

Legislative Link

A legislative update provided by the United Way of Florida, Inc.

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*America's war with Iraq began this week.
Our prayers are with our soldiers and innocents in harm's way.
May it end quickly, and bring peace to the region.*

LET THE GAMES BEGIN!

For months, our economic malaise, its impact on the 2003-2004 state budget, and the deep divide between the Senate and House regarding how to address the tightest fiscal year in Florida's history, have been the topic of debate and speculation. Further complicating the budget picture, last week forecasters projected that we'll have \$300+ million less to work with next year, and this week the reality of war began to darken the fiscal picture even more (see *Tourism Could Take Huge War Hit*, below). The bad situation just got worse.

This week, in what portends a deeply divisive battle, the Senate and House played their opening hands in what promises to be the biggest game of poker this state has ever seen.

Senate's Opening Hand – Senators, like most in the human service arena, are appalled at the prospect of budget cuts that will result from an unwillingness to generate additional revenue. To highlight their point, the Human Service Appropriations Subcommittee passed its proposed 2003 –2004 human services budget bereft of a myriad of services that will make service providers and recipients, and those who will be left holding the bag if the state fails to fund them (i.e. local governments, hospitals, etc.) howling. The plan apparently is to put on the table a budget so bad that the public outcry will be so loud that the new-revenue-recalcitrant House will have to yield and accept some mechanism for raising new money.

House's Opening Hand - The House has taken exactly the opposite tact. In a presentation reminiscent of the high rolling mid '90s, the House declared it will live within the state's fiscal means by proudly – and loudly – proclaiming it is funding all major human service issues. Conveniently omitted from the presentation were a multitude of services that will be dramatically cut or eliminated in order to fund the high profile issues of the day. The plan appears to be to deflect attention away from these other issues by focusing attention solely the high profile issues.

Two interesting and diametrically opposed opening hands. In almost 20 years, this observer has never seen a gulf so wide between the two chambers. It doesn't bode well for regular session resolution.

One thing is clear, though. Legislators should not be left in a vacuum to find their way through this quagmire. They need to hear from you TODAY, and every day for the next few weeks. Please contact them to let them know how you feel . . . and ask business people, friends and others to do the same. It has never been this important.



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COMMISSION'S FOCUS TO SHIFT FROM FATHERHOOD TO MARRIAGE AND FAMILY SUPPORT

A proposal to repeal the Commission on Responsible Fatherhood and create a Commission on Marriage and Family Support Initiatives has returned this session. Last year, this legislation passed the House 114-1 and several Senate committees but did not reach the Senate floor. The bill provides legislative intent to build on the accomplishments of the Commission on Responsible Fatherhood; to increase public awareness of the problems of families, including failing marriages, violence, poverty, substance abuse, and lack of access to community systems, help, and other supports families need; and to continue to develop sound public policy related to parenting, marriage, and the effects of poverty, violence, and abuse on children and their families through the work of the Commission on Marriage and Family Support Initiatives.

The bill outlines the composition of the 18-member commission and its responsibilities. The new Commission would maintain the current connection

with the Ounce of Prevention Fund, and continue any community-based programs established by the Commission on Responsible Fatherhood. SB 480, sponsored by Representative Lynn, was approved this week by its second committee. The House companion bill, HB 1515 by Representative Reagan, has not yet been scheduled for a committee hearing.

The Commission on Responsible Fatherhood will meet next Friday, March 28, 2003 at the Holiday Inn Select in Tallahassee to discuss SB 480. Senator Lynn will be present to answer questions. Public testimony is strongly encouraged, as the Commission will adopt an official position on the bill at this meeting.

For more information, contact Matthew D. Munyon, Executive Director, Florida's Commission on Responsible Fatherhood at (850) 488-4952 ext. 133, mmunyon@ounce.org, or visit their website: www.floridafathers.org.

"All wars are popular for the first thirty days." – Attributed to Arthur Schlesinger, Jr. (1917-)

CINS/FINS FUNDING AT RISK

Over the past two years, CINS/FINS funding has been cut by 25 percent. The Children in Need of Services/Families in Need of Services (CINS/FINS) Program serves homeless, runaway and troubled youth ages 10 and older and their families. They are open 24 hours a day, every day of the year, and provide exceptional services to children and families, and to the courts and law enforcement agencies that have nowhere else to turn when dealing with troubled youth.

The Governor's proposed 2003-04 budget transfers CINS/FINS to the Department of Children and Families and reduces its funding by \$12 million – a 56 percent reduction. Additionally, the Florida Network of Youth and Family Services, which administers the CINS/FINS Program through an array of service providers, would have its general revenue funding reduced from \$27.3 million to \$1.6 million (a 94 percent decrease), \$10.4 million of which would be replaced by TANF funds, even though there has been no written or official analysis determining the extent to which children served through CINS/FINS are eligible for those program dollars.

