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 Appropriations | | | | |
|--|---|----------------|-----------|--------------------------------|
| BILL: | SB 2502 | | | |
| INTRODUCER: | Appropriations Committee | | | |
| SUBJECT: | Implementing the 2025-2026 General Appropriations Act | | | |
| DATE: | April 3, 2025 | 5 REVISED: | | |
| ANALYST | | STAFF DIRECTOR | REFERENCE | ACTION |
| Urban | | Sadberry | | AP Submitted as Comm. Bill/FAV |

I. Summary:

SB 2502 provides the statutory authority necessary to implement and execute the General Appropriations Act (GAA) for Fiscal Year 2025-2026. Statutory changes are temporary and expire on July 1, 2025.

The bill provides an effective date of July 1, 2025, except as otherwise provided.

II. Present Situation:

Article III, s. 12 of the Florida Constitution provides that "[1] laws 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 changing 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. The statutory changes are effective only for one year and either expire on July 1 of the next fiscal year or the language of the amended statute reverts to the text that existed before the changes made by the bill.

III. Effect of Proposed Changes:

Section 1 provides legislative intent that the implementing and administering provisions of this act apply to the General Appropriations Act for Fiscal Year 2025-2026.

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 by reference, in order to implement Specific Appropriation 81 of the 2025-2026 General Appropriations Act, the school readiness provider rates for Fiscal Year 2025-

¹ Brown v. Firestone, 382 So.2d 654 (Fla. 1980); Chiles v. Milligan, 659 So.2d 1055 (Fla. 1995).

2026 included in the document titled "School Readiness Program Reimbursement Rates Fiscal Year 2025-2026" dated March 28, 2025, and filed with the Clerk of the House of Representatives, and is consistent with the requirements of state law in making appropriations for the school readiness program allocation. This section expires July 1, 2026.

Section 4 authorizes the Agency for Health Care Administration (AHCA) to submit a budget amendment to realign funding between the AHCA and the Department of Health (DOH) for the Children's Medical Services (CMS) Network 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 5 authorizes the AHCA to submit a budget amendment to realign funding priorities within the Medicaid program appropriation categories to address any projected surpluses and deficits.

Section 6 authorizes the 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 2025-2026 fiscal year. The realignment shall not provide funds to increase managed care rates beyond amounts adopted at the February 27, 2025, Social Services Estimating Conference

Section 7 authorizes the AHCA to submit a budget amendment to realign funding within the Florida KidCare program appropriation categories, or to increase budget authority in the CMS Network category, to address projected surpluses and deficits within the program or to maximize the use of state trust funds. A single budget amendment must be submitted by the agency in the last quarter of Fiscal Year 2025-2026.

Section 8 amends s. 381.986(17), F.S., to provide that the DOH is not required to prepare a statement of estimated regulatory costs when adopting 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. Medical marijuana treatment centers are authorized to use a laboratory that has not been certified by the department until rules relating to medical marijuana testing laboratories are adopted by the department, but no later than July 1, 2026.

Section 9 amends s. 14(1) of ch. 2017-232, L.O.F., to 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 s. 120.541(3), F.S., until July 1, 2026.

Section 10 provides that the amendments to s. 14(1) of ch. 2017-232, L.O.F., expire on July 1, 2026, and the text of that provision reverts back to that in existence on June 30, 2019.

Section 11 authorizes the AHCA to submit a budget amendment to implement the federally approved Directed Payment Program for hospitals statewide and the Indirect Medical Education Program and nursing workforce expansion and education program

Section 12 authorizes the AHCA to submit a budget amendment to implement the federally approved Directed Payment Program and fee-for-service supplemental payments for certain cancer hospitals.

Section 13 authorizes the AHCA to submit a budget amendment to implement the Low-Income Pool Program.

Section 14 authorizes the AHCA to submit a budget amendment to implement fee-for-service supplemental payments and manage a supplemental payment plan to support physicians and subordinate licensed health care practitioners employed by or under contract with a Florida medical or dental school, or a public hospital.

Section 15 authorizes the AHCA to submit a budget amendment to implement a certified expenditure program for emergency medical transportation services.

Section 16 authorizes the AHCA to submit a budget amendment requesting additional spending authority to implement the Disproportionate Share Hospital Program.

Section 17 amends s. 409.908, F.S., to increase the nursing home prospective payment methodology for the Medicaid Quality Incentive Program Payment Pool from 10 percent to 12 percent of the September 2016 non-property related payments of included facilities.

