

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 Appropriations Subcommittee on Transportation, Tourism, and Economic Development

BILL: PCS/SB 556 (628090)

INTRODUCER: Fiscal Policy Committee (Recommended by Appropriations Subcommittee on Transportation, Tourism, and Economic Development) and Senator Altman

SUBJECT: Florida Commission on Poverty

DATE: February 24, 2016 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>McKay</u>	<u>McKay</u>	<u>CM</u>	<u>Favorable</u>
2.	<u>Gusky</u>	<u>Miller</u>	<u>ATD</u>	<u>Recommend: Fav/CS</u>
3.	_____	_____	<u>FP</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

PCS/SB 556 establishes the Florida Council on Poverty (council) as an advisory council, as defined in s. 20.03, F.S., and assigns it to the Department of Economic Opportunity (DEO). The bill provides that the council will be administratively housed within the DEO.

The bill provides for the appointment of five council members who must be residents of the state. The Chief Financial Officer, the Commissioner of Agriculture, the President of the Senate, and the Speaker of the House of Representatives each appoint one member and the Governor appoints one member who must be from the Florida Association for Community Action, Inc. Council members serve without compensation, but are entitled to reimbursement for per diem and travel expenses. The council must hold its first meeting no later than August 1, 2016, and must meet at least twice a year thereafter.

The council is directed 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 this state;
- Develop recommendations to reduce the percentage of people living in poverty in this state; and
- Study the academic outcomes for children living in poverty and develop recommendations on how to improve those outcomes.

The council must submit an annual report to the Governor, President of the Senate, and the Speaker of the House of Representatives by January 15th of 2018 and of 2019. The report must contain an accounting of the council's activities, and the council's recommendations for legislative, administrative, or regulatory reforms to facilitate efforts to mitigate poverty in Florida. The bill provides for the council's termination on July 1, 2019.

The bill has an indeterminate, but expected to be minimal, negative fiscal impact to the DEO.

The bill provides an effective date of July 1, 2016.

II. Present Situation:

Poverty

The United States Census Bureau (bureau) tracks income and poverty in the United States. The bureau estimates that in 2014 there were 46.7 million Americans living in poverty, which equates to 14.8 percent of the country's population.¹ As of 2014, Florida had approximately 3.2 million persons living below the poverty line, with a poverty rate of 16.6 percent, and of Florida's 67 counties, 48 counties had poverty rates exceeding the national average.²

In order to reduce the number of persons living 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.³
- 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.⁴
- 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 2015.⁵
- 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.⁶
- 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.⁷

¹ U.S. Census Bureau, Current Population Reports, P60-252, *Income and Poverty in the United States: 2014*, p. 12, available at <http://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf> (last visited Feb. 10, 2016).

² 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 Feb. 10, 2016).

³ Minnesota Laws 2006, ch. 282, part. 2, s. 27.

⁴ 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).

⁵ 20 ILL. COMP. STAT. 4080/10 (2008).

⁶ LA, REV. STAT. ANN. s. 46:2801 (2008).

⁷ CONN. GEN. STAT. s. 4-67x (2004).

- 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.⁸

Advisory Bodies

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

Such an advisory body may be created only when it is found to be necessary and beneficial to the furtherance of a public purpose,⁹ and it must be terminated by the Legislature when it is no longer necessary and beneficial to the furtherance of the public purpose.¹⁰ 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.¹¹

The private citizen members of an *advisory body* that is adjunct to an executive agency must be appointed by the Governor, the head of the department, the executive director of the department, or a Cabinet officer. The private citizen members of a *commission or board* that is adjunct to an executive agency must be appointed by the Governor unless otherwise provided, must be confirmed by the Senate, and must be subject to the dual-office-holding prohibition of Section 5(a), Article II of the Florida Constitution.¹²

III. Effect of Proposed Changes:

The bill establishes the Florida Council on Poverty (council) and assigns it to the DEO as an advisory council, as defined in s. 20.03, F.S. The council will be administratively housed within the DEO, which will provide administrative assistance to the council.

The council consists of five members who are appointed as follows:

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

All members of the council must be Florida residents.

Members of the council serve without compensation, but are entitled to reimbursement for per diem and travel expenses. The council must annually elect a chair and a vice chair.

⁸ 2007 RI H 6561 (2007).

⁹ Section 20.052(1), F.S.

¹⁰ Section 20.052(2), F.S.

¹¹ Section 20.052(4), F.S.

¹² Section 20.052(5), F.S.

The council must hold its first meeting no later than August 1, 2016, and meet at least twice each year. The council will meet at the call of the chair or at times as determined by the council. Council meetings may be held via teleconference or other electronic means. Three members of the council constitutes a quorum, and a meeting may not be held unless a quorum is present. The affirmative vote of a majority of the council members present at the meeting is necessary to take official action.

The council is directed 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 this state;
- Develop recommendations to reduce the percentage of people living in poverty in this state; and
- Study the academic outcomes for children living in poverty and develop recommendations on how to improve those outcomes.

By January 15th of 2018 and of 2019, the bill requires the council to 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 bill provides for the council's termination on July 1, 2019.

The bill provides an effective date of July 1, 2016.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill authorizes council members to receive per diem and travel expenses in accordance with s. 112.061, F.S. The council is administratively housed within the DEO. The bill has an indeterminate, but expected to be minimal, negative fiscal impact to the DEO.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates an unnumbered section of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

Recommended CS by Appropriations Subcommittee on Transportation, Tourism, and Economic Development on February 24:

- Creates a council, as defined in s. 20.03, F.S., instead of a commission.
- Provides that the council is administratively housed in the DEO.
- Changes the membership of the council by:
 - Removing an undesignated number of non-voting members appointed by the Governor;
 - Giving the Commissioner of Agriculture an appointment to the council;
 - Directing the Governor to appoint one member from the Florida Association for Community Action, Inc.;
 - Removing the requirement that appointees be confirmed by the Senate.
- Requires the council to hold its first meeting on or before August 1, 2016;
- Removes the council's ability to procure, contract and accept funds and services;
- Directs the council to conduct specific activities; and
- Terminates the council on July 1, 2019.

B. Amendments:

None.