

STORAGE NAME: h0053E.frc.doc
DATE: May 1, 2002

HOUSE OF REPRESENTATIVES
FISCAL RESPONSIBILITY COUNCIL
ANALYSIS

BILL #: HB 53E (PCB FRC 02-10E)
RELATING TO: Department of Children and Family Services
SPONSOR(S): Fiscal Responsibility Council and Representative Murman
TIED BILL(S):

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

- (1) FISCAL RESPONSIBILITY COUNCIL YEAS 26 NAYS 0
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

THIS DOCUMENT IS NOT INTENDED TO BE USED FOR THE PURPOSE OF CONSTRUING STATUTES, OR TO BE CONSTRUED AS AFFECTING, DEFINING, LIMITING, CONTROLLING, SPECIFYING, CLARIFYING, OR MODIFYING ANY LEGISLATION OR STATUTE.

The bill makes the following changes to the Department of Children and Family Services (DCF) and the Department of Health (DOH) in order to implement the proposed General Appropriations Act for FY 2002-03.

- Authorizes the DCF and the DOH to advance money to contract providers that were approved for advancement by the Comptroller in fiscal year 1993-94.
- Requires substance abuse and mental health services contracts to include a provision that client demographic, services, and outcome information must be submitted to the DCF for inclusion in the department's Mental Health and Substance Abuse Data System and prohibits payment to the provider unless the information has been submitted by the specified date.
- Requires all new funds received in FY 2002-03 for substance abuse and mental health services in excess of FY 2001-02 recurring appropriations to be allocated in accordance with the General Appropriations Act and prohibits a district from receiving an allocation of recurring funds that is less than the FY 2001-02 appropriation.
- Provides that state funds determined to meet the maintenance-of-effort requirement for the Temporary Assistance for Needy Families block grant must be spent in accordance with Part A of Title IV of the Social Security Act.
- Removes the July 1, 2002 expiration date related to the community partnership matching grant program in DCF.
- Provides for the sale, subject to certain approvals, of the former W.T. Edwards Hospital complex located in Hillsborough County and the remaining Sunland complex located in Leon County that is currently under lease to the DCF. Provides that the proceeds from the sale of both properties must be deposited into the DCF Administrative Trust Fund and, subject to legislative appropriation, must be used to construct, renovate, equip, maintain, and improve DCF facilities.

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:

Approved Budgets

Section 216.181, F.S., relates to approved budgets for operations and fixed capital outlay. The General Appropriations Act (GAA) is considered the original approved operating budget. Funds provided in the GAA may be advanced if the Act specifically provides for that. The implementing bill for the FY 2001-2002 GAA allows funds appropriated to the DCF in Specific Appropriations 302-466 and the DOH in Specific Appropriations 503-637 of the 2001-2002 GAA to be advanced, unless specifically prohibited in the GAA, for those contracted services that were approved for advancement by the Comptroller in fiscal year 1993-1994, including those services contracted on a fixed-price or unit-cost basis. This paragraph expires July 1, 2002.

Substance Abuse and Mental Health Contracts

Section 394.74, F.S., authorizes the department to contract for the establishment and operation of local mental health and substance abuse services with hospitals, clinics, laboratories, institutions or other appropriate service providers. The law specifies various provisions that contracts are to include such as availability of services to individuals residing or employed within the service area, a provision for priority of services to persons with symptoms of chronic or acute substance abuse who are unable to pay, a provision to make every reasonable effort to collect appropriate reimbursement from persons able to pay for services, and a program description and line-item operating budget.

Substance Abuse and Mental Health Funding

Section 394.908, F.S., relates to funding equity and distribution of appropriation for substance abuse and mental health funding. Current law requires all new funds received in excess of the fiscal year 1998-99 level are to be allocated to G. Pierce Wood Memorial Hospital catchment area or other districts or counties identified in the 2001-2002 General Appropriations Act. The DCF is authorized to develop an alternative allocation methodology based on national prevalence data for persons with severe and persistent mental illness for use in the distribution of new funds to the G. Pierce Wood Memorial Hospital catchment area. No district is to receive an allocation of recurring funds less than its initial approved operating budget, plus any distributions of lump sum appropriations, for fiscal year 1998-1999, except for adjustments needed to implement the SunCoast Region. Similar provisions were addressed and included in the Appropriations Implementing Bill that became law in the 2001 legislative session (Chapter 2001-254, Laws of Florida). This subsection expires July 1, 2002.

