

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/CS/HB 371 Florida Council on Poverty

**SPONSOR(S):** Appropriations Committee; Government Operations Subcommittee; Williams and others

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

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Government Operations Subcommittee	13 Y, 0 N, As CS	Toliver	Williamson
2) Appropriations Committee	24 Y, 0 N, As CS	Proctor	Leznoff
3) State Affairs Committee			

### SUMMARY ANALYSIS

The bill establishes the Florida Council on Poverty as an advisory council and assigns it to the Department of Economic Opportunity (DEO). The council consists of five members who must be Florida residents. Members serve without compensation, but are entitled to reimbursement for per diem and travel expenses.

The bill requires the council to hold its initial meeting no later than August 1, 2016. Thereafter, it must meet at least twice a year. Council meetings may be held via teleconference or other electronic means.

The bill requires the council to annually elect a chair and vice chair and establishes quorum requirements.

The bill requires the council to:

- Conduct a review of policies and programs that work to move people out of poverty;
- Develop strategies to address the causes of poverty in the state;
- Develop recommendations to reduce the percentage of people living in poverty in the state; and
- Study the academic outcomes for children in poverty and develop recommendations on how to improve such outcomes.

By January 15 of each year, the council must submit an annual report to the Governor and the Legislature, with the first report due in 2018. The report must contain an accounting of the council's activities as well as any recommendations the council has for legislative, administrative, or regulatory reforms for the purpose of mitigating the existence of poverty in Florida.

The bill provides that the council will be abolished on July 1, 2019.

The bill may have an insignificant negative fiscal impact on state government which can be absorbed within DEO's existing resources.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Background

The United States Census Bureau (bureau) tracks the rate of poverty throughout the population of the United States.<sup>1</sup> The bureau estimates that in 2013 there were 48.8 million Americans living in poverty, which equates to 15.8 percent of the country's population.<sup>2</sup> Florida's poverty rate of 17 percent exceeds the national average.<sup>3</sup> As of 2013, there were approximately 3.25 million persons living below the poverty line in Florida,<sup>4</sup> and of Florida's 67 counties, 47 had poverty rates exceeding the national average.<sup>5</sup>

In order to reduce the number of persons in poverty, some states have created statewide anti-poverty initiatives. The following are examples of such initiatives:

- The Legislative Commission to End Poverty in Minnesota by 2020 was created in 2006 to develop guidelines to end poverty and prepare recommendations on how to do so.<sup>6</sup>
- The Speaker of the House of Representatives for Alabama created a poverty task force in September 2007 to identify and assess conditions that create or worsen poverty throughout Alabama and to develop and propose policy initiatives to reduce or eliminate those conditions.<sup>7</sup>
- The Illinois Commission on the Elimination of Poverty was established in 2008 to address poverty in Illinois consistent with international human rights standards, with an initial goal to reduce extreme poverty in Illinois by 50 percent or more by 2015.<sup>8</sup>
- The Child Poverty Prevention Council for Louisiana was created in 2008 to pursue programs to reduce child poverty in the state by 50 percent over the following decade.<sup>9</sup>
- The Connecticut Legislature created a Child Poverty Council in 2004 to develop a 10-year plan to reduce the number of children living in poverty in Connecticut by 50 percent.<sup>10</sup>
- The Rhode Island Legislature created a legislative commission on family income and asset building in 2007 to conduct a comprehensive review of Rhode Island laws, policies, and activities that benefit those in poverty.<sup>11</sup>

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<sup>1</sup> The United States Bureau of the Census determines the poverty status of an individual or group of individual by comparing annual income to a set of dollar values called poverty thresholds that vary by family size, number of children, and the age of the householder. Poverty: 2012 and 2013, American Community Survey Briefs, U.S. Census Bureau, available at <https://www.census.gov/content/dam/Census/library/publications/2014/acs/acsbr13-01.pdf> (last visited Jan. 10, 2016).

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> The following counties have poverty rates exceeding the national average: Wakulla, Manatee, Lee, Volusia, Hillsborough, Monroe, Duval, Citrus, Escambia, Bay, Orange, Baker, Columbia, St. Lucie, Polk, Walton, Jefferson, Marion, Highlands, Osceola, Miami-Dade, Leon, Bradford, Gilchrist, Gulf, Washington, Levy, Calhoun, Union, Taylor, Glades, Suwannee, Hendry, Lafayette, Gadsden, Alachua, Okeechobee, Franklin, Jackson, Putnam, Dixie, Holmes, Liberty, Hardee, Madison, Hamilton, DeSoto. See United States Department of Agriculture, Economic Research Service, County-level Poverty Data Sets, available at <http://www.ers.usda.gov/data-products/county-level-data-sets/poverty.aspx> (last visited Jan. 24, 2016).

<sup>6</sup> Minnesota Laws 2006, ch. 282, part. 2, s. 27.

<sup>7</sup> Alabama House of Representatives, Poverty Task Force, Final Report (2008) available at <http://www.clasp.org/documents/PTF-Final-Report.pdf> (last visited Jan. 5, 2016).

