

STORAGE NAME: h1343.fpr.doc

DATE: February 20, 2002

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
FISCAL POLICY AND RESOURCES
ANALYSIS**

BILL #: HB 1343

RELATING TO: Small County Technical Assistance Program

SPONSOR(S): Representative(s) Stansel

TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) AGRICULTURE & CONSUMER AFFAIRS (CCC) YEAS 7 NAYS 0
 - (2) FISCAL POLICY AND RESOURCES
 - (3) COUNCIL FOR COMPETITIVE COMMERCE
 - (4)
 - (5)
-

I. SUMMARY:

HB 1343 transfers the oversight of the Small County Technical Assistance Program (program) from the Office of the Comptroller to the Department of Agriculture and Consumer Services (department). The purpose of the program, as stated in s. 163.05(3), F.S., "...is to provide technical assistance to small counties to enable them to implement workable solutions to financial and administrative problems." The program, initiated in 1993 through a \$250,000 appropriation from the legislature, began by serving 31 counties with populations less than 50,000. Subsequently, the program has been expanded to \$500,000 and serves 32 counties with populations less than 75,000.

The bill also provides for minor changes in the criteria used by the department for establishing contract providers, as well as expanding the areas of assistance provided to include economic and community development.

This legislation has no fiscal impact to state government and has an effective date of July 1, 2002.

On February 13, 2002, the Committee on Agriculture and Consumer Affairs unanimously approved HB 1343 along with one strike-all amendment, which is traveling with the bill (See Section VI., Amendments).

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

For the past eight years, the Florida Counties Foundation, Inc., a nonprofit organization that is an adjunct of the Florida Association of Counties, has been awarded the contract to deliver technical assistance to the rural counties of Florida through the Small County Technical Assistance Services Program (program). The purpose of the program, as stated in s. 163.05(3), F.S., "...is to provide technical assistance to small counties to enable them to implement workable solutions to financial and administrative problems." The Office of the Comptroller has provided oversight since the inception of the program. The program, initiated in 1993 through a \$250,000 appropriation from the legislature, began by serving 31 counties with populations less than 50,000. Subsequently, the program has been expanded to \$500,000 and serves 32 counties with populations less than 75,000.

Based on the goals and performance outcomes established for the program through June 30, 2001, the program's accomplishments include:

- One hundred percent of the, then eligible, participating small counties have enhanced or initiated at least one alternative revenue source.
- Ninety-four percent of the participating small counties have adopted the School Siting-based comprehensive plan amendments as required by the Florida Department of Community Affairs.
- Of those counties receiving intensive program grant or loan assistance, seventy-nine percent of the grants or loans applied for with program assistance were awarded. This greatly exceeded the twenty-five percent goal.
- Twenty-four percent of the participating small counties have been able to enhance their in-house technology by obtaining additional hardware/software and training capacity.

In addition, the statutes mandate the Legislative Committee on Intergovernmental Relations (LCIR) to conduct annual reviews of the program's effectiveness and report its findings to the Governor, President of the Senate, Speaker of the House of Representatives, and the Office of the Comptroller by January 15 of each year.

C. EFFECT OF PROPOSED CHANGES:

HB 1343 transfers the oversight of the Small County Technical Assistance Program (program) from the Office of the Comptroller to the Department of Agriculture and Consumer Services (department).

In addition, the bill requires providers bidding on the program contract to be a foundation that meets the requirements for nonprofit status under s. 501(c)(3) of the Internal Revenue Code with a governing board which includes in its membership county commissioners and professional staff of the county. Providers must have substantial, documented experience working directly with and providing educational and technical assistance to county governments. The bill also expands the areas of assistance provided under the program contract to include economic and community development.

D. SECTION-BY-SECTION ANALYSIS:

Please see Section C., Effect of Proposed Changes.

III. 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:

While this bill transfers the duties of the Small County Technical Assistance Program from the Office of the Comptroller to the Department of Agriculture and Consumer Services, no provision to transfer the appropriation that funds this Program has been made.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenue in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce any state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

The Legislative Committee on Intergovernmental Relations (LCIR) is mandated by s. 163.05, F.S., to conduct annual performance reviews for the Small County Technical Assistance Program (program) and present the findings in a report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Department of Agriculture and Consumer Services (department) by January 15 of each year. In the report dated January 15, 2002, which is pending approval, the LCIR recommends the transfer from the Office of the Comptroller to the department. This recommendation is based on the premise that the department may be able to facilitate federal funding of some aspects of the program, since many rural assistance grants and aids flow through the United States Department of Agriculture. The Department of Community Affairs was also recommended as an alternative oversight agency because of its familiarity with federal agencies that may provide funding opportunities for the program.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On February 13, 2002, Representative Stansel offered a strike-all amendment to HB 1343, which was unanimously adopted. The amendment changes the term "Department of Agriculture and Consumer Services" to "Commissioner of Agriculture" throughout the document. In addition, language currently in statute relating to the request for proposals (RFPs), that was deleted in the bill, is reinstated with some minor changes. For example, the RFPs are required no more frequently than every third year, and all contracts in existence on the effective date of the bill between the Comptroller and other parties will be accepted by the Commissioner of Agriculture, with the contracts remaining in effect according to their original terms. The Legislative Committee on Intergovernmental Relations (LCIR) will no longer provide oversight on the program, and the performance reviews, previously conducted by LCIR, will now be provided by the Commissioner of Agriculture. And lastly, the effective date of the legislation is changed to June 30, 2002, to accommodate the transfer of contracts between the Comptroller and the Commissioner of Agriculture.

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VII. SIGNATURES:

COMMITTEE ON AGRICULTURE & CONSUMER AFFAIRS:

Prepared by:

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AS REVISED BY THE COMMITTEE ON FISCAL POLICY AND RESOURCES:

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