Temporary Assistance for Needy Families

In 1996, the United States Congress enacted the Personal Responsibility and Work Opportunity Reconciliation Act (act). The act created block grants for Temporary Assistance for Needy Families (TANF) and replaced the former Aid to Families with Dependent Children (AFDC) Program. The TANF block grant may only be expended under a state plan approved by the United States Department of Health and Human Services. In Florida, traditional welfare programs are administered by the DCF. These programs include the cash assistance program and the federal Food Stamp Program. The DCF is designated as the state agency responsible for the administration of social service funds and for submitting the state's TANF plan to the Federal Government. Section 414.035, F.S., authorizes expenditures from the TANF block grant. Expenditures are to be made in accordance with Part A of Title IV of the Social Security Act, as amended. Proviso language requires that prior to the expenditure of funds, the secretary of Children and Family Services, or designee, is to certify that controls are in place to ensure that funds are spent in accordance with the federal law. It is the responsibility of any entity to which funds are appropriated to obtain the required certification prior to any expenditure of funds.

Community Partnership Matching Grant

The community partnership matching grant program is established in the DCF for the purpose of encouraging local participation in community-based care for child welfare. Any children's services council or other local government entity that makes a financial commitment to a community-based care lead agency is eligible for a grant upon proof that the children's services council or local government entity has provided the selected lead agency at least \$825,000 in start up funds, from any local resources otherwise available to it. The total amount of local contribution may be matched on a two- for-one basis up to a maximum amount of \$2 million per council. Awarded matching grant funds may be used for any prevention or in-home services provided by the children's services council or other local government entity that meets temporary-assistance- for- needy- families' eligibility requirements and can be reasonably expected to reduce the number of children entering the child welfare system. Funding available for the matching grant program is subject to legislative appropriation. This section expires July 1, 2002.

C. EFFECT OF PROPOSED CHANGES:

See section by section analysis

D. SECTION-BY-SECTION ANALYSIS:

Section 1. Amends s. 216.181, F.S., to authorize the DCF and the DOH to advance money to contract providers that were approved for advancement by the Comptroller in fiscal year 1993-94. Similar provisions were included in the Appropriations Implementing Bill that became law in the 2001 legislative session (Chapter 2001-254, Laws of Florida). The bill makes permanent this authority to advance funds.

Section 2. Amends s. 394.74, F.S., to require substance abuse and mental health services contracts to include a provision that client demographic, services, and outcome information be submitted to the DCF for inclusion in the department's Mental Health and Substance Abuse Data System. The department is prohibited from paying the provider unless the information has been submitted by the specified date.

Section 3. Amends s. 394.908, F.S., to require all new funds received in FY 2002-03 for substance abuse and mental health services in excess of FY 2001-2002 recurring appropriations be allocated in accordance with the GAA. No district is to receive an allocation of recurring funds that is less than of FY 2001-02.

Section 4. Amends s. 414.035, F.S., to require that state funds determined to meet the maintenance-of- effort requirement for the TANF block grant must be spent in accordance with Part A of Title IV of the Social Security Act.

Section 5. Amends s. 409.16745, F.S., to remove the July 1, 2002 expiration date related to the community partnership matching grant program operated by the DCF.

Section 6. Provides that the Division of State Lands of the Department of Environmental Protection, subject to approval of the Board of Trustees of the Internal Improvement Trust Fund, may sell the former W.T. Edwards Hospital complex located in Hillsborough County and the Sunland facility located in Leon County, currently under lease to the DCF. This section notwithstanding chapter 253, Florida Statutes, and provides that the proceeds from the sale of both properties must be deposited into the DCF Administrative Trust Fund and, subject to legislative appropriation, must be used to construct, renovate, equip, maintain, and improve the DCF facilities.

Section 7. The bill is effective July 1, 2002.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

2. Expenditures:

FY 2002-2003

Department of Children and Family Services

Community Partnership Matching Grant Program (Section 5)
Sexually Violent Predator Facility (Section 6)

\$10,000,000
\$10,370,144

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

D. FISCAL COMMENTS:

The provisions in Section 1, contract advancement, and Section 3, allocation of mental health service funding in accordance with the GAA, have been included in the GAA implementing bill for several years. This bill will eliminate the need to repeat these provisions each year in the GAA implementing bill. Likewise, the provisions in Section 4 requiring state maintenance of effort for TANF appropriations to meet the requirements of Part A of Title IV of the Social Security Act have been repeated in proviso language for several years. This bill will eliminate the need to include this provision in proviso language each year.

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

A. APPLICABILITY OF THE MANDATES PROVISION:

N/A

B. REDUCTION OF REVENUE RAISING AUTHORITY:

N/A

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

N/A

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

FISCAL RESPONSIBILITY COUNCIL:

Prepared by:

Staff Director:

Tom Weaver

David K. Coburn