

2018- 2019 Florida Legislature’s Proposed State Budget

2018-2019 Proposed State Budget – General Overview

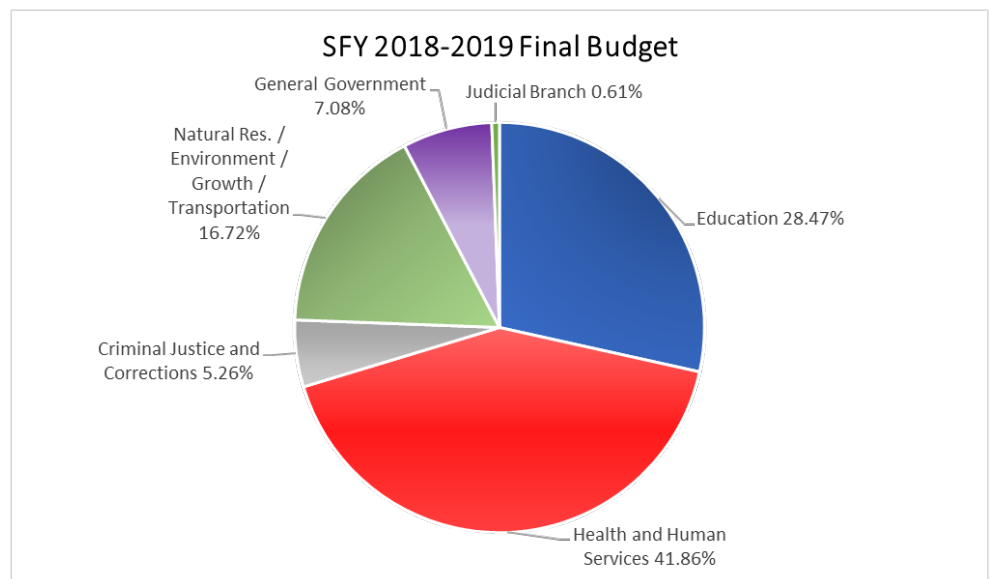
The Florida Legislature passed the General Appropriations Act (GAA) for State Fiscal Year 2018-2019 on March 11th. The “State Budget” as it is known, and associated conforming and implementing legislation, are all subject to approval by the Governor, who can veto either the entire budget, entire bills, or individual spending items. The Legislature can override the Governor’s vetoes with a two-thirds vote each in the Senate and the House of Representatives.

The Legislature’s proposed budget for State Fiscal Year 2017-2018 totals approximately \$88.73 billion, and represents a \$6.7 billion increase over the 2017-2018 State Budget. The chart below summarizes a comparison of the current year 2017-2018 State Budget and the proposed State Budget for 2018-2019 beginning July 1, 2018.

Budget Comparison by Section	Current Year*	Proposed	\$ Difference	% Difference
	2017-2018	2018-2019	2017-2018 vs. 2018-2019	2017-2018 vs. 2018-2019
Section1. Education (Education Enhancement)	\$1,984,687,536	\$2,128,846,515	\$144,158,979	7.26%
Section2. Education (All Other Funds)	\$22,241,261,684	\$23,129,651,214	\$888,389,530	3.99%
Section3. Health and Human Services	\$34,147,685,771	\$37,140,846,008	\$2,993,160,237	8.77%
Section4. Criminal Justice and Corrections	\$4,466,452,256	\$4,669,736,640	\$203,284,384	4.55%
Section5. Natural Res. / Environment / Growth / Transportation	\$14,353,466,349	\$14,838,086,425	\$484,620,076	3.38%
Section 6. General Government	\$4,306,629,277	\$6,281,093,964	\$1,974,464,687	45.85%
Section 7. Judicial Branch	\$509,064,134	\$539,273,587	\$30,209,453	5.93%
Total Budget	\$82,009,247,007	\$88,727,534,353	\$6,718,287,346	8.19%

* Includes the impact of the Governor’s line item vetoes

Once again, Health and Human Services received the largest portion of funding, totaling more than \$37 billion. This represents a 8.77% increase in appropriations from the current year. All educational programs and services combined received the second largest amount of funding, totaling more than \$25.3 billion. This represents an increase of approximately 4.26% from the current fiscal year. Finally, Natural Resources, Environmental



Issues, Growth Management and Transportation Expenditures represent the third largest portion of the SFY 2018 budget with funding more than \$14.8 billion, representing a 3.38% increase from the current fiscal year.

Proposed general revenue appropriations for 2017-2018 total nearly \$32.4 billion and trust fund appropriations total approximately \$56.3 billion. The chart below compares appropriations between 2017-2018 and the proposed 2018-2019 budget by fund type.

Budget Comparison by Section (In Millions)	Current Year*	Proposed	\$ Difference	% Difference
	2017-2018	2018-2019	2017-2018 vs. 2018-2019	2017-2018 vs. 2018-2019
General Revenue	\$30,611,103,404	\$32,383,053,587	\$1,771,950,183	5.79%
Trust Funds	\$51,398,143,603	\$56,344,480,766	\$4,946,337,163	9.62%
All Funds	\$82,009,247,007	\$88,727,534,353	\$6,718,287,346	8.19%