The public outcry against reductions in funding for juvenile justice prevention programs has been loud, and appears to be having an effect. Certainly, in the Senate, all avenues of solution are being considered, while in the House concerns are opening many eyes to the need to expand their search for solutions. Juvenile Justice Prevention Programs, of which CINS/FINS, is a part, may not experience the depth of cuts proposed by the Governor, particularly in light of Florida Tax Watch's conclusions regarding the program last year – that CINS/FINS services save taxpayers a minimum of \$10-\$15 million each year in delinquency costs, over-and-above the cost of the program.

LEGISLATION CREATES CERTIFIED GERIATRIC SPECIALTY

Senate Bill 698, by Senator Saunders, creates the Certified Geriatric Specialist Preparation Pilot Program for the delivery of geriatric nursing education to Certified Nursing Assistants who wish to become certified geriatric specialists. The bill would authorize creation of two pilot sites in nursing homes selected by the Agency for Workforce Innovation (AWI), which would receive \$157, 017 to support the pilots. The bill also creates the Certified Geriatric Specialty Nursing Initiative Steering Committee to guide implementation of the pilot program. The composition and duties of the steering committee is provided in the bill. AWI is required to conduct or contract for an evaluation of the pilot program, which is to be submitted to the Governor and Legislature by January 1, 2006. Additionally, status reports and recommendations are required on January 1 of 2004, 2005, and 2006.

SB 698 was approved this week by the Senate Appropriations Committee, its final stop before the floor. There is no House companion bill.

BUSH SNUBS BULLET TRAIN

In 2000, Florida voters passed a constitutional amendment requiring creation of a bullet train. Projected cost: more than \$20 billion. As Florida has progressed into the economic doldrums most constituency groups - particularly human service groups who would likely feel they the brunt of the pain - have recognized that the bullet train would divert significant resources away from already under funded state programs. The first 90-mile leg, between Tampa and Orlando, is projected to cost \$2.7 billion, alone.

In his proposed 2003-2004 budget, Governor Bush stands firm in his recognition of this reality. He includes no money in his proposed 2003-2004 budget for the bullet train, and has stated that private companies bidding on the high speed rail will have to bid enough to buy and run the trains, in addition to assuming liability for operational losses if ridership doesn't pay the freight.

- As quoted in the December 10, 2002, THE TAMPA TRIBUNE regarding the potential for tax increases: "How can we go into this big tax debate and not even bring up a personal income tax?" said Jon Shebal, President of one of the state's most powerful lobbying firms, Associated Industries of Florida. "After we sit down for a few years and talk about it, can (businesses) be convinced that's the way to go? Yeah."

BUDGET – WHERE DO WE GO FROM HERE?

SENATE BUDGET TIMELINE:

- March 27 - Senate Appropriations Committee will hear sub-committee proposed budgets
- Week of March 31 - Final vote on Senate Appropriations Bill

HOUSE BUDGET TIMELINE:

- March 24 - House Appropriations Committee will publish the proposed budgets of the sub-committees
- March 28 - House Appropriations Committee will meet and consider budget bill and amendments
- March 31 - House Appropriations Bill and implementing bills, as amended, will be published
- April 3 - Floor amendments will be available
- April 4 - Appropriations bill will be read for second time on floor, which means it will be discussed, debated, and amended
- April 8 - Final vote on House Appropriations Bill

REVENUE OPTIONS



Sources of revenue being investigated by the Senate to stave off possible budget shortfalls and how much each would raise next year.

Sales tax	
0.25-percent to 1-percent increase	\$750 million to \$3 billion
Video lottery at pari-mutuel facilities	\$600 million to \$2 billion
Statewide impact fee on real estate transfers	
New impact fee of 0.1 percent to 1 percent	\$200 million to \$2 billion
Corporate income tax	
Increase rate, expand eligible taxpayers	\$180 million to \$1 billion
Cigarette tax	
10-cent to \$1 – per pack increase	\$115 million to \$1 billion
Property tax	
1-mill increase in local tax required	\$900 million
Intangibles tax	
Repeal exemptions stated for Jan. 1	\$135 million

Source: Senate Finance and Tax Committee

FLORIDA'S TAX STRUCTURE UNDER REVIEW?

As the budget picture worsens – last week the projected general revenues available to spend next year was reduced by over \$300 million – and as legislators began to focus more attention on the budget, there appears to be mounting pressure to look at revenue generating options. While Senate President Jim King has stated from the beginning he is reluctant but willing to look at these options if necessary, Governor Bush has been even more reluctant, and Speaker Johnny Byrd has firmly drawn a line in the sand stating that the House will not consider removing sales tax exemptions or increasing taxes.