Section 18 provides that the amendments to s. 409.908, F.S., expire on July 1, 2026, and the text of those provisions reverts back to that in existence on June 30, 2025.

Section 19 authorizes the DCF to submit a budget amendment to realign funding between guardianship assistance payments, foster care Level 1 board payments, and relative caregiver assistance payments for current caseload.

Section 20 authorizes the DCF, the DOH, and the 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. It requires the DCF to submit quarterly reports on caseload and expenditures.

Section 21 authorizes the DCF to submit budget amendments to increase funding for the following federal grants: Supplemental Nutrition Assistance Program (SNAP), Pandemic Electronic Benefit Transfer, American Rescue Plan (ARP) Grant, State Opioid Response Grant, Substance Use Prevention and Treatment Block Grant, Mental Health Block Grant, Chafee Grant for independent living services, Education and Traditional Voucher Grant, Title IV-B Subparts 1 and 2 Grant, Elder Justice Act, STOP (Services, Training, Officers, and Prosecutors) Violence Against Women Grant, and Rapid Unsheltered Survivor Housing Grant.

Section 22 provides that funding appropriated to the Managing Entities from the Opioid Settlement Trust Fund in Fiscal Year 2025-2026 shall be exempt from the eight-percent carry forward threshold pursuant to s. 394.9082(9)(a), F.S.

Section 23 amends s. 409.9913, F.S., to require the DCF to develop and report on an alternative tiered funding methodology to allocate to lead agencies and submit a detailed report to the Governor and Legislature by December 1, 2025.

Section 24 authorizes the 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 25 authorizes the DOH to submit a budget amendment to increase budget authority for the HIV/AIDS Prevention and Treatment Program if additional federal revenues become available.

Section 26 authorizes the DOH to submit a budget amendment to increase budget authority for COVID-19 grants if additional federal revenues become available.

Section 27 requires the AHCA to replace the current Florida Medicaid Management Information System and provides requirements of the system. This section also establishes the executive steering committee (ESC) membership, duties and the process for ESC meetings and decisions. Provides requirements for deliverable-based fixed price contracts.

Section 28 requires the AHCA, in consultation with the DOH, the Agency for Persons with Disabilities (APD), the DCF, and the 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 that 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 29 authorizes the APD to submit budget amendments to transfer funding from salaries and benefits to contractual services in order to support additional staff augmentation at the Developmental Disability Centers.

Section 30 authorizes the APD to submit budget amendments to request funds from the Lump Sum Home and Community Based Waiver category necessary to address any deficits or funding shortfalls within its existing appropriation.

Section 31 authorizes the AHCA to submit budget amendments as needed, notwithstanding ss. 216.181 and 216.292, F.S., to increase budget authority to implement the home and community-based services Medicaid waiver program of the APD.

Section 32 provides that the Department of Veterans Affairs (DVA), subject to Legislative Budget Commission (LBC) approval, may request 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 the DVA projects that additional direct care staff are needed to meet its staffing ratios.

Section 33 authorizes the DVA to contract for the management and operations of the Alwyn C. Cashe State Veterans' Nursing Home.

Section 34 provides that, notwithstanding s. 409.915, F.S., the state Medicaid expenditures shall exclude the specially assessed funds for the Hospital Directed Payment Program.

Section 35 authorizes the DVA to submit a budget amendment pursuant to chapter 216 Florida Statutes, 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.

Section 36 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 in the 2025-2026 fiscal year.

Section 37 amends s. 216.262(4), F.S., to allow the Executive Office of the Governor (EOG) to request additional positions and appropriations from unallocated general revenue during Fiscal Year 2025-2026 for the 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(2), F.S., to provide the Chief Justice of the Supreme Court with 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 DJJ determines that a county has not met its obligations, the Department of Revenue (DOR) must deduct the amount owed to the DJJ from shared revenue funds provided to the county under s. 218.23, F.S.

Section 40 reenacts s. 27.40(1)(2)(a)(3)(a)(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.

Section 41 provides that the amendments to s. 27.40(1)(2)(a)(3)(a)(5)-(7), F.S., expire July 1, 2025, and the text of that section reverts to that in existence on June 30, 2019.

Section 42 amends s. 27.5304(6) and (13), F.S. to create a rebuttable presumption of correctness for objections to billings made by the Justice Administrative Commission (JAC) and provides requirements for payments to private counsel. This section reenacts s. 27.5304(1)(3)(7)(11)(12)(a)-(e), F.S., to increase caps for compensation of court appointed counsel in criminal cases.

