

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 Committee on Fiscal Policy

BILL: CS/SB 556

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

SUBJECT: Florida Commission on Poverty

DATE: February 29, 2016 **REVISED:** _____

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

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 556 establishes the Florida Council on Poverty (council) as an advisory council, administratively housed within the Department of Economic Opportunity (DEO). The council must:

- Conduct a review of policies and programs that work to move people out of poverty;
- Develop strategies to address the causes of poverty in Florida;
- Develop recommendations to reduce the percentage of people living in poverty in Florida;
- Study the academic outcomes for children in poverty and develop recommendations on how to improve such outcomes; and
- Submit an annual report to the Governor, President of the Senate, and the Speaker of the House of Representatives.

The bill provides for the appointment of five members to the council. The Governor must appoint one member 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 Representative must each appoint one member. The council must meet at least twice a year, beginning August 1, 2016, and may meet by teleconference or other electronic means.

The council is abolished on July 1, 2019.

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

II. Present Situation:

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 and prepare recommendations to end poverty.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 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
- 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

¹ U.S. Census Bureau, Current Population Reports, P60-252, *Income and Poverty in the United States: 2014* (Sept. 2015), p. 12, available at <http://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf> (last visited Feb. 23, 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. 23, 2016).

³ Minnesota Laws 2006, ch. 282, part. 2, s. 27, available at <https://www.revisor.mn.gov/laws/?year=2006&type=0&doctype=Chapter&id=282> (last visited Feb. 23, 2016).

⁴ Alabama House of Representatives, *Poverty Task Force Final Report* (2008), available at <http://www.clasp.org/documents/PTF-Final-Report.pdf> (last visited Feb. 23, 2016).

⁵ 20 ILL. COMP. STAT. 4080/10 (2008), available at <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=2994&ChapterID=5> (last visited Feb. 23, 2016).

⁶ LA. REV. STAT. ANN. s. 46:2801 (2008), available at <http://legis.la.gov/Legis/Law.aspx?d=631413> (last visited Feb. 23, 2016).

⁷ CONN. GEN. STAT. s. 4-67x (2004). See NCSL, *State Child Welfare Legislation 2004*, available at <https://www.cga.ct.gov/2011/pub/chap050.htm#Sec4-67x.htm> (last visited Feb. 23, 2016).

⁸ 2007 RI H 6561 (2007) available at <http://webserver.rilin.state.ri.us/PublicLaws/law07/res07/res07404.htm> (last visited Feb. 23, 2016).

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.;¹¹
- 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.¹²

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 Art. II, s. 5(a) of the Florida Constitution.¹³

III. Effect of Proposed Changes:

The bill establishes the Florida Council on Poverty (council) as an advisory council, administratively housed within the Department of Economic Opportunity (DEO). The council must:

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

The council consists of 5 members who must be residents of Florida. The Governor must appoint one member 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

⁹ Section 20.052(1), F.S.

¹⁰ Section 20.052(2), F.S.

¹¹ Section 20.03(7), F.S., defines “council” or “advisory council” as 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. Section 20.03(10), F.S., defines “commission” as a body created by specific statutory enactment within a department, the office of the Governor, or the Executive Office of the Governor and exercising limited quasi-legislative or quasi-judicial powers, or both, independently of the head of the department or the Governor.

¹² Section 20.052(4), F.S.

¹³ Section 20.052(5), F.S.

House of Representative must each appoint one member. Members of the council serve without compensation, but may be reimbursed for per diem and travel expenses. The council must annually elect a chair and a vice chair.

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

By January 15 each year, the council is required 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 poverty in Florida.

The council is abolished on July 1, 2019.

The bill is effective July 1, 2016.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill authorizes members of the council to receive per diem and travel expenses in accordance with s. 112.061, F.S. The council is administratively housed in 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:

The bill creates an unnumbered section of Florida law.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Fiscal Policy on February 29, 2016:

As recommend by the Appropriations Subcommittee on Transportation, Tourism, and Economic Development the committee substitute:

- 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 undesigned 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.; and
 - 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.