



2011 FAC Legislative Priorities Final Bill Report

Finance, Transportation & Administration

FAC Priority: State Revenue Cap (SJR 958)

Senator Haridopolos

Outcome: SJR 958 passed both chambers, will be placed on November 2012 ballot for consideration as a constitutional amendment

The Bill: Limits increases in state revenue collections to match inflation plus population growth. The formula more strictly limits growth in how much money the state takes in, but still gives lawmakers the flexibility to exceed the cap if circumstances dictate. **Effective Date: Not Specified.**

Impact to counties: Little to none.

Early drafts of this legislation would have had a dramatic and devastating impact on the authority of local county elected officials. But FAC's efforts to remove local governments from this bill eliminated the direct impact to our communities.

Questions? [John Wayne Smith](#), FAC Legislative Director

FAC Priority: Pension (FRS) Reform (SB 2100)

Senator Alexander

Outcome: SB 2100 passed both chambers and will go to the governor for signature.

The Bill: From the campaign trail to the Governor's Office, Rick Scott promised tax payers change was coming for the Florida Retirement System. While the House and the Senate agreed, the changes adopted were not nearly as drastic on employees as the Governor originally proposed. SB 2100 requires state and county employees to contribute 3 percent of their pre-tax salaries into the Florida Retirement System. Employees will immediately vest in the three percent employee contribution.

The bill eliminates the accrual of the Cost of Living Adjustment (COLA) for all employees for the next five years; and requires the Legislature to revisit the COLA in 2016. These changes apply to current and existing employees, not to retirees. The Deferred Option Retirement Program was retained, but the guaranteed interest rate was reduced from 6.5% to 1.3%.

Adjustments to the FRS for new employees include increased retirement age, vesting period for the pension plan, and years that determine the average final compensation. The retirement age for special risk employees increased from 55 to 60, correspondingly the years of credible service increased from 25 to 30 years. For all other classes of employees, the retirement age increased from 62 to 65 and years of credible service increased from 30 to 33 years. Vesting for the Pension Plan was also increased from six to eight years. Finally, the new legislation increases the time period that determine the “Average Final Compensation” and “Compensation” from five to eight years. **Effective date: July 1, 2011.**

Impact to Counties: Estimates indicate positive savings to counties up to \$615 million. While this bill impacts county employees, counties will benefit from the savings generated by these changes. The governor’s proposal swept county savings into the State’s General Revenue. FAC was able to protect these savings during the budget conference and ensure they are passed on to our counties.

Questions? [Sarrah Carroll](#), FAC Public Safety & Administration Advocate

Growth Management, Environmental Planning & Agriculture

FAC Priority: Growth Management (SB 1122 / HB 7129 / HB 7207)

Senator Bennett / Representative Workman / Aubuchon

Outcome: Provisions of HB 7129 with minor changes were placed in the conforming language of the budget conference report and passed as part of the legislative budget, which now goes to the governor for his signature.

The Bill: The bill dramatically changes growth management in the state of Florida, reducing the role of the state Department of Community Affairs and delegating the majority of growth management decisions to local governments. **EFFECTIVE DATE: Upon becoming a law, except as otherwise provided.**

Impact to Counties: Empowers local governments to make growth management decisions. FAC lobbied intently during the session to ensure growth management changes did not result in a negative impact to counties. While many counties are excited to have more control over proposed developments, other counties will still have the resource of DCA to turn to for professional analysis.

Questions? [Eric Poole](#), Assistant Legislative Director

Numeric Nutrient Criteria (SB 1090 / HB 239)

Senator Dean / Representative T. Williams

Outcome: Died. The bill passed the House but stalled in Senate committee.

The Bill: Provided legislative intent finding that the EPA’s Final Rule on Numeric Nutrient Criteria lacked adequate scientific support, failed to take into account the unique characteristics of the state's many thousands of rivers, streams, and lakes, and that the criteria undermined the State’s Total Maximum Daily Load (TMDL) program. The bill directed that the Department of Environmental Protection (DEP), water management districts, and all other state, regional, or local governmental entities may not implement or give any effect to the EPA's numeric nutrient criteria in any regulatory program administered by those entities where the criteria are more stringent than necessary. The bill did not restrict the ability of any governmental entity from applying for or complying with the conditions of any NPDES or other discharge permits. Finally, the bill provided that TMDLs developed by the DEP and approved by the EPA would constitute site specific numeric nutrient criteria.

The bill was subsequently amended, due in large measure to concerns raised about the possible adverse effect on pending litigation. As amended, the bill provided for the reclassification of designated uses of the state's surface waters as “human use” and “aquatic life use,” and authorized the DEP to adopt the classification system by rule, subject to ratification by the Legislature.

Impact to Counties:

Due to the significant impact that the EPA’s numeric nutrient criteria will have on counties, FAC has closely monitored this bill. In addition, FAC continues to monitor the pending (now consolidated) litigation, the actions being taken in Washington D.C. (including a budget amendment to eliminate funding for NNC implementation and the participation of the National Academy of Sciences (NAS) regarding estimated costs), and the recent DEP Petition requesting that the EPA withdraw its initial determination of necessity.