2018-2019 Proposed State Budget – County Funding Highlights

Health and Human Services

- \$53.5 million is appropriated in House Bill 21 to help combat the **opioid epidemic**. The funding is in the form of state and federal grants for treatment programs, and for updates to the State Prescription Drug Monitoring Program.
- \$704 million is provided to the Department of Children and Families (DCF) for **Community Substance Abuse and Mental Health Services**, an approximate \$19 million decrease from current year funding.
- \$9 million for the **Public Safety, Mental Health, and Substance Abuse Local Matching Grant Program**, which supports county programs that serve adults or youth who are in behavioral crisis and at risk of entering the criminal justice system. This is equal to the current year funding.
- \$20,250,000 to support **Community Action Treatment (CAT) teams**, which provide community-based services to children (aged 11 to 21) with mental health and/or substance abuse diagnoses. A recurring \$17.25 million of these funds are directed to support existing CAT teams in Alachua, Bay, Brevard, Collier, Columbia, DeSoto, Dixie, Duval, Escambia, Hamilton, Hardee, Highlands, Hillsborough, Lafayette, Lake, Lee, Manatee, Marion, Miami-Dade, Okaloosa, Orange, Palm Beach, Pasco, Pinellas, Polk, Sarasota, Sumter, Suwannee, and Walton Counties, as well as the Treasure Coast Region. An additional \$1.5 million in new nonrecurring funds will support two new Cat teams—one for Charlotte County and one for Leon, Gadsden and Wakulla Counties. Yet another \$1.5 million in new funds will be competitively procured by DCF for two new CAT teams for the areas of the state with the greatest need.
- \$4.1 million is appropriated in DCF for **homeless programs challenge grants**. Challenge grants are awarded to lead agencies of homeless assistance continuums of care.

Public Safety

- School Safety Appropriations in Senate Bill 7026: **Safe Schools Allocation** - additional \$97.5 million, including funds to increase the minimum level for each school district to \$250,000, to be used exclusively to hire additional **school resource officers** to make schools safer.
- The proposed State Budget estimates the counties' portion of total **Shared County/State Juvenile Detention** to be \$63,474,724. This represents an estimated increase of \$1,858,913 from the 2017-2018 current year budget and **49.99%** of the total funding for Juvenile Detention.

Environment

- **Florida Forever**: Funded at \$100.8 million, which includes \$10 million for the Florida Communities Trust (FCT) program and \$2 million for the Florida Recreation Development Assistance Program (FRDAP).

- **Conservation and Rural Land Protection Easements:** \$5.8 million provided for conservation easements on rural lands.
- **Beach Management Funding Assistance:** \$50 million is provided for grants and aids to local governments and non-state entities for beach management assistance.
- **Hurricane Beach Recovery:** \$11.2 million is provided for beach and dune repair and restoration projects in areas affected by Hurricane Irma.
- **Springs Restoration:** \$50 million from the land acquisition trust fund is provided for land acquisition to protect springs and for capital projects that protect the quality and quantity of water that flow from springs.
- **Everglades Restoration:** \$143 million, primarily from the LATF.
- **Northern Everglades Restoration:** \$31 million, also primarily from the LATF.
- **Herbert Hoover Dike:** \$50 million in general revenue, transferred by DEP to the South Florida Water Management District, to expedite repair and rehabilitation of the dike.

Transportation and Economic Development

- **Small County Outreach Program (SCOP):** \$72.8 million; of this total, \$15 million is directed to transportation projects within rural areas of opportunity (RAOs).
- The **Small County Resurface Assistance Program (SCRAP):** \$29.8 million, which is a very slight reduction from the current budget.
- **Affordable Housing Programs:** \$109.6 million in appropriations from the Housing Trust Funds, including \$44.4 million for the State Housing Initiatives Partnership (SHIP) program, and approximately \$30 million for the State Apartment Incentive Loan (SAIL) program.
- \$85 million for the **Job Growth Grant Fund**, which is equal to the current year level of funding.

General Government

- **Library funding** is appropriated at just over \$20 million, which is a decrease of more than \$8 million from the current year.
- \$28.1 million in **fiscally constrained county funding** to offset the impacts of previously approved constitutional amendments.
- \$23.3 million in **emergency distributions** revenue sharing for small counties.

2017-2018 State Budget – Implementing and Conforming Bills

Implementing and Conforming bills make certain changes to substantive law in order to implement the proposed State Budget.

Conforming Bill provisions of interest:

Conforming Bill SB 5007 **State-administered Retirement Systems** modifies employer contribution rates to the Florida Retirement System (FRS):

- Required employer contribution rates for each membership class of FRS (Defined Benefit and Defined Investment) are amended as follows:

<u>Class</u>	<u>FY 2018-19 Normal Rate</u>	<u>Current Normal Rate</u>
Regular	3.04%	2.90%
Special Risk	12.18%	11.86%
Special Risk Administrative Support	3.64%	3.83%
Elected Officers (legislators)	6.65%	6.45%
Elected Officers (judges)	12.00%	11.67%
Elected Officers (county officers)	8.50%	8.54%
Senior Management	4.45%	4.29%
DROP	4.41%	4.17%

- To address **unfunded actuarial liabilities** (UAL) of the system, the bill amends the current employer contribution rates for each membership class of FRS as follows:

<u>Class</u>	<u>FY 2017-18 UAL Rate</u>	<u>Current UAL Rate</u>
Regular	3.50%	3.30%
Special Risk	10.60%	9.69%
Special Risk Administrative Support	29.62%	29.08%
Elected Officers (legislators)	48.38%	42.69%
Elected Officers (judges)	27.05%	26.25%
Elected Officers (county officers)	38.48%	35.24%
Senior Management	17.89%	16.70%
DROP	7.96%	7.43%