannot be held within 30 days of submittal of the amendment that adds a new project, or a phase of a new project, in excess of \$3 million.

Section 82 creates s. 250.245, F.S., establishing the JEEP program within the Department of Military Affairs, authorizing certain current and former Guardsmen to act as recruiting assistants and receive \$1000 upon enlistment of each new member referred by them to the Florida National Guard.

Section 83 amends s. 288.0655, F.S. to authorize rural Florida Panhandle counties to participate in the Rural Infrastructure Fund grant program as authorized in the GAA.

Section 84 authorizes the Division of Emergency Management to submit budget amendments to increase budget authority for projected expenditures due to federal reimbursements from federally declared disasters.

Section 85 exempts the Division of Emergency Management from s. 282.201, F.S., relating to the use of the state data center.

Section 86 notwithstanding s. 320.08053, F.S., to require DHSMV to extend the presale period by an additional 12 months for the Florida State Beekeepers Association specialty license plate.

Section 87 amends s. 112.061, F.S. to allow a Lieutenant Governor who permanently resides outside Leon County to have an appropriate facility as an official headquarters. The Lieutenant Governor will be eligible for subsistence allowance for days spent at the State Capitol and transportation expenses between the Capitol and their official headquarters.

Section 88 requires DMS to collect an administrative health insurance assessment from each state agency equal to the employer's cost of individual employee health care coverage for each vacant position within such agency eligible for coverage through the Division of State Group Insurance.

Section 89 notwithstanding s. 11.13, F.S., to maintain salaries of legislators at the same level as July 1, 2010.

Sections 90 & 91 amend s. 215.32(2)(b), F.S., in order to implement the transfer of moneys to the General Revenue Fund from trust funds in the GAA.

Section 92 provides that funds appropriated for travel by state employees shall be limited to travel for activities that are critical to each state agency's mission. Prohibits funds from being used to travel to foreign countries, other states, conferences, staff-training or other administrative functions unless agency head approves in writing. Requires agency head to consider use of teleconferencing and electronic communication to meet needs of activity before approving travel.

Section 93 provides that, notwithstanding s. 112.061, F.S., costs for lodging associated with a meeting, conference or convention organized or sponsored in whole or in part by a state agency or the judicial branch may not exceed \$225 per day. An employee may expend his or her own funds for any lodging expenses in excess of \$225 per day. Exempts travel for conducting an audit, examination, inspection or investigation or travel activities relating to a litigation or emergency response.

Section 94 authorizes the LBC to increase amounts appropriated to state agencies for new fixed capital outlay projects.

Section 95 amends s. 216.292(2), F.S. to require transfers to comply with ch. 216, F.S., maximize the use of available and appropriate funds, and not be contrary to legislative policy and intent.

Section 96 notwithstanding ch. 287, F.S., relating to the purchase of motor vehicles from a state term contract, to allow state agencies to purchase vehicles from nonstate term contract vendors without prior approval from DMS, provided the cost of the motor vehicle is equal to or less than the cost of a similar class of vehicle found on a state term contract and provided the funds for the purchase have been specifically appropriated.

Section 97 provides that, notwithstanding s. 255.25(3)(a), F.S., the Department of Management Services, the Executive Office of the Governor, the Commissioner of Agriculture, the Chief Financial Officer, and the Attorney General are authorized to enter into a lease as a lessee not to exceed 24 months for the use of space in a privately owned building, even if such space is 5,000 square feet or more, without having to advertise or receive competitive solicitations.

Section 98 authorizes DEP to purchase interests in lands located in certain defined wildlife corridors; requires DEP, in order to reduce land management costs, to provide a lease back option to the sellers under certain circumstances.

Section 99 authorizes OPB to submit a budget amendment to the LBC pursuant to ch. 216, F.S., to realign funding, within and between agencies, in appropriation categories specifically authorized for the implementation of the state's award from the federal Coronavirus State Fiscal Recovery Fund (Public Law 117-2). Realignments must address projected surpluses and deficits in existing programs and maximize the state's utilization of federal funds, which must be fully obligated by December 31, 2024. EOG must submit a budget amendment to realign federal funds no later than December 31, 2024.

Section 100 amends s. 216.181(8)(b), F.S., to require rate at budget entity level for DOC and DHSMV.

Section 101 amends s. 339.08, F.S., to authorize DOT to expend funds from the Discretionary Sales Surtax Clearing Trust Fund as provided in the GAA.

Section 102 requires the Department of Revenue to retain interest earnings associated with funds held in the Discretionary Sales Surtax Clearing Trust Fund related to the Hillsborough County surtax for the purpose of implementing the temporary suspension of surtaxes.

Section 103 authorizes DOT, notwithstanding s. 215 of ch. 2023-239, Laws of Fla., to retain interest earned on funds appropriated to implement the Moving Florida Forward Plan.

Section 104 creates s. 11.52, F.S., to require state agencies to provide information about the status of implementation of recently enacted legislation.

Section 105 requires state agencies and the judicial branch to review all statutorily-required reports and prepare a list of the reports that the agency would recommend to modify or repeal.

Section 106 amends s. 216.013, F.S., to provide that state executive agencies and the judicial branch are not required to develop or post an annual long-range program plan for the upcoming fiscal year, except in circumstances outlined in any updated written instructions prepared by the Executive Office of the Governor in consultation with the chairs of the legislative appropriations committees.

Section 107 amends s. 216.023, F.S., to require each state agency and the judicial branch, as part of their legislative budget request, to include an inventory of all ongoing technology-related projects that have a cumulative estimated or realized cost of more than \$1 million. The inventory must include specified information.

Section 108 requires the Florida Turnpike Enterprise to establish a toll relief program.

Section 109 specifies that no section of the amendment shall take effect if the appropriations and proviso to which it relates are vetoed.

Section 110 provides that a permanent change made by another law to any of the statutes amended by this act will take precedence over the provision in this act.

Section 111 provides a severability clause.

Section 112 provides effective dates.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

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