As legislators become more attuned to the true fiscal crisis facing Florida, more and more legislators are voicing concerns about the ability to fund the state's basic needs within the current funding structure.

Adding fuel to the fire, earlier this week Florida TaxWatch recommended the Legislature review tax exemptions that do not stimulate the economy or shelter the basics of life. TaxWatch concluded there are more than 100 sales exemptions worth nearly \$1.3 billion that might not be warranted.

Stressing it is not requesting a tax increase and that lawmakers should first take steps to cut costs, TaxWatch concluded that the vast majority of the 300+ sales tax exemptions in Florida are justified, but many are not. Some that may not be justified are the sales tax exemptions for entertainment services (\$219 million); dry cleaning and laundry services (\$78 million); beauty and barbershop services (\$65 million); cleaning and pest control services (\$56 million); and bottled water (\$9 million).

There are more products and services exempt from Florida's sales tax than are taxed. The sales tax currently generates about \$17 billion a year, while about \$23 billion in goods and services are exempted or excluded.

“Blood alone moves the wheels of history.”

Attributed to Benito Mussolini (1883-2945)

SCHOOL READINESS STUDY

While a number of bills have been filed to address Universal Pre-Kindergarten implementation issues in school readiness, it is questionable whether any of them will pass. Senate President Jim King and House Speaker Johnny Byrd have requested that the Office of Program Policy Analysis and Government Accountability (OPPAGA) – the Legislature’s research arm – and the Auditor General’s Office conduct financial and operational audits of the school readiness program “intended to examine the existing school readiness administrative framework and delivery system to determine what enhancements or revisions may be necessary to facilitate the implementation of Constitutional Amendment #8, the Voluntary Universal Pre-Kindergarten Program.”

At this week’s Partnership for School Readiness Meeting, representatives from OPPAGA and the Auditor General’s office provided insights into the focus of their studies.

While the Auditor General will examine financial issues impacting the program, primarily how the money is spent, OPPAGA will be focused on three issues: 1) re-examining the current structure, particularly as it relates to improvements made since the last OPPAGA study, and identifying ways by which the system could be more efficient and effective, as identified by school readiness constituencies; 2) how to fund the UPK Amendment; and 3) looking at a funding formula for school readiness programs. Reports will hopefully be released at the end of this year, or the beginning of 2004.

The fate of pending school readiness bills may be finally determined next week, when SB 1334 by Senator Garcia (Senate Commerce Committee) and HB 193 by Representative Barreiro (Education Subcommittee on Pre-K – 12) are heard considered.

Tourism Could Take Huge War Hit – Visit Florida, the state’s tourism promotion agency has projected that Florida’s tourism industry could lose up to \$3.9 billion in business receipts, 55,000 jobs, and more than \$234 million in sales tax revenues during the first 90 days of war, particularly if gas prices increase and a terrorist strike occurs on US soil. Last year, a record 75.5 million people visited the state.

LEADERSHIP POSITION ON NEW REVENUES

Over the years, many legislators and advocates have regularly called upon the Legislature to review Florida’s antiquated tax system. Their voices have gone largely unheard, except for the efforts put forth by Senate President John McKay over the last two years, which went for naught. However, the fiscal crisis facing the 2003 Legislature is causing some who have opposed any of the above to reconsider their positions, if only to explore the possibilities for dealing with the budget crisis. Senate President Jim King has expressed his willingness to at least explore all of the options, and Governor Bush has reluctantly expressed his willingness to look at some new revenue options. House Speaker Johnnie Byrd, however, has maintained his steadfast opposition to reducing or eliminating tax breaks that are being phased in, or increasing new or existing taxes.

PRIORITY FOR COMMUNITY CARE MAY BE BASED ON ABILITY TO PAY

SB 642 by Senator Fasano specifies factors that must be considered in prioritizing individuals who are to receive services under the Community Care for the Elderly Program, including the frailty of the individual and the likelihood of nursing home placement. Another factor that may be considered is the potential recipient’s ability to pay. The bill states that those who are less able to pay may receive higher priority than those who are better able to pay.

SB 642 has been approved by its first two committees and now heads to Health and Human Services Appropriations Subcommittee. The House companion bill, HB 1711 by Representative Fiorentino, has not yet been referred to committee.

CHILD SAFETY GETS A FRONT SEAT

Under current law, it is a non-criminal traffic infraction to leave a child six years old or younger unattended or unsupervised in a motor vehicle for more than 15 minutes or for any amount of time if the motor is running or the child is in danger. In 2001, 607 citations were issued under this law. However, law enforcement officers will not have to count minutes when they see children alone in a car under legislation filed by Senator Mandy Dawson, which raises the age from 6 to 8 years and removes the time provision. Further, the person who can be considered responsible for the child, and held responsible, would be anyone over 12 years old. The bill - SB 1224 - was approved by the Senate Children and Families Committee this week. There is no House companion bill.