FAC will continue to follow this issue closely, and support science-based numeric criteria for Florida’s waters. Moving forward, FAC will endeavor to ensure that any new rules will be: i) based upon cause and effect relationships; ii) economically and technically feasible; iii) designed to achieve environmental benefits; iv) taking existing programs into consideration; and v) developed with meaningful stakeholder participation.

Questions? [Stephen James](#), Legislative Staff Attorney

Health & Human Services

FAC Priority: Medicaid (HB 7107 / HB 7109)
Representative Schenck

Outcome: HB 7107/HB 7109 passed both chambers and will now go to the governor for his signature.

The Bill: The bills seek to expand the current 1115 Demonstration Waiver for Medicaid reform, which must be modified in consultation with the Federal Centers for Medicare & Medicaid

Services (CMS) based on the various changes included within the bills. Medicaid is established as a statewide integrated managed care program for all covered services, including long term care. All Medicaid recipients are enrolled in managed care unless specifically exempt. The state is split into 11 regions with a limited number of providers serving each region.

The proposal also includes numerous changes to the Medicaid program including:

- Achieved Savings Rebates that place limits on the Managed Care Organization's profit margins. The Achieved Savings Rebates take the place of Medical Loss Ratios and Direct Spending Requirements;
- Allowances for recipients to opt-out of Medicaid in favor of employer-sponsored coverage or other coverage and use Medicaid subsidy to help pay premium;
- Requirements for Medicaid recipients enrolled in managed care plans to pay a \$10 per month premium; and
- Requirements for recipients to pay a \$100 co-pay for nonemergency services and care furnished in a hospital emergency room.

Additional Provisions that may be of interest to counties include:

- Neither bill increases the county share of cost for Medicaid services;
- Managed Care Organizations contracting with the state to provide services to Medicaid recipients will be required to provide nonemergency transportation services with no requirement to contract through the Commission for Transportation Disadvantaged (CTD). Managed Care Organizations may contract with CTD subcontractors or other types of transportation providers;
- To ensure plan participation in Regions 1 and 2 (the Panhandle Regions), the Agency for Health Care Administration (AHCA) will award an additional contract to each plan with a contract award in Regions 1 or 2. Such a contract would be in any other region in which the plan submitted a responsive bid and negotiates a rate acceptable to AHCA;
- Medicaid managed care will be implemented statewide by October 1, 2016;
- For Intergovernmental Transfers, the proposal stipulates that the local funding source shall designate in the contract which Medicaid providers ensure access to care for the Low Income Pool and uninsured people within the applicable jurisdiction and are eligible for Low Income Pool Funding;
- Provider Service Networks will remain fee-for-service for two years after first becoming operational; and
- Penalties for Managed Care Organizations for early withdrawal from their contract. If a plan leaves a region before the end of the contract term, the Agency will terminate all contracts with that plan in other regions of the state.

The state will be modifying its current 1115 Demonstration Waiver with the federal government and will have to get federal approval to move forward with the plan. **Effective Date: July 1, 2011.**

Impact to Counties: Unknown.

While the full impact to counties is unknown, there is no increase in the county's mandated Medicaid share of cost for inpatient hospital days or nursing home services.

Questions? [Heather Wildermuth](#), Senior Legislative Advocate

Public Safety

FAC Priority: Pretrial Release (SB 372 / SB 1398 / HB 1379)

Senator Bogdanoff / Representative Dorworth

Outcome: The legislation did not pass. An amendment was adopted that removed the pretrial language from SB 1398 before the bill was sent to the House.

The Bill: This bill appeared in many forms during the 2011 session. The original legislation limited defendants who were eligible for local pretrial programs to only indigent defendants and those who have never failed to appear at a court hearing. Both the House and Senate versions were amended to increase the indigency threshold to 300% of the poverty level and counties with populations fewer than 350,000 would have been exempt from this section of the bill. However, all counties would have been prohibited from serving defendants who have ever had a failure to appear. All county ordinances and judicial orders would have been preempted to the State.

SB 372 was placed on the agenda three times in Criminal Justice, but never received a hearing because it was assumed the bill would not pass the committee. The following week, Senator Bogdanoff amended the bill onto another judiciary bill, SB 1398, which quickly made its way to the Senate Floor. The day before session ended, the language was stripped off due to the opposition to the bill and the process by which the language was adopted onto the larger bill, SB 1398. SB 1398 passed the Senate without the pretrial language. Upon receipt in the House Representative Dorworth filed an amendment to put the language back on and the bill was never called up for a vote. HB 1379 only had two committees of reference and barely passed each one: out of Criminal Justice on a 7-6 vote, and Judiciary on a 10-8 vote.

Impact to Counties: This bill, if passed, would have created an increase in the need for jail beds – costing counties millions of dollars.

Questions? [Sarra Carroll](#), Legislative Advocate II