Section 43 provides that the amendments to s. 27.5304(1), (3), (6), (7), (11), and (12)(a)-(e), F.S., expire July 1, 2026, and the text of that section reverts to that in existence on June 30, 2019.

Section 44 amends s. 934.50(7)(f), F.S., notwithstanding subsection (7), to create the drone replacement program within the Department of Law Enforcement (FDLE) and authorize the FDLE to provide any drones turned in to the Florida Center for Cybersecurity for analysis.

Section 45 requires the Department of Management Services (DMS) and agencies to utilize a tenant broker to renegotiate private lease agreements, in excess of 2,000 square feet, expiring between July 1, 2026, and June 30, 2028, and submit a report by November 1, 2025.

Section 46 provides that, notwithstanding s. 216.292(2)(a), F.S., which authorizes transfers of up to five percent of approved budget between categories, 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 (EOG) 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 EOG to transfer funds in the appropriation category "Special Categories - Transfer to DMS - 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 the DMS for human resources management services.

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

Section 50 authorizes state agencies to continue to purchase their current productivity tools and services notwithstanding ch. 287, F.S.

Section 51 defines the components of the Florida Accounting Information Resource subsystem (FLAIR) and Cash Management System (CMS) included in the Department of Financial Services Planning Accounting and Ledger Management (PALM) system. This section also provides the executive steering committee membership and the procedures for executive steering committee meetings and decisions.

Section 52 reenacts s. 282.709(3), F.S., to carry forward the DMS's authority to execute a 15-year contract with the Statewide Law Enforcement Radio System (SLERS) operator.

Section 53 provides that the amendment to s. 282.709(3), F.S., expires July 1, 2026, and the text of that section reverts to that in existence on June 1, 2021.

Section 54 authorizes state agencies and other eligible users of the SLERS network to utilize the DMS state SLERS contract for the purchase of equipment and services.

Section 55 authorizes the reduction of the MFMP transaction fee from one percent to 0.70 percent.

Section 56 amends s. 627.351(6)(ll), F.S., to authorize Citizen's Property Insurance Corp. to adopt policy forms authorizing disputes regarding claim determinations to come before the Division of Administrative Hearings (DOAH).

Section 57 amends s. 110.116, F.S., to require the DMS to continue partnering with the current People First operator and enter into a 3-year contract extension and contract with an independent software quality assurance testing provider.

Section 58 amends s. 215.5586, F.S., to revise the eligibility requirements to only include individuals who have low or moderate income and have had an inspection completed within the last 24 months.

Section 59 notwithstands s. 216.031, F.S., to prevent funds for local government fire equipment and services funded through the Fiscal Year 2024-2025 General Appropriations Act (GAA) from reverting at the end of the fiscal year.

Section 60 notwithstands s. 216.181 and 216.292, F.S., to authorize the Department of Agriculture and Consumer Services (DACS), the Fish and Wildlife Conservation Commission (FWC), and the Department of Environmental Protection (DEP) to request an increase in budget authority for land management, subject to LBC approval.

Section 61 authorizes the DACS to submit a budget amendment to increase budget authority to support the National School Lunch Program.

Section 62 amends s. 215.18(3), F.S. to authorize loans to land acquisition trust funds within several agencies

Section 63 provides that, in order to implement specific appropriations from the land acquisition trust funds within the DACS, the DEP, the FWC, and the Department of State (DOS), the DEP will transfer a proportionate share of revenues in the Land Acquisition Trust Fund within the DEP on a monthly basis, after subtracting required debt service payments, to each agency and retain a proportionate share within the Land Acquisition Trust Fund within the 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 the DEP may advance funds from the beginning unobligated fund balance in the Land Acquisition Trust Fund (LATF) to the LATF within the FWC for cash flow purposes.

Section 64 amends s. 259.105(3), F.S., to notwithstand the Florida Forever statutory distribution to authorize distributions as provided in the GAA

Section 65 extends the current requirement that the DEP adopt by rule statewide cleanup target levels for PFAS in drinking water, groundwater, and soil if the U.S. Environmental Protection Agency (EPA) has not finalized standards by January 1, 2026.

Section 66 provides that the amendment to s. 376.91(2), F.S., expires July 1, 2026, and the text of that section reverts to that in existence on June 30, 2025.

Section 67 amends s. 376.3071(15)(g), F.S., to revise the requirements for the usage of the trust fund for ethanol or biodiesel damage.