A survey released in May of 2002 by the National SAFE KIDS Campaign and General Motors found that nine percent of parents believe it is okay to leave young children unattended in a vehicle, a number that doubled among parents aged 18-24. However, the number of adults polled who said it is never acceptable to leave a child unattended in a vehicle increased significantly, from 75 percent in an identical survey in 1999, to 87 percent.

"It is well that war is so terrible; else we would grow too fond of it." Robert E. Lee (1807-1870)

POLITICAL CONTROL: REAPPORTIONMENT THE KEY

You've got to give the GOP credit!

At the beginning of every decade, the Legislature reapportions the state to establish new voting districts for legislators and congressmen. At least that's what the textbooks say. In reality, the party in power does everything it can to ensure that its members are swept to power in the next – and succeeding – elections.

However, the party in power sometimes fails to accomplish its task. Unfortunately for Democrats, the Republican reapportionment strategy of 1990 succeeded, even though Democrats were firmly in control of the House, Senate, and Governor's mansion. That year, Republicans formed an alliance with the Black Caucus assuring the Caucus an increased number of seats. Partially as a result, Republicans were able to craft newly configured districts ensuring they would control the critically important I-4 corridor. By the mid-90's, the I-4 corridor had delivered, providing the key swing votes to get Republicans elected – and wrest control of the Executive Branch and Legislative Branch from the Democrats.

Republican reapportionment strategy of 2002 also appears – at least in the short term – to have succeeded. The 2002 mid-term elections provided Republicans with strong successes, and they remain firmly in power.

"We few, we happy few, we band of brother;
For he to-day that sheds his blood with me
Shall be my brother."
William Shakespeare (1564-1616)

REV MAX STALLS

The first committee stop for the House Local Revenue Maximization bill (HB 475) became a longer stop than anticipated this week. The House Future of Florida's Families Committee ran out of its one-hour time-allotted committee meeting before being able to hear the bill. Consequently, it will be on next week's agenda. While advocates were disappointed, they agreed it did not indicate a lack of support for the legislation. However, it had been hoped that the bill would be heard before the 4th week of session. The bill sponsor, Representative Sandy Murman, has agreed to replace the language in the bill with the Senate language, which was amended last week to address most of the concerns in the bill.

BEFORE & AFTER SCHOOL CARE IS WORTH IT!

A study released by the Wallace-Reader's Digest Fund reports that working parents and teachers consider after-school programs an essential support for children. Big surprise. The report concludes that children in school-based after-school programs offering a diverse set of activities provide children both academic and social benefits. The report was based on an evaluation of after-school programs that have been supported by the Wallace-Reader's Digest Funds over the past decade. These programs, or Extended Service Schools (ESS), are school-based programs providing a mix of academic, cultural, and recreational activities for young people during non-school hours, including before and after school, on weekends, and over the summer months. The study involved four national models of after-school programs in 17 communities across the country: Beacons, Bridges to Success, Community Schools, and WEPIC (West Philadelphia Improvement Corps). The study's findings include:

- 80 to 90 percent of ESS parents said their children obtained new skills and became more confident learners.
- 85 percent of parents said their children enjoyed school more and had improved school attendance.
- More than 70 percent of parents said the programs help their children stay out of trouble and learn to settle arguments without fighting.
- After-school participants were less likely to start drinking or skipping school.
- Three-quarters of parents said the programs helped their child get along better with family members.

"There is a many a boy here today who looks on war as all glory, but boys, it is all hell. You can bear this warning voice to generations yet to come. I look upon war with horror."

William Tecumseh Sherman (1820-1891)

UPK: BY THE NUMBERS

In November 2002, Florida voters overwhelmingly approved an amendment to the state constitution requiring implementation of a Universal Pre-kindergarten program (UPK) in Florida by 2004....

- free
- pre-kindergarten services
- provided by the state
- to all four year olds
- on a voluntary basis
- by 2004-2005 school year
- Revenue Estimating Conference projections:
 - projected number of four year old children in 2005-2006 - 217,140
 - projected participation rate - 70 percent (151,998)
 - cost per child per day - \$24.08
 - annual number of program days per child - 180 days
 - high cost (zero-based funding) - \$650 million
 - low cost (deducts 59,600 four year olds served in current school readiness programs from calculated needs) - \$425 million

"A war regarded as inevitable or even probable, and there much prepared for, has a very good chance of being fought."

George F. Kennan (1904 -)

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