<sup>8</sup> 20 ILL. COMP. STAT. 4080/10 (2008).

<sup>9</sup> LA, REV. STAT. ANN. s. 46:2801 (2008).

<sup>10</sup> CONN. GEN. STAT. s. 4-67x (2004).

<sup>11</sup> 2007 RI H 6561 (2007).

### Advisory Bodies

Section 20.052, F.S., provides that an advisory body created by specific statutory enactment as an adjunct to an executive agency must be established, evaluated, or maintained in accordance with certain requirements.

An advisory body may be created only when it is found to be necessary and beneficial to the furtherance of a public purpose,<sup>12</sup> and it must be terminated by the Legislature when it is no longer necessary and beneficial to the furtherance of the public purpose.<sup>13</sup> An advisory body may not be created unless:

- Its powers and responsibilities conform with the definitions for governmental units in s. 20.03, F.S.;
- Its members are appointed for 4-year staggered terms; and
- Its members serve without additional compensation or honorarium, but may receive per diem and reimbursement for travel expenses.<sup>14</sup>

The Governor, the head of the department, the executive director of the department, or a Cabinet officer, must appoint private citizen members of an advisory body that is adjunct to an executive agency.<sup>15</sup>

### **Effect of the Bill**

The bill establishes the Florida Council on Poverty as an advisory council as defined in s. 20.03, F.S.<sup>16</sup> It is assigned to the Department of Economic Opportunity (DEO), where it is administratively housed.

The council consists of five members who must be Florida residents. Members of the council are appointed as follows:

- The Governor appoints one member, whom must be from the Florida Association of Community Action, Inc.;
- The Chief Financial Officer appoints one member;
- The Commissioner of Agriculture appoints one member;
- The President of the Senate appoints one member; and
- The Speaker of the House of Representatives appoints one member.

Council members serve without compensation, but are entitled to reimbursement for per diem and travel expenses.

The bill requires members of the council to annually elect a chair and a vice chair.

The bill requires the initial meeting of the council to be held no later than August 1, 2016. Thereafter, it must meet at least twice each year at the call of the chair or at such times as may be prescribed by the council. Meetings may be held via teleconference or other electronic means. Three members of the council constitute a quorum, and the affirmative vote of a majority of the members of the council present is necessary to take official action.

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<sup>12</sup> Section 20.052(1), F.S.

<sup>13</sup> Section 20.052(2), F.S.

<sup>14</sup> Section 20.052(4), F.S.

<sup>15</sup> Section 20.052(5)(a), F.S.

<sup>16</sup> Section 20.03(7), F.S., defines the term “council” or “advisory council” to mean an advisory body created by specific statutory enactment and appointed to function on a continuing basis for the study of the problems arising in a specified functional or program area of state government and to provide recommendations and policy alternatives.

The bill requires the council to:

- Conduct a review of policies and programs that work to move people out of poverty;
- Develop strategies to address the causes of poverty in the state;
- Develop recommendations to reduce the percentage of people living in poverty in the state; and
- Study the academic outcomes for children in poverty and develop recommendations on how to improve such outcomes.

By January 15 of each year, the council must submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives that provides an accounting of its activities and recommendations for legislative, administrative, and regulatory reforms to facilitate efforts in mitigating the existence of poverty in Florida. The first report is due in 2018.

The bill provides for the abolishment of the Florida Council on Poverty on July 1, 2019.

**B. SECTION DIRECTORY:**

Section 1 creates an unnumbered section of law establishing the Florida Council on Poverty.

Section 2 provides an effective date of July 1, 2016.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

The bill authorizes voting members of the council to receive per diem and travel expenses in accordance with s. 112.061, F.S. DEO advised the costs to implement this bill can be absorbed within existing resources.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

None.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

#### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

On January 26, 2016, the Government Operations Subcommittee adopted a strike-all amendment. The strike-all amendment:

- Renamed the Florida Commission on Poverty as the Florida Council on Poverty.
- Clarified that the council is administratively housed within DEO.
- Revised the membership of the council by increasing the number of gubernatorial appointees from one to two, and removed the authorization for the Governor to appoint any number of nonvoting members.
- Removed the requirement that council members be confirmed by the Senate.
- Provided for staggered terms of the appointed council members.
- Required the council to have its initial meeting no later than August 15, 2016.
- Removed the application process for counties to participate in the council's work.
- Clarified the council's scope of activities.
- Removed the authority for the council to procure information, contract for goods and services, and apply for and accept certain funds.
- Required the council to submit its first report on January 15, 2018.

On February 16, 2016, the Appropriations Committee adopted a strike-all amendment to provide for the abolishment of the Florida Council on Poverty on July 1, 2019, and provides the Commissioner of Agriculture a council member appointment while adjusting the Governor's appointment from two to one council member.

The bill was reported favorably as a committee substitute. The analysis is drafted to the committee substitute.