Section 68 provides that the amendment to s. 376.3071(15)(g), F.S., expires July 1, 2026, and the text of that section reverts to that in existence on July 1, 2020.

Section 69 provides that, notwithstanding ch. 287, F.S., the Department of Citrus is authorized to enter into agreements to expedite the increased production of citrus trees that show tolerance or resistance to citrus greening.

Section 70 amends s. 380.5105, F.S., to clarify that grants may be awarded for capital expenditure projects to support the commercial and marine aquaculture industries.

Section 71 provides that the amendment to s. 380.5105, F.S., expires July 1, 2026, and the text of that section reverts to that in existence on June 30, 2024.

Section 72 authorizes the FWC to use funds appropriated for derelict vessel removal for grants to local governments to remove themselves or pay private contractors to, remove, store, destroy, and dispose of derelict vessels or vessels declared a public nuisance.

Section 73 notwithstands s. 403.0673, F.S., to authorize funds appropriated for the water quality improvement grant program to be used for projects as provided in the GAA.

Section 74 amends s. 288.80125(3), F.S., 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.

Section 75 amends s. 339.135(7)(h), F.S., to authorize the chair and vice chair of the LBC to approve, pursuant to s. 216.177, F.S., a Department of Transportation (DOT) work program amendment that adds a new project, or a phase of a new project, in excess of \$3 million, if the LBC does not meet or consider, within 30 days of submittal, the amendment by the DOT.

Section 76 amends s. 339.08(4) F.S., to authorize funds appropriated to the State Transportation Trust Fund from the General Revenue Fund to be used as provided in the GAA.

Section 77 creates s. 250.245, F.S., to establish the Florida National Guard Joint Enlistment Enhancement Program (JEEP) within the Department of Military Affairs to provide bonuses to certain guardsmen in an effort to bolster recruitment efforts and increase the force structure of the Florida National Guard.

Section 78 amends s. 288.0655(6), F.S., creating a grant program for the planning, preparing, and financing of infrastructure projects in 6 inland panhandle counties.

Section 79 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 80 requires the DMS to assess an administrative health assessment to each state agency equal to the employer's cost of individual employee health care coverage for each vacant position.

Section 81 provides that notwithstanding s. 11.13, F.S., salaries of legislators must be maintained at the same level as July 1, 2010.

Section 82 reenacts 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 General Appropriations Act.

Section 83 provides that the amendment to s. 215.32(2)(b), F.S., expires July 1, 2026, and the text of that section reverts to that in existence on June 30, 2011.

Section 84 provides that funds appropriated for travel by state employees be limited to travel for activities that are critical to each state agency's mission. The section prohibits funds from being used to travel to foreign countries, other states, conferences, staff training, or other administrative functions unless the agency head approves in writing. The agency head is required to consider the use of teleconferencing and electronic communication to meet the needs of the activity before approving travel.

Section 85 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.

Section 86 authorizes the LBC to approve budget amendments for new fixed capital outlay projects or increase the amounts appropriated to state agencies for fixed capital outlay projects.

Section 87 requires reviews for transfers comply with ch. 216, maximize the use of available and appropriate funds, and not be contrary to legislative policy and intent.

Section 88 provides that, notwithstanding ch. 287, F.S., state agencies are authorized to purchase vehicles from non-State Term Contract vendors provided certain conditions are met.

Section 89 requires the annual salary rate for all state agencies to be controlled at the budget entity level.

Section 90 specifies that no section shall take effect if the appropriations and proviso to which it relates are vetoed.

Section 91 provides that, if any other act passed during the 2025 Regular Session contains a provision that is substantively the same as a provision in this act, but removes or otherwise is not

subject to the future repeal applied by this act, the intent is for the other provision to take precedence and continue to operate.

Section 92 provides for severability.

Section 93 provides for a general effective date of July 1, 2025 (except as otherwise provided).

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:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Because SB 2502 implements provisions of SB 2500, the Senate GAA for Fiscal Year 2025-2026, no direct fiscal impacts are created by this bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 27.5304, 215.18, 216.181, 216.262, 216.292, 250.245, 288.0655, 288.80125, 294.34, 296.34, 339.08, 339.135, 380.5105, 381.986, 394.9082, 403.0673, 409.908, 409.915, 409.9913, and 934.50.

This bill reenacts the following sections of the Florida Statutes: 27.40, 27.5304, 215.32, 282.709, and 376.3071.

The bill creates undesignated sections of Florida law.

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.